Public Debt Management Act, B.E. 2548 (2005), as amended to No. 4 (B.E. 2561)

English machine translation (DeepL, Aug 2026) prepared for the PIM policy repository from the Thai text. Not an official translation — the Thai original is authoritative.

Act on Public Debt Management B.E. 2548

Bhumibol Adulyadej, R. Issued on January 31, B.E. 2548 the 60th year of the current reign

His Majesty King Bhumibol Adulyadej, by Royal Decree, hereby proclaims

Whereas it is deemed appropriate to enact a law governing public debt management

His Majesty has graciously decreed that this Act be enacted with the advice and consent of the National Assembly, as follows

Section 1 This Act shall be known as the "Public Debt Management Act, B.E. 2548"

Section 21 This Act shall come into force on the day following its promulgation in the Royal Gazette and thereafter

Section 3 The following Acts are hereby repealed: (1) The Treasury Bills Act, B.E. 2487 (2) The Act on the Powers of the Ministry of Finance in Matters of Guarantees, B.E. 2510 Proclamation No. 110 of the Revolutionary Council, dated March 31, B.E. 2515 Act on the Powers of the Ministry of Finance in Guarantees (No. 2) B.E. 2519 Proclamation of the Revolutionary Council No. 17, dated November 8, B.E. 2520 (3) Act on Borrowing Funds for National Defense, B.E. 2519 (4) Act Authorizing the Ministry of Finance to Borrow Funds from Foreign Countries, B.E. 2519 (5) Royal Decree Authorizing the Ministry of Finance to Borrow Funds from Foreign Governments for the Procurement of Military Equipment, B.E. 2524 (6) Royal Decree Authorizing the Ministry of Finance to Restructure Foreign Loans B.E. 2528

1 Royal Gazette, Vol. 122, Part 12 K, Page 1/2, February 2548

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

(7) Royal Decree Authorizing the Ministry of Finance to Borrow Funds from Foreign Countries for Economic Recovery B.E. 2541

Section 4 In this Act “Public debt”[2] means debt incurred by the Ministry of Finance, a government agency, or a state-owned enterprise, or debt guaranteed by the Ministry of Finance, but does not include debt of state-owned enterprises engaged in the business of lending money asset management business, or credit insurance business, for which the Ministry of Finance has not provided a guarantee, and the debt of the Bank of Thailand “Public debt management” means the incurring of debt through borrowing or the provision of guarantees, debt repayment, debt restructuring, and other operations related to public debt “Asset management business”[3] means the business of asset management as defined in the Asset Management Companies Act “Credit insurance business”[4] means the business of providing credit insurance to individuals to enable them to obtain credit from financial institutions “Guarantee” includes the endorsement of promissory notes “Debt Instruments” means Treasury bills, promissory notes, bonds, and other instruments that give rise to a debt as prescribed by the Board, and shall include debt instruments issued in a book-entry system “Treasury bills” means short-term debt instruments issued by the Ministry of Finance with a maturity of not more than twelve months from the date of issuance “Promissory note” means a promissory note as defined in the Civil and Commercial Code “Bond” means a long-term debt instrument with a maturity period of twelve months or more from the date of issuance “State agency” means a ministry, bureau, department, or government office that is known by another name but has the status of a department, as well as government offices under the National Assembly, the courts, and other state agencies, but does not include local administrative organizations and state-owned enterprises “State-Supervised Entities” means other state entities that are neither government agencies nor state-owned enterprises “Local Administrative Organizations” means provincial administrative organizations, municipalities subdistrict administrative organizations, the Bangkok Metropolitan Administration, the City of Pattaya, and other local administrative organizations established by law

Section 2, Article 4, definition of “public debt,” as amended by the Royal Decree on Public Administration (No. 3) B.E. 2560 Section 3, Article 4: Definition of the term “asset management business,” added by Royal Decree on Public Administration (No. 3) B.E. 2560 4 Section 4: Definition of the term “credit guarantee business,” added by Royal Decree on Public Administration (No. 3) B.E. 2560

[page 2]

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

“State-owned enterprise” means (a) A government agency as defined by the Act on the Establishment of Government Agencies, a state enterprise established by law, or a business entity wholly owned by the government (b) A limited company or a public limited company in which a government agency or a state-owned enterprise as defined in (a) holds a combined equity interest of more than fifty percent (c) A limited company or public limited company in which a government agency and a state-owned enterprise as defined in (a) or (b), or a state-owned enterprise as defined in (a) and (b), collectively hold more than fifty percent of the capital, provided that only the portion of the capital only in proportion to the share held by the government agency “State Financial Institution” means a financial institution established by law for the purpose of providing loans to promote agriculture, commerce, or industry “The Committee” means the Committee on Public Debt Policy and Management “The Office” means the Office of Public Debt Management “The Minister” means the Minister acting in accordance with this Act

Section 5 The Minister of Finance shall act as the Minister in charge under this Act and shall have the authority to issue ministerial regulations, proclamations, and rules to implement this Act. Such ministerial regulations shall come into force upon their publication in the Royal Gazette.

