

# **Investment Opportunities in Thailand**



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# Thailand in Brief



**Region:** Southeast Asia

**Population:** 67.8 million

**Literacy Rate:** 96 %

**Religion:** Buddhism 95 %

**Labor Force:** 39.5 million

**Per capita GDP(2011):**

CA\$5,056

**International Reserve:**

US\$138.4Bil.

# ECONOMIC PROJECTIONS 2011-13

Economic Projections	2011	2012	2013
1) <b>GDP growth</b> (percent y-o-y)	<b>0.1</b>	<b>6.0</b>	<b>5.8</b>
2) <b>Export, FOB value</b> (percent y-o-y)	<b>16.4</b>	<b>9.2</b>	<b>14.6</b>
3) <b>Import, CIF value</b> (percent y-o-y)	<b>24.7</b>	<b>17.0</b>	<b>12.4</b>
4) <b>Trade account</b> (billion US. dollar)	<b>23.5</b>	<b>9.8</b>	<b>16.4</b>
5) <b>Current account</b> (billion US. dollar)	<b>12.3</b>	<b>-2.1</b>	<b>-0.9</b>



# TOP 10 EXPORTS IN 2009 – 2012 (Jan-Apr)

Unit: US\$ Billion

	2009	2010	2011	2012 (Jan-Apr)
Automotive and parts	11.12	17.71	16.98	6.32
Computer and parts	16.02	18.84	17.06	6.03
Refine fuels	6.30	7.80	10.09	4.22
Precious stones and jewelry	9.76	11.65	12.30	3.93
Rubber	4.31	7.90	13.18	3.34
Rubber products	4.49	6.43	8.39	2.79
Plastic resins	4.46	6.34	8.80	2.73
Chemical products	4.47	5.78	8.29	2.66
Integrated circuits	6.44	8.07	7.91	2.10
Machinery and parts	3.33	4.88	6.11	2.05
Others	81.74	99.91	119.70	35.40
<b>Total</b>	<b>152.43</b>	<b>195.31</b>	<b>228.83</b>	<b>71.56</b>

