



Thai Money Laundering Law Expanded Predicate Offences

On 4 November 2021, Thai Cabinet passed its resolutions on a draft Amendment to Anti-Money Laundering (No. ..) B.E. (“Proposed Amended Act”) as proposed by the Anti-Money Laundering Office (“AMLO”), which is an amendment to Anti-Money Laundering Act, B.E. 2542 (A.D. 1999) by improving anti-money laundering measures to be in line with international standards as recommended by the Financial Action Task Force (“FATF”) for the prevention and suppression of money laundering and anti-terrorism financing.

As a result, this would allow Thailand to be assessed for compliance with international AML/CFT standards in time for the assessment cycle which will drive Thailand to become a member of the FATF by 2023. The significant matters of the Proposed Amended Act are as follows:

1. Amending the definition of “Predicate Offences” to cover more offenses to be appropriate for the current situation including the child pornography trade, tax evasion, document forgery, the digital asset trade, bid rigging and loan shark, and the definition of “Professionals” to be clearer and more consistent with business operators in Thailand.
2. Expanding the provisions on receiving, collecting and sending data of customs officials to the AMLO to cover cross-border negotiable instruments. (Formerly, only currency or foreign currency was specified). In addition, the new provisions will empower customs officials to confiscate currency, foreign currency, and cross-border negotiable instruments.
3. Establishing rules for the retention of data or documents related to customs investigations.
4. Defining the duties of associations, foundations and non-profit organizations to prevent any of them from being used as a source for money laundering or financial support for terrorism.
5. Adding a new provision on identity fraud in transactions. The offence shall be liable to imprisonment for not exceeding three years or a fine not exceeding 60,000 baht or both.

In addition, the cabinet instructed the Council of State to combine an offense in relation to smuggling immigrants under the law on immigration as a predicate offense to be included in the Proposed Amended Act.