

FINANCIAL INCLUSION IN THAILAND



1. Country Profile

2. State of Financial Inclusion in
Thailand

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1. Country Profile

Country Profile



Capital : Bangkok

Population : 67.73 Million (2014)

Language : Thai

GDP : \$387.3 Billion (2014)

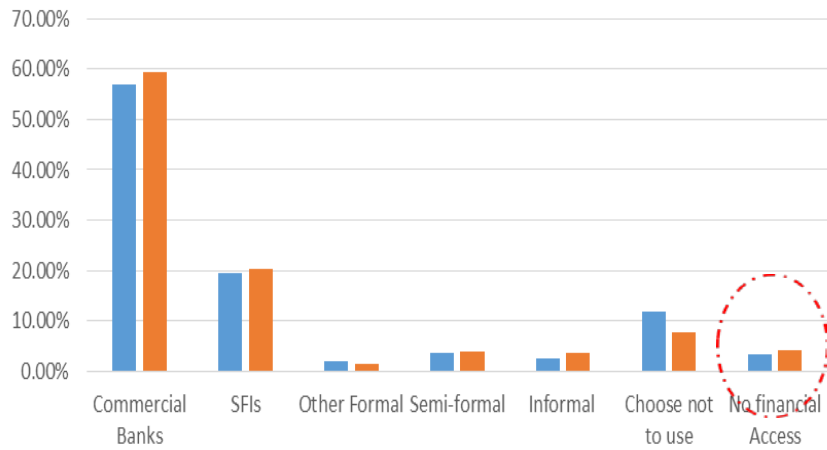
Per Capita : \$5,977.4 (2014)

Poverty Rate 10.5% (2014)

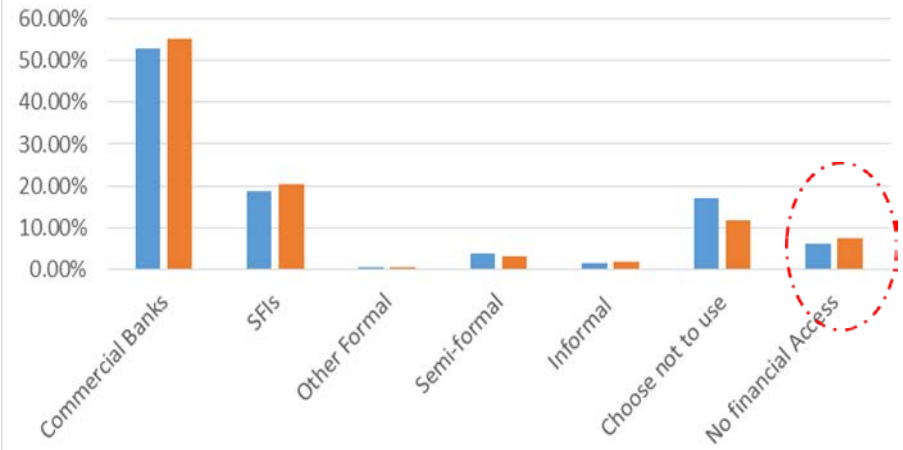
Financial Inclusion in Thailand : Demand