Source: Ministry of Commerce, as of May 28, 2012

**Think Asia, Invest Thailand**

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# WHY THAILAND

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# Global Ranking

2<sup>nd</sup> Largest  
ASEAN  
Economy

19<sup>th</sup> Largest  
Global  
Manufacturer

35<sup>th</sup> Largest  
Global  
Economy

33<sup>rd</sup> Largest  
Global  
Exporter



# Thailand: Highly Ranked



**#3 in Asia Public Sector Efficiency**



**#4 in Asia for Corporate Governance**



**#10 worldwide as priority FDI host country**



**#17 worldwide for Ease of Doing Business  
#3 Easiest Place in Asia to Do Business**

# Thailand offers Best Expat Experience and a Low Cost of Living

## Top Destinations for Expat Experience 2012 (HSBC)

### 1. Thailand

## 2010 COL Survey (Mercer)

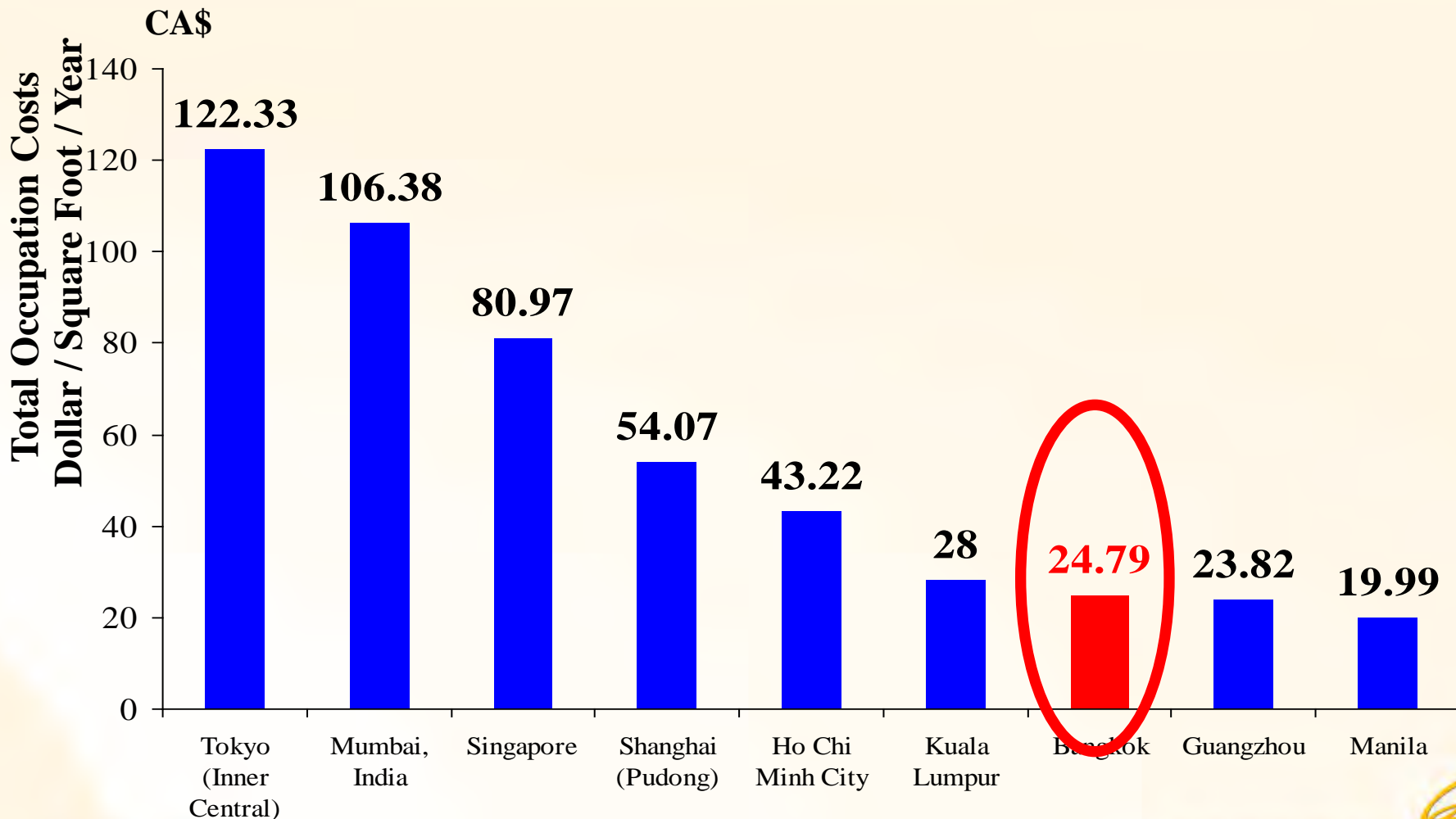
- Thailand 121<sup>st</sup> lowest cost



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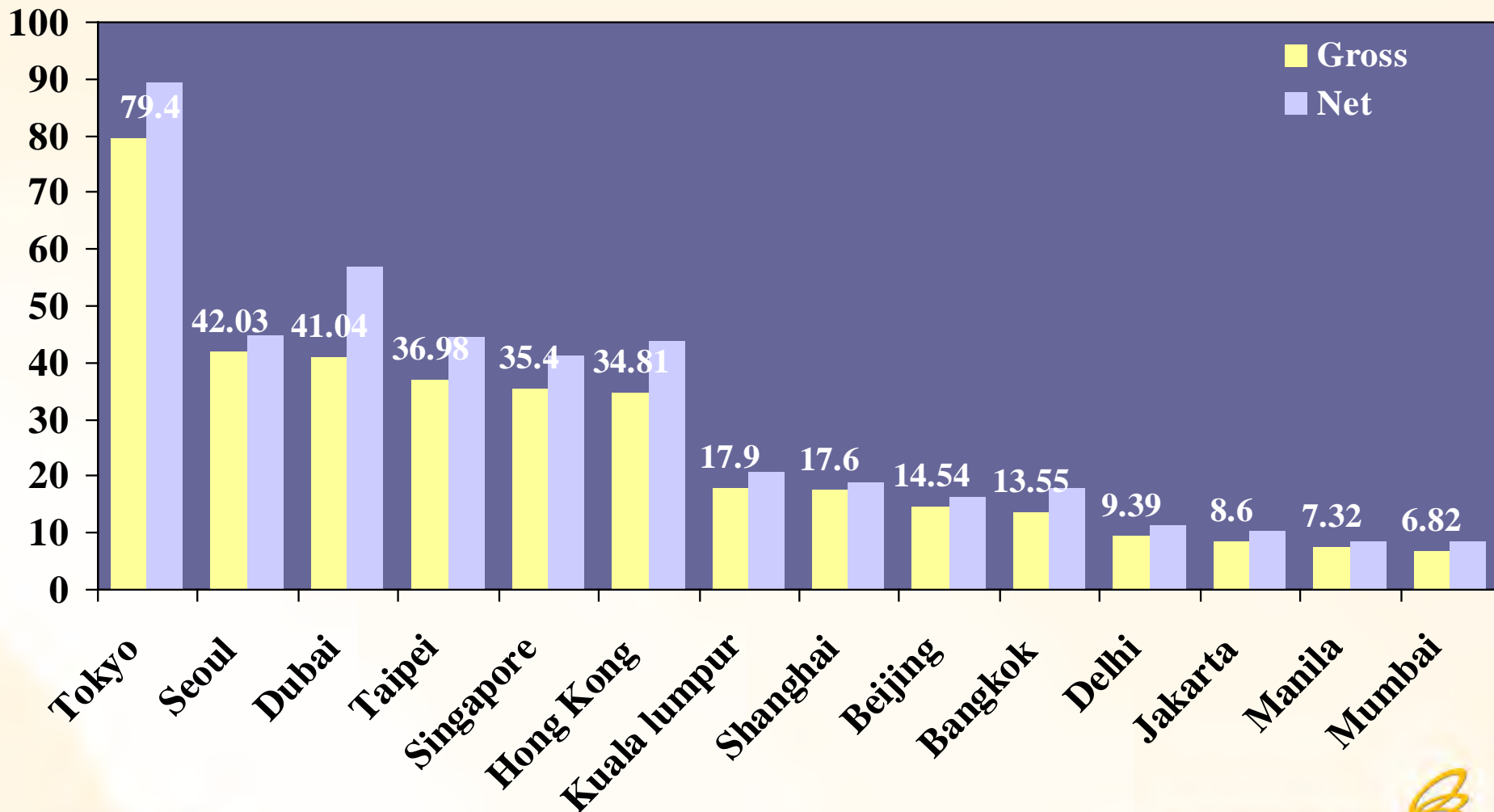
# AFFORDABLE OFFICE SPACE



