



e-Signature for Financial services

Sumaporn Manason (PhD)

Outline

1. Overview of e-Signatures under Thai laws
2. e-Signature for financial services
3. Future of e-Signature

Overview of e-Signatures under Thai laws

e-Signatures are governed by the Electronic Transactions Act of 2001 (ETA)

Old School.



vs.

**Highly
Efficient.**



Purpose of Signature

- ✓ Create evidence which could identity the signatory
- ✓ show attention towards content (Signify knowledge, approval, acceptance or Obligation)



Section 9 of Civil and Commercial Code

“Whenever a writing is required by law, it is not necessary that it be written by the person from whom it is required, but it **must bear his signature**. A finger print, cross, seal or other such mark affixed to a document is equivalent to a signature if it is certified by the signature of two witnesses. The provisions of paragraph two shall not apply to a finger print, cross, seal or other such mark affixed to a document before the competent authorities”

“Whenever a writing is required by law”



Section 653. A loan of money for a sum exceeding two thousand baht in capital is not enforceable by action unless there be some written evidence of the loan signed by the borrower.

No repayment of a loan of money evidenced by writing may be proved unless there be some written evidence signed by the lender, or the document evidencing the loan has been surrendered to the borrower or cancelled.

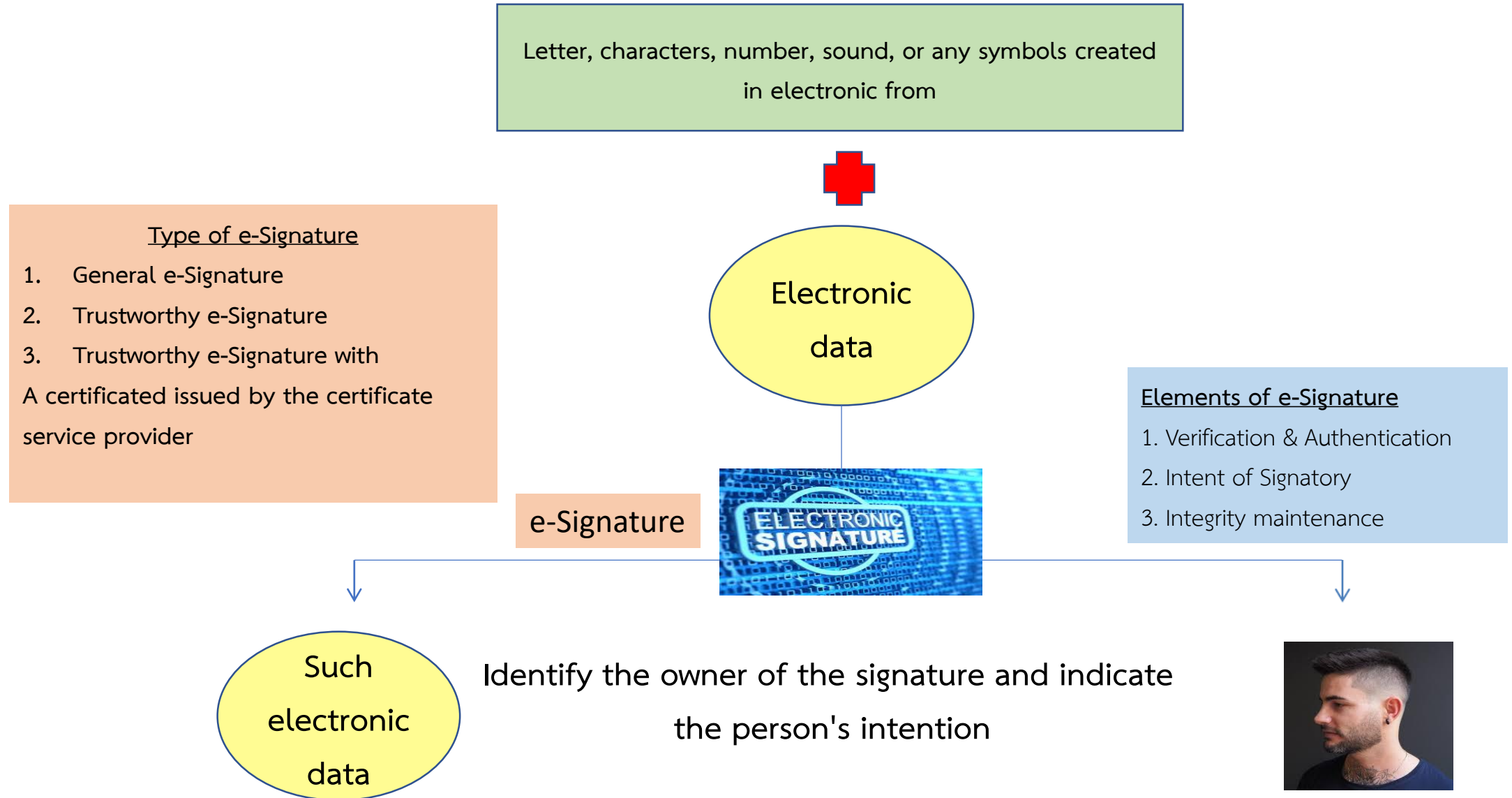
Section 867. A contract of insurance is not enforceable by action unless there be some written evidence signed by the party liable or his agent.

