

Investment Supports and Opportunities

29 June 2020

Duangjai Asawachintachit
Secretary General
Thailand Board of Investment

AGENDA



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Why Thailand

02

Introduction to the BOI & Investment Promotion Incentives

03

Sectors of Opportunity

04

BOI Services

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BOI Services

Thailand Economic Statistics



Thailand GDP¹

USD 525.12 Billion (THB 16,879 Billion)

Greater than CLMV Combined



GDP Growth 2019¹

Annual Growth Rate 2.4%

GDP per capita 7,723.53 USD

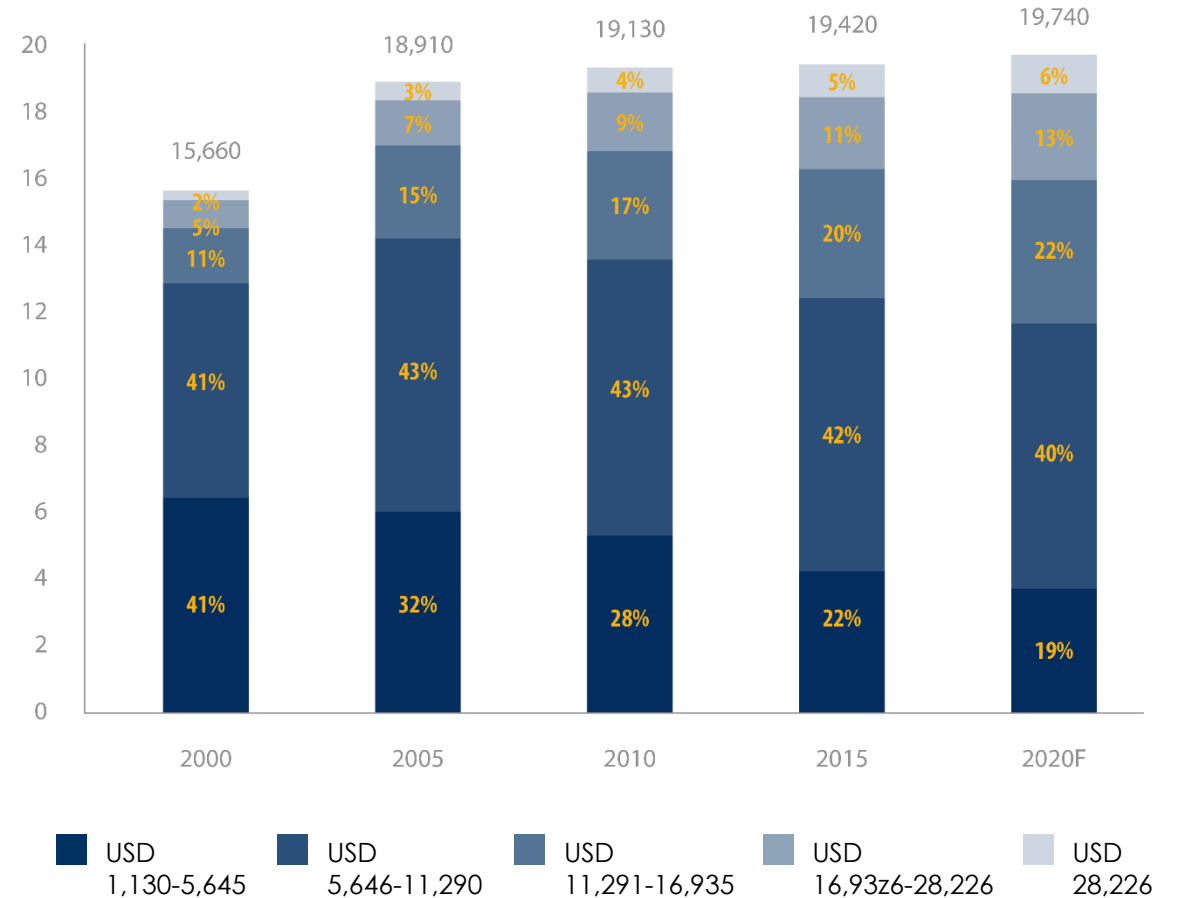


2nd Highest Household Consumption in ASEAN²

USD 246.11 Billion²

52 Million Middle Class Consumers³

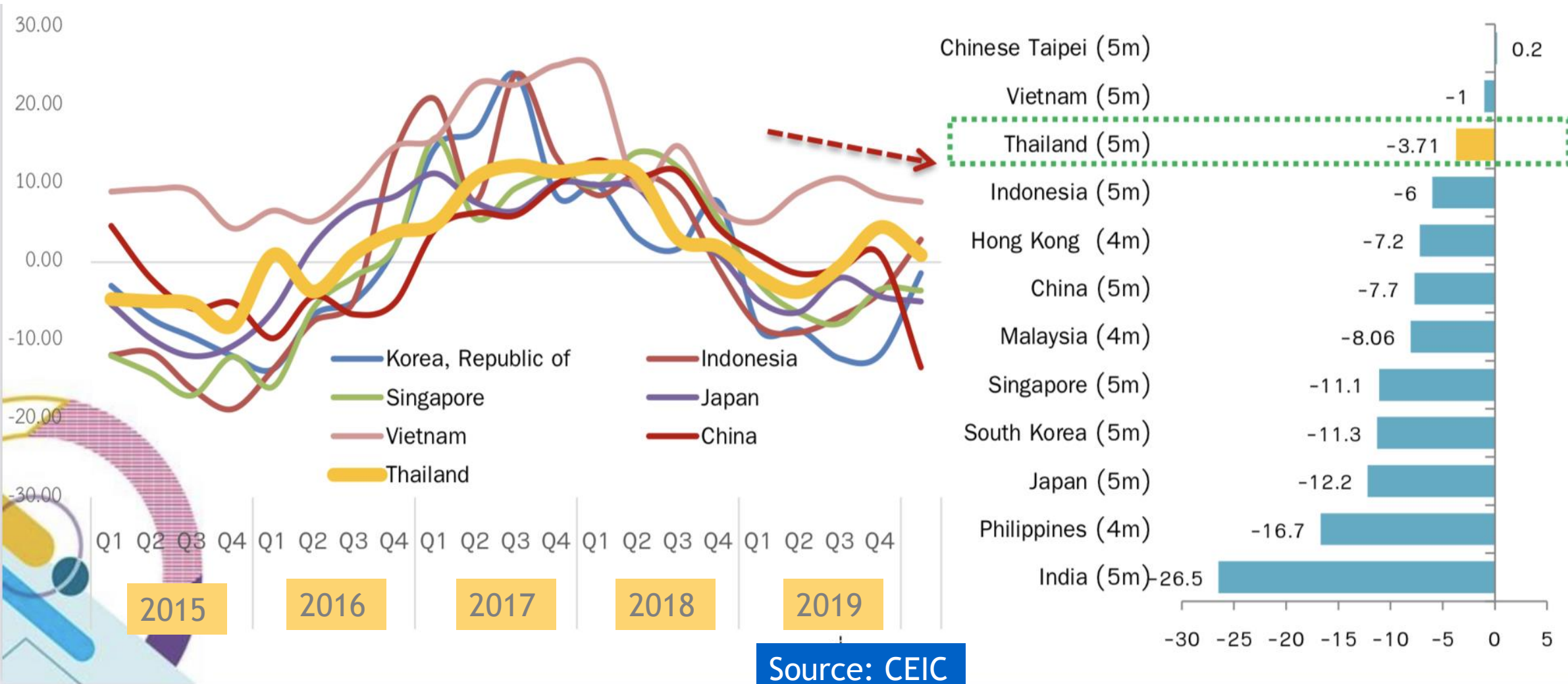
Number of Households⁴



Note: Exchange Rate 1 USD = 32.143 THB (As of 12 May 2020, Bank of Thailand)

Source: ¹NESDC (2020), ²World Bank (2018), ³Deloitte (2016) and ⁴The Economist Intelligence Unit (2016)

Thailand's Export Performance in 2020



Source: CEIC

Location & Market Access



Thailand Market

- Population: 69 Million¹
- Middle Class Consumers: 52 Million²

