



Trend of Thai Economy and Investment Opportunities in Chemical Industry

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Thailand Board of Investment (BOI)

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1

**Introduction to Thailand Board
Of Investment**

2

Why Thailand?

3

**Opportunities and Incentive for
Chemical Industry**

4

BOI Supporting Services

Thailand Board Of Investment - an Introduction

About the BOI



Information and advice on establishing operations in Thailand



Coordinating between the foreign business community and other public agencies



Business Support Services for Investors: incentives, sourcing, and competitive development of SMEs

OVERSEAS OFFICES



BOI's Investment Promotion Measures



Policies

- 100% foreign ownership
- No local content requirements
- No export requirements
- No restrictions on foreign currencies



Tax Incentives



Non-tax Incentives

- Land ownership
- Work permit & visa facilitation

- Exemption of import duties on machinery
- Exemption of import duties on raw or essential materials imported for export
- Exemption of import duties on goods imported for R&D
- Corporate income tax exemption of up to 13 years
- 50% CIT reduction for 5 years



1

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Thailand at a Glance



Investment Promotion Outcomes Under Previous Strategy (2015–2022)








From 2015 – Sep. 2022, the applications for investment promotion reached **11,360 projects** and contributed to **3.87 trillion baht in investment**. Out of the total amount, investment in the EEC reached **1.8 trillion baht (47%)**, and investment in the targeted industries was **2.1 trillion baht (55%)**.

Existing Industries

	Automobile and Parts	453,678 mTHB
	Petrochemicals/Chemicals	449,134 mTHB
	Electrical/Electronics	436,189 mTHB
	Agriculture and Food	316,099 mTHB
	Tourism	149,102 mTHB

Other industries : electricity and water production, logistics and transportation, Industrial estate development, and IBC, with a total investment value of 1,732,118 million baht (45%)

New Industries

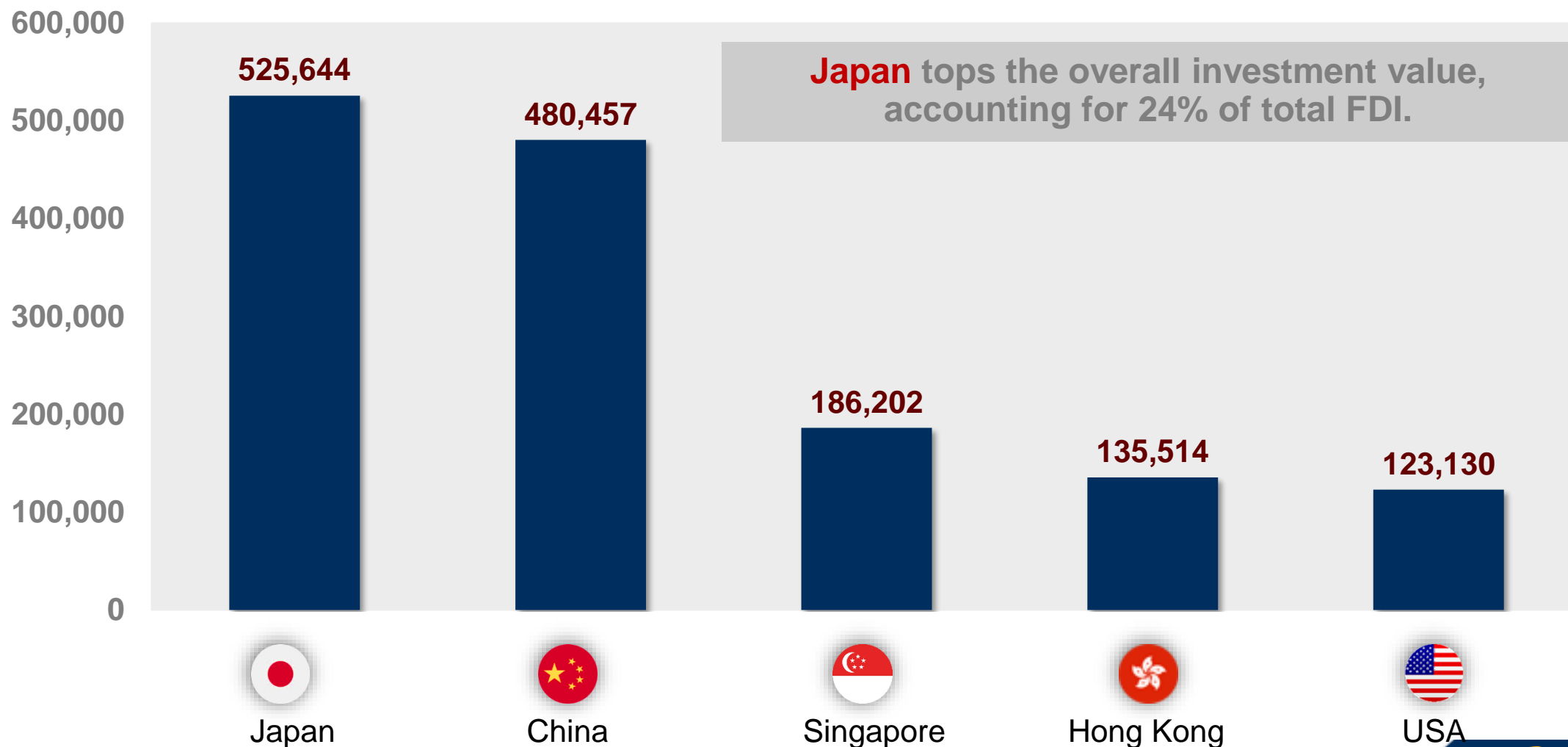
	Medical Industry	133,744 mTHB
	Biotechnology	105,009 mTHB
	Digital Industry	67,232 mTHB
	Aviation	15,593 mTHB
	Automation /Robotics	5,995 mTHB
	Education	2,679 mTHB
	Defense Industry	862 mTHB



