



*Fiscal Policy Research Institute, Thailand*

# **Payment System in Thailand: Evolution with ICT**

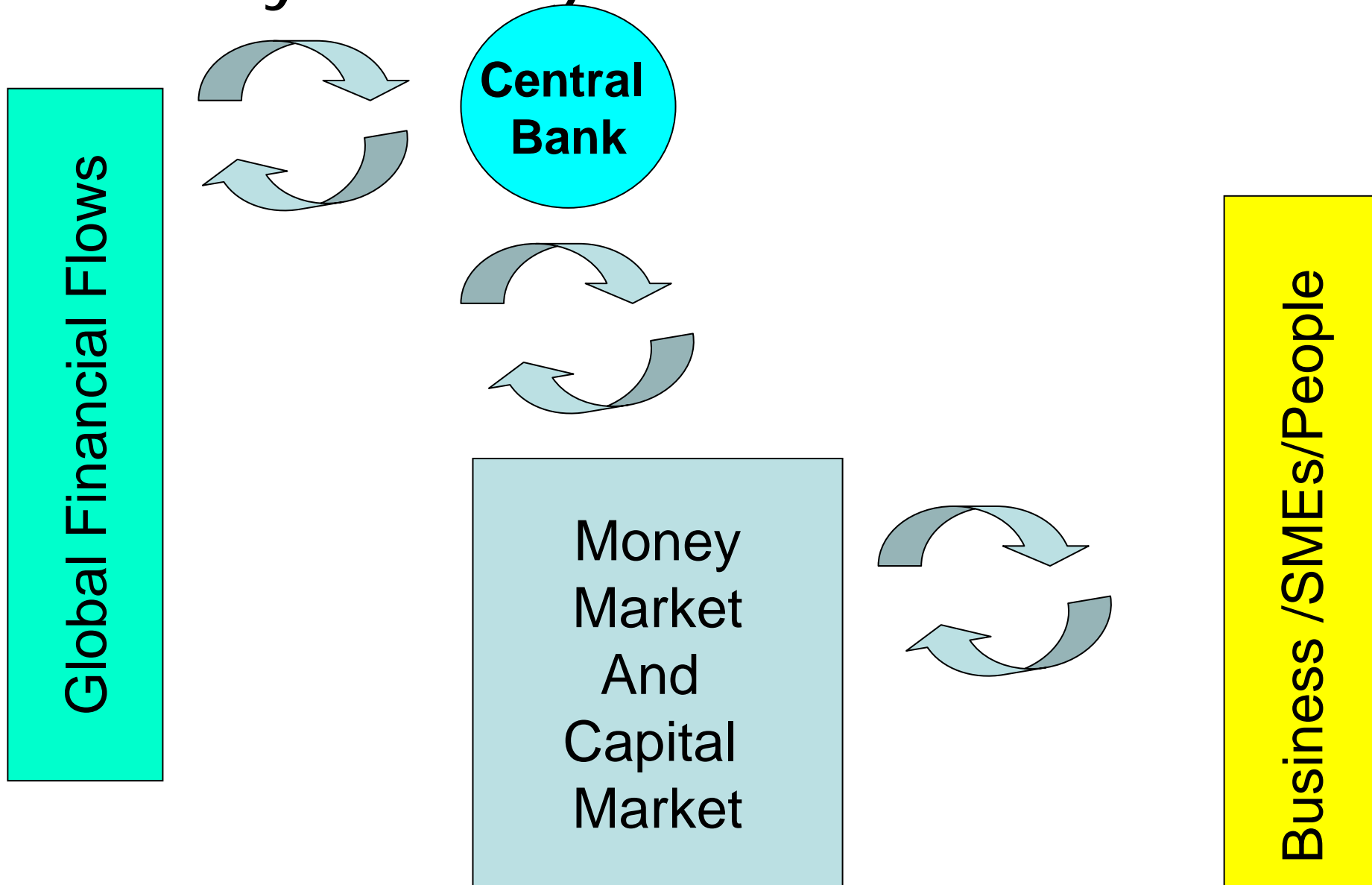