Cambodia, Laos, Myanmar, Vietnam, Thailand

- 242 Million Consumers³
- Within 1000 KM

ASEAN Economic Community

- 645 Million Consumers⁴
- Within 3,000 KM

Greater Asia Region

- 4.6 Billion Consumers⁵
- Within 5,000 KM

Memberships & Free Trade Agreements



13 Free Trade Agreements (FTAs)

Near tariff-free trade with 18 nations FTA partner Trade Volumes increased 4 times in 5 years

Highest Volume FTA (2018)



ASEAN
USD 90.74
Billion



China
USD 65.15
Billion



Japan
USD 48.73
Billion

Thailand's Competitiveness Rankings



Index	Year	Score	Global Ranking	Asia Ranking	ASEAN Ranking
Ease of Doing Business Index	2020	80.1	21	5	3
Global Competitiveness Ranking 4.0	2019	68.1	40	8	3
Logistics Performance Index Ranking	2018	3.41	32	9	2
IMD World Competitiveness Index	2020	75.387	29	9	3
IMD World Digital Competitiveness Ranking	2019	68.43	40	8	3
Global Talent Competitiveness Index	2019	53.84	43	10	4
Global Innovation Index	2019	38.63	43	8	4
Inclusive Development Index *	2018	4.24	17	2	2

Note: * Ranking in Emerging Economies Group

Source: World Bank, IMD Business School, INSEAD, World Intellectual Property Organization and World Economic Forum

