

# Investment Supports and Opportunities

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**Sanlaya Aksharamat**

Director

Thailand Board of Investment, Frankfurt Office

# AGENDA



01

General Economic Situation  
During COVID-19

02

Introduction to the BOI &  
Investment Promotion Incentives

03

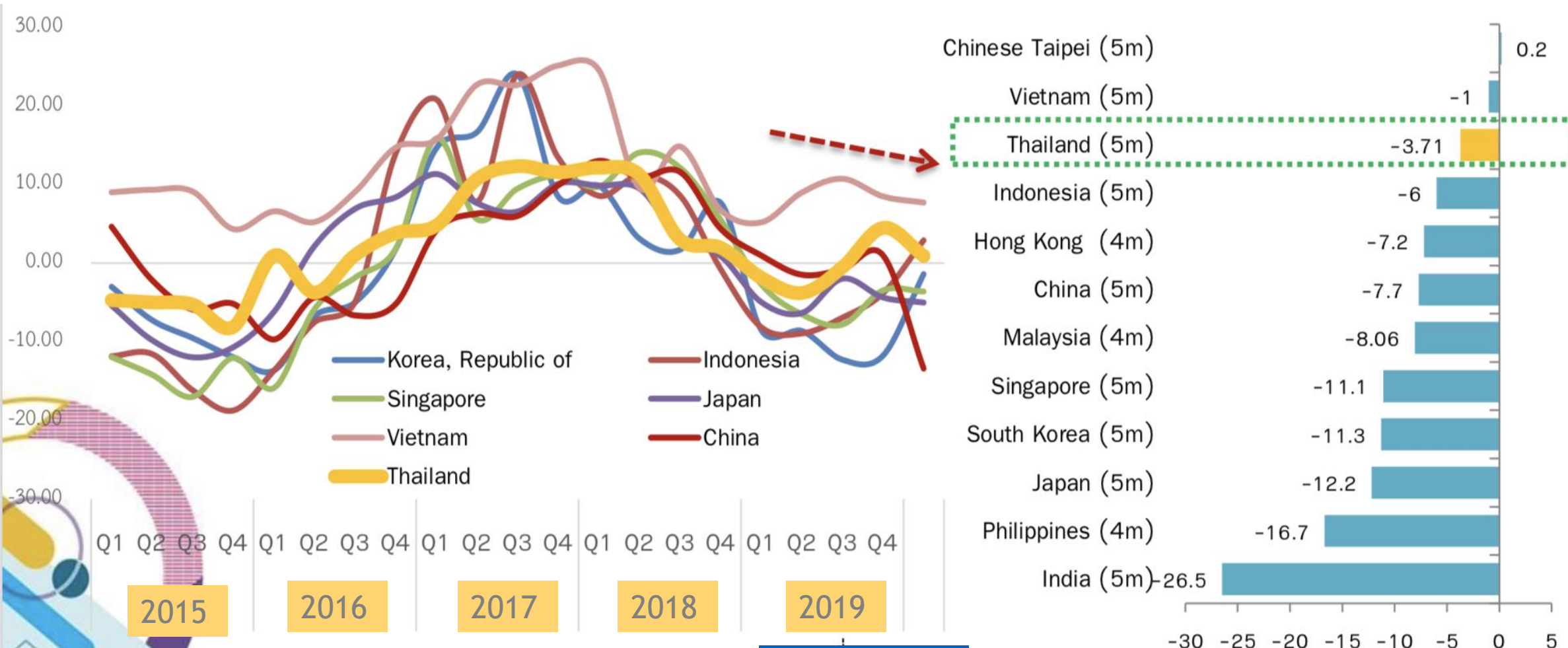
Sector of Opportunities

04

BOI Services



# Thailand's Export Performance in 2020



Source: CEIC

# Thailand's Competitiveness Rankings



Index	Year	Score	Global Ranking	Asia Ranking	ASEAN Ranking
<b>Ease of Doing Business Index</b>	<b>2020</b>	<b>80.1</b>	<b>21</b>	<b>5</b>	<b>3</b>
Global Competitiveness Ranking 4.0	2019	68.1	40	8	3
Logistics Performance Index Ranking	2018	3.41	32	9	2
<b>IMD World Competitiveness Index</b>	<b>2020</b>	<b>75.387</b>	<b>29</b>	<b>9</b>	<b>3</b>
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