Financial Access

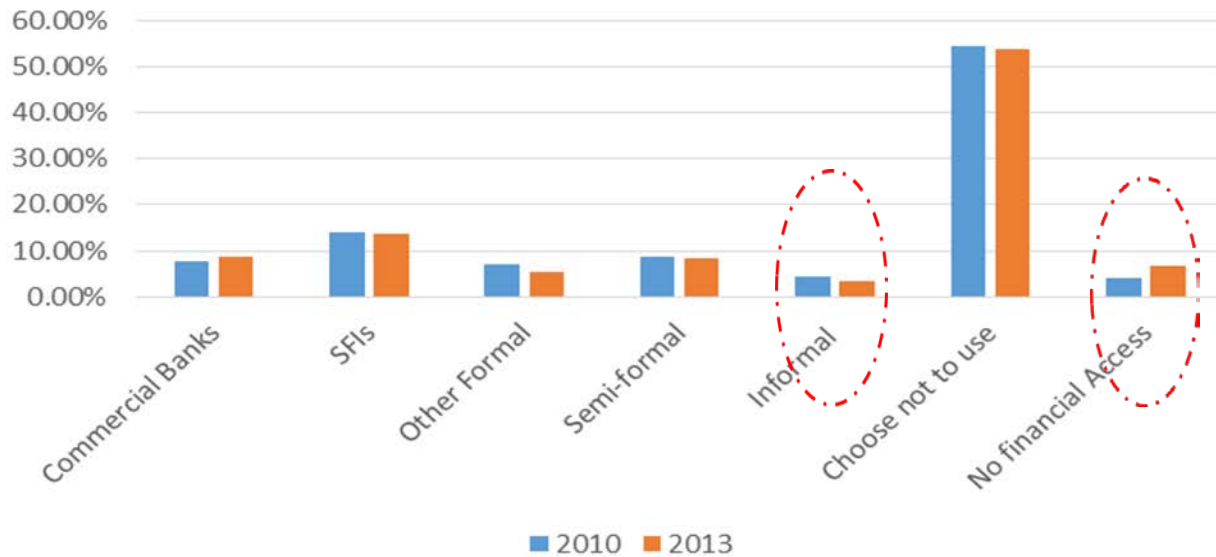
Financial Access



Access to Deposit Accounts



Loan Access



Financial Inclusion in Thailand : Supply

Microfinance

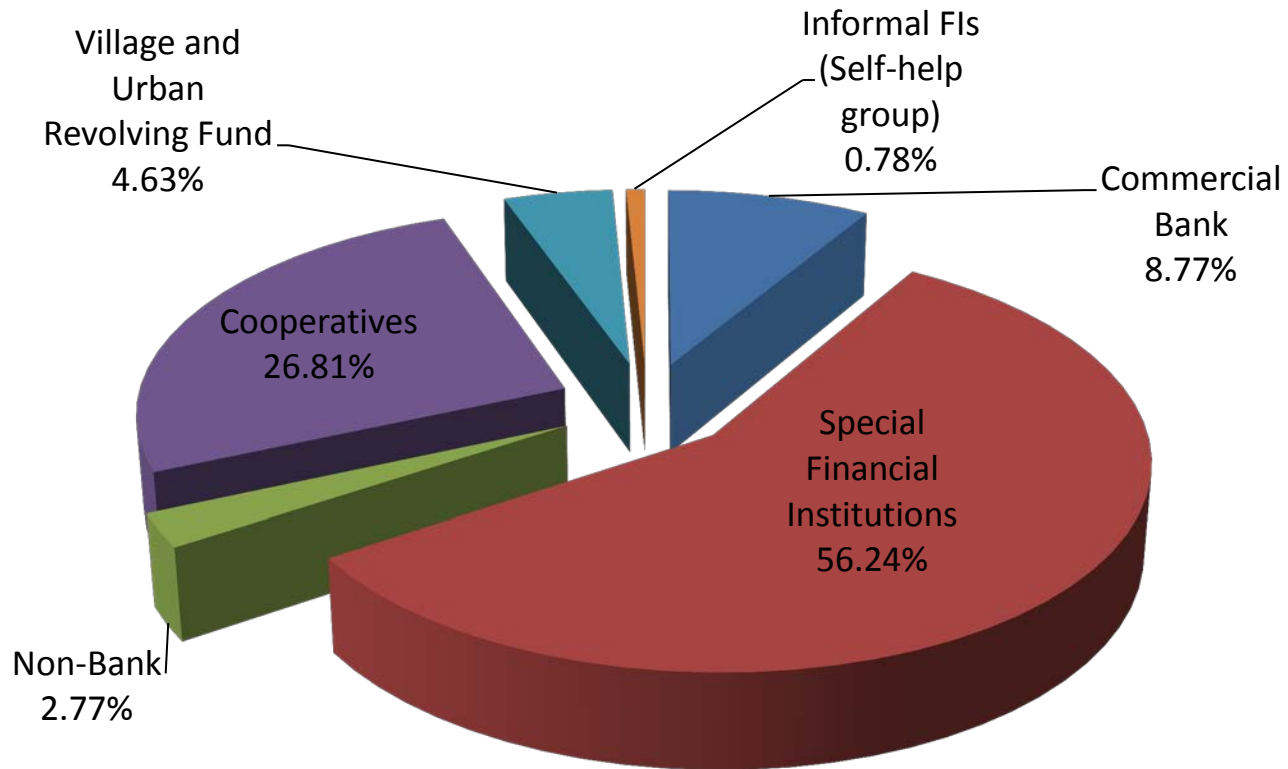
- Definition of Microfinance - BOT

June 2011 BOT defined Microfinance as loans for business or professional purposes for an amount not more than THB 200,000 (equivalence to Yen 670,000)