2nd Home of International Companies

Automotive



Auto Parts



Smart Electronics



Petrochemical



Oil & Gas

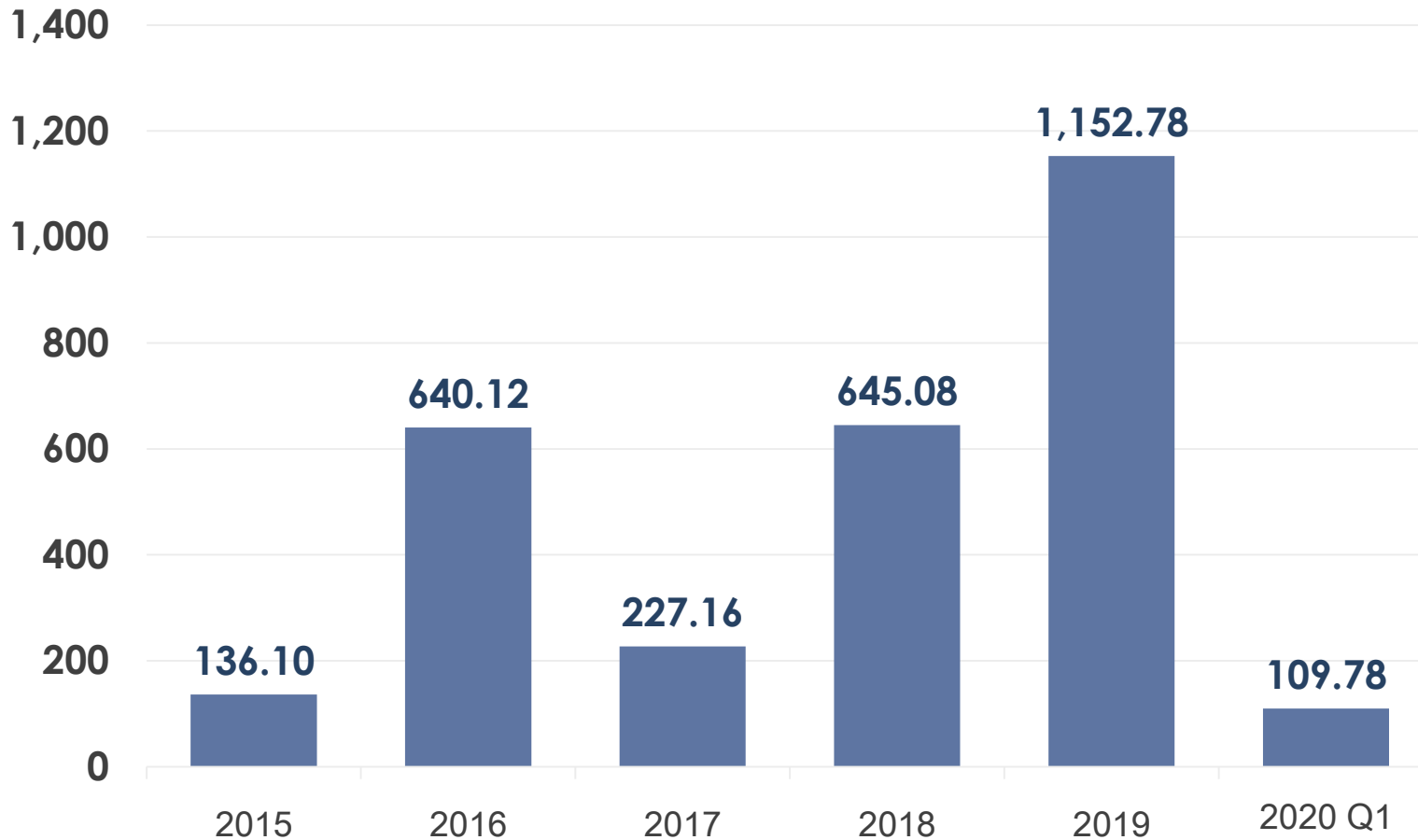


Bio-Based



Investment Projects from Hong Kong (2015-2020 Q1)

Hong Kong Investment Projects submitted to BOI



Unit: Million USD

Top FDI Project Application 2019³



China
USD 6.7
Billion



Japan
USD 2.4
Billion



Hong Kong
USD 1.2
Billion

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BOI Services

BOI's Investment Incentives

Tax Incentives

- Corporate income tax (CIT) exemption
- 50% reduction of corporate income tax after the expiry of tax exemption period
- 50% CIT reduction within 10 years*
- Investment Tax Allowance (ITA)*
- Exemption of import duties on machinery
- Exemption of import duties on raw materials (used in the manufacture of exports and for R&D purposes)

** in case of no CIT exemption*

Non-Tax Incentives



BOI Investment Incentive Scheme

Standard Incentives

Activity-Based



≤ 8 years CIT exemption

Technology-Based

- Targeted Core Technologies -



Bio-Technology Digital Technology Nano-Technology Advanced Material Technology

10 years CIT exemption



Additional Incentives

Merit-Based

- Research & Development (R&D)
- Support academic / research institutes, or technology and human resource development fund
- IP licensing fee
- Advanced technology training
- Development of local suppliers
- Product and packaging design

