

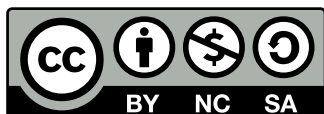


# POLITICAL FINANCE ASSESSMENT OF THAILAND



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# POLITICAL FINANCE ASSESSMENT OF THAILAND

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# Abbreviations and acronyms

<b>CSO</b>	Civil society organization
<b>ECT</b>	Election Commission of Thailand
<b>MP</b>	Member of parliament
<b>PPDF</b>	Political Party Development Fund
<b>THB</b>	Thai baht

# EXECUTIVE SUMMARY

**Regulations about the funding of political parties and election campaigns in Thailand are in need of constant improvement and innovation.**

Thailand has made significant progress in economic and social development over the last four decades. At the same time, reform efforts have been made to key aspects of its political system to enable greater political participation and better representation. In particular, regulations about the funding of political parties and election campaigns (commonly known as political finance regulations) in Thailand are in need of constant improvement and innovation, as there are several persistent challenges, including weak political parties and systems of patronage where politicians accept bribes and distribute money to gain or remain in office.

Prior to 1998 constitutions and organic laws addressed the issues of party formation, party registration, candidate selection, membership expansion and management of internal structures, without paying much attention to political finance. It was the 1998 Organic Law on Political Parties that first introduced public funding for political parties by establishing the Political Party Development Fund (PPDF) under the Election Commission of Thailand (ECT). Since then, subsequent organic laws have introduced political finance regulations specifically on sources of income, reporting mechanisms and sanctions for political finance violations. Currently, political finance regulations are laid out in the 2017 Organic Law on Political Parties and the 2018 Organic Law on the Election of Members of the House of Representatives, both of which fall within the ambit of the ECT.

As of March 2023, no systematic review of the effectiveness of party finance regulations in Thailand has been conducted. With



the objective of filling this knowledge gap, this Report undertakes a comprehensive analysis of the current political finance regulatory framework in Thailand and examines the challenges of implementation. The findings were informed by an in-depth literature review, extensive interviews with local stakeholders and a validation meeting in Bangkok, all carried out between August and December 2022.<sup>1</sup> Based on the findings and the Thai country context, concrete recommendations are provided at the end of the Report for consideration by policymakers, political parties, the Election Commission of Thailand and other stakeholders for regulatory reforms or system changes. The Report is part of a larger initiative on the part of the International Institute for Democracy and Electoral Assistance (International IDEA) to review political finance systems in selected countries in an effort to advance an evidence-based global policy debate on money in politics.

The Report pays particular attention to the main building blocks of political finance regulations, notably (a) public funding; (b) private funding; (c) spending regulations; (d) reporting and disclosure requirements; (e) an oversight mechanism; and (f) sanctions. While the detailed recommendations are discussed in Chapter 3, some of the main findings and recommendations are highlighted below.

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## **PUBLIC FUNDING**

All political parties registered with the ECT (currently 77) receive public funding, which can be used for conducting election campaigns and organizing activities stipulated by law. The allocation criteria remain one of the main issues, as the current allocation of public funding seemingly leads to the unintended consequence of increasing income gaps between large and small parties. The current formula relies heavily on the number of votes and the amount of private donations received by political parties, which means large amounts of subsidies are allocated to bigger and established political parties, which already receive large private donations and are less dependent on subsidies.

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**The criteria used for allocation of public funding seemingly leads to the unintended consequence of increasing income gaps between large and small parties.**

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<sup>1</sup> The report does not reflect developments in laws and regulations since January 2023.

### **Main recommendations**

- Consider revising the PPDF's allocation formula to allow small parties to receive larger public subsidies.
- Consider tying the amount of subsidies received by political parties to the number of female candidates or members of parliament (MPs) in order to improve women's participation in politics.
- Consider allocating free broadcast time for campaign activities not only for political parties but also for candidates, based on the principle of equal distribution, to level the playing field.

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**With the rising cost of election campaigns, political parties have indicated a need to increase the current contribution limits.**

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## **PRIVATE FUNDING**

In addition to public funding, political parties receive private funding from various permissible sources, including membership fees, seed capital from co-founders, donations from individuals and corporations, the sale of goods and services, fundraising events, and interest and income from party assets and investments. There is a limit on how much a donor can contribute to political parties. Private funding is a major source of income especially during an election year. As the cost of campaigns increases in Thailand, political parties, both big and small, have indicated a need to increase the current contribution limits and diversify income streams to allow them to raise the additional funds they require during an election year.

### **Main recommendations**

- Consider revising the current maximum amount of THB 10 million (USD 300,000)<sup>2</sup> that donors can donate to political parties, especially during an election year.
- Issue coherent regulations on the online sale of souvenirs, in addition to physical sales, to allow parties to earn more income and reap the benefits of a digital world.

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<sup>2</sup> All currency conversions are approximations at the time of the writing of the Report.

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## SPENDING REGULATIONS

The ECT announces a spending restriction on election campaigns prior to each election. For the 2019 and 2023 elections, candidates could spend THB 1.5 million (USD 45,000) and THB 1.9 million (USD 54,000) and political parties could spend THB 35 million (USD 1 million) and 44 million (USD 1.3 million), respectively. In practice these amounts are considered inadequate, leaving both parties and candidates spending more than the prescribed limit and seeking illegal income. Other issues identified by the report in relation to spending include the legal vacuum with regard to online campaign expenditure and the blurry lines between customary gift giving and vote buying.

### Main recommendations

- Consider reviewing and revising the maximum spending limit for electoral campaigns for both candidates and political parties.
- Introduce a regulation on online campaign spending, including placing limits on how much can be spent and taking steps to ensure better transparency concerning how money is spent online.
- Issue guidance to distinguish between vote buying and customary gift giving by politicians, including determining a limit for permissible gift values.

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## REPORTING AND DISCLOSURE REQUIREMENTS

Political parties are required to submit a financial report pertaining to their state subsidy every three months and an annual financial report pertaining to private donations. One of the challenges in relation to reporting includes the ECT's lack of capacity to monitor reports from 77 political parties every three months, not to mention the burden on political parties to submit these reports every quarter.

### Main recommendations

- Consider extending the three-month reporting period to provide sufficient time both for political parties to submit their reports and for the ECT to evaluate and review them.

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**The current spending limits on election campaigns are considered inadequate leaving parties and candidates to spend more than the prescribed limit.**

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**The ECT faces capacity-related challenges to monitor reports from political parties every three months.**

- Consider developing an online reporting and disclosure system, for both the ECT and users (political parties and candidates), as such a system would speed up the process of financial reporting and help parties comply with the reporting format required by the ECT. Such a system could also contribute to Thailand's broader transparency efforts to make political finance data publicly available and accessible, thereby improving the ability of voters to hold their representatives to account.

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**Stakeholder engagement remains one of the areas of improvement when it comes to political finance oversight in the country.**

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## OVERSIGHT MECHANISMS

While the ECT trains party officials to help them support the implementation of political finance regulations, party representatives are not always consulted during the development of new regulations. Stakeholder engagement remains one of the areas for improvement when it comes to political finance oversight in the country. In addition, civil society organizations (CSOs) in Thailand have undertaken only limited initiatives to actively scrutinize political finance information and encourage political parties to comply with the regulations in place.

### Main recommendations

- Consider involving party representatives in the decision-making process concerning new regulations to avoid the adoption of policies that cannot be implemented.
- Strengthen and empower CSOs in Thailand to serve as effective watchdogs and to play an active role in accelerating political finance reform and fighting political corruption in the country.

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**The ECT can impose sanctions such as fines and prison time, but dissolution of political parties can only be ordered by the Constitutional Court.**

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## SANCTIONS

Any violations and infractions of political finance regulations can result in fines, loss of public funding, prison time or, in exceptional cases, dissolution of the party responsible for the violations in question. While the ECT has the authority to impose sanctions, such as fines and prison time, only the Constitutional Court can order the dissolution of political parties. This was a welcome change in 2017

since there had been concerns about the seemingly excessive power of election commissioners to impose severe sanctions in the past.

### **Main recommendations**

- Actively inform donors and political representatives about possible criminal liability for major violations of political finance regulations in order to improve compliance.
- Set up and maintain a database on the number and types of sanctions applied for every offence to ensure the transparency and effectiveness of the oversight process.

In addition to strengthening the regulatory framework surrounding political finance in Thailand, it is vital that there be appropriate systems and processes in place to ensure effective implementation of political finance regulations. To this end, it is important that stakeholders collect the data needed not only to guide further reforms but also to remain informed about their degree of compliance with legislation, the capacity gaps that need to be addressed and monitoring processes that must be put in place. Such data can include, but is not limited to, the number of parties accepting donations from prohibited sources or spending above specified limits, the percentage of political parties that submit their political finance reports on time, and the number of political finance violations and sanctions applied. The overall goal must be to strengthen the regulatory framework and address the formal and informal barriers that impede the implementation of such framework to ensure that money can play a positive role in Thai politics.

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**Appropriate systems and processes must be put in place to ensure effective implementation of political finance regulations.**

# INTRODUCTION

## Country profile: Kingdom of Thailand

**Capital:** Bangkok

**Population:** 69.95 million

**Number of registered voters:** 51.4 million

**Parliamentary system:** bicameral National Assembly (Rathasapha): the House of Representatives (Sapha Phuthaen Ratsadon) and the Senate (Wuthisapha)

**Electoral system:** mixed-member proportional representation

**Year of the most recent national elections:** 2019

**Number of registered political parties:** 77

**Number of political parties represented in the parliament:** 11

**Percentage of women MPs:** 15.8 per cent

**Main political finance regulatory framework:** 2017 Organic Law on Political Parties, 2018 Organic Law on the Election of Members of the House of Representatives, 2017 Constitution of the Kingdom of Thailand

**Main political finance oversight bodies:** Election Commission, Office of the Auditor General

*Sources:* International Foundation for Electoral Systems; Inter-Parliamentary Union; World Bank; International IDEA.

