

NOTIFICATION OF THE MINISTRY OF FINANCE
RE: GUIDELINES ON MANAGEMENT OF ON-LENDING PROCEEDS
OF THE MINISTRY OF FINANCE,
B.E. 2553 (2010)*

In order to establish clear and efficient guidelines on management of on-lending proceeds of the Ministry of Finance, by virtue of section 5 of the Public Debt Management Act B.E. 2548 (2005) and section 25 of the Public Debt Management Act, B.E. 2548 (2005) as amended by Public Debt Management Act (No. 2), B.E. 2551 (2008) in conjunction with clause 6 of the Ministerial Regulation on Rules, Procedures and Conditions for On-lending of the Ministry of Finance, B.E. 2551 (2008), the Minister of Finance hereby issues the Notification as follows:

Clause 1. “Borrower” means a State agency, an agency under State supervision, a local administrative organisation, a State enterprise or a State financial institution.

Clause 2. When a project or work plan of a borrower has been approved of on-lending from the Ministry of Finance by the Council of Ministers, the borrower shall present the implementation and disbursement plan to the Public Debt Management Office for its consideration to raise loan in accordance with law on public debt management or other relevant laws.

Clause 3. When the Public Debt Management Office has raised a loan from domestic sources of loan and external sources of loan, it shall conclude an on-lending agreement with the borrower in accordance with the standard agreement of the Ministry of Finance.

* Published in the Government Gazette, Vol. 127, Part 125d, Special Issue, dated 29th October B.E. 2553 (2010).

Clause 4. In the case where the Ministry of Finance raises a loan from domestic sources of loan to make on-lending:

(1) The borrower shall act in compliance with laws, rules or regulations of the borrower. Where there is no specific law, rule or regulation, the government regulations shall be complied with *mutatis mutandis*.

(2) With respect to the loan disbursement, the Ministry of Finance may allow the borrower to withdraw proceeds directly from the source of loan in accordance with the purpose of the loan under the law on public debt management or other relevant laws. The borrower shall be responsible for ensuring that the spending and disbursement are in compliance with the purpose and scope of work of the project or work plan as approved by the Council of Ministers under the laws, rules or regulations of the borrower.

Clause 5. In the case where the Ministry of Finance raises a loan from an external source to on-lend for any particular project or work plan of a borrower, and the external source requires the adoption of certain criteria and rules of such external source in its implementation, procurement, or disbursement of loan, the borrower shall comply with the criteria and rules of the external source.

Clause 6. The borrower shall report the result of the implementation of the project or work plan in which the loan is used to the Public Debt Management Office on a monthly basis on every 7th day of the subsequent month.

Clause 7. Any other act concerning management of on-lending proceeds of the Ministry of Finance which is not prescribed by these rules, shall be performed in accordance with the conditions set forth in the on-lending agreement between the Ministry of Finance and the borrower.

Clause 8. This Notification shall come into force as from the day following the date of its publication in the Government Gazette.

Published on the 4th day of October B.E. 2553 (2010)

Korn Chatikavanij

Minister of Finance