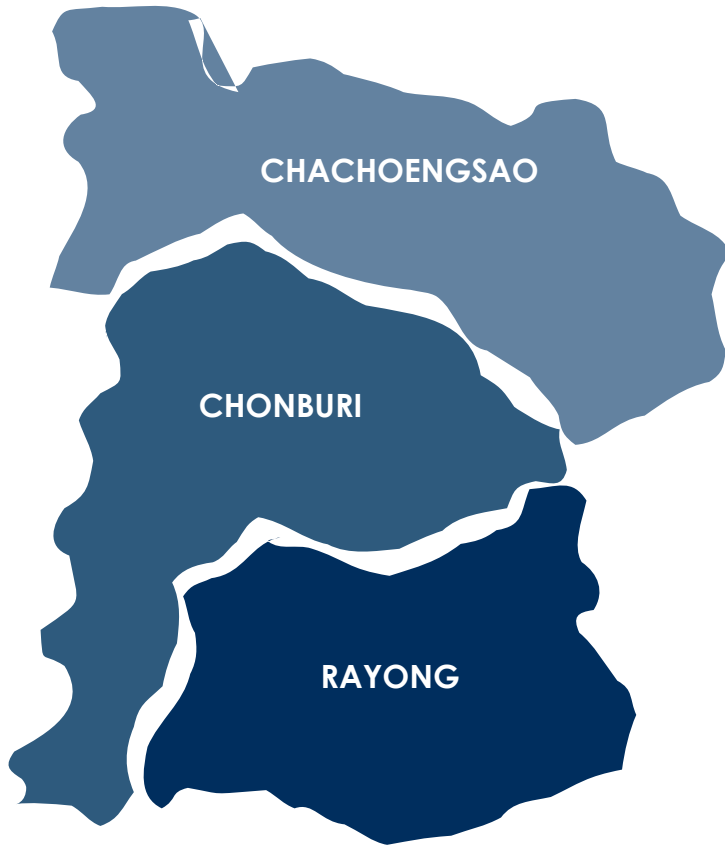
Area-Based

- EEC 3 provinces
- SEZ 10 provinces
- Southern border provinces
- 20 provinces with lowest income
- Industrial Estates/Zones
- Science and Technology Parks (TSP, Food Innopolis, Space Krenovation Park)

Agenda-based

- Investment Stimulation Measure
- Productivity Enhancement
- Measures to support Grassroots Economy Development

New Incentive Packages in Eastern Economic Corridor



Targeted Locations:

Investment projects must be located in Chachoengsao, Chonburi or Rayong.



Targeted Activities:

- New incentives target investment projects that qualify for at least 5-year tax holidays (Group A1, A2, A3), including Technology and Innovation Development activities under Section 8.
- Does not apply to activities that have no specific location or those required to be located in areas outside EEC.



Application Periods:

- Projects located in the EEC general area must submit applications by **the last working day of 2021**
- Projects located in EECi, EECd, EECa or EEDmd are eligible for the incentives with **no application deadline.**

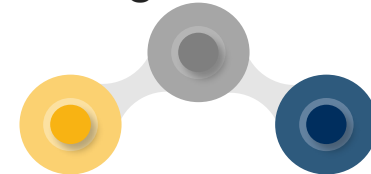
Special Tax Incentives Scheme for EEC

Basic Incentives	1 HRD Criteria *	2 Location Criteria	
	All EEC Areas	EECi / EECa EECd / EECmd	Industrial Estates or BOI Promoted Industrial Parks
CIT Exemption 8 years (A1 / A2)	+ Reduction of CIT 50% for 3 years	+ Reduction of CIT 50% for 2 years	-
CIT Exemption 5 years (A3)	+ Reduction of CIT 50% for 3 years	+ Reduction of CIT 50% for 2 years	+ Exemption of CIT for 1 year
CIT Exemption 10 years (Section 8)	+ Exemption of CIT for 2 years	+ Exemption of CIT for 1 year	+ Exemption of CIT for 1 year

* For Human Resource Development Criteria

- Must establish a cooperation with institutions or organizations to develop human resources in Science & Technology
- The training participants must not be less than 10% of the total number of employees or more than or equal to 40 participants.

Work Integrated learning (WIL)



Dual Vocational Training (DVT) Co-operative Education (CoE)

Investment Stimulation Measure

Incentives

Corporate Income Tax
Exemption (5-8 years)



5
Years

50%
CIT
Reduction

Criteria

- Targeted Activities (around 120 eligible categories)

Minimum Investment

- Not less than 500 million THB from February 6, 2020 to December 30, 2020
- Not less than 1,000 million THB from February 6, 2020 to December 30, 2021

- Application Submission Deadline: **December 2020**

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BOI Services

Thailand a Strategic Location for the Food Industry



Abundant supply of raw materials

Thailand is a leading producer and exporter of major food and agricultural commodities.

'Top 3 Export Bases in ASEAN'

Exports totaled USD 246.24 Billion in 2019¹



Food Processing Segment

- From **Minimally** Processed, **Moderately** Processed to **Highly Processed**
- High-potential areas for expansion include **high-tech food ingredients**, **organic products**, and **dietary supplements**.

Skill & productive workforce

Thailand's food and agriculture industry employed around 12.5 million people.



Food Safety and Standards

- high-quality products that meet evolving global standards
- sustainable and environmental production practices.



Strong network of supporting organizations & supportive government policies



Sector of Opportunities: Smart Electronics



3rd E&E Exporter
in ASEAN



13th E&E Exporter
in the World

KEY PLAYERS

HDD:



IC:


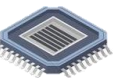





Smart Appliances:



COMPANIES

WORKERS

	COMPANIES	WORKERS
 ELECTRICAL	431	96,532
 ELECTRICAL PARTS	666	189,342
 ELECTRONICS	561	369,985
 TRADERS	310	16,439
 SUPPORTING INDUSTRIES	332	53,380

