

Thailand's **New** **Investment Incentives &** **Business Opportunities** **for Japanese Investors**

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Thailand: Strategic Landscape

in both location and International Cooperation



ASEAN
2nd Largest Economy



66
Million
population

530
Billion USD
GDP

RCEP

2.3 Billion
Consumers
(30% of the World's Population)

ASEAN

680 Million
Consumers

Greater Mekong Subregion

300 Million
Consumers

Thailand as a Gateway to ASEAN and Asia



Comprehensive Infrastructure

- **Strategic location** with connectivity to ASEAN and China
- **Well-established infrastructure** (Electricity, Water, Sea Port, Airport, Road, Rail)
- **68 Industrial estates** in 16 provinces
- **Deep Sea ports:** Bangkok, Laem Chabang, Map Ta Phut, Si Racha, Ranong, Songkhla, Phuket

Digital Advancement

- Digital infrastructure / **5G**
- **World-class** data center and cloud services
- Digital & Startup **Ecosystem** / Community
- **High-level** digital transformation & **adoption**

Robust Supply Chain

- Leading manufacturing hub and **strong supply chain** for automotive, electronics & electrical, chemical etc.

Market Access

- Home to **66 million in population**
- Access to **ASEAN market** with a **population of over 680 million**
- **15 FTAs with 19 nations including RCEP**



Talent Availability

- Forecast number of new STEM graduates (2022 – 2026)
 - **184K from Engineering Degree**
 - **110K from Science Degree**

Green Transition Policy

- Incentives for **green transition**
- **Utility Green Tariff (UGT)** provide renewable energy bundled with the RE certificate (REC) with the options of additionality & traceability.