Purpose of Electronic Transactions Act (ETA)

- Enacted to ensure and e-Signature has the same legal effect as a traditional signature on paper format.
- Technology Neutrality concept



What is e-Signature under ETA



e-Signature vs Digital Signature

Type of e-Signature

1. General e-Signature (section 9)

ex : typing of the name at the end of email content, scanning image of a handwritten signature and attaching with the email, stylus, username/password, click of an acceptance button

Legal affects : Signatory has to proof

2. Trustworthy e-Signature

3. Trustworthy e-Signature with a certificated issued by the certificate service provider

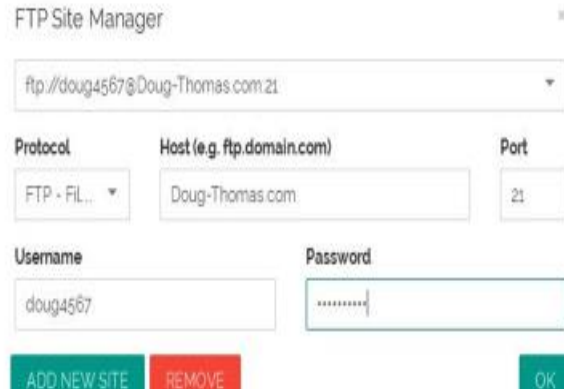
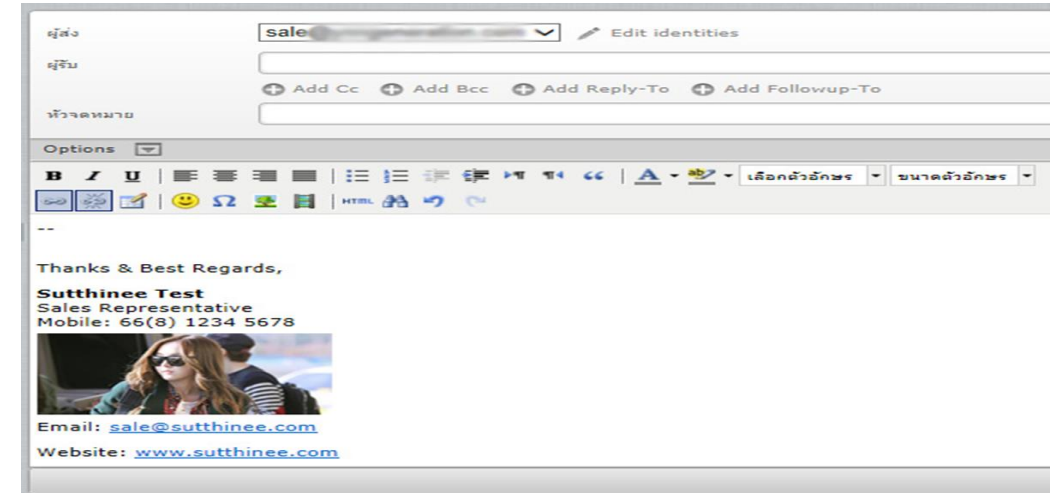
“Digital Signature is one form of e-Signature and could be considered as a trustworthy e-Signature if it meets the **reliable requirement** of the law”

e.g. Public Key Infrastructure, XML
Advanced Electronic Signature
(XAdES-A)

1. the signature creation data is linked to the signature's owner
2. At the time of creation of the electronic signature, the data used for creation of the electronics signature is under the control of the owner of the signature only
3. Any modification made to the electronic signature since the time of its creation can be noticeable

Legal affects : deemed to be a Trustworthy e-signature, and therefore admissible as evidence in legal proceedings

