

(Translation)

Rules of the National Digital Economy and Society Committee

Re: Management of Digital Economy and Society Development Fund

B.E. 2561 (2018)

Whereas it is expedient to establish the rule on management of Fund, gaining of benefits and administration, custody and disbursement of money and property, rules, procedures and conditions for promotion, support or assistance to the Digital Economy and Society Development Fund under the Digital Economy and Society Development Act B.E. 2560 (2017).

By virtue of Section 11 (4), (7), paragraph two of Section 14 and Section 28 (1) of the Digital Economy and Society Development Act B.E. 2560 (2017), the National Digital Economy and Society Committee with approval of the Ministry of Finance hereby issues the Rule as follows:

Clause 1. This Rule is called as the “Rules of the National Digital Economy and Society Committee Re: Management of Digital Economy and Society Development Fund B.E. 2561 (2018)”.

Clause 2. This Rule shall come into force as from the day following the date of its publication in the Government Gazette¹.

Clause 3. In this Rule,
“Fund” means the “Digital Economy and Society Development Fund”;
“Office” means the Office of the National Digital Economy and Society Committee;
“Committee” means the National Digital Economy and Society Committee;

¹ Published in the Government Gazette, Vol. 135, Special Part 44 *Ngor*, dated 28th February B.E. 2561 (2018).

“Fund Management Committee” means the Digital Economy and Society Development Fund Management Committee;

“Sub-committee” means a sub-committee appointed by the Digital Economy and Society Development Fund Management Committee;

“Secretary-General” means the Secretary-General to the National Digital Economy and Society Committee.

Clause 4. The Secretary-General to the National Digital Economy and Society Committee shall be the person in charge under this Rule.

CHAPTER I MANAGEMENT AND ADMINISTRATION OF FUND

Clause 5. The Office shall prepare the Fund management structure to support the operations, with manpower reasonable for performance of works as well as Fund financial status to be proposed to the Fund Management Committee for approval subject to approval of the Ministry of Finance.

Clause 6. The Fund Management Committee shall appoint the Fund manager to manage the Fund to ensure achievement of the objectives.

In appointing the Fund manager, the Office’s officer may be appointed or a third person may be selected.

The Fund manager who is selected from third persons shall have a four-year term of office and may be reappointed, but his/her term of office shall not be longer than two consecutive terms.

Clause 7. A third person appointed as the Fund manager shall not have the prohibited characteristics, and shall at least possess the following qualifications:

- (1) Being Thai national;
- (2) Being not less than thirty-five years of age but not higher than sixty-five years of age;

(3) Not being a civil servant holding the position or receiving a fixed salary, an officer or employee of a government authority or state-enterprise, local administration organization or government agency, or an operating officer of a public organization on the execution date of employment agreement;

(4) Not having ever been dismissed, discharge or removed due to malpractice;

(5) Not holding a political position, being a member of local council or local executive, member or person holding the position responsible for management of political party or advisor of political party or officer of political party;

(6) Not having interest in operations of the Fund;

(7) Not being or having ever been a bankrupt, an incompetent person or a semi-incompetent person;

(8) Not having ever been imprisoned by a final judgment, unless it is a punishment for an offence from a negligent act or petty offence;

(9) Not being an executive of a state-enterprise, government agency or public organization on the execution date of employment agreement.

Clause 8. In selecting the Fund manager from third persons, the Fund Management Committee shall appoint a sub-committee consisting of not more than five members to select the person suitable for managing the Fund and nominate such person to the Fund Management Committee for appointment. In this respect, more than one suitable persons may be nominated.

The Fund manager who is selected from third persons shall not have the status as officer or employee of the Fund and shall be able to perform full time duties.

Clause 9. Holding of position, termination, employment conditions, performance evaluation, remuneration, benefits or welfare of the Fund manager who is selected from third persons shall be in accordance with the criteria and conditions of employment established by the Fund Management Committee with approval of the Ministry of Finance.

The Secretary-General shall have the power to execute the employment agreement with the Fund manager.

The employment agreement form for the Fund manager shall be as specified by the Fund Management Committee.

CHAPTER II
MONEY AND PROPERTY MANAGEMENT

Part 1
Money and Property Custody

Clause 10. The Office shall open a deposit account with the Comptroller General Department, Ministry of Finance in the name of “Digital Economy and Society Development Fund” to receive, pay money from the Fund, and no payment is allowed before depositing money into the deposit account.

To ensure flexible operations, the Office can open a deposit account with a state-enterprise bank or other bank as specified by the Fund Management Committee in the name of “Digital Economy and Society Development Fund” for being used as working capital within the limit and under the conditions as stipulated by the Fund Management Committee with approval of the Ministry of Finance.