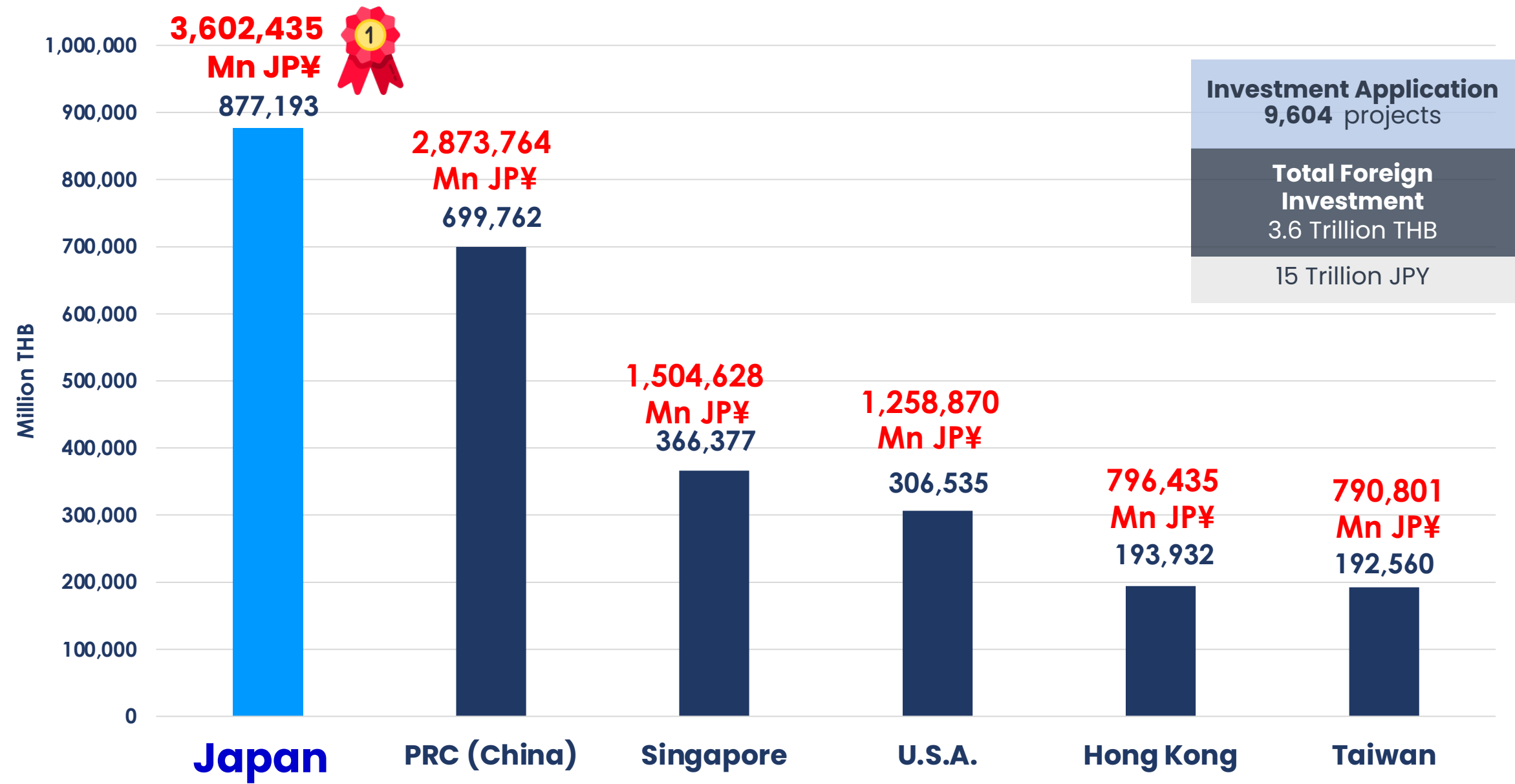
Safety & Low Risks

- **Conflict-free Zone** for MNEs
- **Low risk** of natural disasters

Living in Thailand



- **World-class healthcare system** with **64 JCI-accredited hospitals**
- **236 international schools across the country**, aligning global curriculum as schools in your home country & ensuring educational continuity

Investment Promotion Application of FDI *during the Last 10 Years*



Noted: Exchange rate 31 January 2024 (100 JPY = 24.35 Baht), Bank of Thailand


Japan's Investment Applications

	2019	2020	2021	2022	2023
 <p>Investment Application</p>	211 Projects	202 Projects	171 Projects	281 Projects	264 Projects
 <p>Investment Value</p>	69,276 Mn THB (228,770 Mn JP¥)	54,611 Mn THB (277,641 Mn JP¥)	80,097 Mn THB (333,877 Mn JP¥)	49,187 Mn THB (205,031 Mn JP¥)	79,151 Mn THB (329,933 Mn JP¥)

+ 61 %

Noted: Exchange rate 30 April 2024 (100 JPY = 23.99 Baht), Bank of Thailand

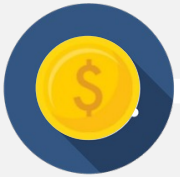
Top 5 Industries Japanese Investment by Sectors 2019 – 2023

 <p>Electronics and Electrical Appliances</p>	 <p>Chemical and Petrochemical</p>	 <p>Automotive and Machinery</p>	 <p>Agricultural, Food and Biotech</p>	 <p>Metal and Material</p>
116,751 Mn THB 486,665 Mn JP¥	75,042 Mn THB 312,805 Mn JP¥	68,754 Mn THB 286,594 Mn JP¥	19,924 Mn THB 83,051Mn JP¥	18,274 Mn THB 76,173 Mn JP¥

BOI's Role: To Drive the Investment to the New Economy

About BOI

BOI is a government agency under the Office of the Prime Minister



Promoter

drives and promotes investment in alignment with Thailand's development strategy & the changing global context



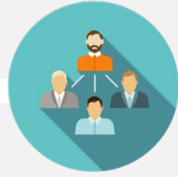
Integrator

integrates Government support tools such as tax, finance, and non-tax incentives in a whole package



Facilitator

coordinates with agencies to develop the ecosystem & facilitate ease of investment & eliminates obstacles



Connector

links large-scale with small-scale enterprises, Thais with foreigners, across industries to expand business opportunities