Investment Promotion Applications of Foreign Direct Investment

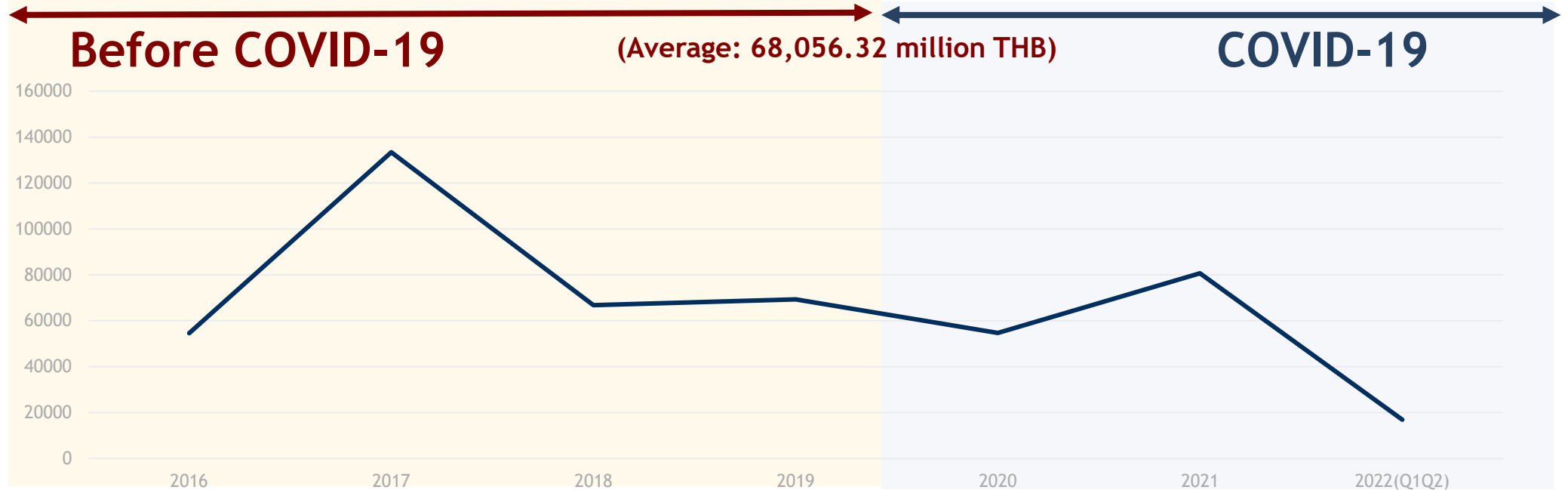
FDI from 2015 – September 2022 recorded a total investment value of 2,196,114 million baht

(mil. baht)



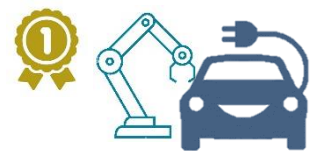
Japanese Investment Applications Value

unit : THB Million



unit : THB Million

Japanese Investment by Sectors 2012 - 2022(Q1Q2)