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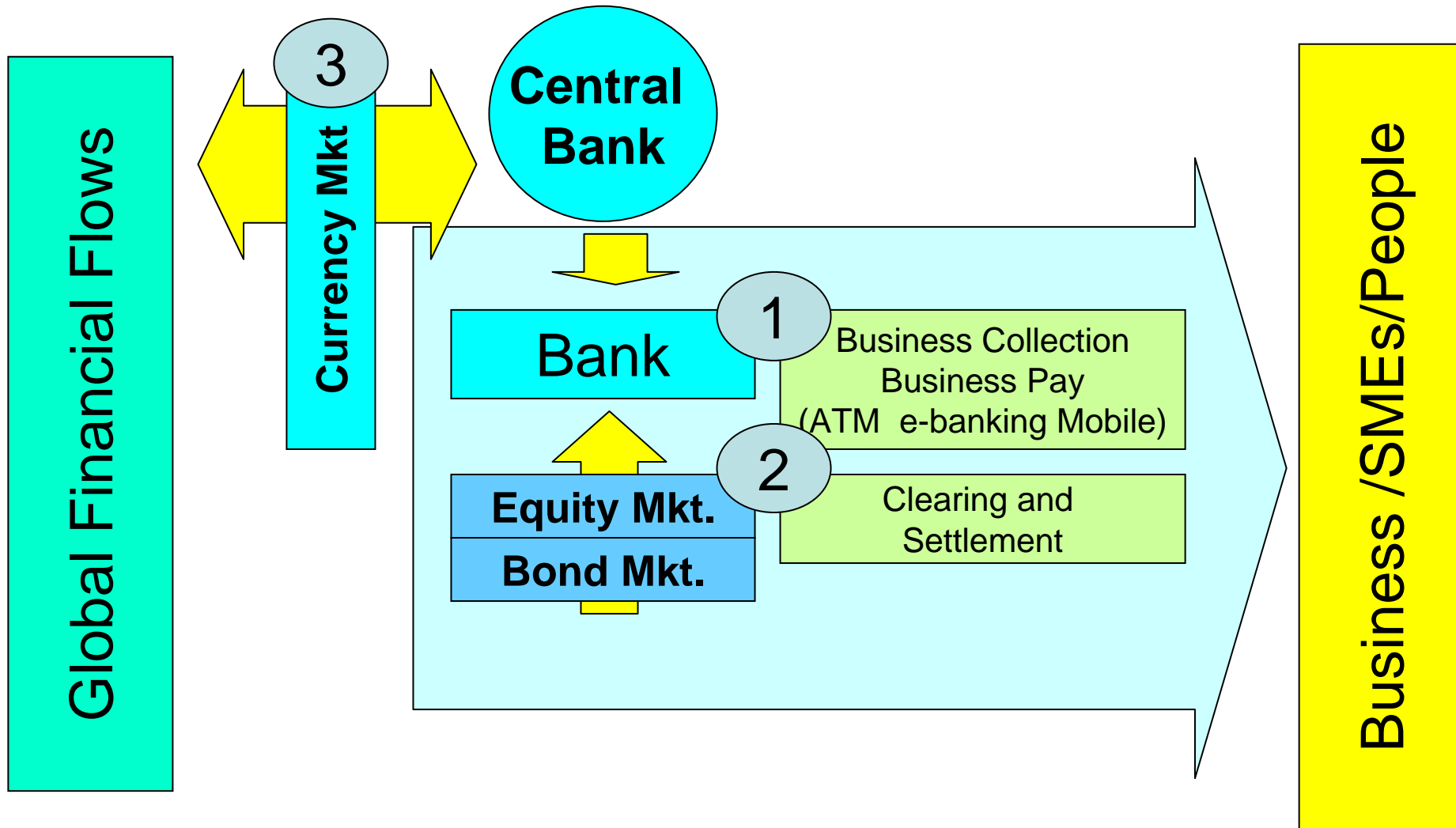
**The Fifth International Conference: Strengthening Payment System in Asia**