Overseas Offices



Policy & Incentives

Tax Incentives

- Corporate income tax exemption up to 15 years
- Exemption of import duties on machinery
- Exemption of import duties on raw or essential materials for the export products
- Exemption of import duties on goods imported for R&D



Non-Tax Incentives

- 100% foreign ownership
- Land ownership
- Work permit & visa facilitation

Financial Incentives

- Grants for R&D, Advanced Training, Investment in advanced technology industries
- Startup Matching Fund

Thailand's Investment Promotion Measures

BOI Investment Incentive Scheme

Basic Incentives

Activity-Based

1. Agriculture, Food, Biotechnology
2. Medical
3. Automotive and Machinery
4. Electrical and Electronics
5. Metal and Materials
6. Chemicals and Petrochemicals
7. Public Utilities
8. Digital Industries
9. Creative Industries
10. High-Value Services



Additional Incentives

Competitiveness Enhancement

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

Area-Based

- EEC 3 provinces
- Special Economic Zones (SEZ) 10 provinces
- 4 Special Economic Corridors
- Southern border provinces
- 20 provinces with lowest income
- Industrial Estates/Zones
- Science and Technology Parks

Agenda-based

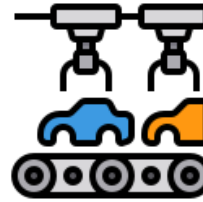
- Investment Stimulation Measure for Economic Recovery
- Smart and Sustainable Industry Measure
- Relocation Measure
- Retention and Expansion Measure
- Social and Communal Development Measure
- Measure to support the establishment of highly-skilled professional development institutes
- Measure to support Automotive & Parts Industries



Investment Promotion Measure to Upgrade Automotive Industry

NEW

Automotive



Auto Parts & Components

- The measure aims at enhancing the efficiency in the automotive industry through the adoption of **automation and robotics**.
- Eligible applicants must be either existing companies or new entrants engaging in the manufacture of **ICE, HEV and PHEV**.
- **Incentives :**
 - Import duty exemption on Machinery
 - **3-year CIT exemption** with a cap of 50% of the investment in automation and robotics system. (If using domestic automation systems $\geq 30\%$, a cap of 100% of the investment will be granted.)

- Applicants must submit a plan to **upgrade or transition to the new industries** including machinery upgrading for efficiency enhancement, obtaining new industry standard certification, and training to upgrade the businesses.
- **Incentives :**
 - Import duty exemption on Machinery
 - **3-year CIT exemption** with a cap of 50% of the investment in upgrading, obtaining of standard certification for new industries, and related expenses. (If using domestic automation systems $\geq 30\%$, a cap of 100% of the investment will be granted.)

Investment Promotion Strategies in the *Next 4 Years* (2024–2027)

Driving Investment in 5 Strategic Industries



Bio-Circular-Green (BCG)
: Agro, Food, Medical, Clean Energy



Automotive (esp. EV)



Electronics (esp. Upstream & Smart Electronics)