Think Resilience

THINK THAILAND

Sector of Opportunities: Smart Electronics

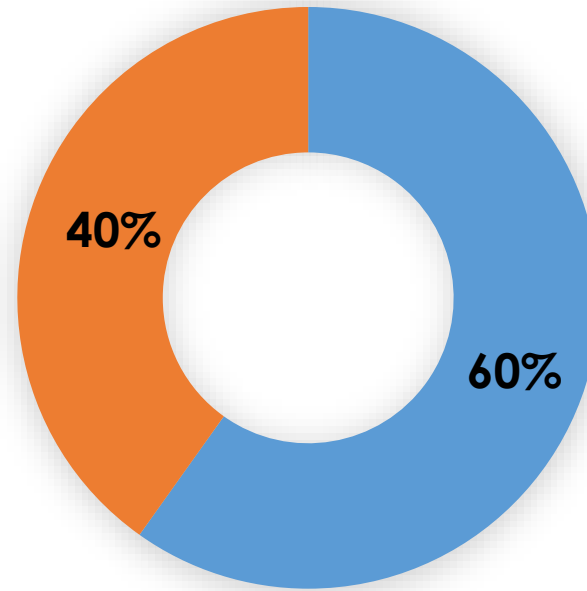


Thailand Electronics and Electrical (E&E) Exports 2019

Total value: USD 59.52 billion, equaling 24 percent of Thailand's total exports*

Electrical Products

- Home Appliance
- Audio and Video Player
- Parts and Components



Electronics

- Computer
- Computer Parts & Accessories
- Integrated Circuits & Parts
- Telecommunication Equipment
- Others Electrical Apparatus

■ Electronics ■ Electrical Products

Thailand is a major exporter products such as [Hard Disk Drives](#) and [electronic manufacturing services](#); [integrated circuit assembly, packaging and testing](#); and [parts and components for electrical products](#).

Sector of Opportunities: Digital Industries



25%

The Digital Economy is expected contribute 25% to Thailand's GDP by 2027.



Total Population
67 Million
Urbanization **50%**
In 2019



91.6 Million Mobile
Phone Number
Subscription in 2018



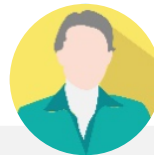
Internet Users
50.1 Million,
75.3% of
Population in 2019



Rank **3rd** in Fixed
Broadband
Speed Test Global
Index in April 2020



Social Media
Users **52** Million,
78.2% of
Population



Total ICT
Professional
386,306
Persons in 2018



Number of ICT
Graduates
14,698
Persons in 2019

Future Information
and
Communication
Technology



Broadband



Big Data



Cloud



Data Center



IoT



AI

Sector of Opportunities: Digital Industries



Healthcare

Software



Software solutions for hospital

Blockchain



Carry out numerous processes in the Nationwide Health Information Exchange

Cloud



Cloud technology for human capital management

IoT & Security



Helping healthcare professionals deliver innovative digital solutions

Education



Support ICT integration using IP-based communication system.



Security for cloud storage and certification



Deliver cloud services for students and researchers



integrated development environment (IDE) for building IoT projects

Smart Farming



Provide precise information about an individual farmer's land



offer investors to become a co-creator



Farm management service for more efficient production



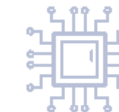
the application of predictive analytics on real-time data.