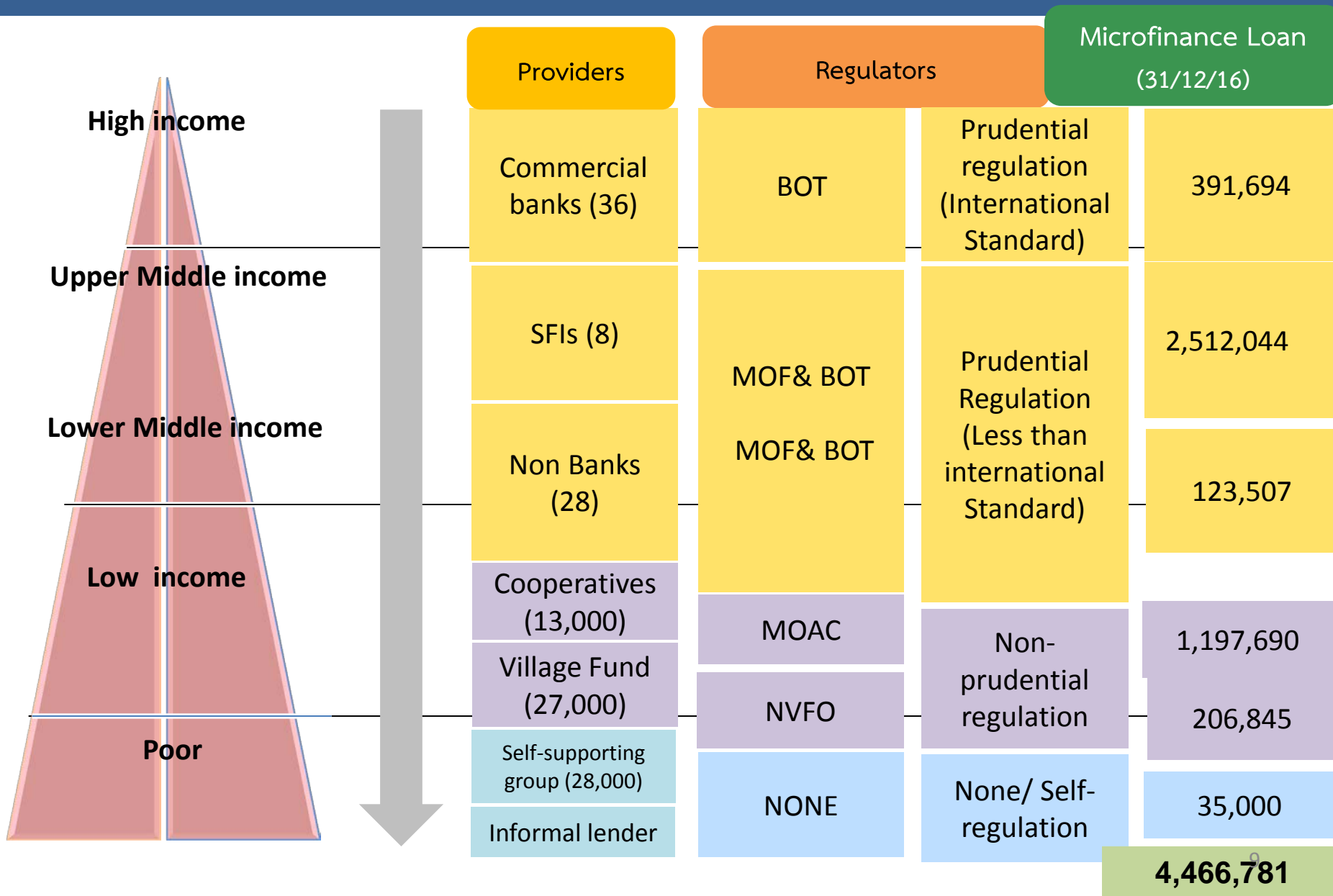
- Interest rate ceiling - 28%

Financial Institution	Total Deposit	%	Total Loan	%	Microfinance Loan	%	% total loan
1. Commercial Bank	12,302,716	67.73	13,218,274	69.74	391,694	8.77	2.07
2. Special Financial Institutions	4,180,617	23.02	4,161,253	21.96	2,512,044	56.24	13.25
3. Non-Bank	-	-	133,568	0.7	123,507	2.77	0.65
Total of Formal FIs (1+2+3)	16,483,333	90.75	17,513,096	92.40	3,027,246	67.77	15.97
4. Cooperatives	1,621,317	8.93	1,197,690	6.32	1,197,690	26.81	6.32
5. Village Fund	20,000	0.11	206,845	1.09	206,845	4.63	1.09
Total of Semi-Formal FIs (4+5)	1,641,317	9.04	1,404,535	7.41	1,404,535	31.44	7.41
6. Informal FIs (Self-help group)	38,763	0.21	35,000	0.18	35,000	0.78	0.18
Total	18,163,413	100	18,952,631	100	4,466,781	100	23.57

