



Legal Execution Department, Ministry of Justice

No. 8/2559

Press Release

Achievement of Legal Execution Department in the 3rd Quarter (April – June 2016)

21st July 2016

Bankruptcy Case Administration Center,
The Government Complex, Rajaburi Direkridhhi Building

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On 21st July 2016, at 10.00 am, Miss Ruenvadee Suwanmongkol, Director-General, Legal Execution Department (LED) with the Deputy Director-General conduct the press conference to announce the LED's performance of the 3rd Quarter of the Fiscal Year 2016 (April – June 2016). The LED undertakes all activities in accordance with the Minister of Justice, Gen. Paiboon Koomchaya's 6-prong policies, especially, facilitation of justice to minimize disparity, prevention and suppression of narcotics, corruption and special crimes, and development and revision of law, as well as the LED's 2016 strategic plans and policies as follows:

The LED's key achievement of the 3rd Quarter (April – June 2016):

1. Expedite the turnover of seized properties to increase the liquidity and the growth of the Thai economy

In the fiscal year 2016, the LED has proactively carried out public auctions more effectively by adopting technologies and organizing the public auctions on Saturdays and Public Auction Fairs. From this performance, the LED achieved 22,430,984,005 Baht in the 3rd Quarter (April – June 2016) and the total amount of 73,827,503,805 Baht for 3 quarters.

2. Post-Judicial Mediation

The success rate of post-judicial mediation in 3rd Quarter is 82.76%, from 3,274 successful cases out of 3,956 cases, with 1,434,897,038.25 Baht. The total number of successful cases in 3 quarters is 8,019 cases with 2,965,294,658.12 Baht.

3. Case Management

13,892 cases that are pending over ten years have been organized. In the 3rd Quarter, 2,095 cases (15.08% of pending cases) were finished. Moreover, LED has coordinated with the Thai Banker's Association to help cooperate with the creditor banks, which are already summoned by the enforcement officer to further proceed pending enforcement procedures.



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4. Laws and Regulations Improvement

LED has been focusing on modernizing the related laws and regulations to meet more the international standards, with an aim to enhance social justice and fairness as well as to strengthen country's competitiveness. To promote both foreign and domestic investors' confidence, LED has proposed the new laws and regulations as follow;

4.1 Bankruptcy Act (No.9) B.E. 2559 (2016) (the Business Reorganization of the SMEs) which was promulgated in the government gazette on 24th May 2016 and has been in effect on 25th May 2016. The principle of this law is to allow small and medium enterprises (SMEs) including a natural person, a group of person, and a juristic person who are unable to pay their debts from business activities to be able to commence a reorganization process, continue operating and avoid legal enforcement or liquidation.

4.2 The Amendment on Civil Procedure Code Chapter 4 Part 2 which the Council of State is proposing to the Cabinet, aiming to minimize the process, shorten the length of execution period, and also clearly specify the rule of enforcement on each type of property.

4.3 The Amendment of draft Bankruptcy Act (No. ..) B.E. which aims to modify the business reorganization process to comply with the business reorganization process of small and medium enterprises (SMEs), collaborate with and support Secured Transaction Act B.E. 2558, comprise the rule of UNICTRAL Model law on Cross-Border Insolvency, and to improve the efficiency on law enforcement. The Legal Execution Department conducted a public hearing on this draft on 15th July 2016 at 13.30-16.30 and will summarize all comments for further action.

4.4 Proposing a draft of Legal Execution Act to set up a professional standard on legal enforcement and reinforce public's confidence.

5. IT Development

The LED has continuously adopted IT to operation processes in preparation for Digital Economy under the concept that "The LED is committed to improve and adhere to the ease of the public in more access to the public services, and to show transparency in working procedures of the LED" by publicizing the law and working steps in public auctions, and providing easier and more convenient access to public services in order to build transparency and trust in the LED's services.



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5.1 E-Offering/Auction Pilot Project, after the LED offices in the pilot project conducted the first public auction with the E-Offering option on 27th March 2016 and finished all the auction rounds for 20 cases with 31 properties. 13 properties with the total valuated price of 1,443,264,211 Baht were sold at 127,830,000 Baht.

5.2 EDC Payment Starting from 15th March 2016, bidders can pay the deposit in public auction by debit or credit card via Electronic Data Capture (EDC) and the method becomes nationwide at the end of this month.

6. Integrated International Affairs in Enforcement of Civil Judgments and Insolvency Cases

6.1 World Bank's Ease of Doing Business (EODB) The LED has reported the outcome of legal reform, especially (2016) (the Business Reorganization of the SMEs) which is effective on 25th May 2016 to the World Bank.