**February 10, 2008**

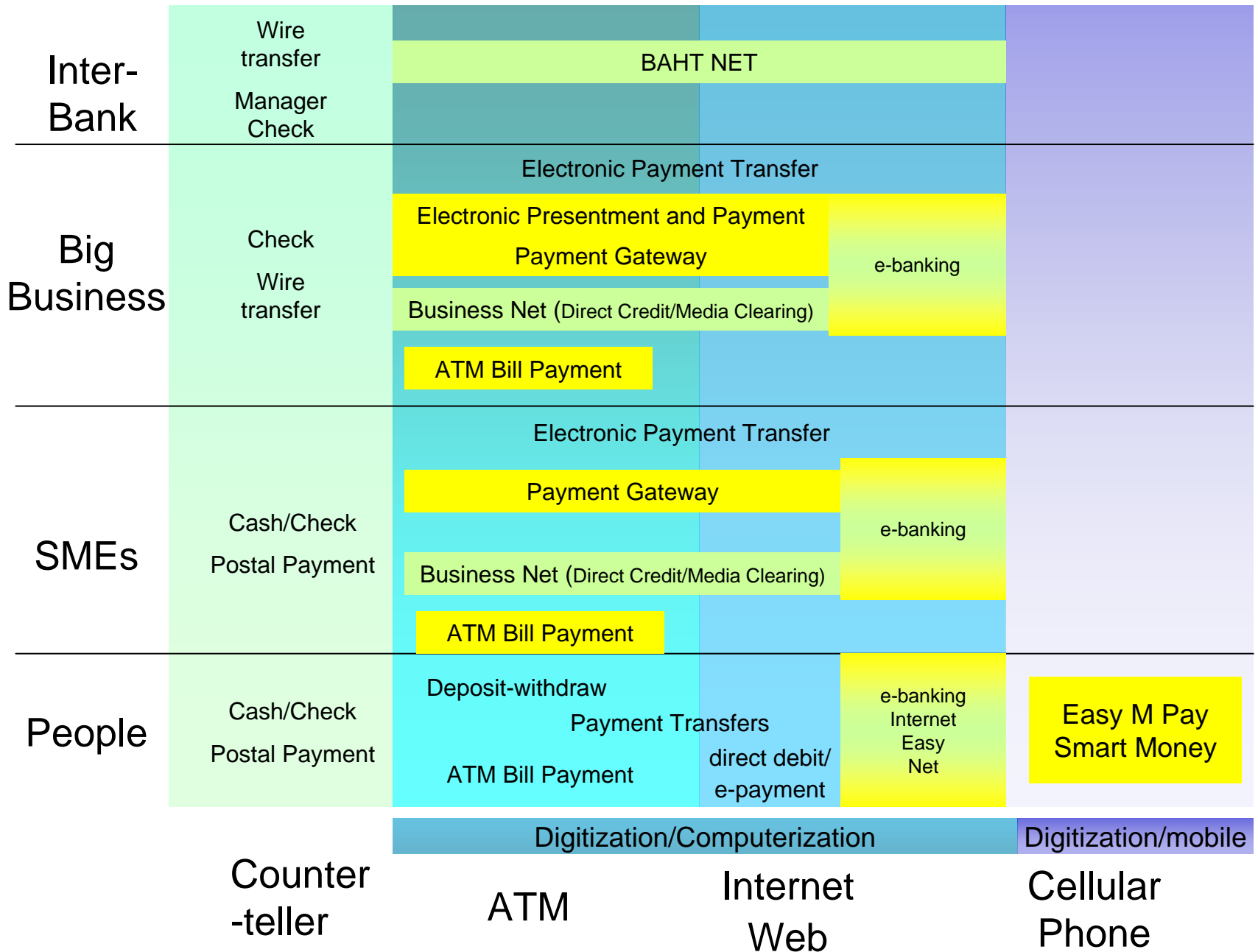
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