Manufacturing Sector

Automotive



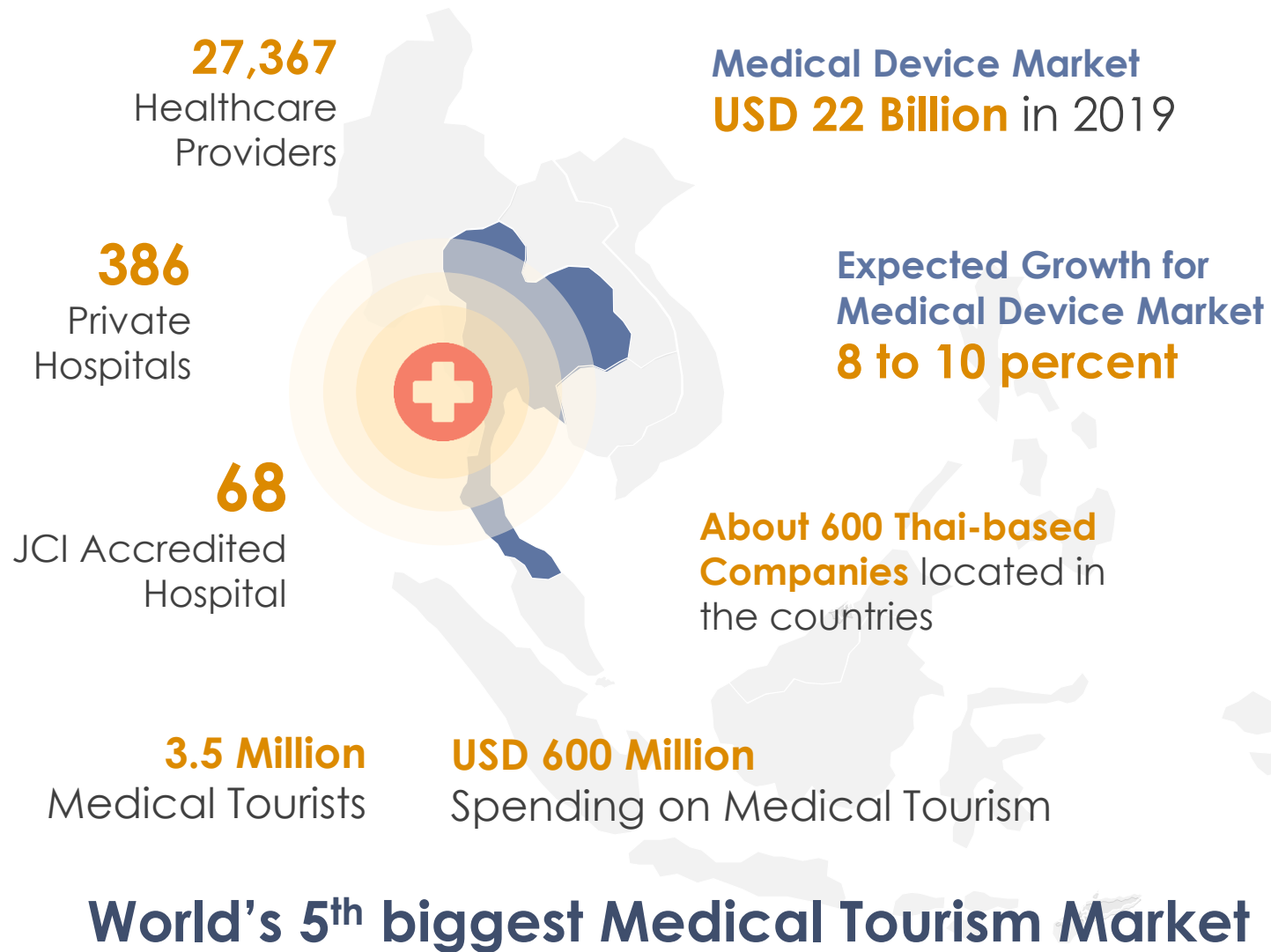
E & E



Think Resilience

THINK THAILAND

Sector of Opportunities: **Medical Industry**



Medical Device

- Regents and Test Kits
- Medical Robotics
- Hospital Hardware



Pharmaceuticals

- Generic Drugs
- Biopharmaceuticals
- Vaccines



Medical Services

- Telemedicine
- Rehabilitation Center
- Clinical Trial

Thailand Leads ASEAN Medical Device Market in 2019

MALAYSIA

Total: USD 16.49 Billion

Export: USD 10.44 Billion

Import: USD 6.06 Billion

SINGAPORE

Total: USD 23.81 Billion

Export: USD 13.92 Billion

Import: USD 9.89 Billion

INDONESIA

Total: USD 9.93 Billion

Export: USD 5.63 Billion

Import: USD 4.30 Billion

THAILAND

Total: USD 24.28 Billion

Export: USD 16.83 Billion

Import: USD 7.43 Billion

Thailand's **Export** Growth
2018-2019 = 8.34%



Thailand's **Import** Growth
2018-2019 = 20.97%



PHILIPPINES

Total: USD 6.67 Billion

Export: USD 0.91 Billion

Import: USD 5.26 Billion



Note: Total represent the trade value of the medical device sector (Combined exports and imports)
Exchange Rate 1 USD = 32.28 THB (As of 11 May 2020, Bank of Thailand)
Source: Medical Intelligence Unit as of 11 May 2020

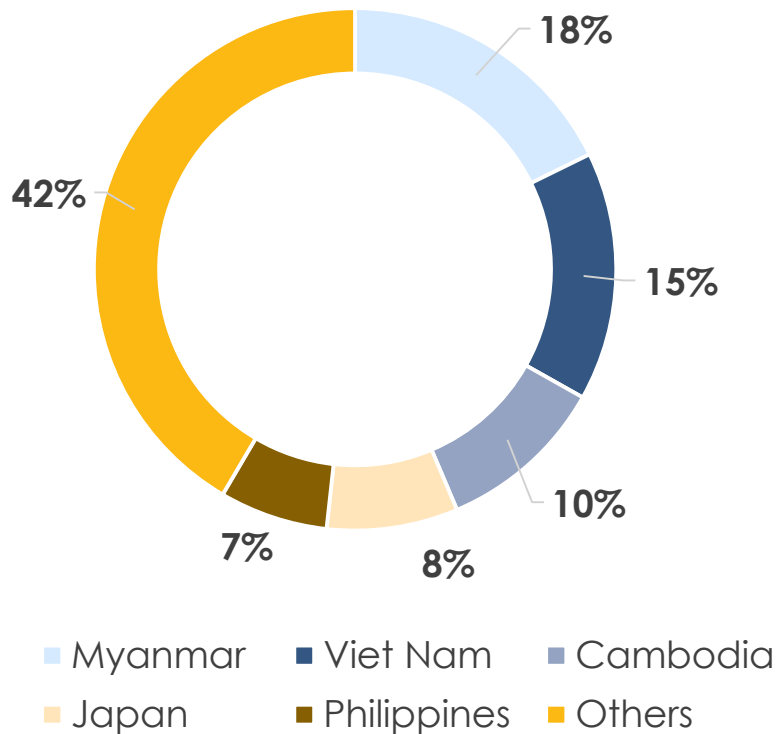
International **Medical Device** Companies with Manufacturing Facilities in Thailand