Digital & Creative



Regional Headquarters & International Business Center



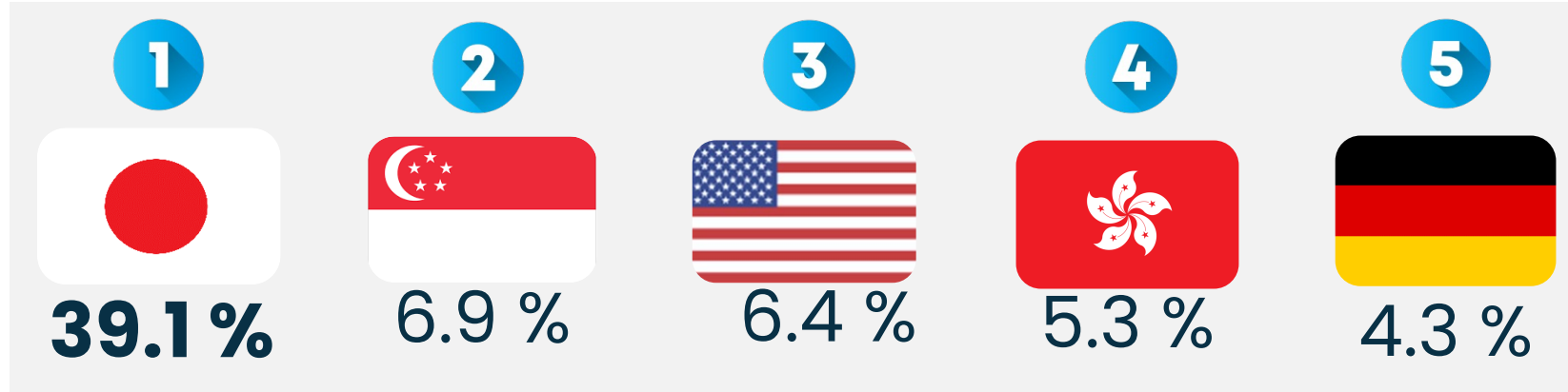
5 Key Agendas to drive Industrial Transformation

1. *Green* Transformation
2. *Technology* Development
3. *Talent* Development & Attraction
4. *Cluster-based* Investment
5. *Ease of Investment*

Other Sectors of Opportunities

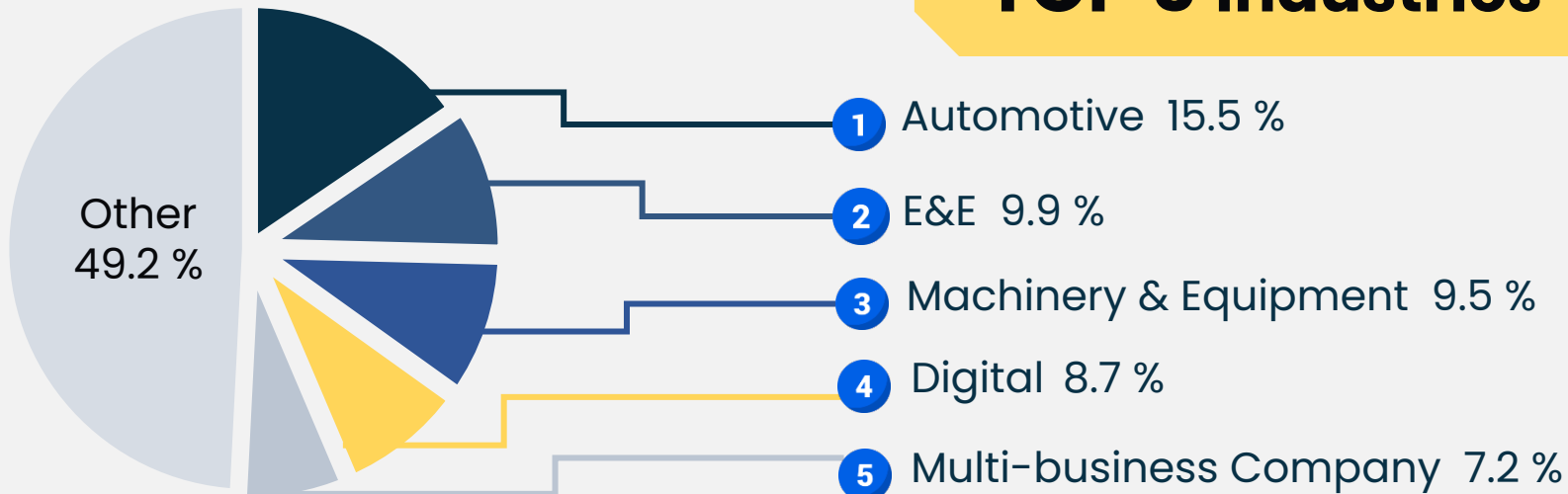
- Aerospace
- Supporting Industries and Services
- Infrastructure
- Defense Industry
- Advanced Materials
- Energy / RE / Hydrogen
- Petrochem./Chemicals
- Tourism
- R&D Center
- Automation & Robotics
- Healthcare & Medical
- Biotechnology

International Business Center / Regional Headquarters



TOP 5 countries/economies

TOP 5 industries



2015 – March 2024

437 projects



HQ Biz Portal Service

NEW

<https://hqbizportal.boi.go.th>



WHY THAILAND? INCENTIVES & LICENSES HQ JOURNEYS APPLICATION FAQ ABOUT 🔍

HQ BIZ PORTAL is set up in collaboration with Thailand's key government agencies.