Note: Exchange rate US\$1 = Bt30.49 and CA\$1=Bt30.84 in 2011

Source: CB Richard Ellis, Global Office Rents, Q1, 2011

# WAGE COMPARISON INDEX 2011



# CORPORATE INCOME TAX RATE REDUCTION

Reduction of corporate income tax rate  
from 30% of net taxable profit to

- 23% for the accounting year starting from 1 January 2012.
- 20% for the accounting year starting from 1 January, 2013.

# Free Trade Agreement

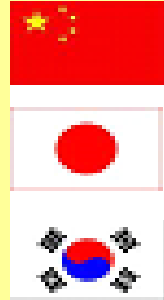
## ASEAN



- +570 million pop.
- US\$1.3 trillion GDP (2007)

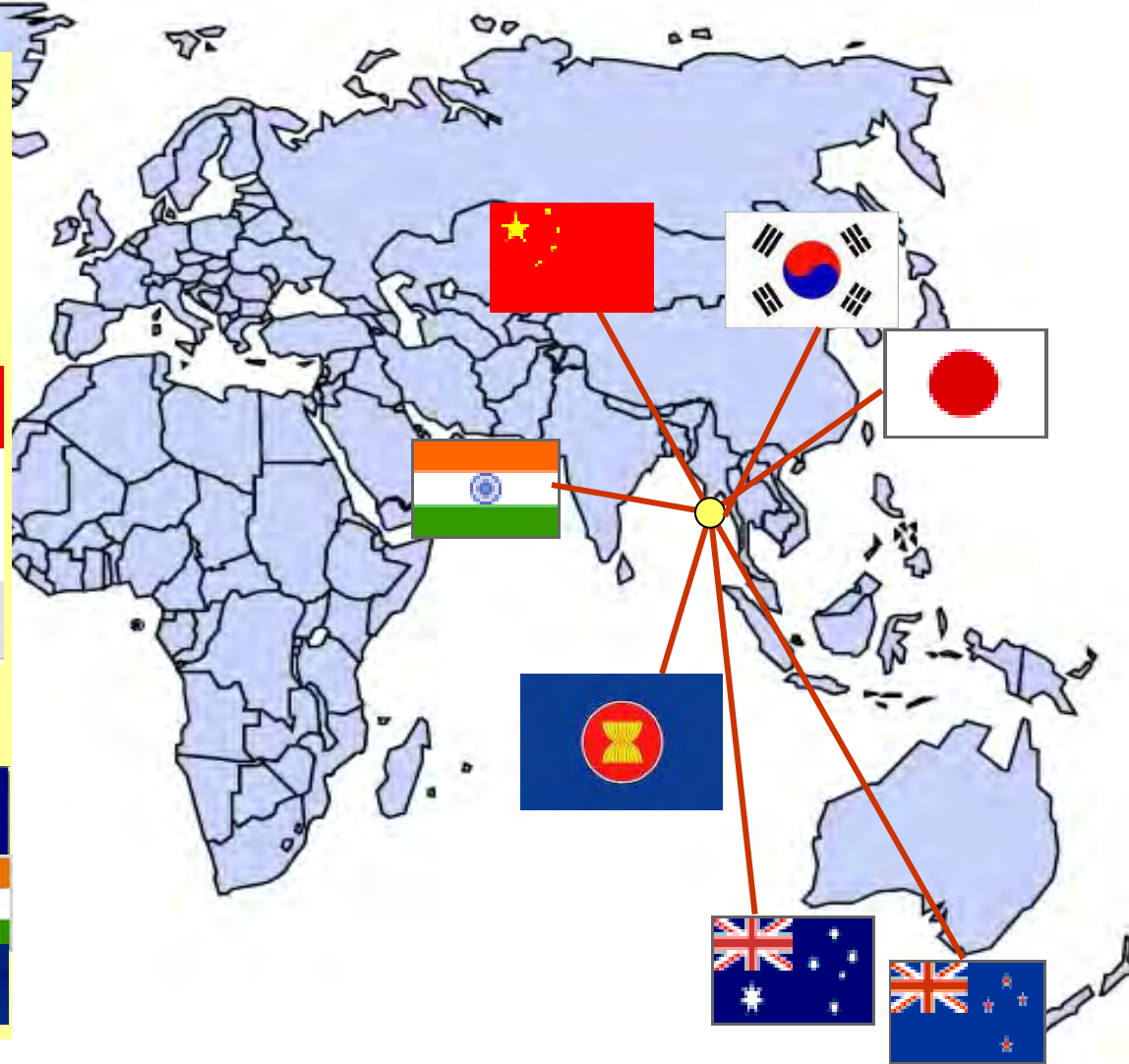
## ASEAN+3

- +2 billion pop.  
(1/3 world pop.)
- US\$9trillion GDP  
(16% of world GDP)



## ASEAN+6

- 3.3 billion pop.  
(>50% world pop.)
- US\$12.25 trillion GDP



# Infrastructure



- **7 international airports**

- In 2009, 53.9 million passengers, 1.1 million tons of cargoes
- **Suvarnabhumi Airport** – Capacity: 45 million passengers and 3 million tons of cargo per year

- **Over 70,000 km Highway Systems**

- **6 Deep Sea Ports & 2 International River Ports**

- Capacity over 10 million TEUs
- **Laem Chabang Sea Port** – Capacity: 10.8 million TEUs, with additional 8 million TEUs expansion
- **e-Customs facilities**

- **4,346 km Rail links to Malaysia & Singapore**

- **60 Industrial Estates**



# IPR Framework

- Thailand has 8 intellectual property-related laws, all of which are consistent with international standards:
  - Copyright Act of 1994
  - Patent Act of 1979, as amended by the Patent Act (No.3) of 1999
  - Trademark Act of 1991, as amended by the Trademark Act (No.2) of 2000)
  - Act for the Protection of Layout-Designs of Integrated Circuits 2000
  - Trade Secret Act of 2002
  - Protection of Geographical Indication Act of 2003
  - Plant Varieties Protection Act of 1999
  - Traditional Medicine and Practice Act of 1999

# *Investment Promotion Policy*

# Liberal Investment Policy

- No restrictions on foreign currency remittances**
- No export requirement**
- No foreign equity restrictions in manufacturing sectors and promoted services sector**
- No local content requirement**



# **BOI SUPPORT SERVICES**



**Investment Matchmaking Program**

**1-Stop for visas & work permits:  
work permits in 3 hours**

**Industrial Subcontracting Services  
Global Sourcing program  
(BUILD Unit)**

**ASEAN Supporting Industry Database**

**Interaction with other govt. agencies  
on behalf of investors**

**Country desks**

**Overseas offices**

# Basic BOI privileges and Measures

## Tax Incentives

- ❑ Corporate income tax holidays up to 8 yrs
  - Additional 50% reductions of corporate income tax for 5 yrs may apply in zone 3
- ❑ Import duty reductions or exemptions on machinery and raw materials
- ❑ Double deduction of public utility costs
- ❑ Deductions for infrastructure construction/installation costs

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## Non-Tax Incentives

- ❑ Land ownership rights for foreign investors
- ❑ Permission to bring in foreign experts and technicians
- ❑ Work permit/visa facilitation

### **One-Stop-Shop**

**Visas & Work Permits are issued in 3 hours**



# THANK YOU

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