Chapter 1 General Provisions

Section 6 Public debt management shall be conducted in accordance with the provisions of this Act

Section 7 The Ministry of Finance shall be the sole authority empowered to borrow funds or provide guarantees on behalf of the Government of the Kingdom of Thailand, subject to the approval of the Council of Ministers

Section 8 No government agency other than the Ministry of Finance may borrow money or provide guarantees, unless specifically authorized by law.

Section 9 If a state-owned enterprise that is not a legal entity finds it necessary to borrow money to carry out their operations, the competent ministry shall have the authority to borrow funds upon receiving the approval of the relevant minister; however, if the borrowing is for investment purposes, the state-owned enterprise must submit an investment plan to the National Economic and National Economic and Social Development Council for its approval beforehand. Furthermore, if the loan exceeds fifty million baht, it must also be approved by the Council of Ministers.

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Funds received from loans under this section shall be disbursed to the relevant state-owned enterprise for use in accordance with its intended purpose without the need to remit them to the Ministry of Finance in accordance with the Act on Budgetary Procedures and the Act on Treasury Funds

Section 10 Borrowing under this Royal Decree may be effected by contract, the issuance of debt instruments, or any other method, as approved by the Council of Ministers For borrowings under the preceding paragraph, the Ministry of Finance shall not borrow from or through any person other than the direct lender, except in the case of borrowings through the issuance of debt securities, in which case the Ministry of Finance may sell such debt securities through a distributor Borrowing by issuing debt securities shall be conducted in accordance with the amount, term, and method of issuance prescribed by the Minister

Section 11 For the issuance of debt securities within the country, the Minister may delegate the distribution to the Bank of Thailand or any other person. Subject to the provisions of paragraph (1), the issuance of debt securities, the purchase and sale of debt securities, the transfer of debt securities, and the use of debt securities as collateral—whether or not the certificates are physically delivered—as well as the enforcement of such collateral and the delegation of distribution to any person shall be in accordance with the forms, criteria, procedures, and conditions prescribed in a Ministerial Regulation; provided, however, that the provisions of the Civil and Commercial Code regarding pledges shall not apply herein, unless otherwise provided by a Ministerial Regulation

Section 12: The Minister or a person authorized by the Minister shall have the authority to sign loan agreements , guarantee agreements, or debt instruments; however, in the case of an authorization to sign debt instruments, such authorization must be published in the Royal Gazette

Section 13 The principal, interest, and expenses related to borrowing, the issuance and administration of shall be paid from funds allocated in the annual budget, except in the case of Treasury bills or where the law governing the Treasury allows payment from the Treasury; in such cases, payment may be made from the Treasury.

Section 14 5 The Ministry of Finance shall have the authority to restructure public debt by raising new funds to repay existing debt, converting debt, repaying debt before its maturity date, extending or shortening the repayment period, renewing, repurchasing, or redeeming government debt securities, or conducting other financial transactions that are beneficial to public debt restructuring as prescribed by ministerial regulations

Section 15 For the purpose of restructuring public debt, the Ministry of Finance may settle debts on behalf of state-owned enterprises or state financial institutions; and once the Ministry of Finance has settled such debts

Section 14, as amended by the Royal Decree on Public Debt Management (No. 2) B.E. 2551

[page 4]

Such agencies shall be liable to the Ministry of Finance for the amount paid by the Ministry of Finance, as well as any other expenses incurred in connection with such operations

Section 16 For each loan, the Ministry of Finance shall publish the source of the loan, the currency of the loan, the loan amount, the conversion of foreign currency into baht, the interest rate, fees, expenses, discounts, the repayment period for the principal, the purpose of the loan proceeds, the terms, methods and any other material details as deemed necessary in the Royal Gazette within sixty days from the date of execution of the loan agreement or the issuance of the debt securities, as the case may be within sixty days after the end of March and September of each year, the Ministry of Finance shall prepare a report on the status of public debt and publish it in the Royal Gazette. The report shall set forth the public debt arising from borrowing and guarantees as of the end of the respective months, as well as a breakdown of new borrowings and guarantees incurred during the periods from October through March and from April through September, respectively

Section 17 Within sixty days from the end of the fiscal year, the Ministry of Finance shall report to the National Assembly on the borrowing and guarantees undertaken during the preceding fiscal year, such report shall at least specify the details of the borrowing and guarantees, including the benefits received or expected to be received

Section 18 The conversion of any foreign currency into Thai baht shall be calculated according to the exchange rate announced by the Bank of Thailand on the date the loan agreement, guarantee agreement, or issuance of debt securities was executed; however, in the report under Section 16, paragraph two, such amounts shall be converted at the said exchange rate as of the last working day of March or September, as the case may be

Section 19 In the event that any local government entity borrows funds pursuant to the authority granted under the law establishing that local government entity or any other law, and not as a loan from the Ministry of Finance, the Ministry of Finance or any other government agency shall not assume liability or provide a guarantee such debt or to allocate budgetary expenditures to repay the principal or interest on said loan. The provisions of the preceding paragraph shall apply mutatis mutandis to borrowing by agencies under the supervision of the State.