BANK OF THAILAND

For more info

CLICK

<http://hqbizportal.boi.go.th>

Information and Consultation
for Headquarters Establishment
at **ONE-STOP**

HQ BIZ PORTAL

enhancing Thailand's position as

**REGIONAL
HEADQUARTERS
DESTINATION**

4 Types of LTR Visa



Highly Skilled Professionals

Professionals in targeted industries working for

- business entities or higher education institutes
- research centers or specialized training institutions
- Thai government agencies



Work-from-Thailand Professionals

Remote workers working for well-established overseas companies



Wealthy Pensioners

Retirees **aged over 50 years** who have an annual pension or stable income



Wealthy Global Citizens

Wealthy individuals holding at least **USD 1 million** in assets



Dependents

Spouse and children aged under 20 years old of LTR visa holders

LTR visa

for Long-Term Residents

Targeted industries for the **High-Skilled professional*** category are as follows :

Existing Targeted Industries

- Automotive Industry
- Electronics Industry
- Affluent Tourism Industry
- Agricultural, Food and Biotechnology Industry
- Automation and Robotics Industry
- Aviation, Aerospace and Space Industry
- Biofuels and Biochemicals Industry
- Digital Industry
- Medical Industry
- Defense Industry
- Circular Economy
- Transportation and Logistics Industry
- Petrochemical and Chemical Industry
- International Business Center (IBC)
- **Highly-skilled professionals with specialized skills** e.g. Digital, AI Finance, Marketing Advisor

new

LTR Visa Privileges



10-year visa & Permission to work in Thailand



Fast Track Service at International Airport



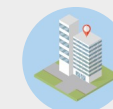
90-day report extended to 1-year report and exemption of re-entry permit



Permission to Work in Thailand (**Digital Work Permit**)



17% Personal income tax rate for Highly-Skilled professionals and tax exemption from overseas income



Facilitation Services at **One Stop Service Center for Visa and Work Permit**



Exemption from 4 Thais : 1 foreigner employment requirement ratio

Remarks: The LTR visa will be granted for 5 years at a time and can be renewed every 5 years if qualifications are still met.



One Start **One Stop** Investment Center (**osos**)

- **Comprehensive information** and advice on establishing operation in Thailand
- **Coordination Services** between Investors and government agencies
- **One Stop** for visas & work permits

More Convenience
More Efficiency
Less Time



Contact us: 18th Floor, Chamchuri Square
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BOI Industrial Linkage Services

BOI Supports

- **Free Sourcing Services**
- **Customized Business Matching**
- **Local Sourcing Events**
 - *Vendors Meet Customers Sourcing Events*
 - *Sourcing Market Place Center*
 - *Knowledge Enhancement for Local Vendors through Competitiveness*
- **International Sourcing:** Exhibit Thai Vendors Potential at International Exhibitions
- **Online Database/ Website BUILD Platform**

Next Year

ASEAN'S MOST IMPORTANT INDUSTRIAL SUBCONTRACTING AND BUSINESS MATCHING EVENT

SUBCON
THAILAND

14-17 MAY 2025
BITEC, Bangkok, Thailand

THE GLOBAL
SOURCING EXCELLENCE



ASEAN's MOST IMPORTANT INDUSTRIAL SUBCONTRACTING AND BUSINESS MATCHING EVENT

SUBCON
THAILAND

Wed.-Sat.
15-18 MAY 2024
BITEC, Bangkok, Thailand

Co-Organised by:



Officially Supported by:



PUBLICATIONS



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Thank you

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