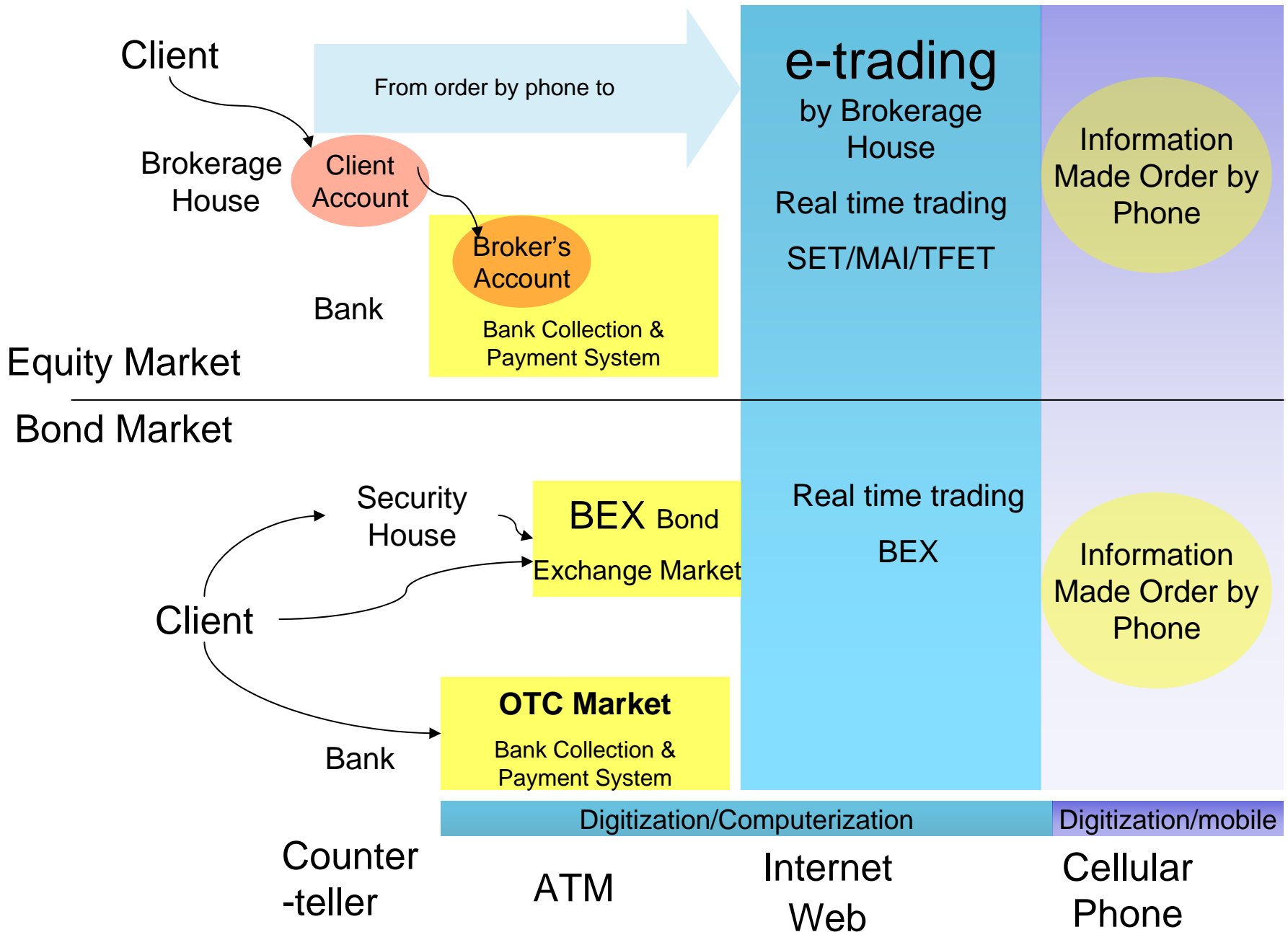
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