Financial Inclusion : Supply

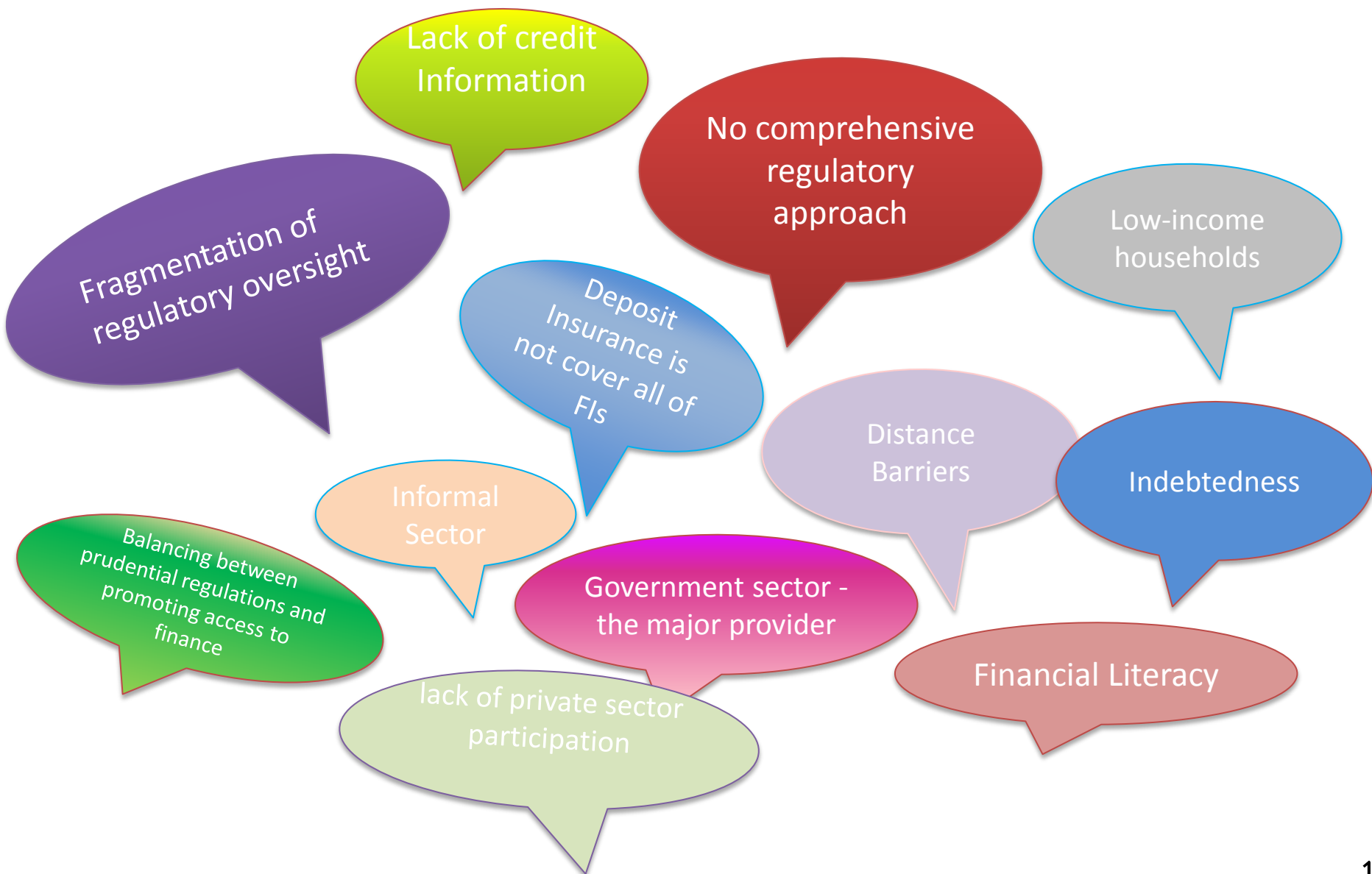


Current Status of Microfinance system in Thailand



Financial Inclusion - Way forward

Financial Inclusion in Thailand – Challenges



Financial Inclusion in Thailand – Way forward

Improve the Financial Services Providers

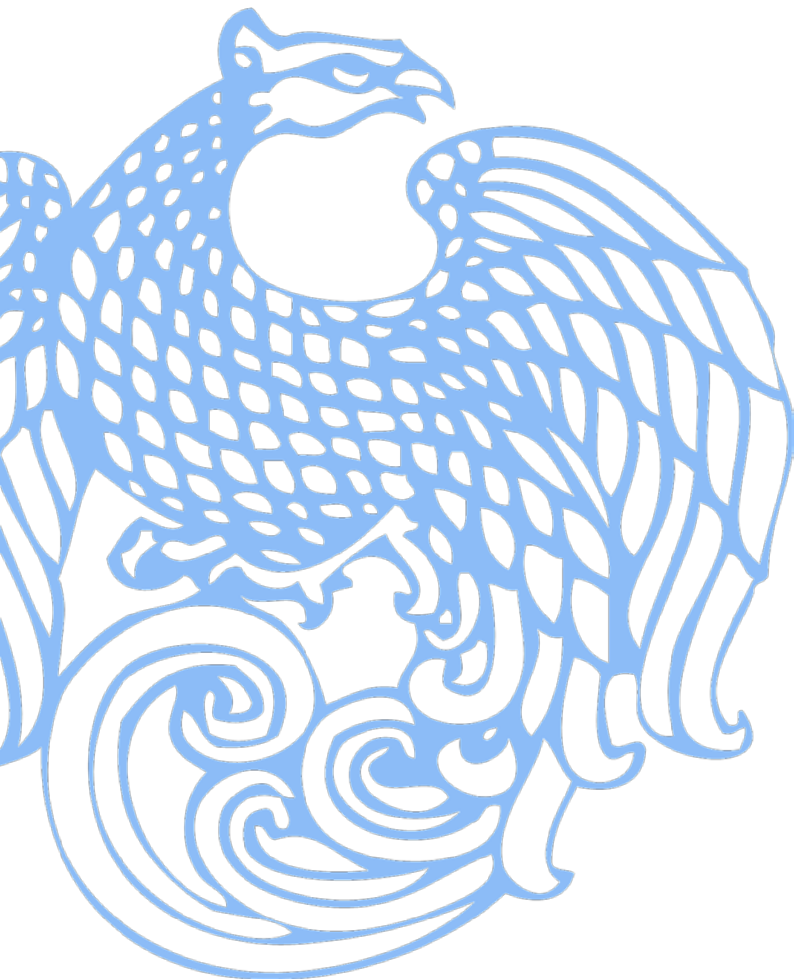
- Improve stability for community-based financial institutions – new laws, new risk management and new regulatory scheme
- Expand the role of SFIs to better cover the grassroots – more branches and more products, better targets for micro-loans
- Support commercial banks and non-banks to have more roles

Improve the Financial Services Users

- Support Financial Literacy to strengthen financial discipline

Improve the Financial Infrastructure

- Draft and amend related laws to facilitate quality microfinance services to accommodate the existing demands of micro-loans, and to provide consumer protection
- Establish respective regulatory bodies to supervise the plan implementation and to solve informal loans (loan sharks) problems
- Re-model regulatory structures of micro-finance activities)



Thank you