Clause 11. In receiving all types of money, except seed money allocated by the government and subsidy allocated by the government from the annual expenditure budget, a receipt shall be issued as evidence.

A receipt form shall be as specified by the Fund Management Committee, with a running numbers shown in all receipts. In addition, there shall be auditable receipt control register and receipt withdrawal evidence.

Clause 12. The Office shall have a petty cash of Fifty Thousand Baht only, unless it is necessary to have a higher amount of petty cash which approval from the Fund Management Committee shall be obtained.

Part 2
Disbursement

Clause 13. The Fund's money shall be used for activities as per the following Fund's objectives:

(1) To promote, support or assist government agencies and private entities or general people in doing the digital economy and society development, provided that such promotion, support or assistance shall have an aim to bring the benefit to the public service and shall neither seek a profit nor destroy the competition in the moral business operation of the private sector;

(2) To provide research and development grants to government agencies and private entities or general people relating to the digital economy and society development;

(3) To be allocated as subsidy to the Office for the operations under its power and duties other than those allocated from the government budget;

(4) To be allocated as operating expense of the Digital Economy Promotion Agency;

(5) To be used for management of the Fund;

(6) Other expenses.

The rules, procedures and conditions for use of the Fund's money under (1), (2), (3), (4) and (6) shall be as prescribed by the Fund Management Committee under the national policy and plan for digital economy and society development and the strategic plan for digital economy promotion. For (5), it shall be in accordance with the rules, conditions and disbursement limit under the government rules *mutatis mutandis*.

Clause 14. The Office shall prepare an annual operation plan in line with the national policy and plan for digital economy and society development and the strategic plan for digital economy promotion. The said operation plan shall at least contain the aim, strategies, objectives, indicators, performance of the previous year, work plan, annual revenue projection, annual expenditure projection and cash flow projection to be proposed to the Fund Management Committee for approval at least sixty days before the beginning of

every accounting year and to be submitted to the Ministry of Finance at least thirty days before the beginning of every accounting year for approval before making payment.

Any revision or amendment to the annual operation plan approved under paragraph one shall be endorsed by the Fund Management Committee and shall be submitted to the Ministry of Finance for approval.

Clause 15. The Secretary-General or his/her designated person shall have the power to approve the disbursement of the Fund's money.

Any disbursement or creation of obligations shall be in accordance with the operation plan, action plan and expenditure plan of the Fund within the annual expenditure projection approved by the Fund Management Committee under Clause 14.

Clause 16. Payment shall be made by cheque or by an electronic transfer through a commercial bank or financial institution or by other method as specified by the Fund Management Committee.

Clause 17. The operational practice relating to finance and property which is not prescribed herein shall comply with laws, government rules, regulations or orders *mutatis mutandis*.

In case it is necessary to perform any act other than those specified herein, such act shall be in compliance with the rules prescribed by the Fund Management Committee with approval of the Ministry of Finance.

Part 3

Gaining of Benefits

Clause 18. The Fund Management Committee with approval of the Ministry of Finance may gain benefits from the Fund as follows:

- (1) Deposit of money with commercial banks;
- (2) Purchase of government bonds, Bank of Thailand's or state-enterprise's bonds;
- (3) Purchase of debt instruments with endorsement or aval or principal guarantee by the Ministry of Finance;
- (4) Investment to gain other benefits.

Part 4
Supply, Accounting and Audit

Clause 19. Procurement and management of supplies shall in compliance with the law on government procurement and management of supplies.

Clause 20. The Office shall install and maintain the Fund's accounting system which is accurate and appropriate for the Fund's operations to ensure that the financial report shows the financial standing and operating results of the Fund correctly in accordance with the generally accepted accounting standards.

Clause 21. The Fund shall electronically enter the accurate and updated accounting entries of the Fund in the government financial and fiscal management system in the form and under the conditions as specified by the Comptroller General Department.

Clause 22. The Fund Management Committee shall prepare the Fund's financial report for submission to the Office of the Auditor General or the certified public accountant approved by the Office of the Auditor General to serve as the Fund's auditor within ninety days from the end of every accounting year for audit and certification of the Fund's financial report.

The Fund Management Committee shall submit the financial report together with the auditor report to the Ministry of Finance within thirty days from the date of receipt of the auditor report.

Starting and ending of the Fund's accounting period shall be based on the fiscal year.

Clause 23. The Office shall arrange for the internal audit system for auditing the operations, finance and accounting of the Fund in accordance with the internal audit standards and government internal audit ethics or the international standards for internal audit profession and shall establish the internal audit charter of the Fund which shall at least contain the objectives, power and duties, responsibilities, reporting and moral and ethics standards for conducting an internal audit as well as the scope of internal auditor

work in adherence to the government rules and regulations. This internal audit charter shall be proposed to the Fund Management Committee for approval.