**Metal Products
Machinery
& Automotive**

767,779



**Electric
& Electronic
Products**

309,756



**Chemicals
& Paper**

182,812



Services

88,042

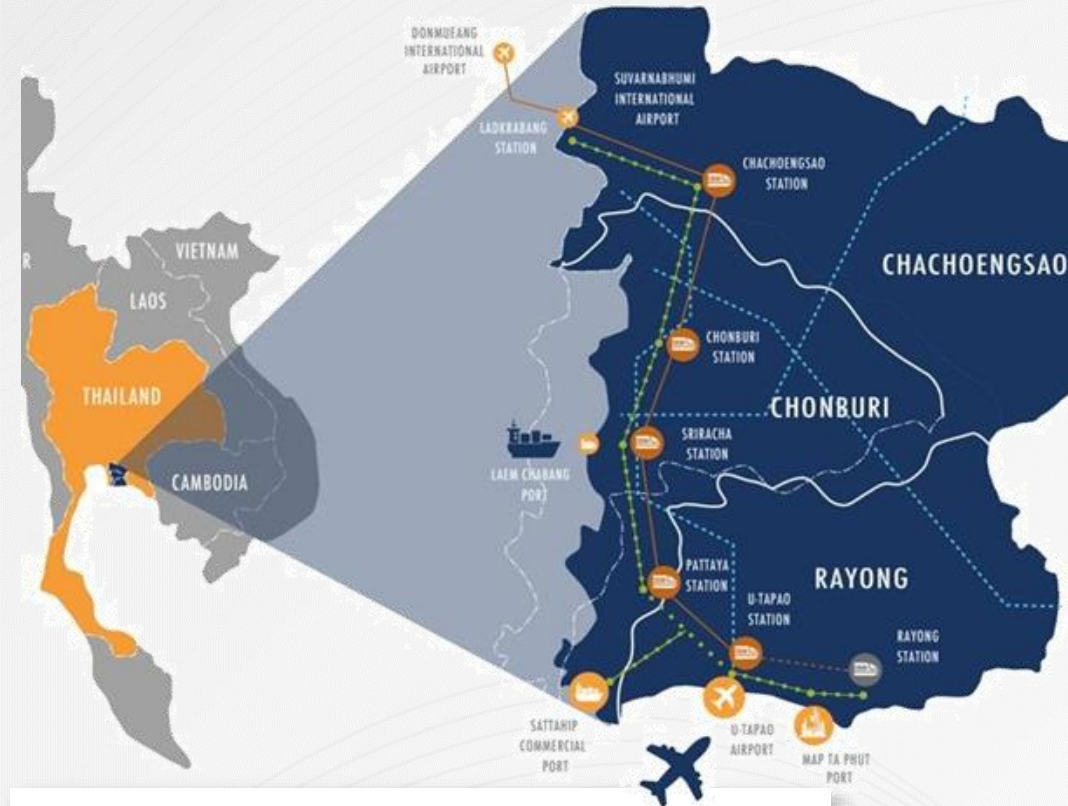


**Agricultural
Products**

68,150

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 Operations

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



Port Authority
Laem Chabang Port Phase 3

2025



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



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Investment Promotion Strategy for the New Economy (2023-2028)



Start Jan 3,
2023

New Economy

Promote investment leading to
a new economy and secures a better future for the next generations.

Innovative ← Competitive → Inclusive

7

Pillars
X



3

Drivers

1

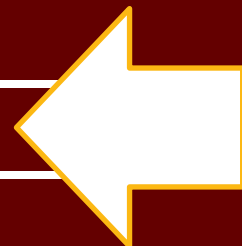
Whole Package Incentives (Tax + Non-tax + Financial Incentives)