# Thailand Economic Statistics



## Thailand GDP<sup>1</sup>

USD 525.12 Billion (THB 16,879 Billion)

Greater than CLMV Combined



## GDP Growth 2019<sup>1</sup>

Annual Growth Rate 2.4%

GDP per capita 7,723.53 USD

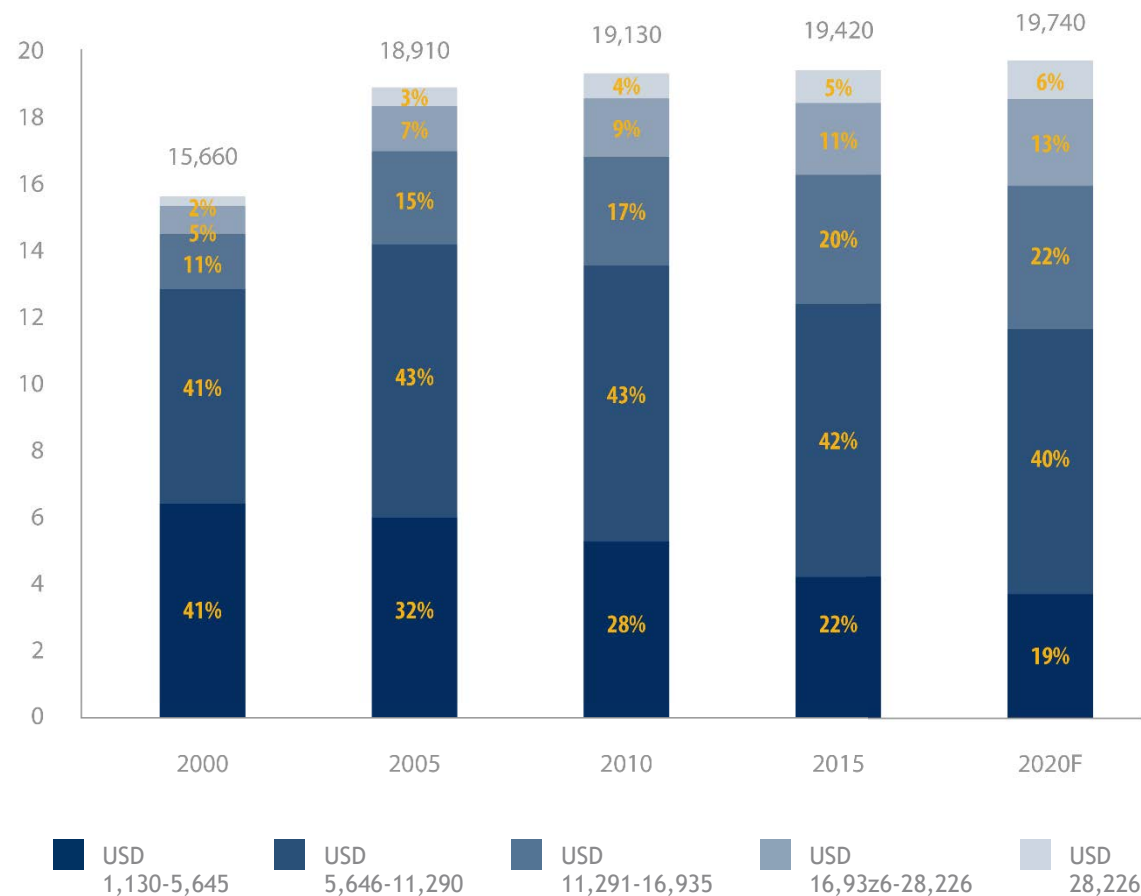


## 2<sup>nd</sup> Highest Household Consumption in ASEAN<sup>2</sup>

USD 246.11 Billion<sup>2</sup>

52 Million Middle Class Consumers<sup>3</sup>

## Number of Household<sup>4</sup>





# 2<sup>nd</sup> Home of International Companies

## Automotive



## Auto Parts



## Smart Electronics



## Petro-chemical



## Oil & Gas



## Bio-Based



# Examples of Netherlands Companies in Thailand



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COVID-19 Leads Thailand to Digitization