Chapter 2 Government Debt

[page 5]

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Section 206 The Ministry of Finance may borrow funds solely for one of the following purposes: (1) To cover budget deficits or when expenditures exceed revenues (1/1)7 To manage the liquidity of the Treasury (2) Economic and social development (3) Restructuring of public debt (4) On-lending to other agencies (5) Development of the domestic debt securities market Baht or foreign currency received from borrowing under (2) through (5) shall be used in accordance with the purpose of the borrowing or as approved by the Council of Ministers, without the need to remit such funds to the Treasury pursuant to the Budget Procedures Act and the Treasury Act

Section 218 To borrow funds to cover a budget deficit or when expenditures exceed revenue for the annual operating budget of any fiscal year, the Ministry of Finance shall borrow in Thai baht not exceeding the following limits (1) twenty percent of the current annual operating budget in effect at that time and the supplementary budget, and (2) eighty percent of the budget allocated for the repayment of the principal Loans under the preceding paragraph may be made within that fiscal year, except in cases where authorization to disburse funds from the annual expenditure budget is granted after the end of a fiscal year; the Minister may extend the borrowing period under paragraph (1) beyond the end of that fiscal year. Provided, however, that such borrowing shall not exceed the expenditure budget approved for disbursement after the end of that fiscal year. The Minister shall publish the borrowing limit for the portion for which the borrowing period has been extended beyond the end of fiscal year pursuant to paragraph two in the Royal Gazette.

Section 21/1 9 For borrowing to manage the liquidity of the Treasury, the Ministry of Finance may borrow in Thai baht by issuing Treasury bills on an ad hoc basis whenever it is necessary to maintain the liquidity of the Treasury to a level sufficient to cover disbursements Treasury bills issued for borrowing under the preceding paragraph shall have a maturity of no more than one hundred twenty days from the date of issuance and shall be kept separate from Treasury bills issued for other purposes At any given time, the Ministry of Finance may have outstanding debt from borrowing under this section not exceeding three percent of the annual budget currently in effect and the supplementary budget

Section 20, as amended by the Public Debt Management Act (No. 2) B.E. 2551 7

Section 20 (1/1) added by the Public Debt Management Act (Amendment No. 4) B.E. 2561 8 Section 21, as amended by the Public Debt Management Act (Amendment No. 4) B.E. 2561 9 Section 21/1 added by the Public Debt Management Act (Amendment No. 4) B.E. 2561

[page 6]

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

At the end of the fiscal year, the Ministry of Finance shall report the outstanding balance of Treasury bills as of the end of the fiscal year, together with the report required under Section 17

Section 22 Borrowing for economic and social development may be undertaken when it is it is necessary to spend funds beyond the annual budget and such funds must be in foreign currency, or it is necessary to borrow funds to strengthen the country's financial stability, provided that the Ministry of Finance may borrow in foreign currency not exceeding ten percent of the annual budget Borrowing under the preceding paragraph shall clearly specify the purpose of the funds and shall be conducted in accordance with the criteria, procedures, and conditions prescribed by the Minister of Finance with the approval of the Cabinet

Section 23 In borrowing under Section 22, if domestic financial market conditions are favorable and would be beneficial to the development of the financial system, public finance, and capital markets, the Ministry of Finance may, with the approval of the Cabinet, borrow in baht instead of foreign currency

Section 24 Borrowing to restructure public debt shall be conducted solely for the purpose of hedging, reducing exchange rate risk, or spreading the debt repayment burden, by having the Ministry of Finance carry out the following: (1) Borrow funds to repay the Ministry of Finance's outstanding loans, not exceeding the amount of outstanding debt or (2) Borrow funds to repay debts for which the Ministry of Finance has provided collateral, not exceeding the amount of outstanding under guarantee Loans under (2) shall be included within the borrowing limits specified in Section 21 or Section 22, as applicable Borrowing under the preceding paragraph, if it involves a new loan to restructure debt denominated in Baht, shall be made solely in Baht If the borrowing under the preceding paragraph involves a loan with a repayment period exceeding twelve months, a report shall be submitted to the Cabinet for its information