6.2 International Conference on Cross-border Insolvency The Ministry of Justice, the Legal Execution Department, and the United Nations Commission on International Trade Law (UNCITRAL) jointly organized the International Conference on Cross-Border Insolvency on 22nd – 25th June 2016 at The Berkeley Hotel Pratunam, Bangkok, Thailand, having His Excellency General Paiboon Koomchaya, Minister of Justice, presided over and delivered an opening address in an opening ceremony of the Conference. The Conference is in accordance with the mandate of 16th ASEAN Senior Law Officials Meeting (ASLOM) and the 9th ASEAN Law Ministers Meeting (ALAWMM) to exchange knowledge and experiences on the recent trend in cross-border insolvency, the relationship between the insolvency and secured transaction regimes, and the cooperation on administration of insolvency cases under the changing economy and technology landscapes. The participants included the executives from justice and economic sectors, scholars, representatives from private sectors, legal consultants, presses, and delegates and specialists of counterpart agencies from the ASEAN Member Countries, the People's Republic of China, Japan, the Republic of Korea, and related international organizations such as United Nations Commission on International Trade Law (UNCITRAL), World Bank, Union Internationale des Huissiers de Justice (UIHJ), and the Asian Development Bank (ADB). There were a special keynote address on "Cross-border Insolvency in the ASEAN Economic Community" by Professor Charles D. Booth, Director of



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the Institute of Asian-Pacific Business Law, William S. Richardson School of Law, University of Hawai'i at Manoa, along with two panel discussions under the topics "Recent Trend in Cross-border Insolvency" and "Relationship between Insolvency and Secured Transactions Regimes." The LED has received an honor from international and Thai experts; Professor Charles D. Booth (Director of the Institute of Asian-Pacific Business Law, William S. Richardson School of Law, University of Hawai'i at Mānoa), Ms. Kate Lannan (Legal Officer, International Trade Law Division, UNCITRAL Secretariat), Judicial Commissioner Kannan Ramesh (Supreme Court of Singapore), Judge Auen Kunkeaw (Research Justice of the Supreme Court, Thailand), Mr. Weerawong Chittmittrapap (Senior Partner, Weerawong, Chinnavat & Peangpanor Ltd.), Mr. Mahesh Uttamchandani (Lead Financial Sector Specialist, Global Lead- Credit Infrastructure, World Bank), Judge Dr. Kanok Jullamon (Judge attached to Bankruptcy Division of the Supreme Court of Thailand), Dr. Kullapat Jangkamolkulchai (Trade Officer, Department of Business Development, Ministry of Commerce, Thailand), and Professor Kitipong Urapeepatanapong (Chairman, Baker&McKenzie).

Moreover, on Friday 24th June 2016 there was a Meeting of Senior Executives of Insolvency Agencies of the ASEAN Member Countries, the People's Republic of China, Japan, the Republic of Korea, and Related International Organizations to discuss the coordination scheme and to report the recent development in insolvency law of each country.

In this Conference, the participants composed of the senior executives and foreign experts, including the executives from the Ministry of Justice and departments in the justice system, representatives from the legal offices from both the government sectors and law firms in the total number of 400 participants.

7. Potential of SMEs Enhancement

7.1 Lectures on Bankruptcy Act (NO. 9) B.E. 2559 (2016) (the Business Reorganization of the SMEs) The LED organized the lectures on Bankruptcy Act (NO. 9) B.E. 2559 (2016) for the public for 2 rounds on 29th May 2016 at 10.30 am -12.30 pm and 15th June 2016 at 1.30 - 3.30 pm at the public auction hall, LED, so as to promote new law for the public and SMEs.



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7.2 Co-organized the Event to Foster Financial Strength for SMEs and Entrepreneurs. The LED together with Office of Small and Medium Enterprise Promotion and SME Bank organized the event to foster financial strength for SMEs and entrepreneurs on the 27th June 2016 at 9.00 am - 16.00 pm at the Ballroom 1, Queen Sirikit National Convention Center to ensure SMEs knowledge in business reorganization of the SMEs, the Turnaround Fund, legal clinics, financial clinic, and turnaround fund clinic with reorganization of the SMEs.

7.3 Smart SME Expo 2016 The LED participated in the “Smart SME Expo 2016” from 30th June - 3rd July 2016 at Challenger 3, Challenger Hall, Exhibition Hall, Exhibition Center, Impact Muang Thong Thani of which Dr. Somkhith Chatusiphithak, Deputy Prime Ministry of Thailand was the chairperson. LED together with the Office of Small and Medium Enterprise Promotion (OSMEP) organized legal clinics and workshops to the operator of the SMEs. In addition, Miss Ruenvadee Suwanmongkol, Director-General of the LED and Mrs. Salinee Wangtal, Director General of the OSMEP, participated in the signing ceremony of the MOU to coordinate with the allied agencies in supporting and enhancing SMEs’ potential.

1. **Expedite the Turnover of Seized Properties:** The LED successfully accelerated the turnover of seized properties to be out of enforcement proceedings from October 2015 to June 2016 in totaling value of 73,827,530,805 Baht which is 73.83 % of the goal (the goal 100,000 million Baht which is 2% higher than the goal of 2014 and 2015 fiscal years).