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BOI Services

*Think Resilience*

**THINK THAILAND**



# BOI's Investment Incentives

## Tax Incentives

- Corporate income tax 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)

## Non-Tax Incentives



# Standard Product-Based Incentive Packages

8  
years

CIT exemption

0  
year

		Exemption CIT	Exemption Import duties on machinery	Exemption Import duties on raw materials	Non-tax incentives
A1	Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness	8+ Merit years no cap	✓	✓	✓
A2	Infrastructure activities for the country's development, activities using technology to create value-added, with no or very existing investments in Thailand	8+ Merit years	✓	✓	✓
A3	High technology activities which are important to the development of the country, with a few investments already existing in Thailand	5+ Merit years	✓	✓	✓
A4	Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain	3+ Merit years	✓	✓	✓
B1	Supporting industry that does not use high technology, but is still important to the value chain	- + Merit years	✓	✓	✓
B2	Supporting industry that does not use high technology, but is still important to the value chain	- years	-	✓	✓

Incentives are based on several key factors including level of technology, role in supply chain, and location.

# 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.**

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# Sector of Opportunities: Digital Industries



Digital Industries



Advanced Manufacturing

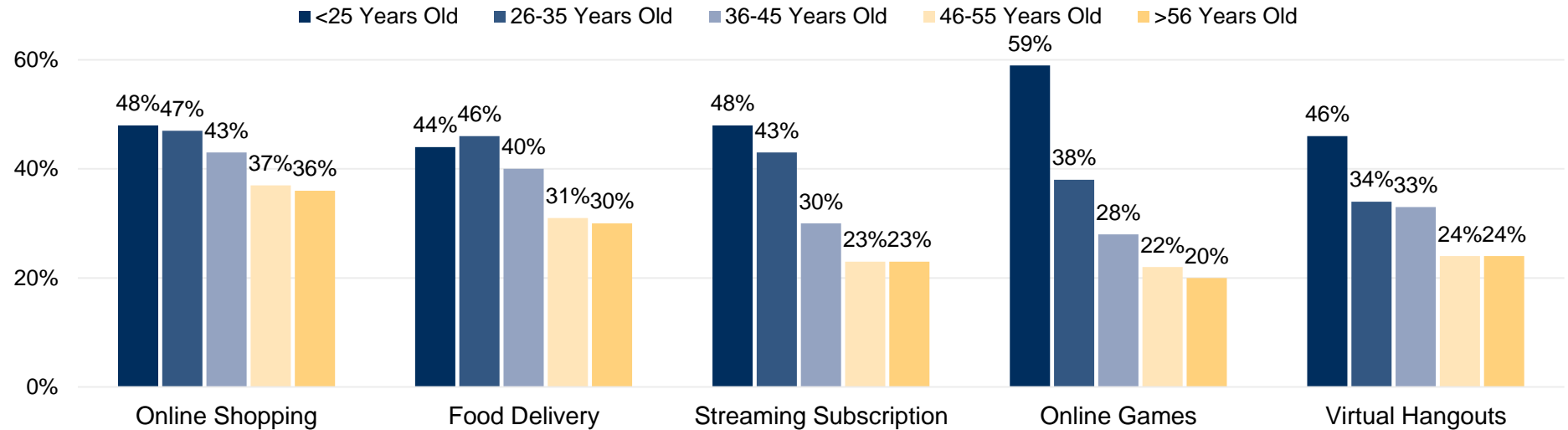


Medical and MedTech



Agriculture and Biotech

## Thai Consumer Claims on Higher Consumption of Digital Products & Services



## E-Commerce Uses and Streaming Subscription Increase After the Covid-19



15.77

Million new paid subscribers globally



479%

Increase in number of uses in Thailand



122%

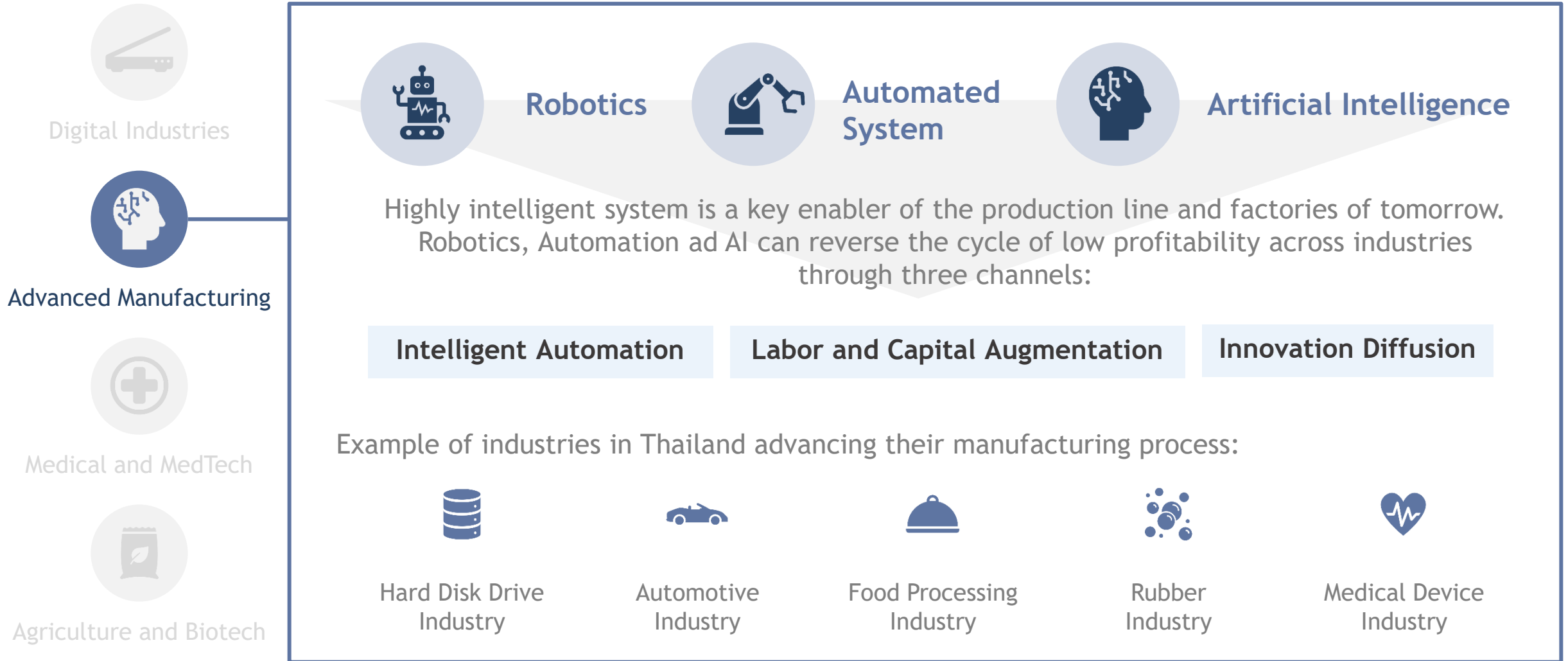
Increase in number of uses in Thailand



100%

Increase in courier average income in Thailand

# Sector of Opportunities: Advanced Manufacturing



# Sector of Opportunities: Medical and Medical Technology



Digital Industries



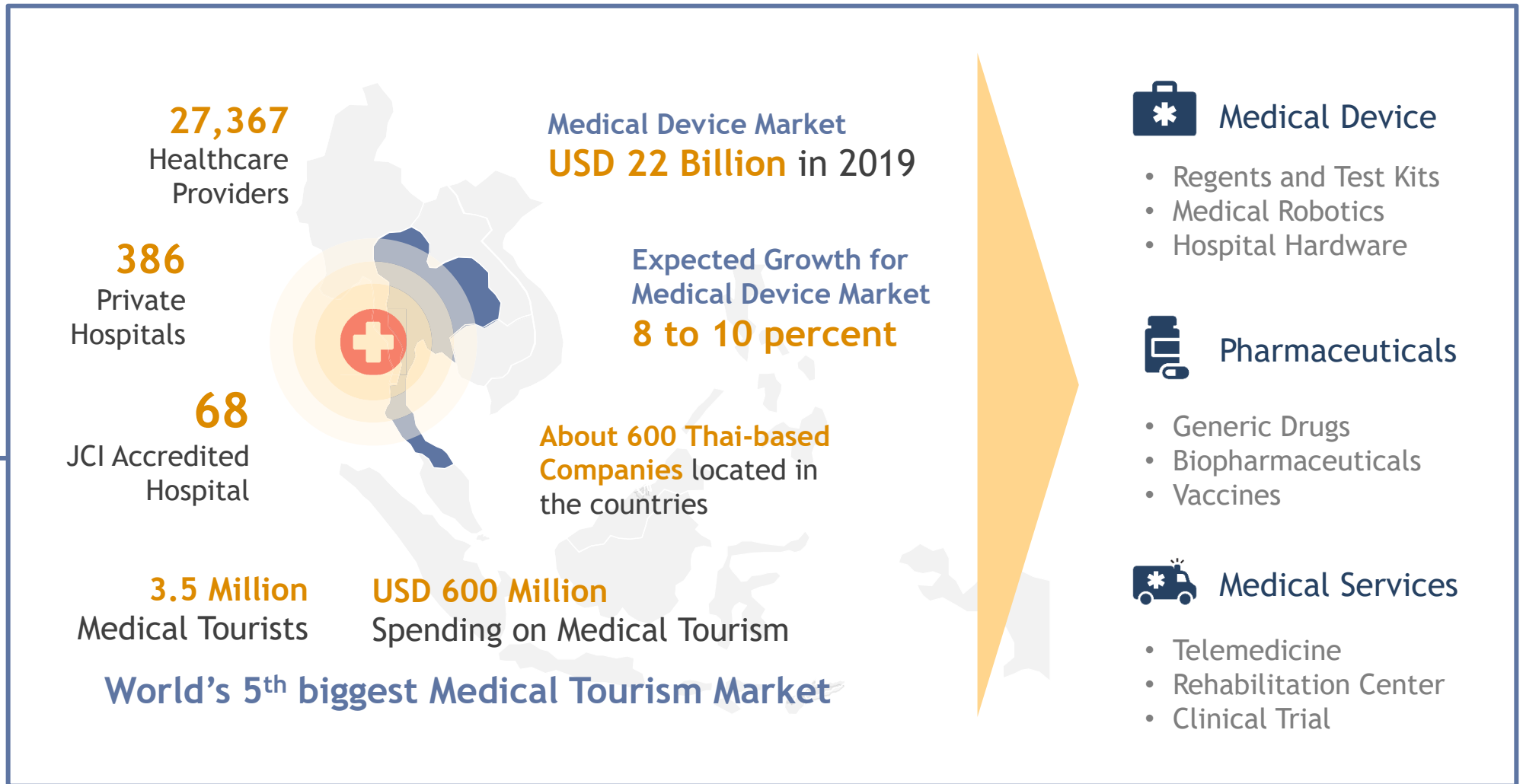