2

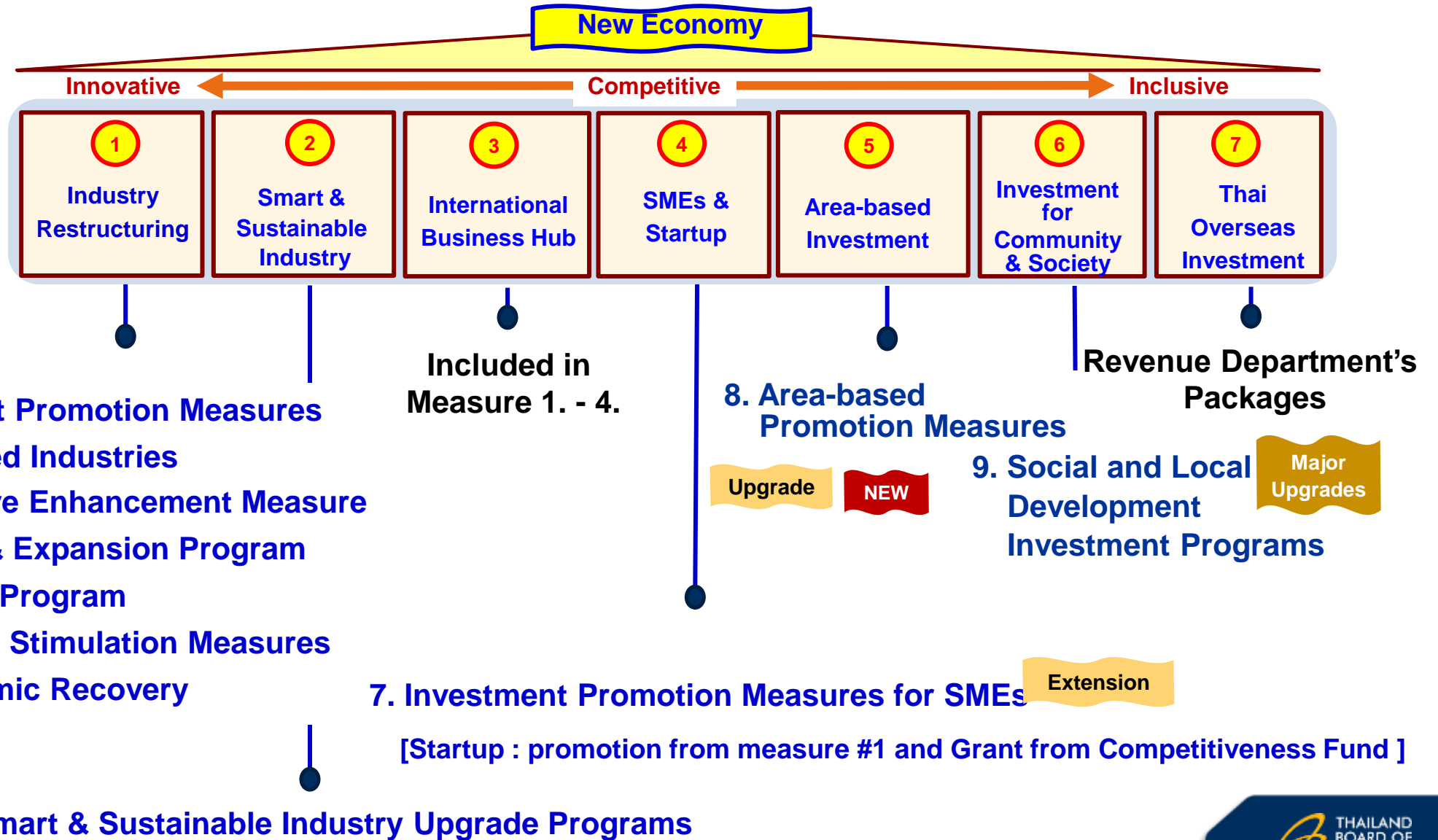
One-Stop Services for Pre- and Post- Investment

3

Ecosystem & Ease of Investment



9 Measures to drive the “New Strategies” for the vision of “New Economy”



Seven Pillars of “Investment Promotion Strategy for the New Economy”

1

Restructure the industries by upgrading the “**Conventional Industries in which Thailand excels**”, Developing new industries in which Thailand has potential, and strengthening **the supply chains**

Upgrade Conventional Industries



Build New Industries

- **Agriculture** → Smart Farming / Plant Factory
- **Food** → High value Food such as Alternative Protein
- **Tourism** → Affluent, Long-term, Medical/Wellness
- **Automobile** → Electric Vehicles (EV)
- **Electronics** → Upstream & Smart Electronics
- **Petrochemicals/Chemicals** → Bio-based, Specialty, CCUS
- **Energy** → Renewable Energy, Hydrogen
- **Textiles and Fashion** → Functional Textile, ODM/OBM

- Healthcare & Medical Industry
- Digital Industry
- Automation and Robotics Industry
- Aerospace Industry
- Defense Industry
- Creative & Soft Power Industry

Core Tech

Bio Tech

Nano Tech

Material Tech

Digital Tech

Energy Tech



Priority Industries for the Next 3 Years

- **BCG**
- **EV**
- **Smart Electronics**
- **Digital Industry**
- **Creative Industry**

Unlimited Opportunities under BCG Economy

Example:

Food & Agriculture



- Smart Farming
- Breed/Seed Improvement
- Plant Factory
- Precision Agriculture/ aquaculture
- Healthy food and high-value bio-ingredients (i.e. prebiotics, probiotics, nutraceuticals, active ingredients, F.O.S)
- Novel food
- Alternative protein: plant-based, insect-based & cell-based

Health & Medicine



- Biomaterial drugs
- Gene Therapy
- Vaccine and Biosimilar
- Medical Equipment
- Herbal drugs and products
- Clinical Research
- Tele-Medicine