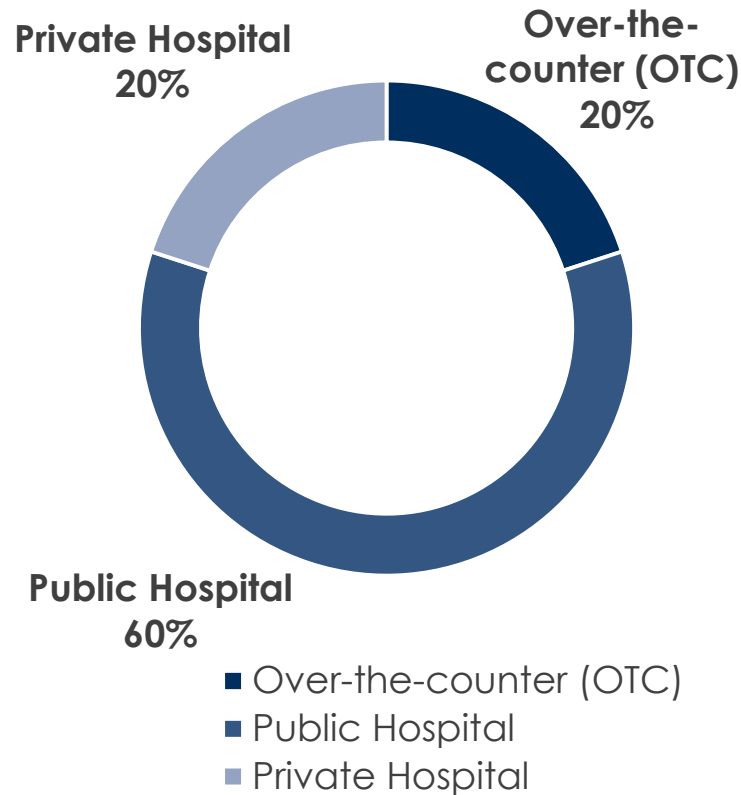
Pharmaceutical Markets in Thailand

Export Market

USD 580.7 Million

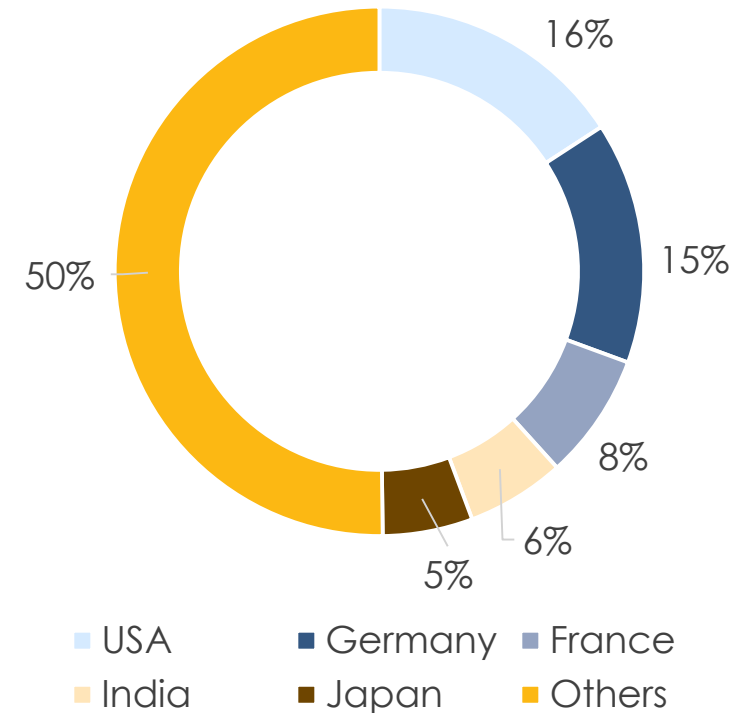


Domestic Market



Import Market

USD 2,456.6 Million





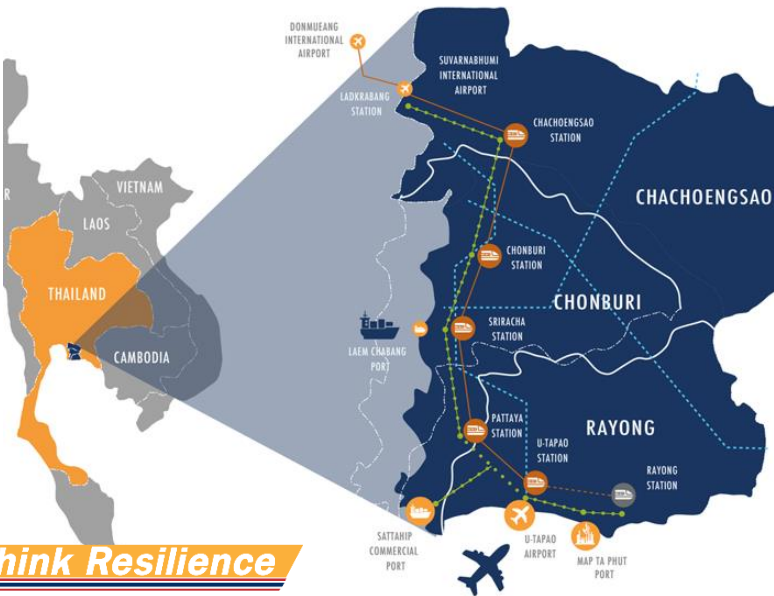
Eastern Economic Corridor: Logistics Hub in ASEAN



USD 49.9 Billion Investment across 3 Eastern Provinces Chachoengsao, Chonburi and Rayong

