

ABB Limited (Thailand)

Over 100 years experience in Thailand

Background

ABB (ASEA Brown Boveri) is a Swedish-Swiss multinational corporation headquartered in Zürich, Switzerland, and is a pioneering global technology leader operating a wide range of successful businesses. These include the four main divisions of Electrification Products, Robotics and Motion, Industrial Automation, and Power Generation and Distribution. Established in 1978, ABB Limited is located in Bangkok, Thailand, and serves as the company's regional hub for ABB's customers in the countries of Cambodia, Laos, Myanmar and Vietnam, as well as Thailand. To date, ABB's Robotics Division has installed over 300,000 robots in 53 countries world-wide. These include robots for Automotive, Electrical and Electronics, Food and Beverage, Forging, Metal Fabrication, Packaging, Plastic Molding, Welding, Wood Industries and Solar Power Industries.

Why Thailand

Mr. Chaoyot Piyawannarat, Country Managing Director of ABB Thailand, Myanmar, Cambodia and Laos, explained why ABB decided to establish its hub in Thailand. Firstly, the high local market demand in Thailand, with the country also acting as a gateway to neighboring ASEAN countries which also have strong growth potential. He also spoke favorably about the Kingdom's robust human resources, and their ability to absorb and deploy technologies from abroad and manage them day to day with support from the ABB group. As a result, over 95% of their current 1,000 employees are Thai. Additionally, he praised the resiliency of the Thai business sector, and their ability to work together and recover from economic difficulties. Finally, he mentioned the government's new digital based “Thailand 4.0” economic policies, which line up well with ABB's future direction. “We initially grew courtesy of support from the BOI. Starting in the late 1980s, investments in our first and

second plants were supported by the BOI in order to support domestic production and rely more on local capabilities,” he continued.

Vision for the Future

ABB sees enormous continued growth potential for robotics use in many sectors, including automotive and industrial manufacturing, electronics manufacturing and assembly, and food processing and packaging as factories continue to shift towards automation. This demand encompasses not only robotics hardware, but also software development and system integration as well as life cycle services, which ABB is well positioned to provide. As companies strive to remain globally competitive, they have been adopting automated solutions that have becoming increasingly feasible due to rapid advances in the state of the art, with rising labor costs, quality of work issues, safety concerns and social acceptance also contributing to the increasing rate of adoption of robotics technology.

“Setting up ABB in Thailand as the HUB that support neighboring countries is one of the most successful strategic moves that we made.”

Mr. Chaiyot Piyawannarat
Country Managing Director of ABB Thailand, Myanmar, Cambodia and Lao PDR

Supporting Policies from the Government

As one of the government's targeted future industries, the government and education centers are focused on supporting the automation and robotics industry. There are numerous research centers actively engaged in robotics research and development and workforce training, including The Institute of Field Robotics (FIBO), the Center for Biomedical and Robotics Technology (Bart Lab), the Intelligent Robotics and Mechatronics Laboratory (SKUBA), as well as the Regional Center of Robotics Technology at Chulalongkorn University. The government's “Thailand 4.0” ambitions to create an environment fostering a digital-based economy will likewise lead to enhanced opportunities for future investments in this sector.

Attractive BOI Incentives

The Thailand Board of Investment (BOI) offers a wide range of tax and non-tax incentives for projects that meet national development objectives.

Tax-based incentives include an exemption or reduction of import duties on machinery and raw materials, as well as corporate income tax exemptions of up to eight years. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad.

Recognizing the importance of the robotics and automation sectors, tax incentives are granted to approved projects in numerous related activities, including software development and services provisioning such as big data and business process management, IT and cyber-security, software for controlling and/or connecting advanced technology equipment and devices, automation machinery and/ or automation equipment, and design engineering, and assembling of robots or automation equipment or parts.

Additional information about specific manufacturing activities relating to the robotics and automation industries can be found by clicking [here](#) or contacting the BOI's Investment Promotion Division 2.