Section 24/1 10 In cases where the public debt to be restructured involves a large amount and the Ministry of Finance deems it inappropriate to borrow funds to restructure such debt in a single transaction the Ministry of Finance may borrow funds in advance in installments no more than twelve months prior to the debt's maturity date Funds received from borrowing under the preceding paragraph shall be transferred to the Fund for the Management of Borrowings for the Restructuring of Public Debt and the Development of the Domestic Debt Securities Market

Section 2511 In cases where a government agency, an agency under government supervision, a local government entity, a state-owned enterprise, or a state-owned financial institution has a genuine need to use funds for a project

10 Section 24/1 added by the Public Debt Management Act (No. 2) B.E. 2551 11 Section 25 amended by the Royal Decree on Public Debt Management (No. 2) B.E. 2551

[page 7]

or projects that the Government deems necessary for economic and social development, and if the Ministry of Finance acts as the borrower and provides the funds to the aforementioned agencies for onward borrowing, this will result in savings and make public debt management more efficient, the Ministry of Finance shall be authorized to borrow funds to enable the aforementioned agencies to borrow in accordance with the criteria methods, and conditions specified in a Ministerial Regulation. Loans under the preceding paragraph shall be included in the following borrowing limits: (1) If the loan is in foreign currency, it shall be included in the borrowing limit under Section 22. (2) If the loan is in Thai baht, it shall be included in the borrowing limit under Section 28.

Section 25/112 Borrowing to develop the domestic debt securities market shall be conducted by issuing debt securities as necessary to establish a benchmark interest rate for use in the debt securities market, in accordance with the criteria and conditions specified in a Ministerial Regulation, and shall be included within the borrowing limits under Section 21 The Ministerial Regulation referred to in the preceding paragraph shall include the maturity and credit limit of the debt securities to be used to establish a benchmark interest rate for the debt securities market Funds received from borrowing under the preceding paragraph shall be transferred to the Loan Management Fund for the restructuring of public debt and the development of the domestic debt securities market

Section 26 The Ministry of Finance shall have the authority to collect interest and fees for debt repayment on behalf of the government pursuant to Section 15 or for on-lending pursuant to Section 25 at the rates and under the conditions specified in a Ministerial Regulation

Section 3 Government-Guaranteed Debt

Section 27 Subject to the provisions of Section 19, the Ministry of Finance shall have the authority to guarantee the debt obligations of government agencies, state-owned enterprises, or state-owned financial institutions, either in full or in part, in accordance with the principles, procedures, and conditions prescribed by the Minister with the approval of the Cabinet

Section 28 In any fiscal year, the Ministry of Finance may guarantee no more than twenty percent of the annual regular expenditure budget in effect at that time and the supplementary expenditure budget

Section 29 The criteria and budgetary limits under which the Ministry of Finance may provide guarantees or extend loans to any state-owned enterprise or public financial institution shall be as determined by the Committee The Ministry of Finance shall not provide guarantees or extend loans to any state-owned enterprise that does not engage in public utility operations and has incurred consecutive operating losses for more than three fiscal years, except as provided in

12 Section 25/1, as added by the Public Debt Management Act (Amendment No. 2) B.E. 2551

State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

The Cabinet shall pass a resolution to dissolve that state-owned enterprise and shall provide guarantees or loans to that state-owned enterprise during the process of dissolution

Section 30 The Ministry of Finance shall have the authority to collect guarantee fees or other fees at the rates and under the conditions specified in a ministerial regulation

Chapter 4 Public Debt Policy and Management Committee

Section 31 There shall be a committee, hereinafter referred to as the “Public Debt Policy and Management Committee,” composed of the Minister of Finance as Chairperson Members: One Deputy Minister of Finance designated by the Minister as Vice Chairperson The Permanent Secretary of the Ministry of Finance, the Secretary-General of the National Economic and Social Development Council the Director-General of the Budget Office, the Director-General of the Government Accounting Office, the Director-General of the Office of the State Enterprises Policy Committee , the Director-General of the Office of Economic Affairs of the Ministry of Finance, and the Governor of the Bank of Thailand shall serve as ex officio members, and three experts appointed by the Cabinet shall serve as members.[13] The Director-General of the Public Debt Management Office shall serve as a member and secretary, and up to two other individuals designated by the Board shall serve as assistant secretaries The expert members referred to in the preceding paragraph shall be selected from among individuals who possess knowledge, expertise, and experience in finance, public finance, public debt management, budgeting, or law, and who meet the following qualifications and are free from the following disqualifications: (1) Be a Thai national (2) Not a government official, except for full-time faculty members at institutions of higher education (3) Not a holder of political office, a political party advisor, or an official in a political party (4) Have no conflict of interest with regard to public debt management