CHAPTER III
RULES, CONDITIONS AND PROCEDURES FOR PROMOTION, SUPPORT OR ASSISTANCE OR
PROVISION OF RESEARCH AND DEVELOPMENT GRANTS

Part 1
General Provisions

Clause 24. Those who are entitled to apply for promotion, support, assistance in doing the digital economy and society development or for research and development grants from the Fund are in the following categories:

- (1) Government agency;
- (2) Private entity;
- (3) General people.

Clause 25. Government agency:

- (1) Government body;
- (2) State enterprise;
- (3) Public organization;
- (4) Independent organization;
- (5) Other government agency.
- (6) Committee which has power and authority concerning any businesses

that gain benefit from digital

Clause 26. Private entity:

- (1) Foundation;
- (2) Association;
- (3) Juristic person which is incorporated under Thai law and its representative shall be Thai national;

(4) Community organization, private organization or organization for public benefit

Clause 27. General people shall have qualification and shall not have the prohibited characteristics as follows:

- a. Qualifications
 - (1) Being Thai national;
 - (2) Being not less than twenty years of age, except for the case under Clause 29.
- b. Prohibited characteristics
 - (1) Having ever been imprisoned by a final court judgement, except an offence from a negligent act or a petty offence;
 - (2) Being subject to the court's receivership order, being a bankrupt or having ever been a dishonest;
 - (3) Being an incompetent person or a semi-incompetent person.

Clause 28. An applicant for promotion, support, assistance in doing the digital economy and society development or for research and development grants shall have knowledge and competency, shall be ready for transfer of the knowledge body obtained to the Office, shall not be in a list of persons being in breach of agreements for the Fund's projects, or a list of persons abandoning the government works and shall not be a member, sub-committee member, advisor of the Fund's working group.

Clause 29. In case an applicant for promotion, support, assistance in doing the digital economy and society development or for research and development grants is less than 20 years of age who is a pupil or student in an educational institute and involves in studying and teaching a related subject or faculty in such educational institute, an intention shall be expressed to his/her educational institute then the educational institute will further proceed with an application for support from the Fund.

Part 2

Promotion, Support and Assistance Method

Clause 30. The Fund Management Committee shall from time to time announce the projects or activities, amount limit for promotion, support, assistance and the method for allocation of Fund's money. The opening period for projects shall be announced at least once a year.

The projects or activities for which promotion, support, assistance shall be given shall have the following characteristics:

- (1) Implementing the national policy and plan on digital economy and society development and the strategic plan for digital economy promotion;
- (2) Having the objectives beneficial to the public service and not seeking a profit, with no destruction of competition in the normal business operation of the private sector;

Clause 31. An application for promotion, support, assistance shall be submitted together with documents as specified by the Fund Management Committee.

The Application under paragraph one shall contain the following details:

- (1) Information of the applicant for promotion, support, assistance;
- (2) Characteristics and term of the project or activity for which an application for promotion, support, assistance is made;
- (3) Expenditure forecast and operation plan;
- (4) Benefits expected to receive from the operation;
- (5) Other details as specified by the Fund Management Committee.

Clause 32. An applicant for promotion, support, assistance shall be directly responsible for doing the project or activity for which an application is made and shall comply with laws, regulations and agreement or commitment as prescribed by the Fund Management Committee.

Part 3

Method for Providing Research and Development Grants

Clause 33. In applying for research and development grants, the Fund Management Committee shall from time to time announce the amount limit and the method for providing research and development grants. The opening period for applications for research and development grants shall be announced at least once a year.

For the projects or activities entitled to the research and development grants, their operations shall be in accordance with the national policy and plan on digital economy and society development and the strategic plan for digital economy promotion.

Clause 34. In applying for research and development grants, an application and documents as specified by the Fund Management Committee shall be submitted,

The application under paragraph one shall contain the following details:

- (1) Information of the applicant for research and development grants;
- (2) Characteristics and term of the project or activity for which an application for research and development grants is made;
- (3) Expenditure forecast and operation plan;
- (4) Benefits expected to receive from the operation;
- (5) Other details as specified by the Fund Management Committee.

Clause 35. An applicant for research and development grants shall be directly responsible for doing the project or activity for which an application is made and shall comply with laws, regulations and agreement or commitment as prescribed by the Fund Management Committee.

Part 4
Consideration

Clause 36. After receiving an application, the Fund shall examine the application for support, information, documents and evidence within fifteen working days from the day following the last date of application acceptance.

In case the submitted documents and evidence are incomplete as announced by the Fund Management Committee, the Fund shall give a notice to the applicant to make a revision or amendment to ensure completion and accuracy within seven working days from the date of receipt of the Fund's notice. Upon a lapse of the said period, it shall be deemed that the applicant does not want to apply for support from the Fund.