Money is a necessary component of any democracy; it is indispensable for party survival and development, electoral campaigning and political representation. In order to enhance transparency and accountability among parties in respect of how they utilize their financial resources, almost all countries across the world have put in place some sort of laws and regulations on

the funding of political parties and election campaigns (commonly known as political finance regulations), including in the countries of South East Asia. Such regulations have the potential to level the playing field and are critical to promoting integrity and transparency in politics. Despite the existence of such regulations, there remains a risk of money being used to exercise undue influence, leading to policy capture and undermining democracy. It is therefore important that continuous efforts be made to address legislative shortcomings and ensure effective enforcement of these regulations. Although some steps have been taken at the regional level to work collectively on the issues of political finance, including the signing of the New Delhi Declaration on Political Finance Regulation in 2015, action and progress have been limited.

Political finance in Thailand is marred by several challenges, including weak political parties (McCargo 1997; Ockey 2003; Waitoolkiat and Chambers 2015) and systems of patronage, where politicians accept bribes and distribute money to gain or remain in office (Ockey 1994; Hewison 2007; Sirivunnabood 2013). As Khayyam Zev Paltiel (1981: 138) asserts, 'the search for funds may induce politicians to listen more to those who give to their campaigns than to those who vote for them or to their party'. Opaque party financiers, frequently in the form of factions, have historically facilitated corruption in politics and elections.

Prior to 1998, Thai constitutions and organic laws addressed the issues of party formation, party registration and internal structures without paying much attention to political finance, other than noting that political parties had the right to accept private donations. It was the 1998 Organic Law on Political Parties that first introduced public funding for political parties by establishing the Political Party Development Fund (PPDF) under the Election Commission of Thailand (ECT). Since then, subsequent organic laws have introduced political finance regulations specifically on sources of income, reporting mechanisms and sanctions for political finance violations. Currently, political finance regulations are laid down in the 2017 Organic Law on Political Parties and the 2018 Organic Law on the Election of Members of the House of Representatives, both of which fall within the ambit of the ECT.

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**Political finance in Thailand is marred by several challenges including weak political parties and systems of patronage.**

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**This Report is part of a larger International IDEA initiative to review political finance systems in selected countries to advance an evidence-based global policy debate on money in politics.**

A limited number of academic publications have examined the development and effectiveness of party finance regulations in Thailand. The ECT itself has conducted most evaluations of party finance, primarily with a focus on the effectiveness of public funding. If policymakers and other stakeholders are to propose any sort of regulatory reforms or system changes, it would be important to review the effectiveness of the current political finance framework and the challenges of implementation. This Report intends to fill this knowledge gap by undertaking a systematic analysis of the political finance regulatory framework in Thailand and by providing information and evidence to support electoral stakeholders, policymakers and political parties. The Report is based on the analytical framework developed by International IDEA to assess political finance systems, which was previously applied in other countries, including Fiji and Mongolia. This Report is part of a larger International IDEA initiative to review political finance systems in selected countries to advance an evidence-based global policy debate on money in politics.

The findings and recommendations of this study are based on a combination of primary and secondary sources of information. In order to gain an understanding of the political finance regulations in Thailand, the research team undertook a desk review of the relevant laws and other related documents. The team also examined reports and documents on political finance regulations from other comparable countries to assess Thailand's standing vis-à-vis other jurisdictions, both in the region and globally. Between August and September 2022 the lead national consultant conducted key informant interviews with a range of electoral stakeholders, including representatives of political parties, officers at the ECT at both the national and local tiers, academics, researchers and lawmakers. In November 2022, the preliminary findings and recommendations were shared with stakeholders during an expert meeting in Bangkok, Thailand,<sup>3</sup> to receive feedback to help finalize the Report.

The Report is structured in the following manner: following this Introduction, Chapter 1 provides a brief overview of the electoral framework in Thailand. Chapter 2 analyses Thailand's political

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<sup>3</sup> A complete list of institutional representation during the meeting is available in Annex C.



finance regulatory framework by reviewing the legislative provisions related to public and private funding, spending limits, reporting and disclosure requirements, oversight mechanisms and provisions on sanctions. Finally, Chapter 3 provides key conclusions and policy recommendations.

## Chapter 1

# THAILAND'S ELECTORAL LANDSCAPE

**A mixed-member proportional system seeks to include the benefits of a constituency-based voting system with those of a proportional system.**

Thailand has experienced 19 military coups or attempted coups since the end of absolute monarchy in 1932, the most recent one being in May 2014. Since then, the country has been ruled by the military. Thailand has had 20 constitutions, as the new leaders after each military coup have sought legitimization and stability by a drafting new constitution (ConstitutionNet 2021). Throughout the years, pro-democracy demonstrations have continued to push for more transparency and inclusive representation. In 2014, the new government set up a committee to draft a constitution, and after several delays and changes, the new constitution was ratified by the then-King on 6 April 2017.

General elections for parliament were held in March 2019 under a mixed-member apportionment system, also referred to as a mixed-member proportional system, which seeks to include the benefits of a constituency-based voting system with those of a proportional system. This means that, of the 500 seats in the House of Representatives in Thailand's bicameral legislature, 350 members are directly elected by voters from single-seat constituencies, and the remaining 150 are selected from political party lists proportionally. The ballots that constituents cast count as both votes for candidates in particular races and votes for those candidates' parties in the allocation of party-list seats. The total number of votes that a party receives nationwide via this single vote determines the number of party-list members of parliament allocated to each party. However, the party-list seats may be recalculated if there are reports of electoral fraud in any constituency. If investigations determine fraud to have taken place, the votes from that constituency would

be subtracted from the party's proportional representation total, and the ECT would organize a new election. Votes gained in this new re-election would be used to recalculate the allocation of party-list seats. The ECT, according to sections 130 and 131 of the 2018 Organic Law on the Election of Members of the House of Representatives, could repeatedly recalculate the allocation of party-list seats for up to one year after an election. Some incumbents holding party-list seats might thus be replaced by new parliamentarians because of the recalculation process (Ricks 2019; Sirivunnabood 2019). On the other hand, the National Council for Peace and Order, established by the military junta that ruled Thailand between 2014 and 2019, handpicked the 250 members of the Senate. The current senators are serving a five-year term and are not associated with any political party.

The prime minister is the head of government and is elected by a combined vote of both houses, granting the unelected Senate a powerful role in the selection process. At the time of the writing of this Report, General Prayut Chan-o-cha, the Prime Minister nominated by the ruling party, the Palang Pracharath Party, had split from his party to join the United Thai Nation. The Pheu Thai Party is the largest party in the parliament, with 136 seats (27.2 per cent), followed by the Palang Pracharath Party, with 116 seats (23.2 per cent), with other prominent parties being the Move Forward Party, the Democrat Party and the Bhumjaithai Party. Women currently make up 15.8 per cent of parliamentarians (Inter-Parliamentary Union 2022). There is no legislated quota for women MPs in Thailand. The only provision that the Thai Constitution (article 90) makes is regarding political parties' candidate lists, which should include an equal number of men and women.

The 2019 election was the first test for the new electoral framework established by the 2017 laws. Voter turnout was fairly high, at 74.7 per cent (Arguelles et al. 2019). While there were no significant instances of violence, vote buying was allegedly rampant, and there were some concerns over transparency in the counting of votes (Arguelles et al. 2019). International IDEA's Global State of Democracy indices (n.d.b) also suggest that Thailand's performance in terms of Clean Elections, Elected Government, and Absence of Corruption remains below the global average.

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**According to the GSoD Indices, Thailand performs below global average on Clean Elections, Elected Government and Absence of Corruption.**

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**The electoral system has been changed from a one-ballot system to a two-ballot system for better representation, and will be implemented in election to be held in 2023.**

In preparation for the next election, to be held in 2023, the government has revised the law on the electoral system, changing the one-ballot system to a two-ballot system for better representation. At the time of writing, however, it is still not clear how or if this measure will be implemented. In August 2022, the Constitutional Court suspended Prime Minister Chan-o-cha after agreeing to consider a petition put forth by opposition parties that stated that the Prime Minister had reached the eight-year term limit laid out in the Constitution. However, some argued that his term began in 2017, when the new Constitution was enacted, and not when he was elected, in 2014 (Reuters 2022). On 30 September, the Constitutional Court ruled that he had not reached his term limit and he was reinstated (Peck and Ekvitthayavechnukul 2022).

## Chapter 2

# POLITICAL FINANCE FRAMEWORK IN THAILAND

### 2.1. OVERVIEW

Since 1955, the Organic Law on Political Parties has been Thailand's main legislation for overseeing, monitoring and providing guidance for the creation and registration of parties, the selection of candidates, the expansion of membership, the establishment of local branches and the financial management of political parties. Over the years, new laws have been introduced, replacing the old ones. The 2017 Organic Law on Political Parties was promulgated after the announcement of the 2017 Constitution to provide additional regulations on party administration and operations. The new law contains many important provisions to promote strong party organization and coherent internal party structures, including terms on primary elections, membership fees, member recruitment, the establishment of party branches at the provincial level and party finance. The 2018 Organic Law on the Election of Members of the House of Representatives provides further information on campaign finance. The ECT is the principal body responsible for overseeing political finance in Thailand. While the Organic Law on Political Parties stimulates party institutionalization such as supporting the establishment of branches and expanding membership recruitment, the Organic Law on the Election of Members of the House of Representatives introduces articles that have the opposite effect—that is, weakening the role of parties over candidates.