1. General e-Signature



ข้อมูลผู้ใช้งานระบบ

ชื่อ ในนามของ

เลขประจำตัวผู้เสียภาษี 3011418390 บัตรประจำตัวกรรมการผู้มีอำนาจ/ผู้รับมอบอำนาจ เลขที่ 470010460

ที่อยู่ 71/198 RAMKHAMHANG RD., HUAMARK, BANGKAPI

จังหวัด BANGKOK 10240

โทรศัพท์ 02-369-1905 โทรสาร 02-369-1906

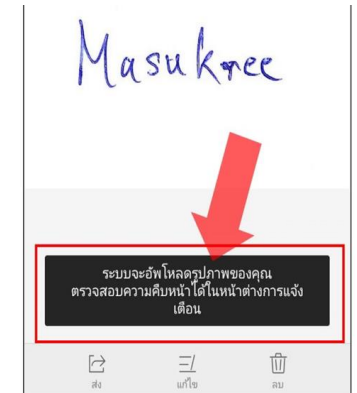
กรอกแบบคำขอ -> เลือกผู้รับมอบอำนาจ -> เลือกวิธีกรอกแบบคำขอ -> เลือกสถานที่รับหนังสือรับรอง

1

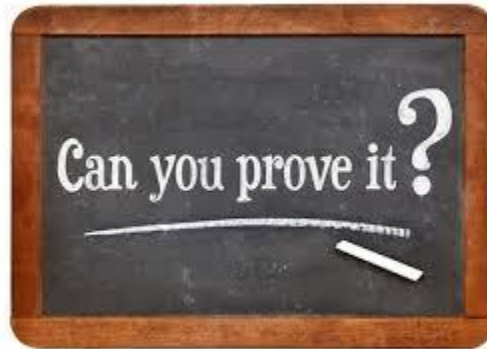
☒ กรอกราคา (ส่วนกลาง) ☐ กรอกราคา (สุวรรณภูมิ) ☐ สด.เขต 1 (เชียงใหม่) ☐ สด.เขต 3 (ชลบุรี)

☐ กรอกราคา (ท่าเรือ) ☐ กรอกราคา (สอ)

ตกลง 2



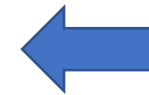
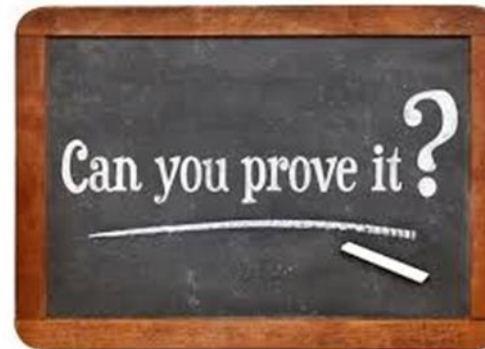
The burden of proof - General Signature case



✓ Signatory has to prove

the person who questions the reliability of the signature

The burden of proof - Trustworthy Signature (2,3)



The signature is presumed to be reliable under the law

✓ the party invoking has to prove

e-Signature as an evidence

Section 11. The admissibility of a data message as an evidence in the legal proceedings shall not be denied solely on the grounds that it is a data message.

In assessing the evidential weight of a data message whether it is reliable or not, regard shall be had to the reliability of the manner in which or the method by which the data message was generated, stored or communicated, the manner in which or the method by which the completeness and integrity of the information was maintained, the manner in which or the method by which the originator was identified or indicated, including all relevant circumstances.