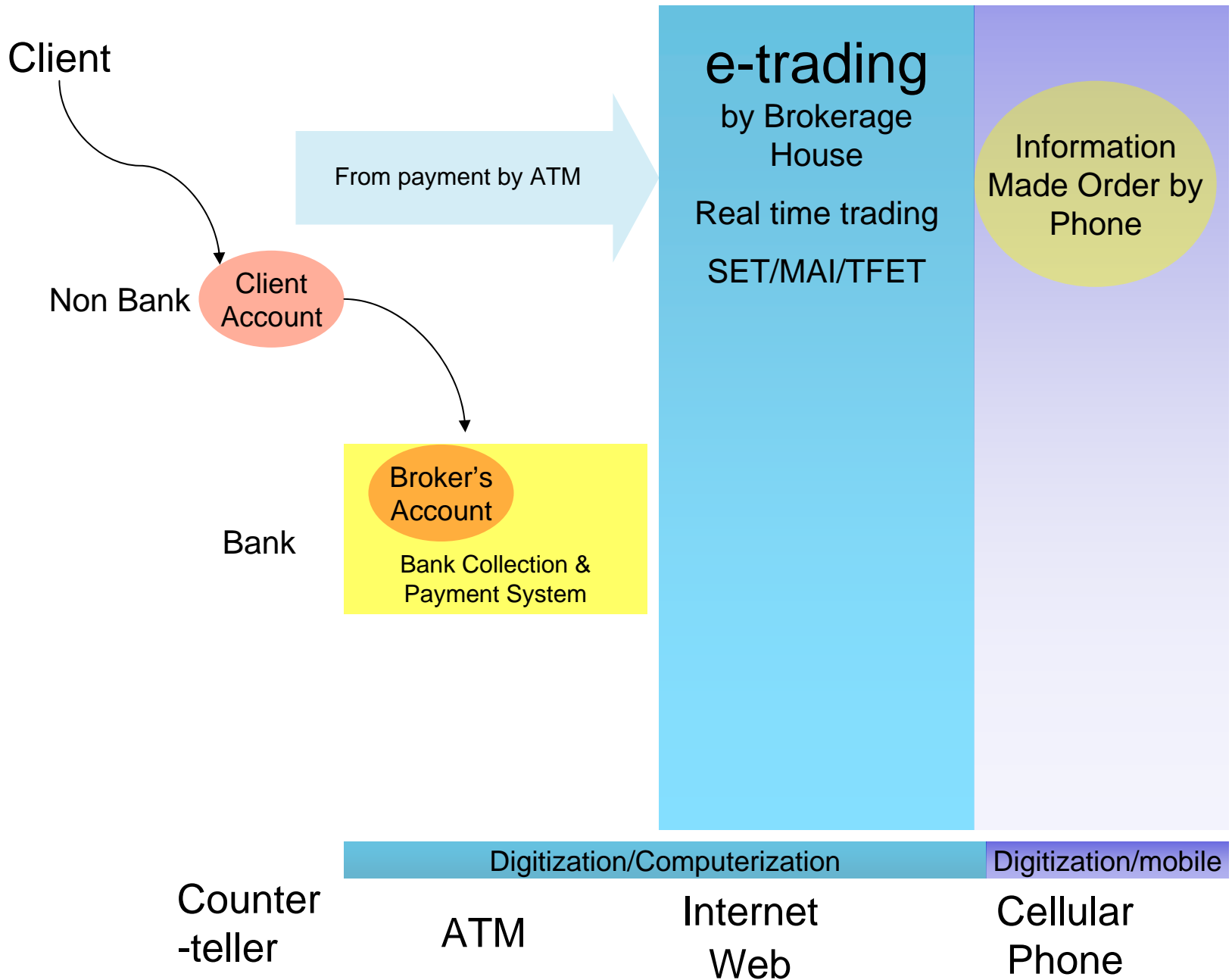
# 1. Banking Payment System