Advanced Manufacturing



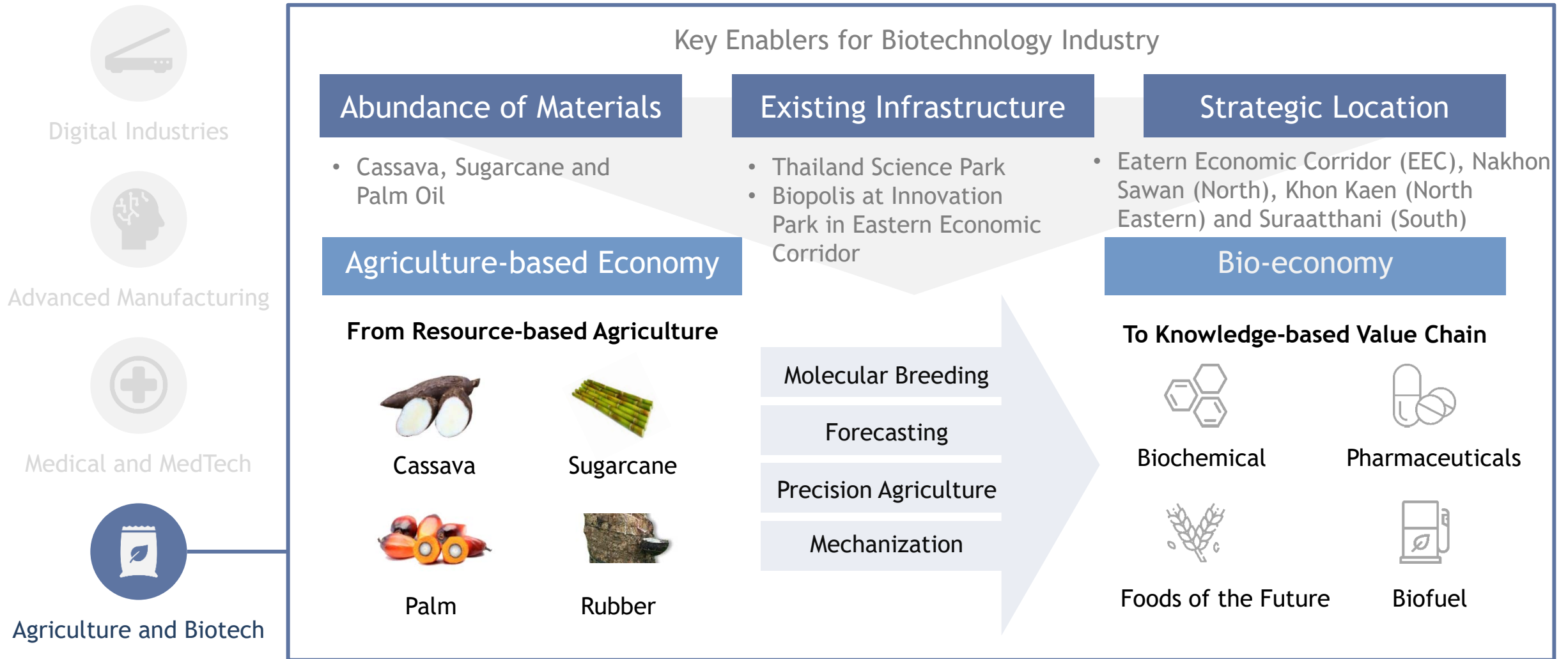
Medical and MedTech



Agriculture and Biotech



# Sector of Opportunities: Agriculture and Biotechnology





# Discovering Opportunities in Service Sector: International Business Center



## International Business Center

### Why Thailand ?



Strategic Location



Access to Market



Business Friendly Nation



Competitive Resources



High Standard of Living

### Incentive offered by Public Agencies



- Exemption for import duty on machinery
- Permission for skilled personnel
- 100% foreign ownership
- Permission to own land



กรมสรรพากร  
THE REVENUE DEPARTMENT

- CIT reduction
- Revenue subject to corporate income tax reduction
- Personal income tax reduction (PIT reduction)
- Specific business tax exemption
- Withholding tax exemption



ธนาคารแห่งประเทศไทย  
BANK OF THAILAND

- Reduce transaction costs
- Facilitate MNCs to centralize all treasury management
- Purchase/sales FX both for itself and group companies
- Lend and borrow FX to/from group companies
- Etc.

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# SMART VISA

Taking Thailand to New Heights with Foreign Talent and Technology



## Privileges for **SMART** Visa



Maximum 4 years Visa  
\*Except Smart S



Permission to  
work with no  
work permits  
required



No re-entry  
required



Fast Track Service at  
International  
Airports

# 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



1-Stop for visas & work permits In 3 hours  
“SMART Visa Program”



Assist investors with various applications

*More Convenience  
Less Time  
More Efficiency!*



18<sup>th</sup> Floor, Chamchuri Square  
Building, 319 Phayathai  
Road, Pathumwan  
Bangkok 10330, Thailand

Tel: 66(0)2 209 1100  
Fax: 66(0)2 209 1199  
Email: [osos@boi.go.th](mailto:osos@boi.go.th)





📍 Thailand (Head Office):  
555 Vibhavadi-Rangsit Road.,  
Chatuchak, Bangkok 10900,  
Thailand

☎ (+66) 2553 8111

🖨 (+66) 2553 8315

✉ head@boi.go.th

📍 Frankfurt Office:  
Liebfrauenberg 26, 60313  
Frankfurt am Main, Federal  
Republic of Germany

☎ +49 069 9291 230

🖨 +86 20 8387 2700

✉ fra@boi.go.th

## For More Information