Material & Energy



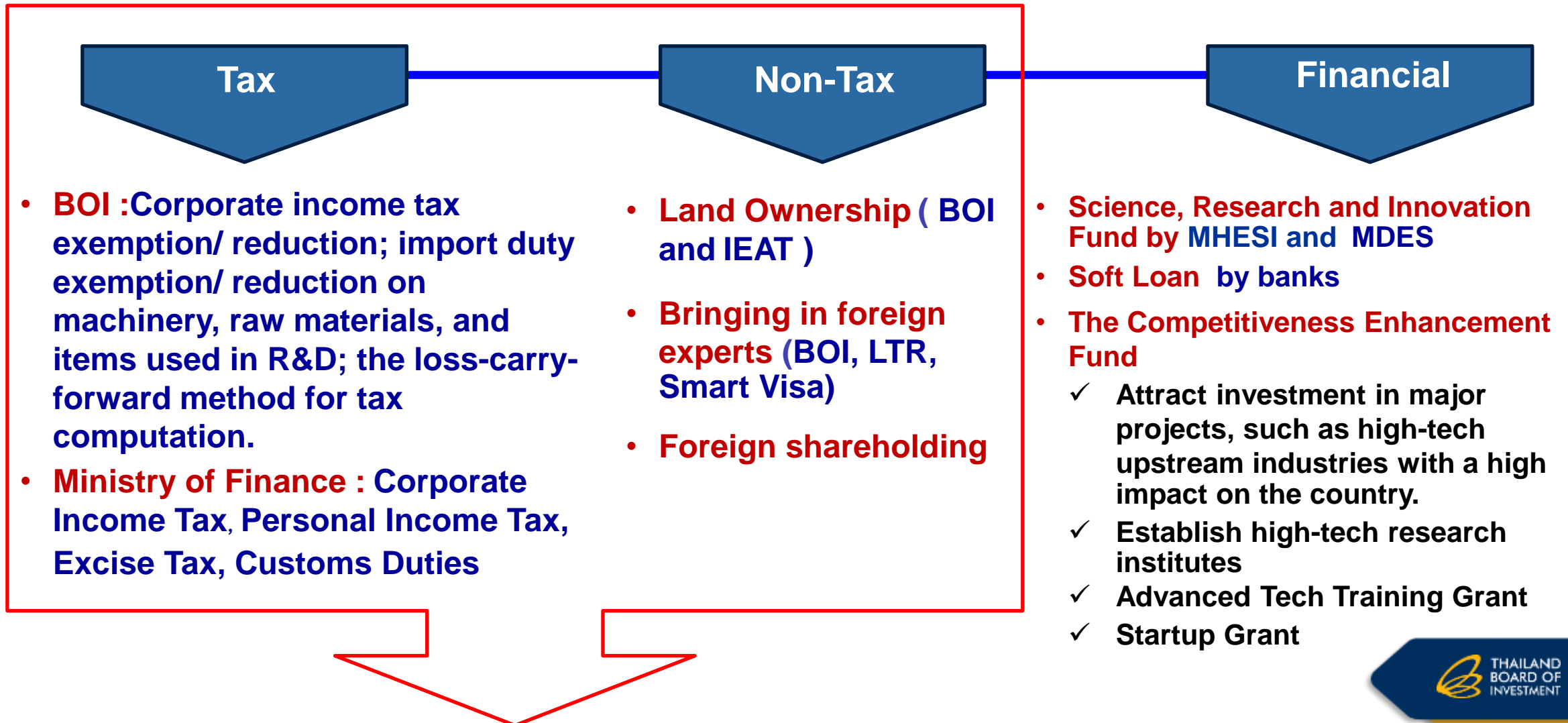
- Biomass Power Plant
- Biorefinery
- Biodegradable/ Bioplastics
- Eco-friendly chemicals or polymers (i.e. bioplastics)
- Functional fiber from brewed protein
- Eco-packaging, packaging from agri-waste

Waste management & recycling



- Waste to energy
- Recycling from plastic waste to food-grade plastic

① Whole Package Incentives (Tax + Non-tax + Financial)



Investment Promotion Strategy for the New Economy (Standard)

Group	Activities	Exemption CIT	Incentives
NEW A1+	Technology and Innovation Development includes targeted core technology development	10 – 13 Years (with no cap)	<ul style="list-style-type: none"> ❖ Exemption Import duties on machinery ❖ Exemption Import duties on raw materials ❖ Non-tax incentives (Land Ownership/ Bringing in foreign experts/ Foreign shareholding)
A1	Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness	8 Years (with 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 Years	
A3	High technology activities which are important to the development of the country, with a few investments already existing in Thailand	5 Years	
A4	Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain	3 Years	
B	Supporting industry that does not use high technology , but is still important to the value chain	-	