5 Special Promotional Zones

1. Eastern Airport City (EECa)
2. Digital Park Thailand (EECd)
3. High-Speed Rail Ribbon Sprawl (EECh)
4. Innovation Platform (EECi)
5. Medical Hub (EECmd)



Expected Operation

2022



Thai Airways International PCL
TG MRO Campus

2023



State Railway of Thailand
The High Speed Rail Linking 3 Airports



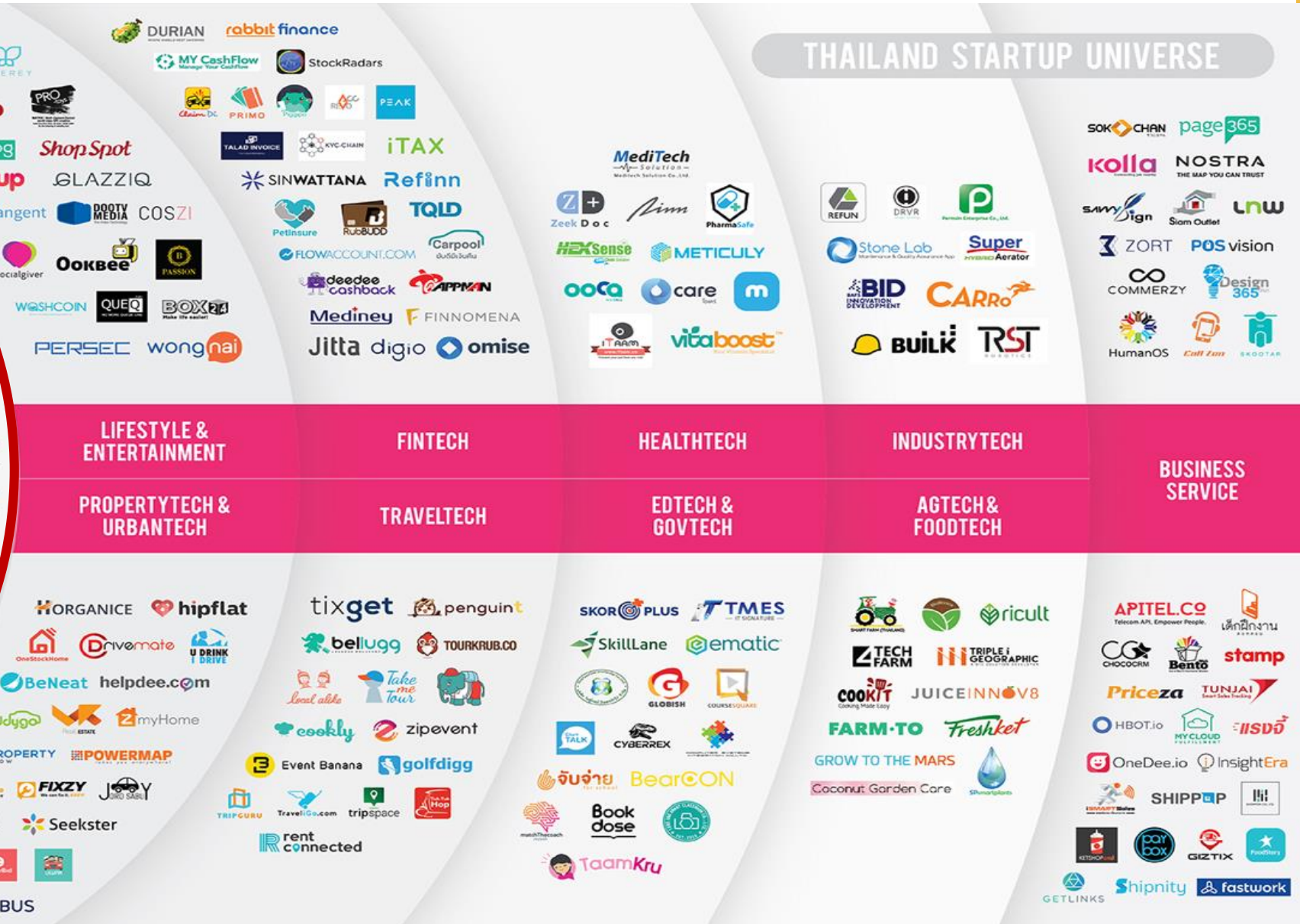
Royal Thai Navy
U-Tapao International Airport

2025



Industrial Estate Authority of Thailand
Map Ta Phut Industrial Port Phase 3

Startup Ecosystem



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BOI Services

One Start One Stop Investment Center (OSOS)



Consolidating staff from numerous investment-related agencies



Easing & speeding procedures for new investors



Provides comprehensive information and advice on establishing operation in Thailand



Provides useful contacts with key public and private organizations



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555 Vibhavadi-Rangsit Road.,
Chatuchak, Bangkok 10900,
Thailand


 (+66) 2553 8111

 (+66) 2553 8315

 head@boi.go.th

 Guangzhou Office:
Royal Thai Consulate-General,
No.36 Youhe Road, Haizhu
District, Guangzhou 510310 P.R.C

 +86 20 8385 8988 ext. 220-225
+86 20 8387 7770 (Direct Line)

 +86 20 8387 2700

 guangzhou@boi.go.th

For More
Information