**The 2017 Organic Law on Political Parties contains important provisions to promote strong party organization, establish coherent internal party structures, and regulate party finance.**

## 2.2. THE PROVISION OF PUBLIC FUNDING

Public funding is a mechanism whereby political parties receive direct (public subsidies) or indirect (e.g. subsidized or free airtime on national television) assistance from the state for their operations and/or electoral campaigns. Public funding can support the sustainability and institutionalization of political parties while reducing their excessive dependence on private sources of funding. By ensuring that all parties, big or small, have some resources to help them reach the electorate, public funding can not only foster greater political pluralism but also level the playing field for political competition. In addition, public funding can also serve as a tool for negative reinforcement and put pressure on political parties to comply with political finance regulations. This can be done by, for instance, withholding all or a portion of public funding if political parties fail to comply with certain regulations, such as spending above the prescribed limit, failing to submit financial reports or submitting incorrect reports. Globally, over 70 per cent of countries provide some sort of direct public funding to political parties and candidates. In South East Asia 50 per cent of countries with multiparty elections have provisions for direct public funding, including Cambodia, Indonesia, Thailand and Timor-Leste (see Table 2.1).

**Table 2.1. Provision of direct public funding**

Frequency of public funding provision	Percentage of countries (global)	Percentage of countries (South East Asia)
Regularly	34%	37.5%
Only in relation to campaigns	8%	12.5%
Both regularly and in relation to campaigns	28%	0%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data is provided only for countries where funding is available. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

### 2.2.1. Public funding system in Thailand

State subsidies for political parties in Thailand were first initiated by the Democratic Development Committee in 1994 under the government of then-Prime Minister Chuan Leekpai. The goal was to prevent business conglomerates and the private sector from having undue influence over parties by funding their operations and campaigns. The idea of state funding for political parties resurfaced during the drafting of the 1998 Organic Law on Political Parties and was later endorsed by the 1997 Constitution Drafting Assembly. The PPDF has remained codified in law ever since. Funds from the PPDF can be derived from nine different sources, including the state budget, personal income tax deductions, registration fees from national election candidates, fees from candidates and political parties for any electoral fraud or violation of the 2017 Organic Law on Political Parties, and interest earned on money, investments and assets, among other sources (Thailand 2017: section 78).

### 2.2.2. Eligibility threshold for receiving public funding

All political parties registered with the ECT are eligible for a state subsidy in Thailand. The ECT decides how much public funding parties receive within 30 days of the end of the fiscal year. It can reduce the funding of any political party if the party fails to comply with certain requirements laid down in section 23<sup>4</sup> of the 2017 Organic Law on Political Parties, in which case, the party must return a certain portion of the PPDF to the ECT. Public funds received by political parties may be used for election campaigns and for the organization of activities specified in section 23. They cannot be used for a political party's administrative or personnel expenses.

While the rationale for providing public funding to all registered political parties is to promote political pluralism, it also comes with the risk that people will abuse the system by creating new political parties or running for office simply to gain state funding. Most countries with public funding systems lay out clear criteria for granting parties access to public funding (an eligibility threshold).

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**All political parties registered with the ECT are eligible for public funding in Thailand.**

4 Section 23 stipulates that every year political parties must engage in at least one of the following activities: educating their members and the public about the democratic regime with the King as head of state; educating their members and the general public on their duties, responsibilities and rights; collectively finding solutions to problems relating to societal and economic development; promoting public participation in political activities; promoting harmony and peaceful conflict resolution; and other activities to promote democracy.

The eligibility threshold used most frequently around the world is to provide funding only to those parties that have won more than a certain share of the votes (used by 38.3 per cent globally) (see Table 2.2).

In Thailand, the process for the registration of new political parties is systematic and thorough; as of 2019 there were 77 registered parties in the country. Registration of a political party as an eligibility threshold for accessing public funding is used in 17.8 per cent of countries globally. While this threshold can help level the electoral playing field, it could potentially contribute to political fragmentation and misuse of public resources, especially if the parties that receive funding remain inactive.

**Table 2.2. Eligibility threshold to access public funding globally (multiple answers allowed)**

Eligibility threshold	Percentage of countries that apply threshold	Comment
Registration as a political party	17.8%	Maximizes pluralism but risks political fragmentation and waste of public resources
By share of votes won in previous election	38.3%	Ensures that access is limited to parties with proven popular support
By share of seats won in previous election	17.8%	
By parliamentary representation	33.9%	Excludes irrelevant political parties but makes it more difficult for new political forces to come forward
Participation in elections	15.6%	Ensures that funding is limited to parties that actively participate in elections
By number of candidates nominated	5.6%	

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Note: Global data covers 180 countries.



### 2.2.3. Allocation criteria for distribution of public funding

According to the 1998 law, political parties were allocated subsidies based on four criteria: constituency seats won in parliament, electoral votes in the party-list system, numbers of party branches and number of party members. During the first year of the PPDF's operation, the ECT gave equal weight to each of these measures in allocating subsidies to parties. As a result of this weightage, small parties started setting up several branches in different districts and recruiting additional members to maximize their funding allocation despite being otherwise inactive or never having won seats in parliament (Auewong 2004; Sirivunnabood 2021). To ensure that public funding would support active parties with parliamentary seats, several revisions were made to the weight given to each of the allocation criteria between 1997 and 2014 (see Table 2.3).

The biggest change came in the 2017 Organic Law on Political Parties. Under the new calculation formula provided in the law, during

**Table 2.3. Revisions to PPDF allocation formula, 1999–present**

Measure	Weight assigned to measure					
	1999	2000–2006	2007–2014	2017–present		
Number of party-list votes won	25%	30%	40%		Number of votes or annual donations (see note)	40%
Number of constituency seats won	25%	35%	40%			
Number of party members	25%	20%	10%		Membership fee	40%
Number of local branches	25%	15%	10%		Local branches	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			<b>100%</b>

*Source:* Data adapted from the Election Commission of Thailand's announcements on the Political Party Development Fund, 1998, 1999, 2000 and 2011, and the 2017 Organic Law on Political Parties.

*Note:* During intervals between elections, the ECT would allocate subsidies to political parties on the basis of the donations that parties receive each year—rather than on the basis of votes gained in the general election—and of the number of local branches each party had and the membership fees they received.

an election year political parties are allocated public subsidies based on three criteria: total annual membership fees (weightage of 40 per cent), the number of votes won in most recent parliamentary elections (weightage of 40 per cent) and the number of party branches (weightage of 20 per cent). During a non-election year the criterion of the number of votes won in parliamentary elections is replaced by the amount of annual donations received by the political party (Sirivunnabood 2019; Thailand 2017: section 6). This change in allocation criteria has benefited larger parties with more MPs, as they receive more public funding in addition to raising large amounts through private donations (see Table 2.4). In contrast, small parties receive less than THB 1 million (USD 30,000).

**Table 2.4. Total allocation from PPDF and private donations received by top four political parties in 2019 (in THB)**

Party	PPDF	Private donations
Palang Pracharath Party	12.7 million	13 million
Phue Thai Party	12.7 million	55 million
Future Forward Party	12.6 million	10 million
Democrat Party	17 million	155 million

Source: Authors' compilation from ECT reports.

Under previous allocation measures, total party membership was allocated 20 per cent, which strongly favoured larger parties with an established membership. To encourage membership growth the 2017 law removed this measure and introduced funding based on the membership fees a party earns in a year. This provision is designed to ensure that members are willing to support their party financially. The minimum annual membership fee as required by law is THB 100 (USD 3). Members can also apply for lifetime party membership for a minimum fee of THB 2,000 (USD 60). In theory, this membership regulation enhances the sense of party ownership among members. In practice, however, according to interviews with

party representatives and members at the provincial level for this Report, the amount of THB 100 is relatively high for many Thais, particularly those who live in rural areas and have low incomes. It is often the politicians from political parties themselves that pay for the membership fees of their members, including for lifetime members. This means that the total membership fees reported to the ECT do not necessarily come from members themselves; rather, they come from politicians and candidates to take advantage of the criteria on membership fees in order to receive a public subsidy. It is, therefore, important for the ECT to consult with political parties on how best to improve transparency surrounding membership fees and compliance regarding the payment of such fees, while enabling the institutionalization of party structures. The ECT has tried to revise the law on membership fees to reduce the annual fee from THB 100 to THB 20 and the lifetime membership fee from THB 2,000 to THB 200. The law, at the time of writing, is under parliamentary review before its announcement.

Public subsidies in Thailand have not necessarily levelled the playing field and have been misused by political parties. To ensure that public funding is used effectively, it is important that the allocation criteria for the distribution of such funding and the weightage for each of the criteria be appropriate and balanced. Globally, allocating funding based on the votes received by parties is the most popular approach (see Table 2.5). The ECT could consider revising the PPDF formula to enable smaller parties to receive more public funding, which would also help in developing political parties and the party system in the country. Another consideration while revisiting the allocation formula could be to incorporate a gender dimension, wherein the allocation of subsidies to political parties would depend on the level of gender balance among the candidates selected by each party (discussed in detail in Section 2.2.6).

#### 2.2.4. Donations from income tax refunds

Per the 2017 Organic Law on Political Parties, taxpayers may choose to donate up to THB 500 (USD 15) from their annual tax return to a political party of their choice from the list of all parties eligible to receive donations. Voters can specify a donation amount of up to THB 500 in their tax return rather than merely checking a box, as was the case in the past. Voters who are entitled to receive a tax refund

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**The ECT could consider revising the formula for allocation of public funding to benefit smaller parties, which would also help in developing political parties and the party system in the country.**

**Table 2.5. Allocation calculation for direct public funding globally (multiple answers allowed)**

<b>Allocation criteria for direct public funding</b>	<b>Percentage of countries that use each criterion</b>	<b>Comment</b>
Proportional to votes received	36.3%	Connects financial support to electoral popularity but may lead to the largest parties getting the bulk of the funding
Proportional to seats won	22.9%	
Equal for all eligible parties	26.8%	Supports pluralism but could lead to party fragmentation; risks wasting public funds
Flat rate by votes received	6.1%	Connects financial support to electoral popularity but could lead to the largest parties getting the bulk of the funding
Number of members	2.4%	Favours larger parties with a strong membership base
Proportional to candidates fielded	2.2%	More active parties get more funding, although fielding candidates may not be a good indicator of the level of activity
Share of expenses reimbursed	1.7%	Supports private fundraising activities but may reward parties with good business contacts

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Note: Global data covers 180 countries.

valued at less than THB 500 are allowed to donate only the maximum value equal to their tax refund.