The acts under paragraph one and paragraph two shall be taken by the working group consisting of persons with knowledge and expertise whom the Fund Management deems appropriate to appoint in doing so.

Clause 37. After examining the application, information, documents as well as evidence, the analysis and opinions shall be prepared for submission to the sub-committee for project consideration.

Clause 38. There shall be a sub-committee for project consideration appointed by the Fund Management Committee to perform duties of considering projects or activities for which an application for promotion, support, assistance in doing the digital economy and society development or for research and development grants is made. In addition, the Fund manager shall serve as sub-committee member and secretary.

Clause 39. The sub-committee shall consider the following projects:

- (1) Project or activity with the amount limit up to Baht 10 million shall be approved by the sub-committee;
- (2) Project or activity over the amount limit under (1) shall be considered by the sub-committee and proposed to the Fund Management Committee for approval.

After a project under (1) is approved, a report shall be made to the Fund Management Committee.

The Fund Management Committee shall have the power to increase or decrease the amount limit under (1) by taking into consideration the appropriateness of operation so as to achieve the Fund's objectives.

In considering a project, the applicant's readiness and appropriateness of project or activity, duplication of project, operation period, expected outcome, appropriate amount limit, adherence to the national policy and plan for digital economy and society development and the strategic plan for digital economy promotion.

Clause 40. After making consideration and passing a resolution under Clause 39, the Fund shall send a written notice of consideration result to the applicant for promotion, support, assistance within fifteen working days after the date on which the sub-committee for project consideration or the Fund Management Committee passes a resolution, as the case may be.

Clause 41. In case the person who obtains approval for promotion, support, assistance in doing the digital economy and society development or for research and development grants receives a written notice of approval, an agreement or commitment in the form as specified by the Fund Management Committee shall be executed within fifteen working days following the date of receipt of the written notice. In case of no agreement or commitment is made within the said period, it shall be deemed that such person waives his/her right.

Clause 42. The methods for promotion, support, assistance and provision of research and development grants are as follows:

- (1) Full subsidy;
- (2) Partial subsidy;
- (3) Grants given through an authority having an agreement with the Office, with approval of the Fund Management Committee;
- (4) Other method as specified by the Fund Management Committee.

Clause 43. Any intellectual property deriving from the support given by the Fund shall be deemed as the property under the conditions of the agreement or commitment as specified by the Fund Management Committee.

Clause 44. The agreement or commitment in writing which has already been signed may not be amended, unless such amendment is required and does not cause a loss of government benefit; or such amendment is made for the government benefit and does not increase the amount limit under the existing agreement or commitment. Such amendment shall be under the approval authority of the sub-committee for project consideration or the Fund Management Committee under Clause 39, as the case may be.

Part 5

Monitoring and Evaluation

Clause 45. The person who receives the promotion, support, assistance in doing the digital economy and society development or the research and development grants shall have the duty to report the operation progress or outcome as prescribed by the Fund Management Committee.

Clause 46. There shall be a monitoring and evaluation sub-committee appointed by the Fund Management Committee to perform the duties of monitoring and evaluating the performance and expenditure of the project for which promotion, support, assistance or research and development grants is provided.

Clause 47. In case the person who receives the promotion, support, assistance in doing the digital economy and society development or the research and development grants fails to do the project or activity or to comply with the conditions of the agreement or commitment, the Office shall report the same to the monitoring and evaluation sub-committee for consideration and action on a case by case basis.

If the monitoring and evaluation sub-committee views that the person who receives the promotion, support, assistance in doing the digital economy and society development or the research and development grants fails to do the project or activity or to

comply with the conditions of the agreement or commitment, the monitoring and evaluation sub-committee shall propose the matter to the Fund Management Committee for passing a resolution that the Office shall terminate the agreement or commitment as prescribed in such agreement or commitment.

Clause 48. The monitoring and evaluation sub-committee shall prepare and submit a report on progress and operational result of the project or activity to the Fund Management Committee at least once a year or as specified by the Fund Management Committee.

CHAPTER IV

SUPPORT TO MISSIONS WITH NO RESPONSIBLE PERSONS

Clause 49. In providing support for operating expenses in case the Cabinet approves the Digital Economy Promotion Agency or the government agency to take acts under paragraph two of Section 14 of the Digital Economy and Society Development Act B.E. 2560 (2017), the provisions in Chapter 3, Part 4 and Part 5 of this Rule shall apply *mutatis mutandis*.

Given on the 30th Day of January B.E. 2561;

General Prayut Chan-o-cha

Prime Minister

Chairman of the National Digital Economy and Society