

Unofficial Translation

This translation is for the convenience of those unfamiliar with Thai language
Please refer to the Thai text for the official version

Notification of the Bank of Thailand

No. SorKorSor1. 4/2564

**Re: The Setting of Contribution Rate, Criteria and Procedures for Remitting
Contribution and Surcharge to the Account for Amortization of the Principle to
Fiscalize to the Financial Institutions Development Fund's Losses (No.3)**

1. Rationale for the Notification

The Bank of Thailand (BOT) issued Notification of the Bank of Thailand No. SorKorSor. 3/2555 Re: The Setting of Contribution Rate, Criteria and Procedures for Remitting Contribution and Surcharge to the Account for Amortization of the Principle to Fiscalize to the Financial Institutions Development Fund (FIDF)'s Losses, dated 2 May 2012, which required financial institutions to remit contribution to the Account for Amortization of the Principle to Fiscalize to the FIDF's Losses twice a year at a rate of 0.46 percent per annum. In 2020, however, due to the severe economic impact of the Coronavirus Disease 2019 (COVID-19) pandemic on businesses and general public, the Bank of Thailand thereby issued Notification of the Bank of Thailand No. SorKorSor1. 1/2563 Re: The Setting of Contribution Rate, Criteria and Procedures for Remitting Contribution and Surcharge to the Account for Amortization of the Principle to Fiscalize to the FIDF's Losses (No. 2), dated 7 April 2020, to temporarily reduce the rate of contribution from 0.46 percent per annum to 0.23 percent per annum for year 2020 and 2021.

Recently, despite an acceleration in the implementation of proactive measures both by the public sector and financial institutions to help businesses and general public affected by the COVID-19 pandemic, which included debt moratorium, measures to encourage debt restructuring to reduce financial burden, soft loans, and financial as well as liquidity provision measures to help rehabilitate business operators, the prolonged and highly uncertain nature of the pandemic caused

a persistent slowdown in economic activities and wide-ranging severe impact on businesses and general public. The Bank of Thailand, therefore, deemed it necessary to extend the period for the temporary reduction in the contribution rate from financial institutions into the Account for Amortization of the Principle to Fiscalize to FIDF's Losses to remain at 0.23 percent per annum until the end of 2022. Such extension will help lower financial institutions' costs, which could then be passed on to help relieve the impact of the pandemic on businesses and general public.

2. Statutory power

By virtue of the provisions in Section 8 of the Emergency Decree on Improvement of Debt Management of the Loan Borrowed by the Ministry of Finance to Support the Financial Institutions Development Fund B.E. 2555 (2012), the Bank of Thailand issues notification of the Bank of Thailand on the contribution rate from financial institutions into the Account for Amortization of the Principle to Fiscalize to FIDF's Losses as stated in this notification.

3. Revised Notification

Repeal of Article 5 of the Bank of Thailand Notification No. SorKorSor1.1 / 2563 Re: The Setting of Contribution Rate, Criteria and Procedures for Remitting Contribution and Surcharge to the Account for Amortization of the Principle to Fiscalize to the Financial Institution Development Fund's Losses (No.2) dated 7 April 2020 and use the content in clause 5 of this notification instead.

4. Scope of enforcement

This Notification shall be enforced on financial institutions in accordance with the Deposit Protection Agency Act.

5. Contents

"4.2 Financial institutions shall remit the contribution to the Bank of Thailand at a specified rate applied on the following amounts:

- (1) Average deposit balance of protected accounts; and

(2) Funds received from the general public

In this regard, financial institutions are required to remit the contribution at the following rates:

(1) 0.23 percent per annum for January-June 2022 tranche and July-December 2022 tranche

(2) 0.46 percent per annum from January-June 2023 tranche onwards.

6. Enforcement date

This notification is enforceable from 1 January 2022.

Announced on 20 October 2021

(Mr. Sethaput Suthiwartnarueput)

Governor

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