After receiving all donations, the Revenue Department then compiles a list of parties selected by taxpayers and calculates the donations received by each political party and transfers the total donations to the ECT. Party committee members noted in interviews that the ECT retains all donations from income tax refunds in each party's PPDF quota, and the donations are released alongside funds from the PPDF. Therefore, the conditions for receiving public funding must also be met in order to receive the donations from income tax refunds—that is, parties are required to submit an activities proposal in order

to access these donations. If parties fail to spend all donations from income tax refunds received in the year, the ECT returns the leftover amounts to the PPDF rather than transferring the money to political parties. During non-election years, the ECT also uses the amount of a party's donations from income tax refunds as part of overall party donations to calculate subsidies distributed to each party, although the donation from income tax refunds is earmarked for the respective political parties. Table 2.6 provides an overview of the donations from income tax refunds received by major parties during 2019 and 2022.

**Table 2.6. Donations from income tax refunds to the largest political parties, 2019 and 2022 (in THB)**

Political party	2019	2022
Democrat Party	4 million	3.2 million
Pheu Thai Party	2.3 million	3.2 million
Palang Pracharath Party	2.5 million	2 million
Future Forward Party	5.8 million	N/A
Move Forward Party	N/A	12 million

Source: Authors' compilation from ECT reports.

Since there seems to be dissatisfaction among parties on the way the donations from income tax refunds are disbursed, the ECT should consider looking into the matter and should consider designing clear procedures for the allocation of such donations to the intended parties.

### 2.2.5. Indirect public funding

In addition to direct public funding, many countries provide indirect state assistance to political parties and candidates. This can take the form of free or subsidized access to the media, tax relief, premises for campaign meetings and subsidized postage costs, among other assistance. The most common form is free or subsidized access to the media (often state-controlled) for political parties and candidates.

This media access is generally intended to help level the playing field and to enable eligible political parties to ensure that their message reaches voters. Globally, 69.4 per cent of countries provide free or subsidized media access for political parties, but such access is less common in South East Asia (see Table 2.7).

In Thailand, all political parties whose members are elected to the House of Representatives are allocated free airtime on state radio and television once a year to report on their party performance. The allocation of airtime is determined by the number of members a political party has in the House of Representatives (Thailand 2017). This free airtime cannot be used for campaign activities, which is possibly the reason why candidates do not receive any free airtime.

The ECT could consider allocating free broadcast time for campaign activities not only for political parties but also for candidates, considering that 350 of the 500 members of the House of Representatives are directly elected by voters from single-seat constituencies. Currently, free airtime is allocated based on each party's share of seats in the parliament. While many countries use this criterion, it is not the most popular, as it favours larger parties. If the ECT is to allocate any free airtime to political parties and candidates for campaign activities, it could consider an equal distribution to level the playing field for big and small parties, a criterion used in more than half of countries globally (International IDEA n.d.a).

**Table 2.7. Free or subsidized access to the media for political parties and candidates**

	Global	South East Asia
Political parties	69.4%	37.5%
Candidates	61.5%	37.5%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

### 2.2.6. Gender and political finance

Women constitute 51.4 per cent of Thailand's population, and yet they account for only 15.8 per cent of MPs. This figure is far below the global average of 26.5 per cent and the regional (South East Asian) average of 22.8 per cent (Inter-Parliamentary Union 2022). Although Thailand was one of the first countries in South East Asia to grant female suffrage in 1932 (Bowie 2010) and to elect a female prime minister, the Thai Parliament is one of the most imbalanced in the world, ranking 140th out of 186 countries. Among its counterparts in South East Asia, it ranks below Timor-Leste, Vietnam, the Philippines, Laos, Indonesia and Cambodia (Inter-Parliamentary Union 2022).<sup>5</sup>

In addition to institutional, cultural and legal barriers, women in Thailand also face financial barriers to entering politics (Languopin 2019). They often have less access to financial resources and moneyed networks and credit, putting politics out of reach for many women. Many countries use public funding of political parties and election campaigns to achieve gender equality in politics. Gender-targeted public funding has two distinct avenues. In the first, the eligibility of a political party to receive part of or all available public funding is tied to the level of gender equality among the candidates it puts up for election (or manages to get elected). In the second, a certain proportion of public funding that a political party receives is formally tied to provisions related to gender, or earmarked for gender-related activities, including training and development of women members, developing a gender action plan or gender sensitization within the ranks of political parties. As such, gender-targeted public funding not only provides an incentive for political parties to include more women and electoral candidates, but it also improves the capacity of women to run successful campaigns. Currently, 29 countries globally provide some form of gender-targeted public funding to political parties (International IDEA n.d.a).

Public funding constitutes a significant portion of the income of some political parties in Thailand, and parties are required to take gender equality into consideration in their party lists. It is, therefore,

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**Gender-targeted public funding provides incentive for political parties to include more women and electoral candidates.**

<sup>5</sup> Timor-Leste ranks 28th, with 26 per cent women parliamentarians; Vietnam ranks 63rd, with 30.3 per cent women parliamentarians; the Philippines ranks 81st, with 27.3 per cent women parliamentarians; Laos ranks 105th, with 22 per cent women parliamentarians; Indonesia ranks 106th, with 21.9 per cent women parliamentarians; and Cambodia ranks 110th, with 20.8 per cent women parliamentarians.

worth considering tying the amount of public funding received by political parties to the number of women on the candidate list or the number of female MPs elected, or requiring that political parties earmark a certain proportion of the public funding they receive for activities to promote women's political participation, such as training and development. Moreover, a portion of the funding from the PPDF could be channelled directly to women's organizations to train and prepare more women for political leadership.

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## 2.3. REGULATIONS ON PRIVATE FUNDING

Many countries permit political parties and candidates to receive private funding from various sources. Private funding, which constitutes a large part of party and campaign income, allows for political expression and support on the part of citizens. If inadequately regulated, however, private funding can also become a way for powerful interests to capture the policymaking process and its outcomes. In practice, regulating private funding often means banning or limiting certain sources as well as setting donation limits.

### 2.3.1. Permissible sources of private funding in Thailand

In addition to receiving a public subsidy, political parties in Thailand can source funds from membership fees, seed capital put in by co-founders, donations from individuals and corporations, the sale of goods and services, fundraising events, and interest and income from the party's assets and investments. Political parties are required to issue receipts for income received from membership fees, the sale of goods and services, and donations of any kind. Political parties and candidates cannot accept any donations from non-Thai nationals, foreign corporations, corporations in which more than 90 per cent of the shares are held by non-Thai citizens, or corporations or entities that receive financial support from sources outside Thailand. Additionally, state agencies or agencies in which the state holds a majority stake and religious organizations are banned from making any monetary or in-kind donation to political parties. Anonymous donations (monetary or in-kind) are allowed up to THB 1,000 (USD 30). For any donation above THB 1,000, political parties must provide the registrar (secretary-general of the ECT) with the name of the donor. Every month parties must also publicize donor information

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**Political parties in Thailand can source funds from membership fees, seed capital put in by co-founders, donations from individuals and corporations, the sale of goods and services, fundraising events, and interest and income from the party's assets and investments.**



for any donation of over THB 5,000 (EUR 150) received. Table 2.8 shows the registered donations received by the main political parties in Thailand in 2020 and 2021.

### 2.3.2. Income from commercial activities and fundraising events

In some countries, political parties are allowed to engage in commercial activities and raise funding from such activities. Globally, 31.1 per cent of countries—including Brazil, Poland and South Africa—prohibit political parties from engaging in commercial activities. In South East Asia only Indonesia and Timor-Leste have prohibited such activities on the part of political parties.

In Thailand, political parties are allowed to raise funds by selling goods (gifts and souvenirs), which should not cost more than THB 3,000 each (USD 90). Additionally, as per articles 62 and 64 of the 2017 Organic Law on Political Parties, parties may organize fundraising events, which must be held openly and with clear intentions. All income earned from fundraisers must be reported to the ECT within a month of the event and declared publicly. In 2019 major parties such as the Democrat Party and the pro-military Palang Pracharath Party organized a dinner reception to raise funds for elections. During the latter's event, 200 tables, each seating 10 attendees, were set up at a banquet hall (Isra News 2018). Attendees paid at least THB 300,000 (USD 9,000) each to attend, with some guests making an additional donation. The banquet helped the party raise nearly 10 per cent more than its target of THB 600 million (USD 17.5 million) (Kotani 2018).