Outline

1. Overview of e-Signatures under Thai laws

✓ e-Signature for financial services

1. Future of e-Signature

Channel to Extend Banking

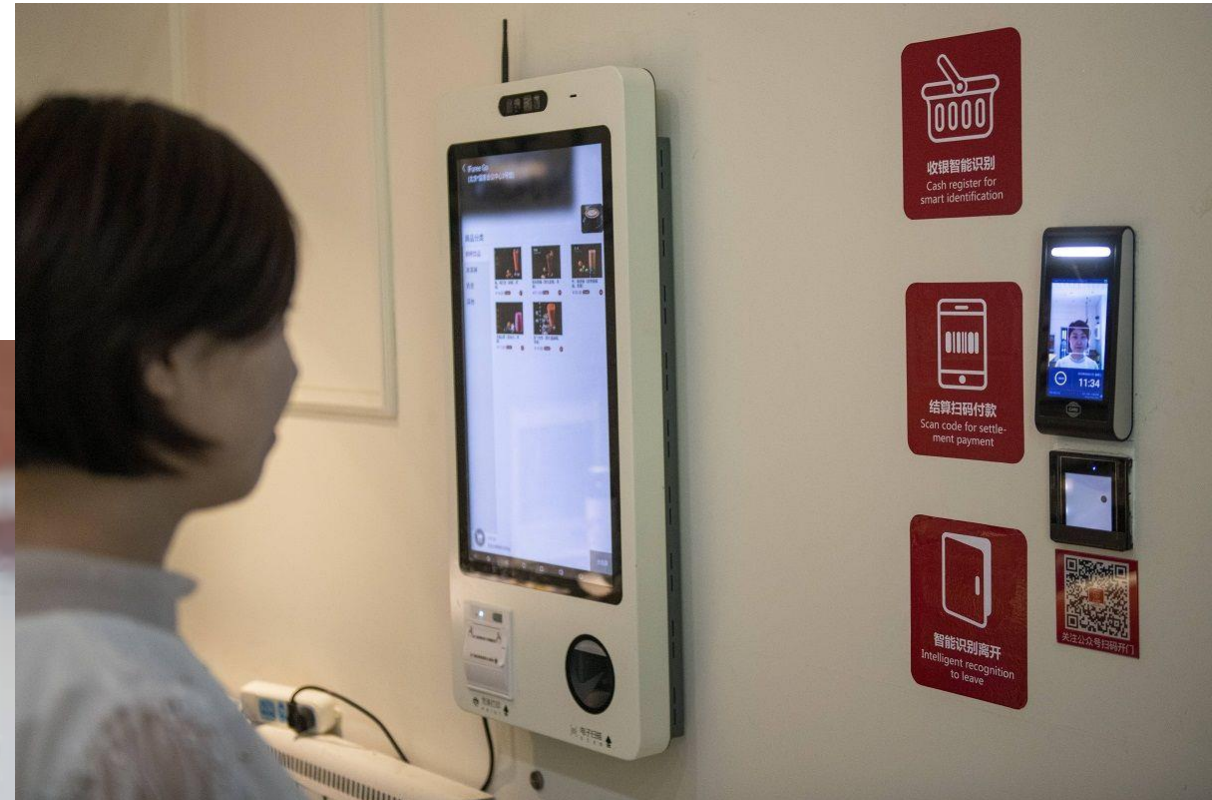


Webank : No Branch No Paper No human Involved

e-Signature for

- ✓ Digital contracts
- ✓ New account openings
- ✓ Consumer loan agreements
- ✓ Credit card applications
- ✓ Investment funds
- ✓ payment