Section 32 Board members appointed by the Cabinet shall serve a term of three years In the event that a director appointed by the Council of Ministers vacates office before the end of the term, the appointee shall serve in that position for a term equal to the remaining term of the director who was originally appointed Upon the expiration of the term referred to in the preceding paragraph, if no new directors , the member who has vacated office upon the expiration of that term shall remain in office to continue performing duties until a new member is appointed A member who has vacated office upon the expiration of a term may be reappointed, but may not serve more than two consecutive terms

13 Section 31, Paragraph 1, as amended by the Public Debt Management Act (No. 3) B.E. 2560

State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

During the period in which no members with special expertise have yet been appointed in accordance with this provision, the Commission shall be deemed to consist of all remaining members, and said Commission may continue its operations provided that it includes at least one member with special expertise.[14]

Section 33. In addition to removal from office upon expiration of the term, a member appointed by the Council of Ministers shall be removed from office when (1) he or she dies (2) he or she resigns (3) are removed by the Cabinet due to misconduct, dishonesty, dereliction of duty, or incompetence (4) are declared bankrupt (5) are legally incapacitated or deemed legally incapacitated (6) Is sentenced to imprisonment by a final and binding judgment, except for a sentence for an offense committed through negligence or a minor offense (7) Is disqualified or has disqualifying characteristics under Section 31, paragraph 3

Section 34 A meeting of the Board of Directors shall constitute a quorum only if at least one-half of the total number of directors are present. If the Chairman of the Board is absent or not present at the meeting, the Vice Chairman shall preside over the meeting. If the Chairman and Vice Chairman are absent or not present at the meeting, the members present shall elect one of their number to preside over the meeting Decisions of the meeting shall be made by a majority vote. Each member shall have one vote in the voting process. In the event of a tie, the presiding officer shall cast an additional vote as the deciding vote

Section 35 15 The Committee shall have the following powers and duties: (1) To report on the status of public debt to the Cabinet for its information within sixty days from the date the Cabinet presents its policy statement to the National Assembly following its assumption of office (2) To submit an annual public debt management plan for the fiscal year to the Cabinet for consideration and approval; if adjustments are made to the plan during the fiscal year without exceeding the budget limit approved by the Cabinet, such authority shall be vested in the Committee, and the Committee shall report to the Cabinet (3) Establish guidelines for borrowing, collateralization, debt servicing, restructuring public debt, and the development of the domestic debt securities market, including guidelines regarding the costs of borrowing, issuing, and managing debt securities. Upon approval by the Cabinet, government agencies, entities under government supervision, local administrative organizations, state-owned enterprises, and state-owned financial institutions shall adhere to these guidelines as standard practice

14 Section 32, Paragraph 5, added by the Public Debt Management Act (Amendment No. 3) B.E. 2560 15 Section 35, as amended by the Public Debt Management Act (Amendment No. 2) B.E. 2551

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

(4) To provide recommendations on the issuance of ministerial regulations pursuant to Section 25/1, Section 26, and Section 30 (5) Appoint qualified individuals with relevant knowledge and expertise to serve as advisors to the Commission or appoint a subcommittee to consider or carry out any matter as delegated by the Commission (6) Perform any other duties in accordance with this Act or as delegated by the Council of Ministers

Section 36 The Office of Public Debt Management shall be responsible for the general affairs of the Board and shall have the following powers and duties: (1) 16. To study and analyze the structure of public debt, the management of public debt, the government's funding needs, including the loan debt of local government entities and the loan debt of state-owned enterprises engaged in lending, asset management, or credit guarantee businesses for which the Ministry of Finance has not provided guarantees, and to report on the loan debt of local government entities and state-owned enterprises engaged in lending asset management, or credit guarantee businesses for which the Ministry of Finance does not provide guarantees, to be submitted to the Committee (2) To carry out activities related to public debt management, including arranging loans to replenish the Treasury's reserves, disbursing loan funds, and servicing debt (3) To provide advice, guidance, and support to state-owned enterprises, local government organizations and other government agencies to enhance their capacity for effective debt management (4) Monitor compliance with agreements entered into with lenders and evaluate the results of operations involving the use of loan funds (5) Perform the administrative duties of the Board (6) Perform other duties as prescribed by this Royal Decree or other laws as falling within the authority of the Office, or as delegated by the Council of Ministers or the Board For the purpose of carrying out the duties and powers under the preceding paragraph, the Office shall have the authority to request government agencies, state-owned enterprises, and local administrative organizations to provide relevant information or documents 17

Section 5 Fund for the Management of Loans for Public Debt Restructuring and the Development of the Domestic Debt Securities Market[18]

[16] Section 36(1) amended by the Public Debt Management Act (No. 3) B.E. 2560 17 Section 36, second paragraph, added by the Public Debt Management Act (Amendment No. 3) B.E. 2560 18 Section 5: Fund for Managing Borrowings for Public Debt Restructuring and the Development of the Domestic Debt Securities Market; Sections 36/1 through 36/20 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551

