

Thailand to regulate use of digital assets as payments

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Representations of virtual cryptocurrencies are seen in this illustration taken on Nov 28, 2021. (Reuters photo)

Thailand plans to ban digital asset operators from facilitating use of crypto as a means of payment for goods and services, its central bank and market regulator said on Tuesday, in a bid to limit risks.

Digital asset business operators have expanded their businesses to cover services related to the use of digital assets as payments, which may result in a wider adoption of such activity, the Bank of Thailand, the Securities and Exchange Commission and Ministry of Finance said in a [joint statement](#).

That could potentially impact financial stability and the overall economic system, it said.

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The announcement came hours after the regulator in nearby [Indonesia](#) [warned financial firms](#) not to offer and facilitate crypto sales, amid a boom in its usage.

The central bank has been stressing repeatedly that it [does not support use of crypto as payments](#).

A public hearing on the new rule will be held until Feb 8 before it will be effective, Charuphan Intararoong, assistant secretary-general at the SEC, told a news conference.

It will not yet cover use of digital assets as payments between merchants and customers, while trading of crypto assets is still allowed, she added.

"Investors, consumers, and citizens can still trade digital assets for investment as usual," Ms Charuphan said.

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The central bank and relevant agencies will consider allowing digital assets that are beneficial to the country to operate, however, said assistant central bank governor Siritida Panomwon na Ayudhya, without elaborating.

Trading and use of cryptocurrencies have gained momentum in Thailand with retailers and real estate developers accepting digital assets as payments.