## 2. Payment System in Capital Markets



### 3. Payment System in Non-Bank Sector



## 4. Behavior Regarding ATM, Cards, Internet and Mobile Banking

### ATM Activities in 2007

Activities of ATM usage	Volum of Transaction %	Value of Transaction %
Withdrawals	82.9	72.2
Tranfers	12.4	23.3
Payment for good and services	1.5	1.3
Deposits	1.5	3.1
Others	1.7	0.1
<b>Total</b>	<b>100</b>	<b>100</b>
<b>Total Transactions</b>	<b>571 Million</b>	<b>2.5 Trillion baht</b>

Source: Bank of Thailand

### Emerging of Debit Cards

million	2003	2004	2005	2006	2007
Credit Cards	8	9	10	11	12
ATM Cards	30	25	28	31	21
Debit Cards	0	8	12	15	26
<b>Total</b>	<b>38</b>	<b>42</b>	<b>50</b>	<b>57</b>	<b>59</b>

### Use of Internet Banking

	2007
In-house transfer	36.90%
Payment for Goods and Services	29.50%
Salary and Wage Payment	20.10%
Others	13.20%

### Internet Banking VS. Mobile Banking

	2006	2007	% change
<b>Internet Banking</b>			
Volume of transactions (1,000 transaction)	15,489	21,221	37%
Value of transactions (Million Baht)	3,584	4,896	37%
<b>Mobile Banking</b>			
Volume of transactions (1,000 transaction)	355	359	1%
Value of transactions (Million Baht)	392	336	-14%

## 5. Capital Flows and Payment System

		2003	2004	2005	2006	2007 p	Share % 2007	Change % 2003-07
1	Goods and Services							
	Exports	93,906	113,991	129,527	152,775	180,410		
	Imports	-58,545	-74,431	-97,451	-102,113	-108,114		
	Net (current account)	35,361	39,560	32,076	50,662	72,296		
	Total Trade of Goods and Services	152,451	188,422	226,978	254,888	288,524	57.7%	14.6%
2	Direct Investment	4,614	5,786	7,545	8,487	9,381	1.9%	20.8%
3	Portfolio Investment (equity and bond)							
	Inflows	11,942	11,003	81,990	96,892	46,816		
	Outflows	-11,073	-9,131	-74,949	-91,226	-43,914		
	Net flows	869	1,872	7,041	5,666	2,901		
	Total flows	23,015	20,134	156,939	188,117	90,730	18.1%	118.4%
4	Bank Lending	-1,663	-496	-1,145	-249	-1,258		
	Disbursement	29,805	35,701	35,561	41,210	55,283		
	Repayment	-31,468	-36,197	-36,706	-41,458	-56,541		
	Net Lending	-1,663	-496	-1,145	-249	-1,258		
	Total flows of bank loan	61,273	71,898	72,267	82,668	111,824	22.3%	3.2%



## Payment Systems Roadmap 2010

(1) Promoting the *electronic payment services*

- Promoting electronic payment services that appeal to “consumer” users;
- Promoting electronic payment services that appeal to “corporate” users;

(2) Improving efficiency and reduce risk of the payment system

(3) Increasing linkages regionally and internationally

## ASEAN Payment Links

Past two years, ASEAN ... public sector officials ...network operators .. issues that range from policies ... fee structures ... cross-border transfers ...settlement risk management... ASEAN Pay Operational Framework. regional network operators... cross-border ATM linkages... common standards ...Asian Payment Network Forum (APN).