Section 36/119: A fund shall be established within the Ministry of Finance, to be known as “the Fund for Managing Borrowings for Public Debt Restructuring and the Development of the Domestic Debt Securities Market.” The Fund shall be a legal entity, established for the purpose of managing funds received from borrowings to restructure public debt restructuring pursuant to Section 24/1 and for borrowing to develop the domestic debt securities market pursuant to Section 25/1, and shall have the authority to perform any necessary or ongoing acts to achieve said objectives

Section 36/2 20 The Fund shall be a state agency that is not part of the civil service under the Act on the Organization of the Civil Service or a state-owned enterprise under the Act on Budget Procedures or any other law

Section 36/321 The operations of the Fund are not subject to the Act on Labor Protection, the Act on Labor Relations in State Enterprises, the Act on Labor Relations, the Act on Social Security, and the Act on Compensation

Section 36/422 The Fund shall consist of the following funds and assets: (1) Funds received from borrowing to restructure public debt pursuant to Section 24/1 (2) Funds received from borrowing to develop the domestic debt securities market pursuant to Section 25/1 (3) Subsidies from the government (4) Funds or assets received from the Fund's operations (5) Funds or assets donated or contributed to the Fund (6) Interest earned on the Fund's funds or assets The funds and assets of the Fund are not subject to the provisions of the Act on Budget Procedures and the Act on Treasury Funds

Section 36/5 23 The funds and assets of the Fund under Section 36/4 shall be recorded in the following accounts (1) The Public Debt Restructuring Account, to receive funds under Section 36/4 (1), including funds and assets under Section 36/4(3), (4), (5), or (6) that the Fund receives from the administration of the Fund for the purpose of public debt restructuring or to support such operations (2) The Domestic Securities Market Development Account to receive funds pursuant to Section 36/4 (2) including funds and assets under Section 36/4 (3), (4), (5), or (6) that the Fund receives from the administration

19 Section 36/1, added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 20 Section 36/2, added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 21 Section 36/3 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 22 Section 36/4 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 23 Section 36/5 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551

to facilitate the development of the domestic securities market or to support the implementation of such activities

Section 36/624: Funds in the Public Debt Restructuring Account shall be made available to the Ministry of Finance for the following purposes: (1) To repay the principal of public debt subject to restructuring under Section 24/1 (2) To pay interest and other expenses related to borrowing under Section 24/1 (3) To pay the costs of managing the Fund as determined by the Fund Committee (4) To pay other expenses related to the Fund’s operations as determined by the Fund Committee

Section 36/725 Funds in the Domestic Debt Securities Market Development Account shall be used by the Ministry of Finance for the following purposes: (1) To redeem debt securities issued pursuant to Section 25/1 (2) To pay interest and other expenses related to the issuance of debt securities under Section 25/1 (3) To pay expenses for the administration of the Fund as determined by the Fund

Board (4) To pay other expenses related to the operations of the Fund as determined by the Fund Board

Section 36/8 26 Until it becomes necessary to use the Fund's monies pursuant to Sections 36/6 and 36/7, the Fund's monies may be invested as follows (1)27 For domestic investments, the funds may be invested as follows: (a) Debt securities issued or guaranteed by the Ministry of Finance (b) Debt securities issued by the Bank of Thailand (c) Other debt securities rated at the highest creditworthiness level by a credit rating agency (d) Repurchase agreement transactions involving debt securities issued by the Ministry of Finance or the Bank of Thailand (g) Deposits or certificates of deposit of state-owned financial institutions or commercial banks as specified by the Fund's Board (2) In the case of investments abroad, such investments shall be made in debt securities denominated in and issued or guaranteed by a foreign government, a financial institution of a foreign government, or

Section 24, Article 36/6, added by the Public Debt Management Act (Amendment No. 2), B.E. 2551 Section 36/7 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 26 Section 36/8 added by the Public Debt Management Act (Amendment No. 2), B.E. 2551 27 Section 36/8, first paragraph (1), as amended by the Royal Decree on Public Debt Management (No. 3) B.E. 2560

International financial institutions. In this regard, such debt instruments must be assigned the highest credit rating by a credit rating agency. Investments made pursuant to the preceding paragraph shall take into account the stability, returns, and risks are appropriate to enable transactions to hedge against risks that may arise from the investment. In this regard, the Fund Committee shall establish guidelines and conditions regarding investments, including a list of major currencies and credit rating agencies

Section 36/9 28 (Repealed)

