Promoting e-Payment : Thailand Experience

For Session II: South East Asia: Promoting Migration to e-Payment

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FinTech & Payment Development in Thailand

From Cash to Digital

Payment Infrastructures
- RTGS
- cheque clearing
- NITMX

Card-based Payments
- credit card
- debit card
- ATM

Digital Payments
- PromptPay
- QR Code
- biometric
- blockchain

Enablers
- International Standards
- Chip Card Security
- Cyber Resilience
**Plan for Society and Economy**

**Government Sectors**

- **Digital economy : Thailand 4.0**
  - To maximize the adoption of digital technologies in all socio-economic activities; infrastructure, innovation, data, human capital, and other digital resources.
  - To facilitate business to create an ease of doing business and the better value for consumers (ex. convenience, accessibility and reasonable service fees).

**Digital Government**

- **Project 1: PromptPay Payment System**
- **Project 2: Card Expansion**
- **Project 3: e-Tax System**
- **Project 4: Government e-Payment**
- **Project 5: Literacy and Promotion**
- **Project 6: Capital Market Settlement**

**Led by BOT**

**Digital Business**

**Digital Banking/Payment**

**Business/ Private Sectors**

- **Technology supporting ’Straight-Through Processing’ transactions**
  - e-Procurement
  - e-Tracking
  - e-Inventory/ e-Fulfillment
  - e-Invoicing/
  - e-Payment/ EIPP
  - e-Receipt/ e-Tax Invoice

**Banking / Non-bank Sectors**

- **Payment Systems Roadmap**
  - Promoting electronic payment transactions
  - Retail payment infrastructure development
  - Payment Systems Act
  - International payment (connectivity)
- **Financial Sector Master Plan: Phase III (2016-2020)**
  - Promoting Digitization & Efficiency in banking sector
e-Payment & FinTech

Payment Service Providers
- Banks
- SFIs
- Non Banks

Digital Payment 30%
Mobile Banking 110%
Debit Card 44%

e-Payment

Growth Rate in Transaction Volumes from 2016-2017

Initiatives Fostering Payment & FinTech
Financial Innovations in Thailand

- Project 1: PromptPay Payment System
- Project 2: Card Expansion
- Project 3: e-Tax System
- Project 4: Government e-Payment
- Project 5: Literacy and Promotion
- Project 6: Payments for Capital Market

No. of PromptPay registration
- Mobile No.
- National ID No.
- Corporate Tax No.
- E-wallet ID

Adoption
- Transferred Volume
  - 870 M
- Total Value
  - THB 4.4 Tn

Various services on PromptPay infrastructure
- Funds transfer to IDs
- Request-to-Pay
- Cross-bank Bill Payment
- QR code Payment

Criteria by: 45.7 Million IDs as of November 2018

Standard QR Code
- Multiple sources of funds

- Blockchain Community
- National Digital ID Platform
- Standard/Open API Gateway/Hub
ONE QR Code for

- ANY mobile applications
- MULTIPLE payment instruments
- ALL merchants
- OPEN infrastructure
- CROSS-BORDER payments

Thai Standard QR Code for Payment

EMVCo Compatible Standard
Thai Standard QR Code Strategy

Availability
for payments of off-line and on-line merchants

Accessibility
for domestic and international users & payment instruments

Affordability
for middle and lower market segments

an open infrastructure and interoperability in payment and financial systems
“Standard QR Code has reached more than 2 million merchants* in Thailand”

All merchants in our daily life
- street vendors
- motorcycle taxis
- dessert café
- wet markets
- shops

Government

School

Transportation
- Buses
- Trains
- Express Boats
- Tuk-Tuks

* Online and offline merchants combined
Key Success Factors to Promote e-Payment & Innovation

- Open Infrastructure & Interoperability
- Industry Collaboration
- Adequate Financial & Technology Literacy
- Supportive Regulations

e-Payment & Innovation
Thank you