According to interviews with parties' administrative staff, fundraising events are organized mostly before elections because big donors prefer that parties spend their donations to support electoral campaigns instead of other activities or administrative costs such as staffing, rent and utilities. Additionally, such events provide an opportunity for political parties to raise funds without any sort of limits—that is, individual or corporate donors do not necessarily comply with the contribution limits set out by the law (see Section 2.3.3), as donations can be presented as a contribution to the banquet table (*Bangkok Post* 2019). There may, therefore, be a case

**Table 2.8. Donations received by political parties in 2020 and 2021 (in THB)**

Political parties	2020	2021
Pheu Thai Party	40 million	N/A
Palang Pracharath Party	49 million	15 million
Future Forward Party	17 million	–
Democrat Party	29 million	35 million
Bhumjaithai Party	25 million	46 million
Thai Liberal Party	3.2 million	2.7 million
Charthai Pattana Party	6.1 million	7 million
New Economic Party	–	10 million
Prachachat Party	2.4 million	31 million
Puea Chat Party	170,000	–
Action Coalition for Thailand	124,000	294,775
National Development Party	8.3 million	–
Democratic Power Party	5.6 million	–
Thai Forest Conservation Party	255,000	–
Thai People Power Party	1.3 million	–
Move Forward Party	21 million	31 million
Thai Teacher for People Party	1.08 million	–
Thai Civilization Party	1.4 million	800,000
Thai Teacher Power Party	1.2 million	–
Populist Party	1.8 million	–
Thai Citizens' Party	1.2 million	–
New Democratic Party	4.2 million	–
Kla Party	4 million	12.7 million

Source: Information made available by the Election Commission of Thailand.

Note: A dash indicates that the party did not receive any private funding during the respective year.

to improve transparency surrounding such donations, including by publishing the names of donors and the amount of donations.

### 2.3.3. Contribution limits

Contribution limits are common globally, as they provide a legal safeguard against a few large donors gaining excessive influence in politics. Donation limits can also encourage political parties and candidates to reach out to a larger number of smaller donors, creating a more diverse support base. Globally, 47.2 per cent of countries have some kind of limit on the size of private donations a political party can receive—from both individuals and legal entities—in a non-election period; a donation limit exists in only 25 per cent of the countries in South East Asia. Some countries also place specific limits on the maximum size of donations during elections to reduce the influence of wealthy benefactors. Globally, 31.6 per cent of countries have a specific cap for donations that political parties can receive during elections. No countries in South East Asia have donation limits specifically for elections, but the limits for non-election years apply equally to election years (International IDEA n.d.a) (see Table 2.9).

In Thailand, donations are capped at THB 10 million (USD 300,000) per donor per year, which can be either given to one party or divided between several parties. Parties can utilize donations to organize party activities, conduct election campaigns and manage their

**Contribution limits provide a legal safeguard against a few large donors gaining excessive influence in politics.**

**Table 2.9. Overview of the use of limits on donations to political parties**

	Global	South East Asia
Limits on donations to political parties (non-election-specific)	47.2%	25%
Limits on donations to political parties (election-specific)	31.6%	0%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

internal administration (Thailand 2017: section 87). According to officers at the ECT, Thai corporations donate to more than one party to balance their relationships with all major parties.

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**Any adjustment to the contribution limit should be made through consultation with relevant stakeholders and by undertaking a thorough assessment of the country context.**

According to members and local staff of major parties, the amount of private donations they receive is greater than the subsidies allocated by the PPDF. It was also noted that in election years the limitation of THB 10 million per donor is not sufficient for parties to organize their political activities and conduct election campaigns. This problem is aggravated, as the cost of conducting campaigns has increased considerably in recent years (Nation Online 2022). One way to meet the rising cost is to increase the donation cap, particularly during an election year, which can help parties cover the additional cost of organizing electoral campaigns. If the contribution limit is to be increased, consultations with relevant stakeholders should be carried out, as setting appropriate limits requires a thorough assessment of the country context; if the limit is too high, it will have little impact; if the limit is too low, donors will find ways to circumvent it.

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## 2.4. REGULATIONS ON SPENDING

Many countries around the world place restrictions on spending, by placing limits on the amount that political parties and candidates are allowed to spend, regulating spending by third parties or limiting spending on media advertising, among other limits. The purpose of such regulations is to reduce the advantages of political parties or candidates with access to large sums of money and to restrain overall spending on election campaigns. Globally, 36.1 per cent of countries limit the amount a political party can spend, and 45.8 per cent of countries limit the amount a candidate can spend. Three out of eight countries in South East Asia have a spending limit for political parties, and five out of eight countries have a limit for candidates (see Table 2.10).

In Thailand, the regulations on spending public funding differ from those on spending private donations. In the next section we will explore the requirements for each of these categories.

**Table 2.10. Percentage of countries with spending limits**

	Global	South East Asia
Political party	36.1%	37.5%
Candidate	45.8%	62.5%
Third party	29.4%	0.0%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.  
Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

#### 2.4.1. Spending regulations for public funding

The rules set out in section 84 of the 2017 Organic Law on Political Parties stipulate that public funding received by political parties through the PPDF can be used only to conduct political campaigns, develop their respective organizations, promote local branches and provincial representatives, educate members and ordinary people on democratic politics, and organize political activities to promote democracy in their region. Parties cannot use state subsidies to manage their internal operations, such as hiring party staff and paying for utilities. Political parties thus frequently use state subsidies from the PPDF to organize annual party meetings and political activities to provide political knowledge to their local members.

#### 2.4.2. Spending regulations for private donations

Political parties may use income derived from private sources with fewer restrictions than those that are in place for funding from the PPDF, including for electoral campaigns, political activities and their internal party operations, such as for hiring staff, paying for utilities at both the party headquarters and party branches, renting offices and paying public relations fees. Parties may also use their own budget to support candidates' electoral campaigns. Political parties and candidates should also stay within the spending limit prescribed by the ECT during an election year. For every election year the ECT determines the maximum amount that political parties

and candidates may spend, taking into consideration the economic situation in the country. Any campaign-related expenses incurred by a political party during a non-election year should be included in the total expenses incurred by political parties during the election period. For the 2019 election each candidate was permitted to spend no more than THB 1.5 million (USD 45,000) for their campaign activities. Similarly, political parties were allowed to spend no more than THB 35 million (USD 1 million) for party campaigns during the campaign period (180 days or 6 months prior to election day). These limits included the cost of online campaigning.

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**The ECT has not investigated the matter of overspending, because it has inadequate human resources and insufficient technical capacity to investigate the campaigns of all candidates and political parties.**

Many party candidates have criticized these limits as unrealistically low for elections. Interviews revealed that some candidates and parties spend up to three times more than the limits set during election campaigns. Scholars in Thai politics, such as Tavisan Lonanulak, have pointed out that more than THB 250 million (USD 7.25 million) will be spent in each constituency during the 2023 general election (Thai PBS 2022). The ECT has not investigated this matter of overspending, because it has inadequate human resources and insufficient technical capacity to investigate the campaigns of all candidates and political parties. It is the rival candidates or rival political parties that frequently report illegal overspending against one another, which can sometimes result in investigations by the ECT. Since there seems to be a low level of compliance with spending limits, the ECT may need to review the spending limit for electoral campaigns, to reflect the reality of current-day campaigning, and to introduce effective monitoring and oversight of party spending.

#### **2.4.3. Regulating online campaign spending**

In line with global trends political parties and candidates in Thailand are campaigning online to reach their voter base. Currently, there are no specific spending regulations for online campaigning. Spending on online campaigns simply needs to be reported in the same way that other party spending is reported. Online campaign spending is included in the total spending on electoral campaigns.

In preparation for adapting to the current campaign style, the ECT and lawmakers should consider designing regulations to prevent unlimited spending on online campaigning. As a first step the ECT could conduct an assessment of online campaign spending—

particularly of online advertising—by political parties. Depending on the results, if the spending is high, the ECT could consider limiting online campaign spending for candidates and political parties. In addition to a spending limit, it would be equally important to ensure that spending by political parties on online campaigning is reported systematically and transparently. While transparency of online spending is not always straightforward, it can be fostered through collaboration with social media companies, political parties and oversight bodies (Tham et al. 2022).

#### 2.4.4. Vote buying

One type of campaign spending banned in many countries is the buying (and selling) of votes—in other words, offering or providing financial or material incentives for voters to vote in a certain way or to abstain from voting. Given the gravity of vote buying for the normal functioning of the democratic process, many countries ban any form of vote buying or election bribery. In fact, 92 per cent of countries around the world ban any form of vote buying (International IDEA n.d.a). In South East Asia vote buying, although prohibited by law in all countries, continues to be prevalent; it involves either making direct cash payments to voters or donations to pay for village and town facilities that serve the whole community.

In Thailand, like in the majority of countries, vote buying is illegal: neither a candidate nor any person is permitted to give, offer or promise any monetary or non-monetary benefits to induce a voter to cast a vote for a certain candidate or political party or to abstain from voting for a rival candidate or political party. It is customary, however, for politicians to offer cash as a gift while attending weddings or to express their grief at funerals (Hicken 2007). In an effort to make a clear distinction between vote buying and customary gift giving, the ECT could consider issuing clear guidelines and setting limits for gift giving, including requiring that parties and candidates report the amount spent on such gifts as part of their financial reports.

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**The ECT could consider issuing clear guidelines and setting limits for gift giving, including requiring that parties and candidates report the amount spent on such gifts as part of their financial reports.**

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## 2.5. REPORTING AND DISCLOSURE MECHANISMS

In order for political finance regulations to have a positive effect, a proper oversight regime that involves timely reporting and disclosure

is a prerequisite. Regular and sufficiently detailed reporting makes it easier for those responsible for enforcing donation and spending bans and limits to oversee whether these rules are being followed. In Thailand there are different reporting and disclosure requirements for public and private funding, which will be explored in detail in this section.

### 2.5.1. Reporting requirements for public funding

The 2017 Organic Law on Political Parties requires that parties submit financial reports on their PPDF spending to the ECT every three months. Unlike the previous laws, the 2017 Organic Law allows political parties to receive their allotted PPDF subsidies without submitting activity plans. Parties can now spend these subsidies without requesting prior approval from the ECT. However, some political parties have been found to have reported to the ECT political activities that were not carried out as indicated in their quarterly reports. Parties that submit fraudulent reports to the ECT are required to return the total amount of their state subsidies within 15 days after receiving notification from the ECT. According to interview with the former director of the PPDF for this Report, 'the ECT has to send a request to small parties to return subsidies almost every month and parties that fail to do so may [have to pay] a fine'. In 2020, two small parties, including the Thai Rak Tham Party (Thai PBS World 2022), were requested to return their subsidies to the ECT.