Government Support to Drive the “Investment Promotion Strategy for the New Economy”

2 One-Stop Services for Pre- and Post-investment



One Start One Stop Investment Center **OSOS**



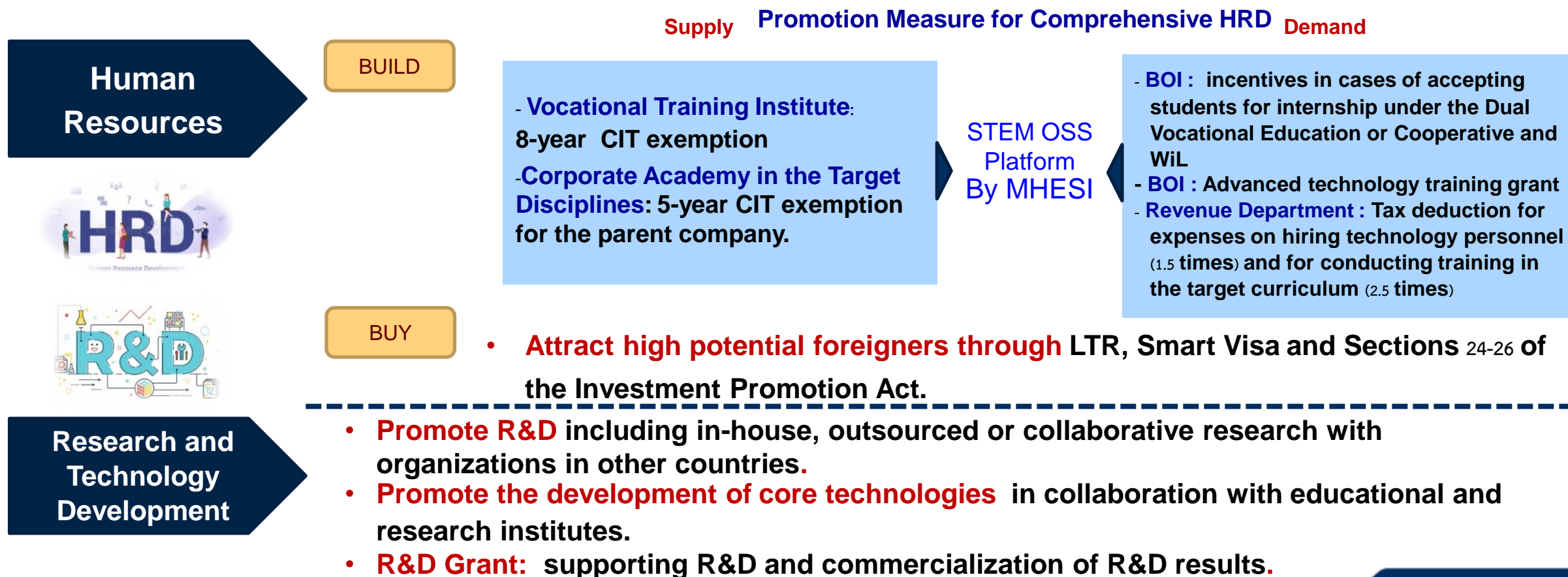
One-Stop Service Center for Visa and Work Permit



Government Support to Drive the “Investment Promotion Strategy for the New Economy”

3

Develop an Investment Ecosystem, focusing on human resources, R&D, technology, infrastructure, and regulatory frameworks that facilitate investment.