Section 36/1029 There shall be a committee, hereinafter referred to as the “Fund Management Committee for Managing Loans for Public Sector Restructuring and the Development of the Domestic Securities Market,” composed of the Permanent Secretary of the Ministry of Finance as Chairperson, the Director-General of the Budget Bureau, the Director-General of the Government Accounting Office, the Executive Director of the Office of the State Enterprises Policy Committee, the Executive Director of the Office of Economic Affairs under the Ministry of Finance, the Governor of the Bank of Thailand, the Secretary-

General of the Office of the Securities and Exchange Commission, Securities and Exchange Commission, and the Chairman of the Board of the Stock Exchange of Thailand as members The Director-General of the Public Debt Management Office shall serve as a member and secretary, and up to two other individuals appointed by the Fund's Board of Directors shall serve as assistant secretaries

Section 36/11 30 The Fund Committee shall have the following powers and duties: (1) To supervise and oversee the management of the Fund in accordance with the Fund's objectives (2) To establish guidelines and conditions regarding the investment of the Fund's assets and the conduct of transactions to mitigate risks that may arise from such investments (3) To establish guidelines and procedures for the safekeeping and disbursement of the Fund's assets (4) To supervise the operations of the Fund Manager, the Assistant Fund Manager, and the Fund's asset managers in managing the Fund's funds (5) To issue regulations governing the performance of duties by the Fund Manager, the Assistant Fund Manager, and the Fund's asset managers (6) Establishing the criteria and conditions for delegating authority to other persons to act on behalf of the fund manager (7) Issuing regulations, rules, proclamations, or orders regarding the administration of the Fund, expenses related to the administration of the Fund, and other expenses related to the Fund's operations, personnel management, the hiring of the Fund's asset managers, accounting, and internal audits (7/1)31 Appoint a committee to carry out the duties delegated by the Fund's Board of Directors

28 Section 36/9 Repealed by the Public Debt Management Act (No. 3) B.E. 2560 29 Section 36/10 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 30 Section 36/11 added by the Public Debt Management Act (Amendment No. 2), B.E. 2551

State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

(8) Perform any other duties necessary to achieve the objectives of the Fund as specified in this Act

Section 36/1232 Section 34 shall apply to meetings of the Board Fund and the subcommittees appointed by the Fund Committee by delegation, and to provide that members of the Fund Committee and subcommittee members shall receive meeting allowances or other compensation as prescribed by the Minister

Section 36/1333 The Director-General of the Office of Public Administration shall serve as the manager Fund and shall be responsible for conducting the Fund's operations in accordance with the Fund's objectives and as determined by the Fund's Board of Directors The Fund's Board of Directors may appoint an assistant fund manager to assist the fund manager in the performance of his or her duties

Section 36/1434 In matters concerning the Fund involving third parties, the Fund Manager shall be authorized to act on behalf of the Fund. For this purpose, the Fund Manager may delegate authority to another person to perform any specific act on its behalf, provided that such delegation is in accordance with the criteria and conditions established by the Fund Board

Section 36/15 35 The Fund Manager and the Assistant Fund Manager may receive compensation or other benefits as determined by the Fund Board with the approval of the Prime Minister, to be treated as expenses of the Fund

Section 36/1636 The Fund Manager, at the discretion of the Fund Board, may engage an asset manager for the Fund to perform the duties of managing the Fund's money and assets The principles, procedures, and conditions for the selection, as well as the qualifications of the Fund's asset manager, shall be as prescribed by the Fund Board

31 Section 36/11 (7/1) added by the Royal Decree on Public Debt Management (No. 3) B.E. 2560 32 Section 36/12, as amended by the Public Debt Management Act (No. 3), B.E. 2560 33 Section 36/13 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 34 Section 36/14 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 35 Section 36/15 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 36 Section 36/16 Added by the Public Debt Management Act (Amendment No. 2) B.E. 2551

Section 36/1737 The Fund shall report its operational results and financial status on a quarterly basis to the Fund’s Board of Directors for submission to the Minister within forty-five days from the end of each quarter At the end of the fiscal year, the Fund shall report its operational results, financial status, and the audited financial statements to the Fund’s Board of Directors for submission to the Minister and the Cabinet thereafter

Section 36/18 38 The Fund’s fiscal year shall coincide with the fiscal year

Section 36/1939 The Fund’s accounting shall be conducted in accordance with the accounting standards prescribed under the Accounting Act or other generally accepted accounting standards as prescribed by the Fund’s Board of Directors, and internal audits of the Fund’s operations must be conducted, with the results of such audits reported to the Fund’s Board of Directors at least once a year

Section 36/2040 The Fund shall prepare financial statements and submit them to the auditor within ninety days from the end of the fiscal year. The Office of the Auditor General shall act as the Fund's auditor and prepare a report on the results of the audit to be submitted to the Minister annually

