In 2022, the Bank of Thailand (BOT) published its **Consultation Paper on Financial Landscape** which outlines the key directions to be undertaken in order to reposition Thailand’s financial sector to sustainably transform into a digital economy. One of its key policies is the introduction of up to three new virtual banks, with the aim of promoting healthy competition among market players to develop innovative financial services and increase financial inclusion for consumers in the retail and SME segments.

The Virtual Bank applications will likely open in Q4 of 2023, based on recent announcements by the BoT and the selected three candidates will be submitted to the Minister of Finance for final approval of license granting, which should be announced (tentatively) within 2024.

**Indicative timeline**

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- **Public Hearing & finalize regulations**
- **Application period (6 months)**
- **Candidate selection (BOT – 6 months, Ministry of Finance – 3 months)**
- **Preparation before commencing business (1 year*)**
  *The BOT may make exemptions and allow the Virtual Bank to commence operations after 1 year of receiving approval from the Ministry of Finance if deemed necessary*

**Interested in applying for the Virtual Bank Licensing? Here are some key expectations...**

- Business model that provides a new (sustainable) value proposition, addressing under/unserved segments
- Robust corporate governance
- Capability to manage financial business risks
- Agile technology
- Robust financial position
- Digital service expertise
- Ability to access and utilize data from various sources

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**Announcement of successful applicants**

**Business commencement**

**Public Hearing & finalize regulations**

**Application period**

**Candidate selection**

**Preparation before commencing business (1 year*)**
The virtual bank license opens the door to untapped opportunities to service the unbanked and underbanked segments of the population with more dynamic financial solutions and product proposition. However, in launching a virtual bank, there are several questions that need to be thought through along the journey and a number of BOT requirements that need to be evidenced.

**Assess**
- Should I pursue the virtual bank license?

**Apply**
- What is the process to apply?

**Design & Launch**
- How do I set up for success?
- How do I launch in a timely and compliant manner?

**Scale**
- How do I scale efficiently?

**Our services are designed to support your end-to-end journey**

1. **Market Assessment & Entry**
2. **Business Model & Strategy Formation**
3. **Licensing & Regulation**
4. **Operating Model**
5. **Customer Experience Design**
6. **Entity Establishment**
7. **Technology Implementation**
8. **Valuation & Deals**
9. **PMO/CMO**

**Asses and apply: The first two phases of the journey:**

- **Market entry support**: Help you to understand the local market dynamic, existing competitive landscape, and key emerging trends and opportunities relating to digital and virtual banking in Thailand.
- **Strategy & business model**: Assist in preparing a detailed strategic plan, including three-year financial forecasts, as well as outline business models.
- **Partner identification**: Assist in the identification and onboarding of potential consortium partners
- **Virtual bank license application development and compilation**: Assist in the drafting and compilation of key application documents, supporting Q&A sessions and general guidance throughout the process.
- **Independent review of technology architecture and risk framework plans**: as required by the BOT.
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