

Executive summary

SEC Thailand public hearing on drafted regulations on derivatives regulatory association under the Derivatives Act

The Securities and Exchange Commission, Thailand (SEC) is seeking public comments on proposed regulations for (1) granting of approval for an association to be a derivatives regulatory association in order to furtherance the supervisory roles on the derivatives business operators, and (2) disclosing information concerning derivatives regulatory association in order to protect public interest.

The main focuses of the proposed regulations are as follows:

1. Granting of approval for an association to be a derivatives regulatory association

1.1 An applicant for approval as a derivatives regulatory association shall be granted an approval only upon meeting the following qualifications:

(1) being an association that is a juristic person with an objective of promoting and supervising derivatives business operators without seeking profits or sharing income among themselves;

(2) having its own regulations that shall at least contain the specified particulars; and

(3) having the rules of association as specified under Section 90 of the Act.¹

1.2 Criteria, operating conditions, and granting of approval as specified by SEC.

2. Disclosing information concerning derivatives regulatory association

2.1 A derivatives regulatory association shall disclose information related to its members, information related to violations and disciplinary sanctions imposed on its members as well as any other information obtained from its operation which is significant for investors' decision making;

2.2 The information shall be disclosed in a timely and adequate manner via channels equally and easily accessible by the public.

¹ Section 90 of the Derivatives Act B.E. 2546 (2003)

(1) the criteria for election of its director provides a fair representation of its members;

(2) the system for handling complaints filed by a customer of its member or the system for resolution of disputes arising from derivatives business operation either between members or between a member and its customer is efficient;

(3) the arrangement for monitoring and enforcement of compliance by its members with the rules of the association and code of ethics in undertaking derivatives business is in place.

For further details of this public hearing, please visit www.sec.or.th/hearing. Stakeholders and interested parties are welcome to submit comments and suggestions through the website or email: corporat@sec.or.th. The public hearing ends on 4 May 2023.