

# Types of Digital Tokens

Currently, there is an increasing discussion about "digital tokens," especially Investment Tokens , Utility Tokens and Sustainability Token . The Securities and Exchange Commission (SEC) of Thailand is the regulatory body overseeing these tokens to ensure proper risk management, sufficient protection for buyers, and the promotion of innovation in alignment with the country's digital economy policies.

# Investment Tokens

These tokens grant holders the right to invest in specific projects and receive returns, such as revenue sharing or returns similar to interest. They can be further categorized as follows:

- Project-based ICOs: Fundraising for the development of business plans, such as creating a film or converting a factory to clean energy.
- Real Estate-backed ICOs: Tokens linked to completed real estate properties, where investors can earn income from these assets.
- Infrastructure-backed ICOs: Tokens related to infrastructure assets such as transportation systems, water management, airports, communications, alternative energy, or waste management systems.

Issuers of Investment Tokens must obtain approval from the SEC, submit a detailed offering statement, and conduct sales through an SEC-certified ICO Portal to ensure adequate investor protection.

# Utility Tokens

These tokens grant holders the right to access specific goods, services, or benefits as defined. They are divided into:

- Non-Ready-to-Use Utility Tokens: The proceeds from the sale of these tokens are used to develop products or services, which holders will be able to access in the future once development is completed.
- Ready-to-Use Utility Tokens: Tokens that grant immediate access to specified goods and services. These are further divided into:
  - Group 1: Tokens designed for consumption, such as digital coupons, concert tickets, flight tickets, voting rights for idols, digital gifts for influencers, or Non-Fungible Tokens (NFTs) representing art, music, stamps, or videos. The issuance of tokens in this group is not subject to SEC regulation but must comply with other relevant laws, such as consumer protection laws.
  - Group 2: Tokens granting access to electronic systems or networks, such as using tokens in digital asset markets to pay fees, receive discounts, or upgrade memberships. Although the issuance of tokens in this group does not require SEC approval, if the issuer intends to trade the tokens on a digital asset market regulated by the SEC, they must seek approval in the same manner as Investment Tokens.

The SEC oversees three types of digital tokens: Investment Tokens, Non-Ready-to-Use Utility Tokens, and Ready-to-Use Utility Tokens in Group 2 that are intended for trading in regulated digital asset markets.

This regulatory framework aims to protect investors, maintain the credibility of the market, and support the growth of the digital economy in Thailand.

# Sustainability Tokens

Sustainability Tokens are digital tokens designed to promote sustainable development, focusing on creating positive impacts on the environment, society, and the economy. Examples of how these tokens are used include:

- **Supporting Environmental Projects:** Tokens can be used to support projects like renewable energy or carbon reduction efforts.
- **Community Development:** They can fund initiatives like building sustainable housing or creating green spaces in urban areas.
- **Sustainability Certification:** Tokens can be linked to verifying actions that meet sustainability standards, ensuring that projects are truly environmentally and socially responsible.
- **Transparency:** Using blockchain, these tokens help increase transparency in operations, allowing stakeholders to track and verify sustainability efforts.

These tokens serve as tools to incentivize activities that benefit the planet and foster investment in sustainable practices.