The result of turnover expedition in Fiscal Year 2016 (from October 2015 to June 2016);

Month	result of accumulated assets acceleration (Baht)	Goal (Baht)	Percent
October 2015	13,193,447,157	100,000,000,000	73.83
November 2015	9,638,389,591		
December 2015	8,340,120,954		
January 2016	5,193,840,781		
February 2016	7,435,076,879		
March 2016	7,488,478,222		
April 2016	6,883,179,195		
May 2016	5,786,864,343		
June 2016	9,760,940,467		
Total	73,827,530,805		

As of 3rd July 2016, LED has properties to be put in public auction 108,882 items worth 195,690,167,949.55 Baht. Lands and structures are 33.11%, lands are 37.81%, and condominium units are 29.08% of the total properties to be put in public auction.

Asset type	Total estimated price	items
Land with structure	64,736,384,994.99	60,934
Land	73,993,763,035.42	35,795
Condominium Unit	56,900,019,919.14	12,153
Total	195,690,167,949.55	108,882

2. Post-Judicial Mediation The result of disputes mediation in enforcement proceedings in Thailand from October 2015 to June 2016 in 2016 fiscal year: disputes entered 9,726 cases, successfully settled 8,019 cases, which is 56.03% higher than the successful rate of the 2014 and 2015 fiscal year.

The result of post-judicial mediation in Thailand from October 2015 to June 2016 in 2016 fiscal year:

Month	entered (cases)	successfully settled (cases)	disputed amount (baht)	unsuccessful	percent Successfully settled
October 2015	965	782	249,835,895.17	183	81.04
November 2015	1,513	1,303	329,340,536.33	208	86.23
December 2015	570	449	180,858,027.08	120	78.91
January 2016	576	433	158,829,860.98	142	75.30
February 2016	1,345	1,147	289,969,064.19	198	85.28
March 2016	827	634	319,785,742.29	193	76.66
April 2016	504	399	207,762,401.08	105	79.17
May 2016	1,455	1,162	474,058,713.40	293	79.86
June 2016	1,997	1,713	753,075,923.77	284	85.78
Total	9,726	8,019	2,965,294,658.12	1,707	82.45

From the mediation fairs organized with 11 agencies from public and private sectors which are TOT PCL, Krungthai Card PCL, Government Savings Bank, Bank for Agriculture and Agricultural CO-Operatives, Small and Medium Enterprise Development Bank, Toyota Leasing (Thailand), Sukhumvit Asset Management Co., Ltd., Pattanasin Leasing (CPL) Co., Ltd., Siam Commercial Bank PCL, S.T. Law & Collection Co., Ltd. , and Citibank from October 2015 to June 2016, there were 5,670 cases entered for settlement, the disputed amount was 1,689,279,448 Baht, 4,946 cases were successfully settled of which the disputed amount was 1,266,797,245 Baht, having the successful rate at 87.76%.

3. Data Integration with Other Offices and Institutions From the MOU of coordination in enforcing fines in narcotic cases with the Office of the Narcotics Control Board, below is the record of the successful enforcement of narcotic cases in the 3rd Quarter. The total amount of 6,914,847.23 Baht has been delivered to the court.

Narcitic cases	Seizure of Properties	Attachment	Successfully Sold
669 cases entered enforcement proceedings Enforcement Proceedings	295 Cases	374 Cases	41 Csaes
Estimated Price 38,384,577.62 Baht	Estimated Price 2,056,724.00 Baht	Estimated Price 6,009,262.90 Baht	Estimated Price 2,030,791.66 Baht

4. **Resolving agricultural debt** The LED and the Bank for Agricultural and Agricultural Co-operatives (BAAC) have cooperated in examining agricultural debt in enforcement stage. This is an urgent issue to be resolved by having all of the LED offices nationwide conduct mediations for such debt, providing farmers legal knowledge, financial knowledge, and supporting refinance. Until now, there are 2,292 agricultural-debt cases in the enforcement stage (as of 11th July 2016).

Status	Number of cases	Amount (million Baht)	Value of Properties (million Baht)
The Bank is considering loan	94	23	26
Mediation (Verification/ appointment)	177	43	11
Success (Resolution reached/loan approved)	125	19	9
Unsuccessful settlement/ loan denied	477	1,801	38
No request for execution yet	392	59	0.81
During other processes (stay of execution)	51	12	19
Finish cases (Properties sold, seizure revoked, execution period lapsed, etc.)	976	223	137
Total	2,292	2,184	244

Besides, the LED offices have coordinated with the Farmers Council in every province to mentor the farmers in enforcement stage. Below is the current progress;

Work Shop Held	On progress	Pending
59 Provinces	6 Provinces	19 Provinces