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

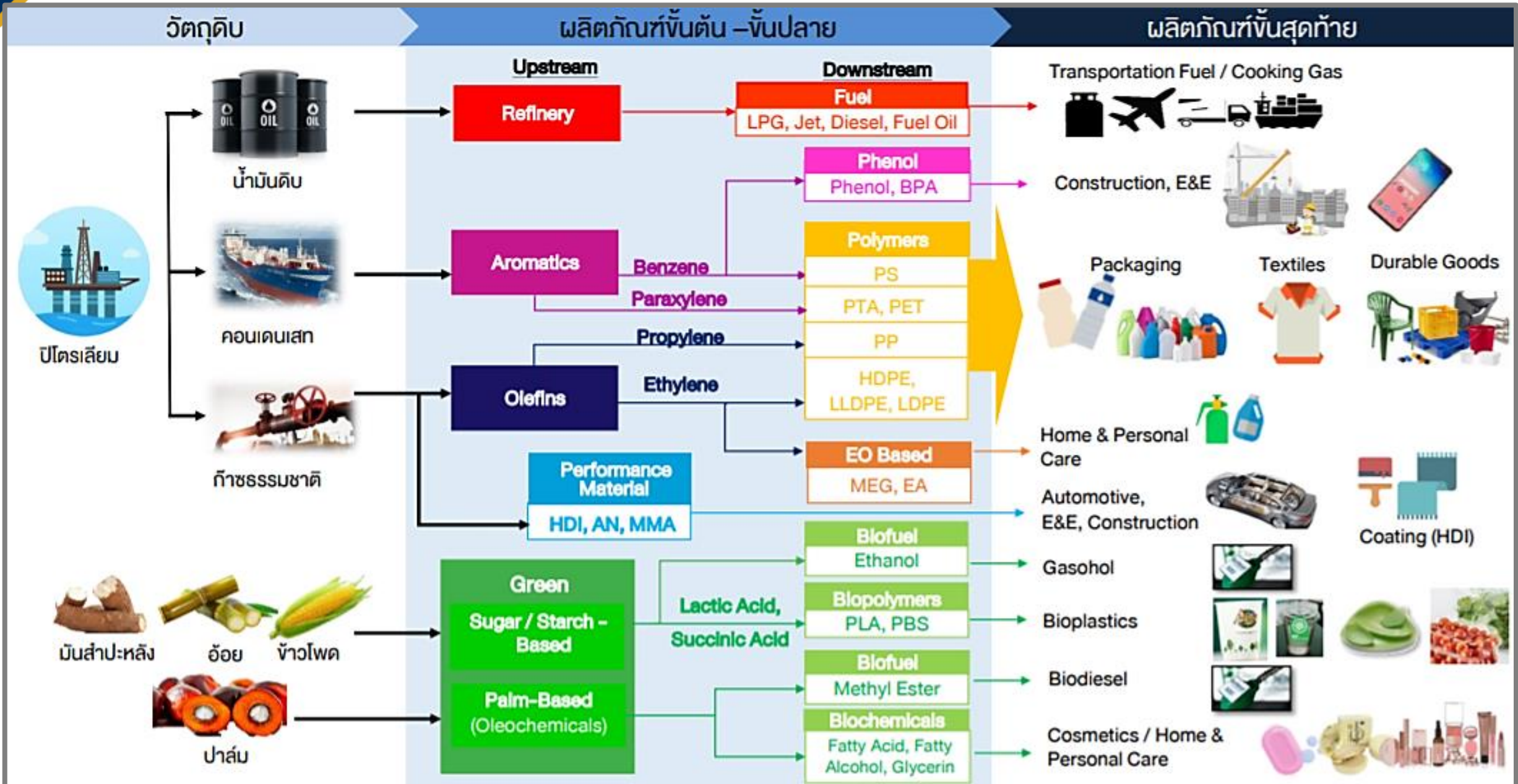
- EEC 3 provinces
- SEZ 10 provinces
- Southern border provinces
- 20 provinces with lowest income
- Industrial Estates/Zones
- Science and Technology Parks
(TSP, Food Innopolis, Space Krenovation Park, AIT, TISTR)

Agenda-based

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

The list of activities eligible for BOI promotion covers a wide range of businesses, not only s-curve industries.

Chemical Industries Value Chain



Investment Incentive for Chemical Products

No.	Activities	Exemption of CIT	Exemption of import duties on Machinery	Exemption of import duties on raw materials	Non-tax Incentives
1	Manufacturing of chemical <ul style="list-style-type: none"> ▪ Must have Electrolysis Process and Electricity from renewable energy ▪ Projects using Carbon Capture Utilization and Storage (CCUS) technology ▪ General cases 	8 years (with no cap) 8 years 3 - 8 years	✓	✓	✓
2	Manufacturing of chemical products for industry	3 years	✓	✓	✓
3	Oil refinery	--	✓	✓	✓
4	Natural gas separation plant <ul style="list-style-type: none"> ▪ Projects using Carbon Capture Utilization and Storage (CCUS) technology ▪ General cases 	8 years 5 years	✓	✓	✓
5	Petrochemicals <ul style="list-style-type: none"> ▪ Projects using Carbon Capture Utilization and Storage (CCUS) technology ▪ General cases 	8 years 5 years	✓	✓	✓

Investment Incentive for Chemical Products

No.	Activities	Exemption of CIT	Exemption of import duties on Machinery	Exemption of import duties on raw materials	Non-tax Incentives
6	Specialty Polymers or Specialty chemicals	8 years	✓	✓	✓
7	Chemical products for industry	3 years	✓	✓	✓
8	Fuel or pharmaceutical grade alcohol from agricultural products	8 years	✓	✓	✓
9	Eco-friendly chemicals or polymers	8 years	✓	✓	✓
10	Products from eco-friendly polymers	5 years	✓	✓	✓

