



DPA unveils five-year roadmap to take deposit protection to a higher level

- *The protection scheme also covers virtual banks.*
- *The agency reports a 3.36% growth in deposits and protects 89.66 million depositors.*

Bangkok – January 19, 2023 – The Deposit Protection Agency (DPA) continues to work diligently to increase public and depositor confidence in the deposit protection system. It has released a five-year roadmap (2023-2027) that outlines four key strategies to support its vision of being a dependable and modern deposit protection organization while instilling trust in depositors and the public.

At the end of October 2022, the overall number of depositors stood at 89.66 million, a 4.46% increase from the end of 2021. The total amount of deposits protected amounted to 16.12 trillion baht, a 3.36% increase from the same period above.

The agency has also announced that deposit protection regulations will apply to virtual banks. Depositors will now be safeguarded up to the legal maximum of one million baht per depositor per bank. Most importantly, it confirms the Deposit Protection Fund's strength and its ability to maintain stability in the country's financial institution system.

The DPA is well-positioned to drive the 5-year roadmap (2023-2027) forward to support developments in financial innovation and new types of financial services in the digital economy era. It focuses on fostering trust and confidence among depositors and the public through the following four key strategies:

Strategy #1:

The DPA is prepared to carry out its mandate and effectively protect depositors through deposit reimbursement and liquidation. If a financial institution's license has been revoked in the event of a financial crisis, the depositor reimbursement process must be quick, simple, utilize modern channels, and comply with all relevant laws and regulations.

To this end, the agency has worked closely with all 32 financial institutions under protection (as detailed in the attachment) to test the transmission of data files from financial institutions using an information technology system designed with a focus on information security. A deposit reimbursement system that calculates and pays out protected deposits is already in place to carry out the agency's mandate.



Strategy #2

The DPA is prepared to engage the public and strengthen confidence in the deposit protection system and promote financial stability by interacting with target audiences of all ages through various channels and methods. It has also collaborated with both public and private organizations to broaden access to deposit protection information and create awareness among depositors and the public. Further, it has created strong communication partnerships with financial safety-net (FSN) organizations such as the Ministry of Finance and the Bank of Thailand.

Strategy #3

The DPA is prepared to contribute to the financial institution system's stability by collaborating with FSN agencies. A data analytics system has been developed to analyze deposit data as deposits are a crucial aspect for the stability of the financial institution system.

Strategy #4

The DPA is prepared to elevate the organization's capacity for sustained efficiency and good governance. The agency has made significant investments in both human resources and digital technologies to establish the appropriate infrastructure and ability to deploy it in both regular and crisis scenarios.

In particular, the deposit reimbursement system and various operational systems are linked to communication channels, allowing the agency to carry out its tasks with efficiency and transparency while delivering clear and accurate information to depositors and the public.

"With the fourth phase of the roadmap from 2023 to 2027, the DPA continues to focus on improving the efficiency of the deposit protection system, especially in terms of deposit reimbursement and liquidation, while building public confidence by increasing financial stability for the public," said **Mr. Songpol Chevapanyaroj, President of the Deposit Protection Agency.**

"In addition, we have adapted our strategic and operational direction to ensure that we are up to date with the latest financial innovations and new forms of financial services such as the upcoming virtual banks, which will soon emerge in Thailand due to the growth of digital technology and changing consumer behavior."

"Many countries around the world such as Japan, Taiwan, Korea, Singapore, and the UK, have already established virtual banks and the relevant rules and regulations for them. In Thailand, deposits at virtual banks are protected by the Deposit Protection Agency Act, up to a limit of one million baht per depositor per financial institution."



According to deposit data at the end of October 2022, the total amount of protected deposits stood at 16.12 trillion baht, an increase of 525 billion baht from the end of 2021, or a 3.36% increase. These funds came mainly from the deposits of corporate depositors and investment funds during periods of financial market volatility and from business sector companies that deposit money for liquidity purposes for their business operations.

With deposit interest rates on the rise, it is expected that deposits will continue to grow this year. The number of protected depositors is predicted to climb to 89.66 million, an increase of 3.83 million from 2021, representing a growth of 4.46%. The majority are individual depositors with deposits of less than one million baht. Currently, 98.01% of all depositors (87.88 million) are fully protected. Furthermore, the Deposit Protection Fund stands at 137 billion baht with a high level of liquidity, and is ready for deployment to protect depositors.

Those interested in learning more about deposit protection can visit the website www.dpa.or.th or social media platforms such as Facebook, YouTube, Twitter, Line, and LinkedIn. Simply click to look up [dpathailand](https://www.facebook.com/dpathailand). Alternatively, you may call 1158 to reach the DPA Contact Center.

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