

NOTIFICATION OF THE MINISTRY OF FINANCE  
RE: RULES, PROCEDURES AND CONDITIONS ON GUARANTEE OF DEBT REPAYMENT  
OF STATE AGENCIES, STATE ENTERPRISES OR STATE FINANCIAL INSTITUTIONS \*

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By virtue of section 5 and section 27 of the Public Debt Management Act, B.E. 2548 (2005), the Minister of Finance, upon approval of the Council of Ministers, hereby issues the Notification as follows:

**Clause 1.** In the case where any State agency, State enterprise or State financial institution which has incurred a debt under clause 2 and wishes to apply for the Ministry of Finance to guarantee its debt repayment, such State agency, State enterprise or State financial institution shall submit an application to the Public Debt Management Office for consideration.

**Clause 2.** The following debts of State agencies, State enterprises or State financial institutions are debts the repayment of which may be guaranteed by the Ministry of Finance:

(1) debts from loans raised for a project or work plan for public utilities or public facilities which benefits the public at large, a project or work plan with high economic and social returns but low financial returns or a project or work plan in which prices of the products or services are under control in accordance with a government policy;

(2) debts from loans raised from an international financial institution, a foreign government, a financial institution of a foreign government or a foreign financial institution with approval of the Ministry of Finance to guarantee the debt repayment under the conditions of such loan raising;

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\* Published in the Government Gazette, Vol. 130, Part 158d, Special Issue, dated 14<sup>th</sup> November B.E. 2556 (2013).

(3) debts from loans raised during the time of unfavorable financial market situation where it may be detrimental to the country if the Ministry of Finance does not guarantee such loans;

(4) debts from the raising of loans liable in whole or in part by the Government upon passing of a resolution of the Council of Ministers;

(5) debts from loans raised for restructuring the debts that the Ministry of Finance has already guaranteed and that Ministry of Finance deems it appropriate to continue the guarantee of such debts;

(6) debts from loans raised for implementing a project or work plan which is necessary and in accordance with the government policy;

(7) debts from loans raised to be revolving funds or to enhance the liquidity of a State agency, a State enterprise or a State financial institution whose product and service are subject to price control in accordance with a government policy, or to implement a government policy;

(8) debts from loans raised for a project or a work plan or for restructuring of debts, provided that, if the Ministry of Finance provides guarantee, it will be economical, minimise costs and enhance efficiency of the public debt management.

In case of necessity in the interest of the country, the Ministry of Finance may propose to the Council of Ministers for consideration and approval for the Ministry of Finance to become a guarantor of loans raised for the purpose other than the cases in paragraph one.

**Clause 3.** When the Council of Ministers has approved the guarantee, the Ministry of Finance shall proceed to provide the guarantee in accordance with the law on public debt management and other laws.

**Clause 4.** The collection of a guarantee fee or any other fee under this Notification shall be in accordance with the Ministerial Regulation on prescription of rates and conditions on collection of guarantee fees of the Ministry of Finance.

**Clause 5.** This Notification shall come into force as from the day following the date of its publication in the Government Gazette.

Published on the 6<sup>th</sup> day of November B.E. 2556 (2013)

Kittiratt Na-Ranong

Minister of Finance