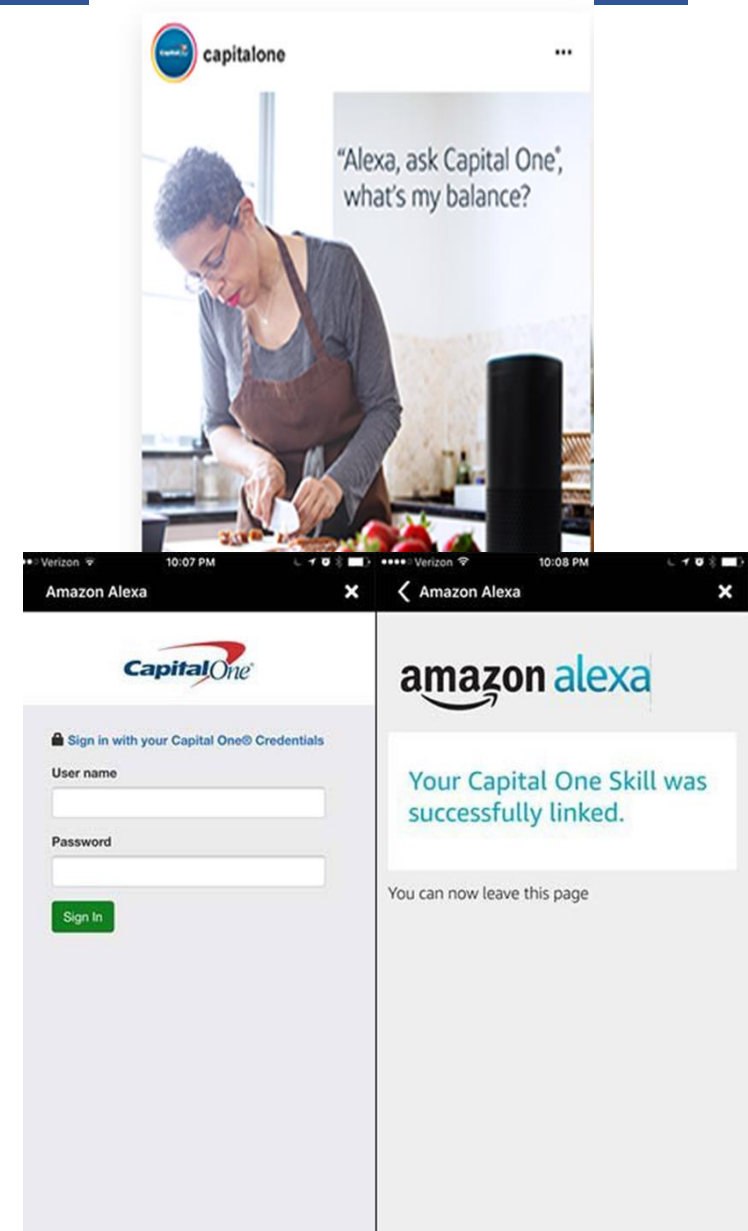
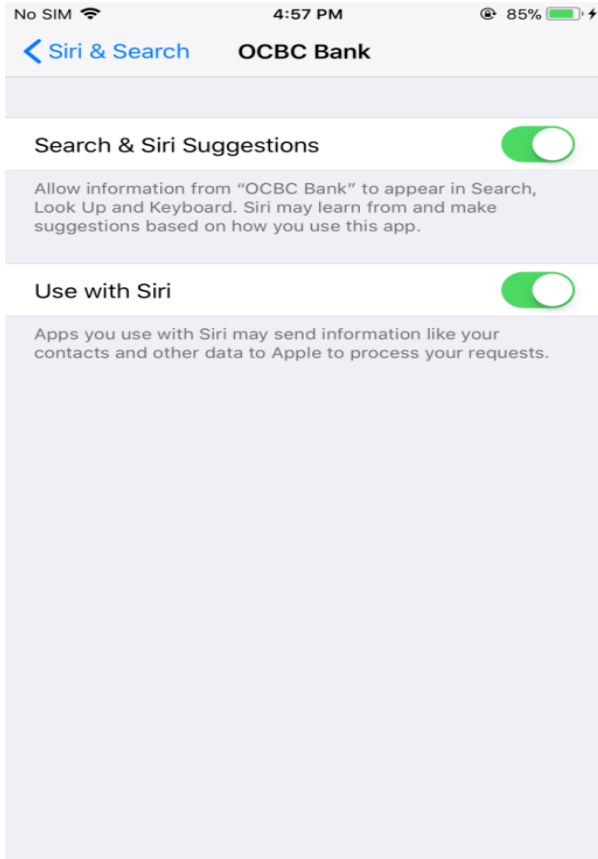
“Almost all of them, 98 percent, were handled by robots”



AI-powered voice banking services



Ok Google, talk to OCBC



BOT regulations

Notification of the Bank of Thailand

No. FPG. 27/2551

Re: Permission for Finance companies and credit foncier companies
to engage in Electronic Banking (E-banking)

