

SEC Thailand's public hearing on the proposed amendments to fast track approval for mutual fund establishment regulations

The Securities and Exchange Commission, Thailand (SEC) is seeking public comments on the proposed principles and draft regulations regarding fast track approval for mutual fund establishment. The proposed principles and draft regulations aim to facilitate mutual fund management companies to offer new mutual funds in response to market conditions, promote mutual fund management companies to control their operations in accordance with relevant regulations (self-compliance), and ensure information disclosure adheres to established standards for the purpose of maintaining investor protection. The amendments contain the following provisions:

- (1) Allowing feeder funds and funds similar to those approved through the normal approval process to submit applications via a fast track approval.
- (2) Removing fixed income funds (except fixed income fund with buy-and-hold characteristics) and mixed funds from the fast track approval, and mutual fund management companies must submit applications through normal approval process.
- (3) Implementing additional measures, such as assessing mutual fund management companies' qualifications for fast track approval, revising the timeframe for fast track approval to review information provided by mutual fund management companies, and suspending new application submissions for fast track approval funds in case of significant inspections arise.
- (4) Enhancing disclosure requirements for the risk assessment of mutual funds. Mutual fund management companies are mandated to disclose comprehensive risk factors that align with the specific types of mutual funds. These disclosures should encompass the probability of risks occurring, potential impact that may arise, and risk management strategies.

The consultation paper is available at www.sec.or.th/hearing. Stakeholders and interested parties are welcome to submit comments and suggestions via the website or email: benjamas@sec.or.th or mananchaya@sec.or.th or pirach@sec.or.th The public hearing ends on 11 September, 2023.