

July 26, 2021
Bank of Japan

Renewal of Bilateral Swap Arrangement between Japan and Thailand

1. The Bank of Japan, acting as agent for the Minister of Finance of Japan, and the Bank of Thailand renewed the existing Bilateral Swap Arrangement (BSA) between the two countries on July 23, 2021. The BSA is a two-way arrangement, in which both authorities are able to swap their local currencies in exchange for the US Dollar. The arrangement also enables Thailand to swap the Thai Baht against the Japanese Yen. The size of the BSA remains unchanged, that is, up to 3 billion US Dollars or its equivalent in Japanese Yen.
2. The renewed BSA introduces a precautionary scheme, which is a new feature to supplement the existing crisis-resolution scheme. It also incorporates amendments to align the BSA with the recent amendments to the Chiang Mai Initiative Multilateralisation (CMIM) Agreement.
3. Both authorities agree that continuing such bilateral financial cooperation will help preserve financial stability in both countries, and support the close bilateral economic and trade relations between Japan and Thailand.