BOT Press Release No. 6/2020



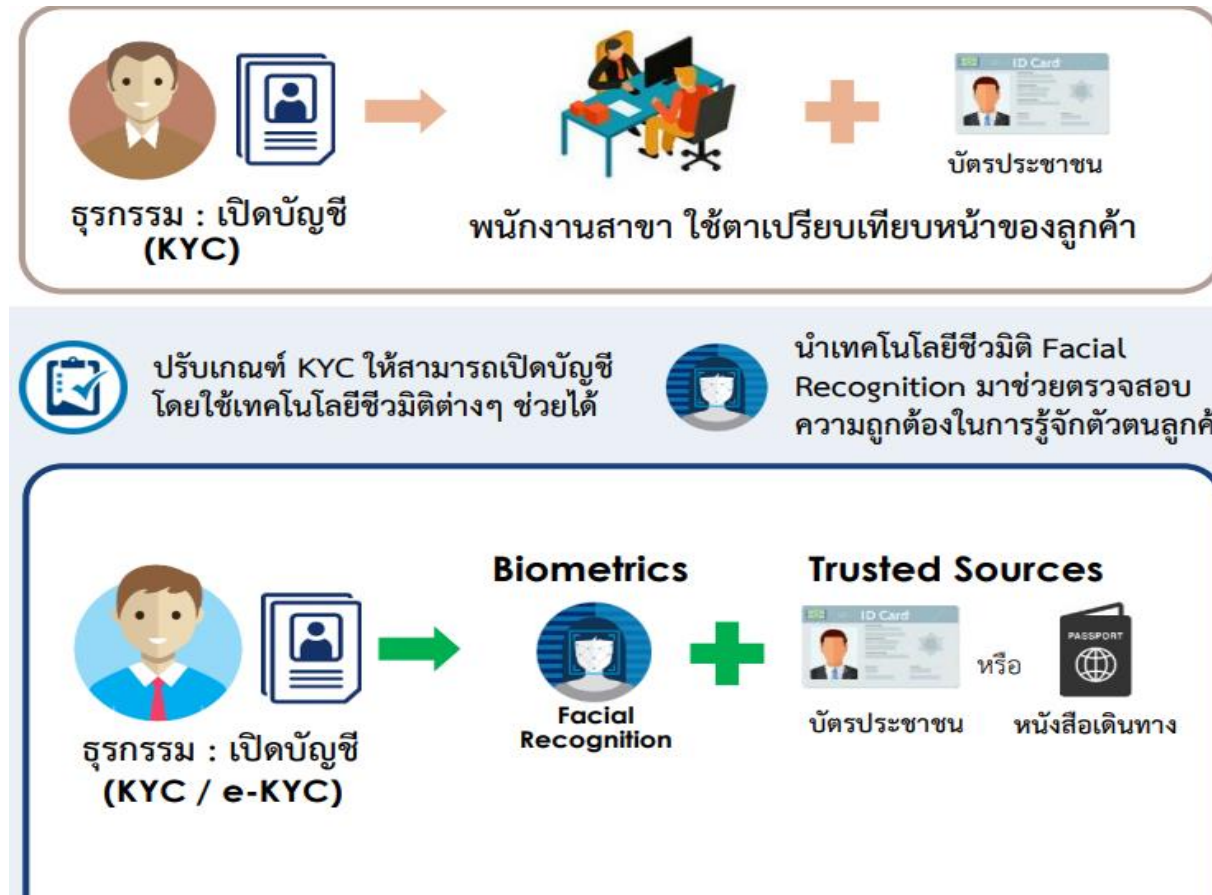
The Bank of Thailand Approves Banks to Provide Online Cross-bank Identity Verification
for Opening Bank Accounts in the Regulatory Sandbox

BOT Press Release No. 64/2020



The BOT issued the Circular for the Undertaking of Digital Personal Loan Business

Biometric face recognition by BOT



Thai financial institutions have applied to use the biometric technology as a KYC tool for identity verification.

Outline

1. Overview of e-Signatures under Thai laws
2. e-Signature for financial services
- ✓ The Future

Internet/Mobile Banking in Thailand

		MAR 2020	FEB 2020	JAN 2020	DEC 2019	NOV 2019	OCT 2019
1	Internet Banking						
2	No. of agreements 2/	29,850,113	29,581,529	28,769,748	29,404,466	28,657,871	28,024,525
3	Volume of transactions (Thousand Transactions)	81,719	73,894	71,501	73,278	67,297	44,567
4	Value of transactions (Billions of Baht)	2,822	2,308	2,457	2,482	2,211	2,283
5	Mobile Banking						
6	No. of agreements 2/	62,788,691	61,682,877	60,679,606	60,084,145	58,752,128	57,480,185
7	Volume of transactions (Thousand Transactions)	593,059	529,879	514,379	521,199	487,404	501,052
8	Value of transactions (Billions of Baht)	2,466	2,265	2,279	2,394	2,188	2,297

Source:

Bank of Thailand



ข้อเสนอแนะมาตรฐานด้านเทคโนโลยีสารสนเทศ
และการสื่อสารที่จำเป็นต่อธุรกรรมทางอิเล็กทรอนิกส์

ETDA Recommendation on ICT Standard
for Electronic Transactions

ชมธอ. 23-2563

ว่าด้วยแนวทางการลงลายมือชื่ออิเล็กทรอนิกส์

ELECTRONIC SIGNATURE GUIDELINE

เวอร์ชัน 1.0

สำนักงานพัฒนาธุรกรรมทางอิเล็กทรอนิกส์
กระทรวงดิจิทัลเพื่อเศรษฐกิจและสังคม
ICS 35.030

The number one most targeted industry sector – “Financial Service”