Transitional Provisions

Section 37 This Act shall not affect any borrowing, lending, collateralization, or debt restructuring undertaken by the Ministry of Finance prior to the effective date of this Act

Acting on His Majesty's Behalf Colonel Thaksin Shinawatra Prime Minister

37 Section 36/17 was added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 38 Section 36/18 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 39 Section 36/19 added by the Public Debt Management Act (Amendment No. 2) B.E. 2551 40 Section 36/20, added by the Public Debt Management Act (Amendment No. 2) B.E. 2551

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Note: The reason for promulgating this Act is that, in recent years, Thailand has faced a severe economic crisis, resulting in the country's public debt to rise rapidly, making it necessary to manage public debt—both existing and future—in an efficient manner. However, the provisions regarding debt issuance, collateralization, and debt restructuring in currently do not facilitate the management of the country's public debt and are scattered across several laws; it is therefore appropriate to revise these laws to make them more systematic and unified. Furthermore, since the agencies responsible for managing public debt are currently divided among several entities, it is appropriate to establish a central agency to be solely responsible for managing public debt in a systematic and efficient manner and to oversee overall debt issuance so that the public debt burden remains at a level consistent with the country's fiscal position. It is therefore necessary to enact this Act

Public Debt Management Act (No. 2), B.E. 255141

Section 2. This Act shall come into force on the day following its promulgation in the Royal Gazette and thereafter

Note: The rationale for promulgating this Act is that, in the management of public debt, appropriate mechanisms are necessary to ensure effective operations; however, there are currently certain operational constraints. It is therefore appropriate to grant the Ministry of Finance the authority to restructure public debt by shortening repayment terms, borrowing funds to restructure public debt prior to maturity, and borrowing in foreign currency or baht to make such funds available for on-lending to other agencies Furthermore, to ensure the sustainable development of the bond market, it is essential that the Ministry of Finance issue debt securities in sufficient quantities to establish a benchmark interest rate for the bond market It is therefore necessary to grant the Ministry of Finance the authority to borrow funds to develop the domestic bond market as well Funds received from borrowing to restructure debt prior to maturity and from borrowing to develop the domestic debt securities market should be managed by the Fund Management Committee for Public Debt Restructuring Public Debt Restructuring and Domestic Debt Securities Market Development Fund, which is under the supervision of the Board of the Fund for Public Debt Restructuring and Domestic Debt Securities Market Development , and it is also appropriate to amend the powers and duties of the Public Debt Management Policy and Oversight Committee to make them more appropriate. Therefore, it is necessary to enact this Act

Public Debt Management Act (Amendment No. 3), B.E. 2560 42

Section 2. This Act shall come into force on the day following its promulgation in the Royal Gazette and thereafter

41 Royal Gazette, Vol. 125, Part 40 K, Page 1/1, March 2551 42 Royal Gazette, Vol. 134, Part 131 K, Page 31, December 27, 2017

Section 13: Members of the Public Debt Policy and Management Committee who hold their positions on the day prior to the effective date of this Act shall continue to hold their positions until the end of their terms

Section 14 The Minister of Finance shall administer this Act

Note: The rationale for promulgating this Act is that it is appropriate to define the scope of the term “public debt” more clearly, excluding the debt of state-owned enterprises engaged in money lending asset management, or credit insurance businesses for which the Ministry of Finance has not provided guarantees, and the debt of the Bank of Thailand, as well as to revise the composition of the Public Debt Policy and Management Committee and the Committee’s performance of duties in the event that an expert member vacates office at the end of their term or before the end of their term, the powers and duties of the Public Debt Management Office, as well as amending the powers and duties of the Board of the Public Debt Restructuring Fund for the purpose of restructuring public debt and developing the domestic bond market, as well as the Fund’s investment criteria, so that the Fund’s operations may be conducted with greater flexibility and efficiency; it is therefore necessary to enact this Act

Public Debt Management Act (No. 4) B.E. 661 43

Section 2 This Act shall come into force on the day following its promulgation in the Royal Gazette and thereafter

Note: The reason for promulgating this Act is that it is appropriate to expand the authority of the Ministry of Finance to borrow funds for managing the liquidity of the Treasury, so that the management of of the Treasury to be more effective, and it is appropriate to grant authority to the Minister of Finance to extend the term of borrowing to cover budget deficits or when expenditures exceed revenues after the end of the fiscal year, provided that disbursement has been approved after the end of the fiscal year—which will benefit the management of the Treasury's funds as well as the government's overall borrowing plans—it is therefore necessary to enact this Act

No. 43, Royal Gazette, Vol. 135, Part 19 K, Page 1, March 27, 2561

[page 18]

Office of the Council of Legislation Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Office of the Council of Legislation Office of the Council of Legislation

Office of the Council of State Office of the Council of State Office of the Council of State

Nusara/Revised April 1, 2561