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**Political parties, especially the new ones, find the quarterly reporting challenging, as they lack the legal knowledge and human resource capacity to file timely and comprehensive reports.**

The ECT struggles to monitor paper-based financial reports from all 77 political parties every three months due to staffing shortages as well as tight timelines. This reporting requirement is also challenging for the political parties, especially new ones, which do not always understand the legally required financial reporting process. More importantly, some parties lack human resource capacity to file timely and comprehensive reports owing to the lack of legal knowledge among staff, which can, in some cases, result in sanctions against the party. To address this issue, the ECT organizes and runs a training course every year for party members and staff on party finance and financial reporting. However, some parties continue to file incorrect or incomplete financial reports. Due to the complicated process of financial reporting along with the three-month financial reporting requirement, some parties do not want to receive any subsidy from the PPDF, although the law requires that all eligible parties receive



state subsidies. If parties prefer not to accept this subsidy, they can return the amount they receive by writing a formal letter to the ECT before or after the allocation process. According to a former director of the PPDF, ‘Some parties returned [their] PPDF [subsidy] to the ECT after receiving it. Their share of subsidies was quite small, and they preferred not to submit the financial reports to the ECT.’

To solve problems arising from frequent financial reporting, the ECT may consider revising the law on the three-month reporting requirement by extending the period for submitting financial reports to 6 or 12 months. During interviews, both party representatives and ECT officers noted that revising this section of the law by extending the period for submitting financial reports would assist both entities in reducing their workload.

### 2.5.2. Reporting requirements for sources and spending of private donations

Globally, 76.1 per cent of countries require that political parties report regularly on their finances, and 60.6 per cent require that they report on their campaign finances. In South East Asia all countries except the Philippines require that political parties regularly report on their finances. Only four of the eight countries in the region, including Thailand, require that political parties report on their campaign finances (see Table 2.11).

**Table 2.11. Reporting requirements for political parties and candidates**

	Regular reporting		Reporting on campaign finances	
	Global	South East Asia	Global	South East Asia
<b>Political party</b>	76.1%	87.5%	60.6%	50%
<b>Candidate</b>	N/A	N/A	68.9%	100%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA’s Political Finance Database covers only countries with multiparty elections.

In Thailand, political parties are required to submit to the ECT monthly paper-based financial reports for income derived from private donations. The ECT provides the form (form P.A. 11<sup>6</sup>) that political parties need to use to record the amount of donations they receive. Parties are also required to report the total amount of donations they receive, in their annual financial report, wherein they must list all their money, assets, liabilities and capital, as well as operational and campaign expenses (Thailand 2017: sections 59 and 60). According to interviews with ECT officers, parties have not faced problems reporting their income and expenditures, and they mostly submit their reports on time. In addition to political parties, party candidates are also required to submit their financial reports to the ECT at the provincial tier. During the campaign period, candidates who donated money, assets or any other gifts (food, furnishing, clothing) with a value of more than THB 10,000 (USD 300) each day to voters during the campaign period are required to report their donations to the ECT office in their province.

**In order to make the process of submitting financial reports efficient and systematic, the ECT could consider developing an online reporting system.**

In order to make the process of submitting financial reports efficient and systematic, the ECT could consider developing an online reporting system to replace the existing paper-based reporting system. Online reporting refers to the process of submitting reports online either via a website or using dedicated software. The data submitted online is then fed into an internal agency database. This enables the oversight agency to easily categorize, sort and store the data, which in turn helps it to carry out compliance checks. A well-designed online reporting system is also beneficial from the perspective of its users (political parties and candidates), as it can make the process of submitting reports more efficient. The Thai Revenue Department, which developed its own online tax submission system, can provide important lessons to the ECT.

### 2.5.3. Disclosure of financial reports

Globally, 62.2 per cent of countries require that reports submitted by political parties and candidates be made public, while all but two countries in South East Asia (Cambodia and Malaysia) require that reports submitted by political parties and candidates be made public.

6 A translation of the form is available in Annex A.

In Thailand, party leaders are required to present their annual financial report at a party meeting in April every year. Upon receiving approval from the party meeting, the report is submitted to the registrar, who reviews and evaluates it. The ECT makes available parties' annual financial reports, subsidization reports and donation reports through the ECT website, but these reports are only a summary of parties' total income and expenditures. The ECT discloses the names of donors who donate more than THB 5,000 (USD 150) to any political party along with the amount of their donations every month. Although the law requires the disclosure of a donor's identity, there are no strong safeguards against the misuse of the information declared by any party, although there have been no reports of misuse of donors' information since the 2019 election.

Aside from the regular online disclosure, the ECT also publishes hard copies of parties' financial reports to distribute to political parties and sections of government working on party finance. These copies are not publicly distributed, and if anyone wants to access them they need to submit a letter of request to the ECT. The state newspaper, the *Royal Thai Government Gazette*, publishes information about all the ECT's activities. This includes the declaration of new political parties, any violations of party or ECT regulations, parties' financial reports, changes to party policies and candidate lists, party appointments and resignations, and any termination or merger of political parties (Thailand 2017: sections 17, 22, 38, 91, 94 and 99).

While there exists some form of disclosure in Thailand, it is not sufficient. Full transparency is not achieved unless the political finance reports (or the information they contain) are made available to the public in a timely manner. They should be easy to understand and presented in easily accessible and searchable formats, such as via the Internet. The open and transparent funding of political parties and candidates is desirable because it helps ensure that everyone plays by the rules, which in turn strengthens the integrity of, and trust in, politics. It would be worthwhile for Thailand to consider introducing not only an online reporting system (described above) but also an online disclosure system that makes the financial reports filed by political parties and candidates to the political finance oversight agency publicly available as downloadable data files or accessible through a searchable database on the agency's

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**Hardcopies of financial reports of political parties are not publicly distributed, but can be requested in writing to the ECT.**

website. Such a system could form part of Thailand's broader transparency efforts to make official data more publicly available and accessible and contribute to efforts to increase the capacity and professionalism of not only candidates and political parties but also the ECT staff responsible for political finance monitoring and oversight.

**Effective implementation of political finance regulations requires an oversight body with a clear mandate and sufficient resources to carry out its political finance oversight duties.**

## 2.6. OVERSIGHT AND IMPLEMENTATION

### 2.6.1. Role of oversight body

Effective implementation of political finance regulations requires an oversight body with a clear mandate and sufficient resources to carry out its political finance oversight duties. It is imperative that oversight authorities be both impartial and independent from political pressure. Oversight institutions may range from governmental or parliamentary to judicial or administrative. Essentially, oversight bodies should have (a) a clear and sufficient mandate that does not overlap with that of other institutions; (b) an inclusive and transparent process for leadership appointments that ensures public confidence and independence from political pressure; (c) security of tenure for the leadership and staff to protect against undue influence; (d) sufficient funding and control over their budget; and (e) an attitude that they will act impartially and transparently and engage with the regulated community wherever possible to encourage compliance and prevent violations.

In every country at least one institution is responsible for political finance oversight, including the monitoring and auditing of financial reports. In 43.3 per cent of countries globally, it is most often the electoral management body that has the mandate to examine financial reports from political parties/candidates; 12.8 per cent of countries have created a special organ with such a function; and some countries prefer to empower an auditing agency (18.3 per cent), judicial body (13.3 per cent) or government institution such as a ministry (9.4 per cent) (see Table 2.12).

In Thailand, the ECT is the main oversight body responsible for monitoring political parties' compliance with political finance regulations and monitoring and examining their reports. The ECT

**Table 2.12. Institutions responsible for examining financial reports and/or investigating violations (multiple answers allowed)**

Institution	Global	South East Asia
Electoral management body	43.3%	87.5%
Auditing agency	18.3%	25.0%
Court	13.3%	12.5%
Special agency for political finance	12.8%	12.5%
Ministry	9.4%	12.5%
Anti-corruption agency	2.2%	12.5%
Parliamentary unit	1.7%	0.0%
No institution specified	12.2%	0.0%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

consists of seven commissioners appointed by the King upon the recommendation of the Senate. The election commissioners can hold office for a term of seven years from the date of appointment and can serve for only one term. Local ECT offices are responsible for monitoring political activities organized by political parties and determining whether parties' activities take place in line with their proposal to the ECT. The local ECT offices submit reports to the ECT's central office, which monitors and evaluates the activity and financial reports submitted by the local ECT offices and parties. Regarding the committee for the PPDF, section 80 of the 2017 Organic Law on Political Parties prohibits the presence of party representatives on the ECT's finance committees. The PPDF committee is responsible for approving subsidies to eligible political parties and for administering and supervising the PPDF. Previously, party representatives provided information about party finance from their respective party's perspective. Thus, when the ECT or lawmakers drafted or revised any

regulations, the party representatives could share their perspectives on the practicality and likelihood that the new regulations will be followed. The absence of party representatives on the PPDF committee led to new regulations that are not practical, or in some cases even possible, to implement. Although there is no longer a formal arrangement to involve party representatives in the decision-making process surrounding new regulations, it would be worth considering designing processes that could gather feedback from party representatives. This would help them understand the practical implementation of policies and identify gaps—if any exist—in parties' capacity to adapt to these policies.

### **2.6.2. Training and information on party finance for political parties**

To help political parties prepare clear reports, the ECT organizes a training course on party finance every year (with the exception of 2021, due to Covid-19 restrictions). The PPDF office, with support from the ECT's Political Party Activity Office, is responsible for most of the training courses related to party finance. Aside from providing information on finance, the ECT also educates party staff, local branch officers and party representatives at the provincial level on any new laws and regulations related to party management and development.