2nd Home of International Companies

Automotive



Auto Parts



Smart Electronics



Petrochemical



Oil & Gas



Bio-Based





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BOI Supporting Services

BUILD: Industrial Linkage Development

BUILD Supports

- Business Matching
- Sourcing Services
- International Exhibitions
- Online Database/Website BUILD Platform
- Vendors Meet Customers Events
- Market Place Center
- Competitiveness Development Seminar
- SUBCON THAILAND – Subcontract Exhibition

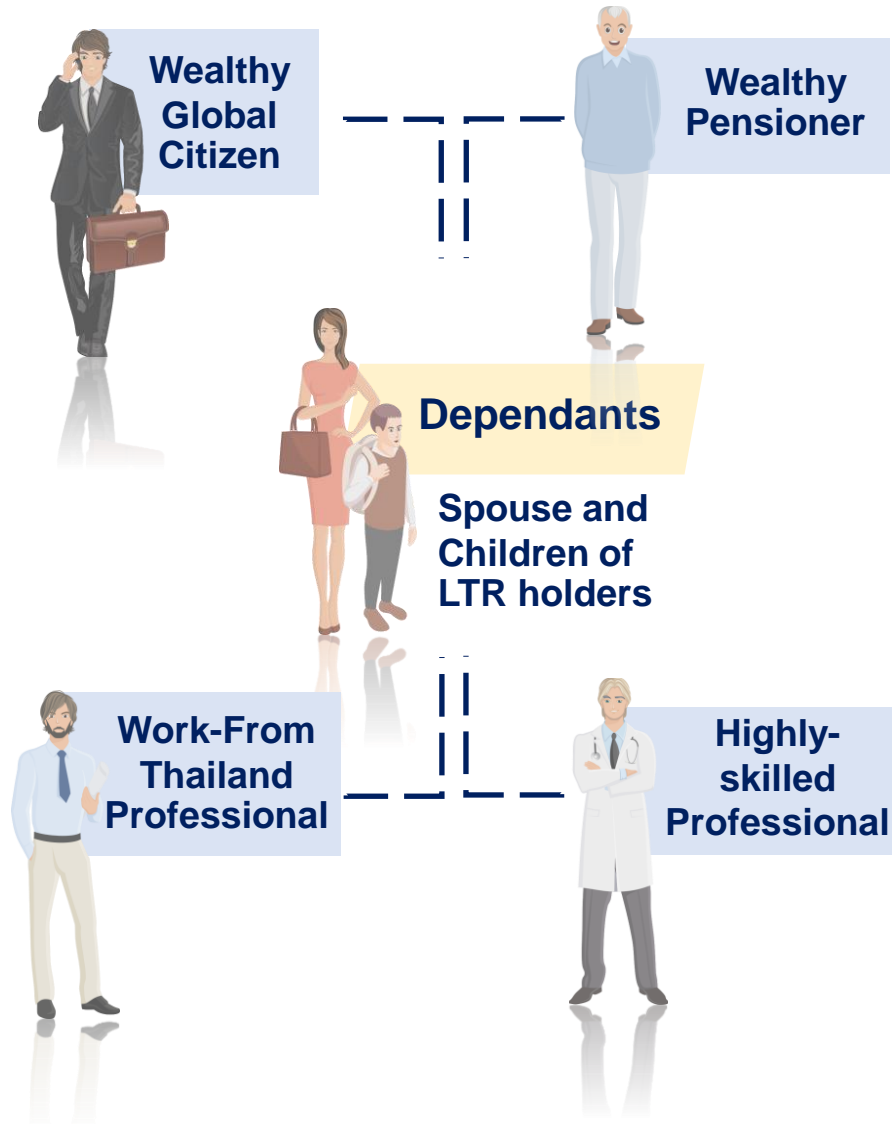




Long-Term Resident Visa (LTR): Launched on September 1st 2022



Long – Term Resident Visa Privileges



10* years renewable visa for applicant and maximum 4 dependants including spouse and children (under 20 years old)



90-day report extended to 1-year report and exemption of re-entry permit



Exemption from 4:1 employment ratio



Permission to work in Thailand
(Digital Work permits will be granted to the visa holder and spouse)



Access to immigration and work permit services at One Stop Service Center for Visa and Work Permit



Other benefits i.e. 17% Personal income tax for High-skilled professionals

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



Assist investors with various applications

*More Convenience
Less Time
More Efficiency!*



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There are countless
reasons to invest in
Thailand

Thank
You

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