
Technology, Media & Telecommunications

New Law to Combat Online and Phone Scams – The Emergency Decree on Measures for Prevention and Suppression of Technological Crimes B.E. 2566 (2023)

Introduction

Due to the increasing number of telephone and online scams, the Thai government has issued a new law to combat such crimes, as well as related money-laundering activities, namely, the Emergency Decree on Measures for Prevention and Suppression of Technological Crimes B.E. 2566 (2023) ("**Technological Crime Decree**"). The Technological Crime Decree became effective on 17 March 2023.

Media reports have focused on the increase of scam calls in Thailand, with some estimates that as many as 17 million scam calls were made in 2022, a 165% increase.¹ The Technological Crime Decree, which was drafted by the Ministry of Digital Economy and Society, is intended to address certain practical difficulties which victims of online and phone scams have faced, such as the inability to freeze transactions immediately because banks would require proof of the filing of a police complaint.

This Update summarises the key features the Technological Crime Decree.

What is "Technological Crime"?

A "technological crime" is defined "*as the act of committing, or attempting to commit, an offence under the law on computer crime to defraud, extort or blackmail for individual's property, or otherwise, to damage another person, or to commit an offence of fraud, extortion or blackmailing using a computer system as a tool*".

Transaction Freezing

Upon request of the victim (who is the account holder), banks and payment providers are required to temporarily freeze illicit transactions, where the victim shall file a complaint to the police within 72 hours. Once the complaint is filed, the police will notify the bank / payment provider to continue freezing the

¹ According to the Whoscall Thailand Annual Report 2022. See also <https://www.nationthailand.com/thailand/general/40026460>

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account, and the police will complete the initial investigation within seven days. The transaction can be unfrozen if there is no further order to freeze from the police after the seven-day period ends.

If the bank payment provider finds, through its own efforts or from the information sharing system, that there is a suspicious illicit activity, the bank/payment provider shall notify the police/Secretary of Anti-Money Laundering Office ("**AMLO**") immediately and temporarily freeze illicit transactions for a maximum period of seven days. The authority will complete the initial investigation within seven days. Similarly, if there is no reply from the authority after such seven-day period has passed, the transaction will be unfrozen.

Information Sharing

Banks, payment providers, telecommunications companies, and other service providers must share information about accounts and transactions that may be connected to the commission of a technological crime through the information sharing system approved by relevant authorities. Such operators are also required to share the information with the Royal Thai Police, the Department of Special Investigation (DSI), and the AMLO.

Reporting Channels

Illicit transactions can be reported to the bank/payment provider via telephone or electronic means. According to the Thai government, there are now 15 banks/payment providers who have set up a call center to receive reports from victims.

Complaints involving a technological crime can be filed with any police station in Thailand without the need to identify the place in which the crime is committed, or it can be done via electronic means. This would address practical difficulties such as police concerns regarding whether the crime has occurred outside of the physical jurisdiction of the police station where the complaint is being filed.

Mule Accounts

Previously, a person who allows others to use their account for a criminal activity would be considered as a supporter of a fraudulent act and/or an illicit use of another person's account. Both offences carry penalties of five years imprisonment and THB 100,000 fine, with the supporter subject to 2/3 of the penalty.

The Technological Crime Decree has now identified specific offences and penalties relevant to the said activity.

- Allowing someone else to use his bank account, electronic card, e-money account, or phone number for a criminal activity – referred to as a “mule account”: imprisonment of up to 3 years and/or a fine of up to THB 300,000

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- Facilitating or advertising for the creation of a mule account: imprisonment ranging from two to five years and a fine ranging from THB 200,000 to 500,000.

We expect enforcement action in this area to increase substantially.

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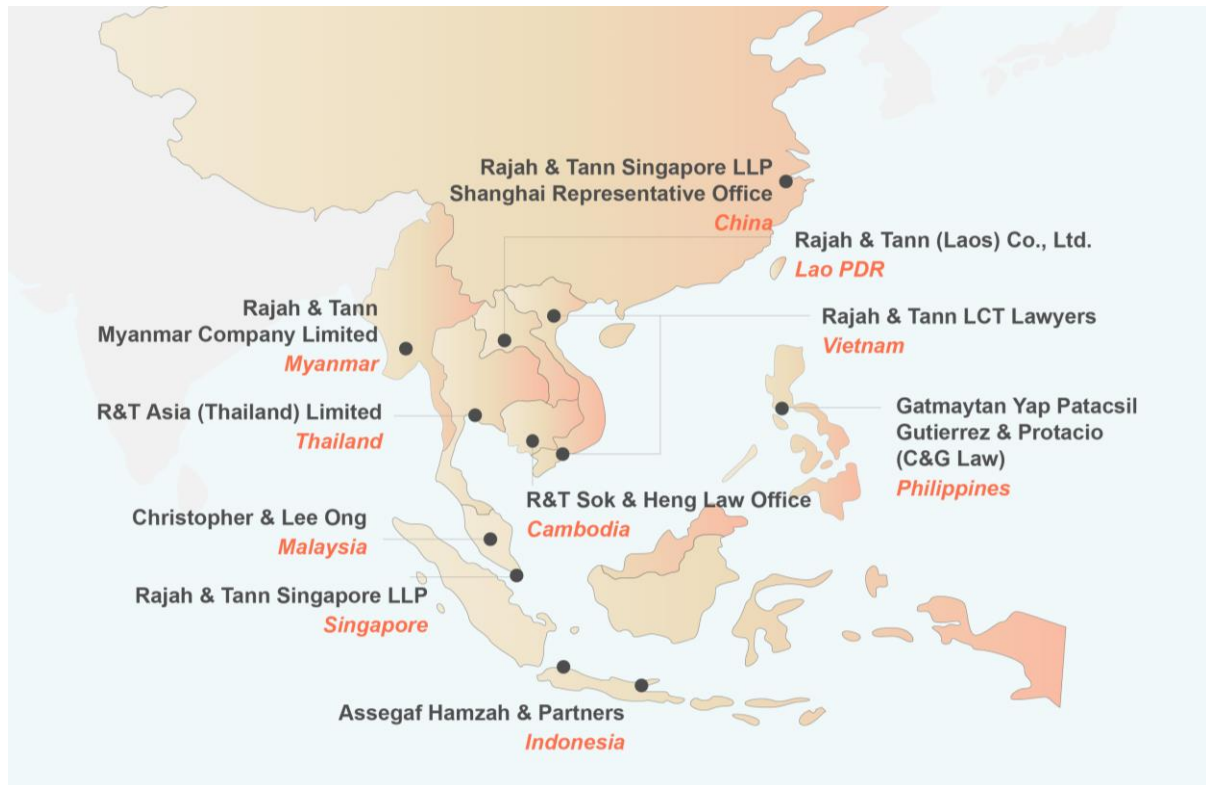
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