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**ECT staff responsible for monitoring party finance should be provided continuous on-the-job training and learning opportunities to enhance their knowledge and technical expertise.**

In addition to the training of party officials, it is equally important that staff at the ECT responsible for monitoring party finance not only be up-to-date on, and knowledgeable of, the political finance regulations but that they also possess the relevant technical skills, such as accounting and auditing expertise. They should be provided with continuous on-the-job training and learning opportunities. Additionally, it would also be useful to develop standard and coherent guidelines for ECT staff on how to respond to requests from party officials on any issues related to political finance, from clarification of regulations to reporting processes.

### **2.6.3. The role of civil society organizations and the media in monitoring compliance**

In addition to state oversight, the media and civil society can play a vital role in scrutinizing party finance by serving as effective watchdogs to promote transparency and anti-corruption efforts.

### Box 2.1. Training course on party finance

During one of the annual four-day training courses organized by the ECT for political parties, party branches and party representatives in four regions of Thailand, party branch members, and party representatives in the nearby provinces (approximately 300 people) participated. In addition, the ECT also invited local ECT staff who work on party finance to attend the training to update their knowledge of party finance regulations.

On the first day the course provided an overview of party finance, all important regulations related to party finance, techniques for preparing a financial report, and the procedure for requesting financial support and using subsidies legally. It was noted that many party members and branch members, especially those from new political parties, had a minimum of

information on party finance regulations. Some were unaware of the availability of PPDF funding for political parties and of the regulations related to spending said funding, including monitoring and reporting on how it was spent. To educate party members on party finance, the remaining days of the training course involved workshops for small groups of participants. Each group made a presentation—for example, on financial reports, spending items or sanctions.

After participating in the course, most of the party members and branch members gained a better understanding of the regulations on party finance. They also noted that they would appreciate an opportunity to participate in such training annually in order to receive updates on new regulations on party finance and to train new party staff on these important issues.

*Source:* Lead national consultant's observations during the training.

In many countries, financial disclosures published by the media enable the public to see how parties earn and spend money, and to monitor the compliance of individual political parties with political finance regulations. Such disclosures enable the public to report any suspected cases of non-compliance, false disclosures or other violations to the oversight bodies.

While the scrutiny of party finances by the media and CSOs is still not fully developed in Thailand, some CSOs have been working on improving transparency and accountability in politics. Since CSOs play a complementary role in political finance oversight, the ECT could consider strengthening partnerships with pro-transparency CSOs and seek their input to improve the ECT's policies and practices. Important lessons can be learned from other countries

in the region where CSOs have pushed for political finance reforms to make political funding more transparent and accountable. Indonesia Corruption Watch has long demanded fair regulation of political finance that guarantees a level playing field during elections in Indonesia, as well as transparency of, and accountability from, political parties that receive public funding (Ufen and Mietzner 2015).

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## 2.7. SANCTIONS

Sanctions facilitate effective enforcement of rules and punish those who violate them. Sanctions should always be meaningful, clear, realistic, enforceable, dissuasive and proportionate to the nature of the violation. They could range from a warning or a small fine (for failing to submit reports on time) to withholding public funding or larger fines (for continued refusal to submit reports despite reminders). Globally, fines are the most common form of sanctions for political finance violations, with 82.2 per cent of countries including some type of fines in their legislation, followed by prison sentences (58.3 per cent) and loss of public funding (32.2 per cent). In South East Asia fines, imprisonment, party deregistration and candidate disqualification are the most common sanctions for violations of political finance regulations. The suspension of a political party, removal of an official from elected office and suspension of public funding are less common forms of sanctions (see Table 2.13).

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**In Thailand, violations and infractions of any political finance regulation may result in fines, loss of PPDF funding, prison time and dissolution of the responsible party.**

In Thailand, violations and infractions of any political finance regulation may result in fines, loss of PPDF funding, prison time and dissolution of the responsible party. Sanctions may be applied for offences such as failure to submit a complete financial report (including an income and expenditure report with receipts), failure to submit a report on time, failure to comply with PPDF spending regulations, and even the use of the names or logos of previously dissolved parties (see Table 2.14).

In Thailand, the financial reports of political parties (for PPDF subsidies as well as private donations) are first evaluated and monitored by the PPDF and are then sent to the registrar for review. If the PPDF and the registrar find any falsified or incorrect information,



or identify an offence committed by the party, they submit these reports to the election commissioners for further legal recourse. If the commissioners confirm that a political party has committed an offence, the registrar exercises their power, as approved by the commissioners, to impose sanctions on the offending political parties.

Prior to 2017 simple offences such as a political party's submission of a fraudulent report could result in the party's dissolution. However, the 2017 Organic Law on Political Parties provides for the dissolution of parties only under special circumstances and only after the parties have failed to respond to the ECT's warnings or requests for additional information within the established time frame. Similarly, some opposition parties in the past had expressed concerns about the power of the election commissioners to impose severe sanctions

**Table 2.13. Types of sanctions for political finance infractions (multiple answers allowed)**

Type of sanction	Global	South East Asia
Fine	85.6%	100%
Imprisonment	60.6%	87.5%
Loss of public funding	32.8%	25.0%
Forfeiture	25.0%	50.0%
Suspension of political party	19.4%	37.5%
Disqualification of candidate	17.8%	62.5%
Removal of official from elected office	14.4%	37.5%
Loss of political rights	13.9%	0.0%
Suspension of public funding	12.8%	12.5%

Source: International IDEA, Political Finance Database, <<https://www.idea.int/data-tools/data/political-finance-database>>, accessed 1 April 2023.

Notes: Global data covers 180 countries. Data for South East Asia does not include data for Brunei, Laos or Vietnam since International IDEA's Political Finance Database covers only countries with multiparty elections.

**Table 2.14. Political finance–related offences and sanctions under the 2017 Organic Law on Political Parties**

Section	Offence	Section	Sanction
58	Failure to submit a financial report of party income and expenditures on time each year	122	A fine of a maximum of THB 50,000 (USD 1,500) and an additional fine of THB 1,000 (USD 30) every day until the report is submitted
61	Failure to hire an audit team to review and evaluate a financial report and to present the final report to the party meeting by April every year	106	A fine of a maximum of THB 50,000 and an additional fine of THB 1,000 every day until the report is submitted
62	Failure to present receipts for the sources of the party's income	122	A fine of a maximum of THB 50,000 and an additional fine of THB 1,000 every day until the report is submitted
64	Failure to present evidence and receipts for fundraising events to the ECT	123	A fine of a maximum of THB 100,000 (USD 3,000)
64	Failure to present and declare to the public evidence and receipts for fundraising events	106	A fine of a maximum of THB 50,000 and an additional fine of THB 1,000 every day until the report is submitted
65	Failure to disclose the list of donations and the names of donors who donate more than THB 5,000 (USD 150) every month	122	A fine of a maximum of THB 50,000 and an additional fine of THB 1,000 every day until the report is submitted
68	Failure on the part of candidates to report their donations above THB 10,000 (USD 300) during electoral campaigns to the ECT office in their province	122	A fine of a maximum of THB 50,000 and an additional fine of THB 1,000 every day until the report is submitted
77	Failure on the part of political parties to disclose sources of donations, money and assets to the ECT	121	A fine of a maximum of THB 50,000 and an additional fine of THB 10,000 (USD 300) every day until the report is submitted
84	Failure on the part of parties to submit a report on their expenditures using PPDF subsidies	129	A fine of a maximum of THB 100,000
84	Failure on the part of political parties to submit a financial report on PPDF expenditures every three months	130	A fine of a maximum of THB 500,000 (USD 15,000)

**Table 2.14. Political finance–related offences and sanctions under the 2017 Organic Law on Political Parties (cont.)**

Section	Offence	Section	Sanction
84	Failure on the part of political parties to spend state or PPDF subsidies within the categories indicated by the ECT	131	Fines of up to five times the budget in different categories. If party leaders are found guilty of wrongdoing again, the ECT will refer the case to the courts, which could have the effect of barring the party leader and the party's executive committee from pursuing political office
89	Failure on the part of a party leader and party committee members to monitor how their party spends money and assets according to the legal requirements	136	A maximum fine of THB 5,000 and a maximum of three months' imprisonment or both
94	Use by political parties of the logo or name of other political parties banned by the Constitutional Court	110	A maximum fine of THB 20,000 (USD 600) and a maximum of one year's imprisonment or both

Source: 2017 Organic Law on Political Parties.

and demanded more transparency concerning the imposition of such sanctions (Meechai 2019). Under the current law, it is the Constitutional Court, not the ECT and the commissioners, that has the power to apply severe sanctions, including the dissolution of political parties. This is a welcome change and should be maintained to ensure the fairness and integrity of the country's political finance system.

Currently, there is no publicly available information on the number of political finance violations by political parties and candidates, or on the number of sanctions applied as a result of those violations. In order to improve transparency related to the application of such sanctions, it would be worth considering creating a database detailing the number and types of sanctions applied for every political finance infraction. Such information would not only enhance the transparency of the oversight process but also help in assessing the effectiveness of such sanctions as a deterrent against non-compliance with political finance regulations.

## Chapter 3

# CONCLUSION AND RECOMMENDATIONS

Since the promulgation of the 2017 Organic Law on Political Parties, many provisions have been introduced with the hope of improving political finance regulations and supporting the development of political parties in Thailand. The 2017 law has been successful in improving party finance in some areas, but some aspects warrant further consideration to enhance its effectiveness. This assessment has identified several potential areas for reform that could improve the transparency of party funding, reduce illegal practices, constrain the prevalence of corruption, and enhance accountability among political actors and authorities. The following recommendations are provided to facilitate a discussion of political finance reforms among key stakeholders, in particular the parliamentary committees related to politics, political party reform and corruption, political parties and the Election Commission of Thailand.

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### 3.1. PUBLIC FUNDING

- Consider revising the PPDF's allocation formula to allow small parties to receive more subsidies from the state. State funding is a vital financial resource for small parties and new parties to develop their internal structure, set up local branches, recruit more members, organize political activities and conduct electoral campaigns.
- Consider adding other items to the PPDF's calculation formula, including the number of female candidates or parliamentarians. Tying the amount of the subsidy that political parties receive to

their number of female candidates or MPs may encourage political parties to include more female candidates in elections.

- Consider transferring the whole amount of donations from income tax refunds to the respective political parties as per voters' preference. Parties should be able to decide how to use these donations instead of being restricted by PPDF regulations.
- Consider allocating free broadcast time for campaign activities not only for political parties but also for candidates based on the principle of equal distribution to level the playing field.

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### 3.2. PRIVATE DONATIONS

- Consider revising the current maximum amount of THB 10 million (USD 300,000) that donors are permitted to donate to political parties annually. The ECT may increase the maximum donation amount especially during an election year to help parties fund their campaigns transparently and to minimize funding loopholes during elections. This should be complemented with steps to ensure that such donations are transparent and accounted for.
- Issue coherent regulations on online selling of souvenirs to enable parties to earn more income. At present, political parties are allowed to sell their products or souvenirs only at their party headquarters, party branch offices and annual meeting. They are not allowed to engage in online sales. In a digital world it makes sense to allow online sales, which will not only be convenient for supporters but will also be beneficial for political parties.

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### 3.3. SPENDING

- Conduct a thorough assessment of candidates' and political parties' spending patterns (including unofficial spending) to determine their spending behaviour, the extent of overspending against the prescribed limit and the causes of overspending. This can help in designing targeted measures to deal with the root causes of overspending.

- Consider reviewing and revising the maximum spending limit for electoral campaigns for both candidates and political parties based on the results of an assessment. Increasing the spending limit could potentially encourage parties to be more transparent in their spending. Alongside such an increase the ECT should monitor expenses as well as enforce sanctions for those who do not comply with the set limits.
- Conduct an assessment of how much political parties are spending on online campaigning, particularly on online advertising, to better understand its role in party finance. At present, online campaign spending is included in total campaign spending. Depending on the results of the assessment, it may be worthwhile to consider introducing a limit on online campaign spending for candidates and political parties.
- Consider issuing guidance to distinguish between vote buying and customary gift giving by politicians, including determining a limit on the permissible value of gifts.

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### 3.4. REPORTING AND DISCLOSURE

- Consider adapting an online system that would speed up the process of financial reporting and help parties to follow the reporting formats required by the ECT. Through online party finance reporting, the ECT could increase its capacity to monitor and evaluate party finances. More importantly, the online system could facilitate the correction of reporting errors prior to the delivery of completed reports to the ECT. It would also alleviate staffing shortages in the financial reporting department.
- Consider extending the three-month reporting window to provide sufficient time both for political parties to submit their reports and for the ECT to evaluate and review the reports. Extending the deadline for reporting would also reduce errors that could occur because of haste.
- Strengthen the capacity of party treasurers to streamline the reporting process and minimize errors that could delay the submission of reports. Although the ECT organizes a training

course annually, there is no special training for party treasurers. Training should focus on all processes related to political finance in order to enhance the understanding and capacity of party treasurers and staff who work on this issue at the party level.

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### 3.5. OVERSIGHT AND IMPLEMENTATION

- Ensure that staff in the party finance department, especially those who are working in the monitoring process, understand all finance regulations and have basic knowledge of accounting.
- Provide a standard guideline to ECT staff to advise political parties when they experience any problems related to political finance so that all staff have similar guidelines to respond to requests from political party officers and members.
- Consider involving party representatives in the decision-making process surrounding new regulations to prevent policies that cannot be implemented. A better understanding of the practical implementation of policies and of parties' capacity to adapt to new regulations would improve compliance and minimize potential errors.
- Strengthen and empower CSOs in Thailand to serve as an effective watchdog and play an active role in accelerating political finance reform and fighting political corruption in the country.

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### 3.6. SANCTIONS

- Actively inform donors (including corporate managers) and political representatives (including party leaders, branch members and treasurers) on criminal liability for severe violations of political finance regulations. This information should be made available online and be easily accessible.
- Consider creating and maintaining a database of information on the number and types of sanctions applied for every offence to ensure the transparency and effectiveness of the oversight process.

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# Annex A. Charitable donation receipt

No.....

Day.....Month.....Year.....

Name of Political Party.....  
receives a donation from (Mr/Mrs/Miss/Military Rank/Corporation Name)  
.....

National Identity Card ..... or Licence Number.....  
Taxpayer Identification Number..... Permanent Address Number.....  
Village Number..... Building Name.....Alley/Lane.....  
Road..... Sub-district/Sub-area.....

District/Area..... Province..... Postcode..... Telephone No. ....

Items Donated:

Property (detailed description) .....  
Value..... Baht (in words).....

Others (detailed description) .....  
Value.....Baht (Thai baht in words).....

Total Value..... Baht (in words).....

Truly for the benefit of the political party,

Signature.....(Head of the Party)  (.....)	Signature..... (Party Accountant)  (.....)
--	--

Annotation:

The political party receiving this donation must deliver this receipt to the donor within seven days of receipt of the donation.

# Annex B. Donation record

Place.....  
Day.....Month.....Year.....

I (Mr/Mrs/Miss/Military Rank).....

National Identity Card.....Date of Birth.....Age..... Years

Permanent Address Number..... Village Number..... Building Name.....  
Alley/Lane..... Road..... Sub-district/Sub-area.....  
District/Area..... Province.....Postcode.....  
Telephone Number.....

Position

Party Leader	Party Executive Committee
Party Branch Committee	Provincial Party Representative
Party Member Representatives	Election Candidate for House of

Charitable Donations Received in Cash / Property / In-kind contribution

For the Purpose of.....

From (Mr/Mrs/Miss/Military Rank/Corporation Name).....

National Identity Card..... or Licence Number.....

Taxpayer Identification Number..... Permanent Address Number.....  
Village Number.....Building Name.....Alley/Lane.....  
Road..... Sub-district/Sub-area..... District/Area..... Province.....  
Postcode..... Telephone Number.....

As per the items listed below:

No.	Description	Amount (THB)	Remarks
<b>Amount (Thai baht, in words)</b>			
Signature.....(Donor) (.....)		Signature.....(Beneficiary) (.....)	
Signature.....(Witness) (.....)		Signature.....(Witness) (.....)	

The beneficiary must deliver the donation record for cash, property or in-kind donation to the political party within three days after receipt of the donation.

# Annex C. List of participating organizations

The following organizations participated in the validation meeting in November 2022.

Asian Network for Free Elections

Burapha University

Chartthaipattana Party

Democrat Party

Friedrich Naumann Foundation

Global Initiative Against Transnational Organized Crime

Kasetsart University

Mahidol University

Naresuan University

National Democratic Institute

Office of the Election Commission of Thailand

Open Forum for Democracy Foundation

Paradonraphab Party

Pheu Thai Party

Sukhothai Thammathirat Open University

## About the authors

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**Yukihiko Hamada** is a Programme Manager at International IDEA. He leads the Money in Politics (MiP) programme and provides policy guidance to advance the political finance reforms in a number of countries. His research and work focuses on political finance regulations, anti-corruption and public integrity. Prior to joining International IDEA in 2018, Yukihiko was a policy analyst at the Organisation for Economic Co-operation and Development in Paris. He holds a PhD in Political Science from University College London, in the United Kingdom.

**Khushbu Agrawal** is a Programme Officer at International IDEA in Stockholm, Sweden. Her research and work focus on political finance and the influence of money in politics, as well as the establishment of inclusive, responsive and accountable institutions and processes. She previously worked at International IDEA's Regional Office for Latin America and the Caribbean and the Nepal Country Office, in addition to the International Organization for Migration, Save the Children and South Asia Partnership International. She holds a Master of Public Policy from Australian National University.



# About International IDEA

The International Institute for Democracy and Electoral Assistance (International IDEA) is an intergovernmental organization with 34 Member States founded in 1995, with an exclusive mandate to support and advance democracy worldwide.

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## WHAT WE DO?

We produce comparative, policy-friendly knowledge and provide technical assistance on issues relating to elections, parliaments, constitutions, money in politics and political representation, all under the umbrella of the UN Sustainable Development Goals. We assess the performance of democracies around the world through our unique Global State of Democracy Indices and reports. Our work is expanding to address issues related to climate change and democracy.

We use our knowledge to provide technical assistance and expert advice to governments and civil society around the world. We publish books, databases, and primers annually in several languages on topics ranging from voter turnout to Indigenous Peoples' rights in constitution-building. Gender equality and inclusion are mainstreamed in all our work.

We engage in conversations and convene agenda-setting dialogues and partner with like-minded organizations, including the African Union, the European Union and the United Nations, to achieve greater impact.

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Thailand has made several efforts to reform key aspects of its political finance system, including regulations relating to funding for political parties and election campaigns. Yet, several challenges remain that merit constant improvements and innovation to regulate political finance and put appropriate systems and processes in place to ensure enforcement. As of 2023, no systematic review of the effectiveness of party finance regulations has been undertaken in Thailand. This Report intends to fill this gap by conducting a comprehensive analysis of the current political finance regulatory framework in the country as well as examining the challenges of implementation.

The Report focuses on the building blocks of political finance regulations: public funding mechanisms, regulations on private funding, regulations on spending, reporting and disclosure of income and expenditures, oversight mechanisms and sanctions. Based on the findings, the Report provides concrete recommendations for consideration by policymakers, political parties, the Election Commission of Thailand and other stakeholders. The Report is part of a larger International IDEA initiative to review political finance systems in selected countries in an effort to advance an evidence-based global policy debate on money in politics.

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