

# **Investment Opportunities in Thailand**



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**Deputy Secretary General**  
**Thailand Board of Investment**

# Thailand in Brief



**Region:** Southeast Asia  
**Population:** 67.8 million  
**Literacy Rate:** 96 %  
**Religion:** Buddhism 95%  
**Labor Force:** 39.5 million  
**International Reserve:**  
US\$138.4Bil.

# ECONOMIC PROJECTION YEAR 2012

<b>(% YoY)</b>	<b>2010</b>	<b>2011</b>	<b>2012 Projection</b>
<b>GDP (at 1988 price)</b>	<b>7.8</b>	<b>0.1</b>	<b>5.5-6.5</b>
<b>Export of goods (US\$)</b>	<b>28.4</b>	<b>16.4</b>	<b>12.8</b>
Volume	<b>17.7</b>	<b>10.2</b>	<b>11.8</b>
<b>Import of goods (US\$)</b>	<b>37.0</b>	<b>24.7</b>	<b>22.3</b>
Volume	<b>26.8</b>	<b>13.3</b>	<b>16.5</b>
<b>Current Account to GDP(%)</b>	<b>4.1</b>	<b>3.4</b>	<b>0.7</b>
<b>Inflation</b>	<b>3.3</b>	<b>3.8</b>	<b>3.5-4.0</b>

**Think Asia, Invest Thailand**

*GEARED FOR THE FUTURE*



# WHY THAILAND

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THAILAND BOARD OF INVESTMENT

*Your partner for sustainable investment*

# 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
2. Canada
3. Bahrain

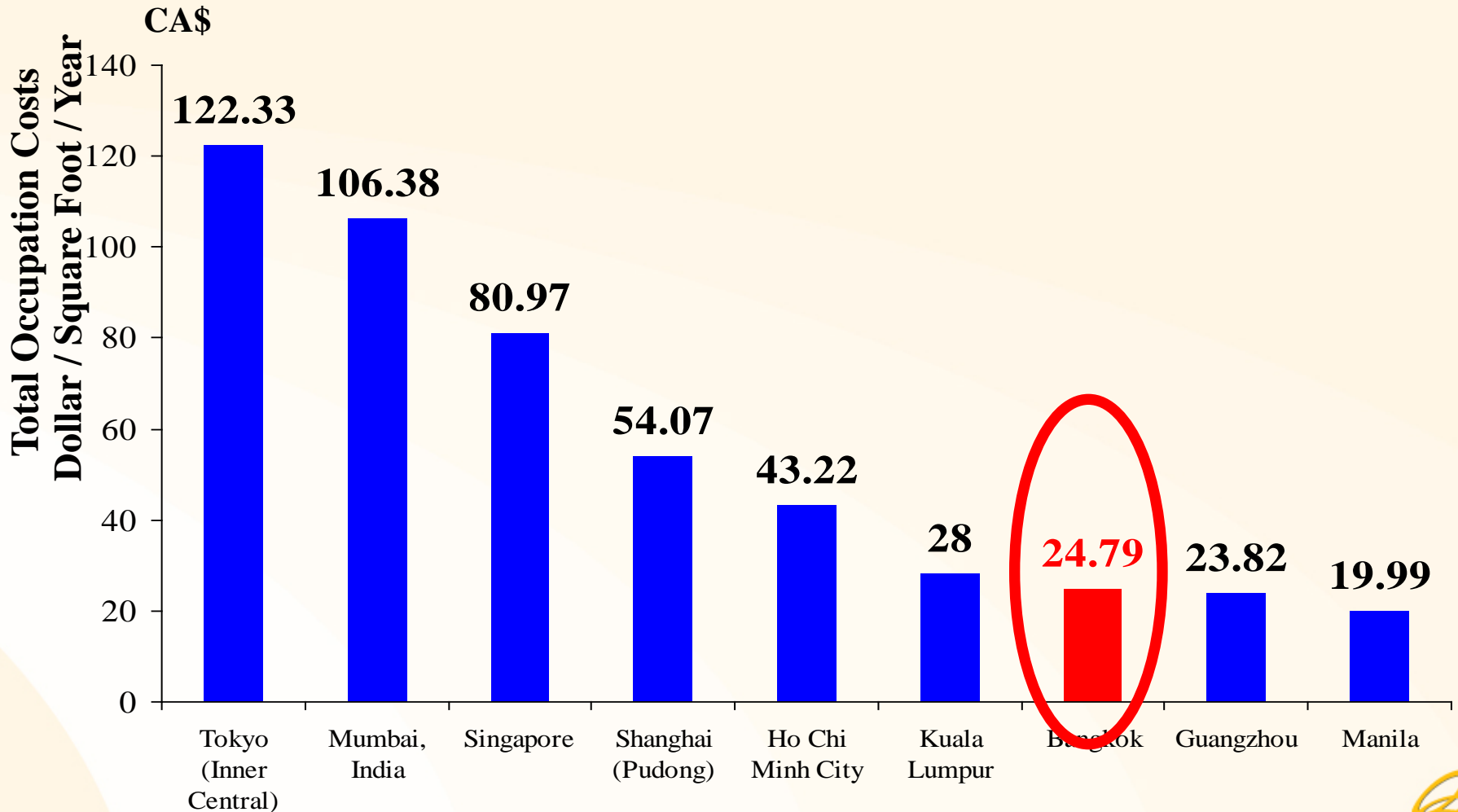
## 2010 COL Survey (Mercer)

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



THAILAND BOARD OF INVESTMENT  
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# AFFORDABLE OFFICE SPACE

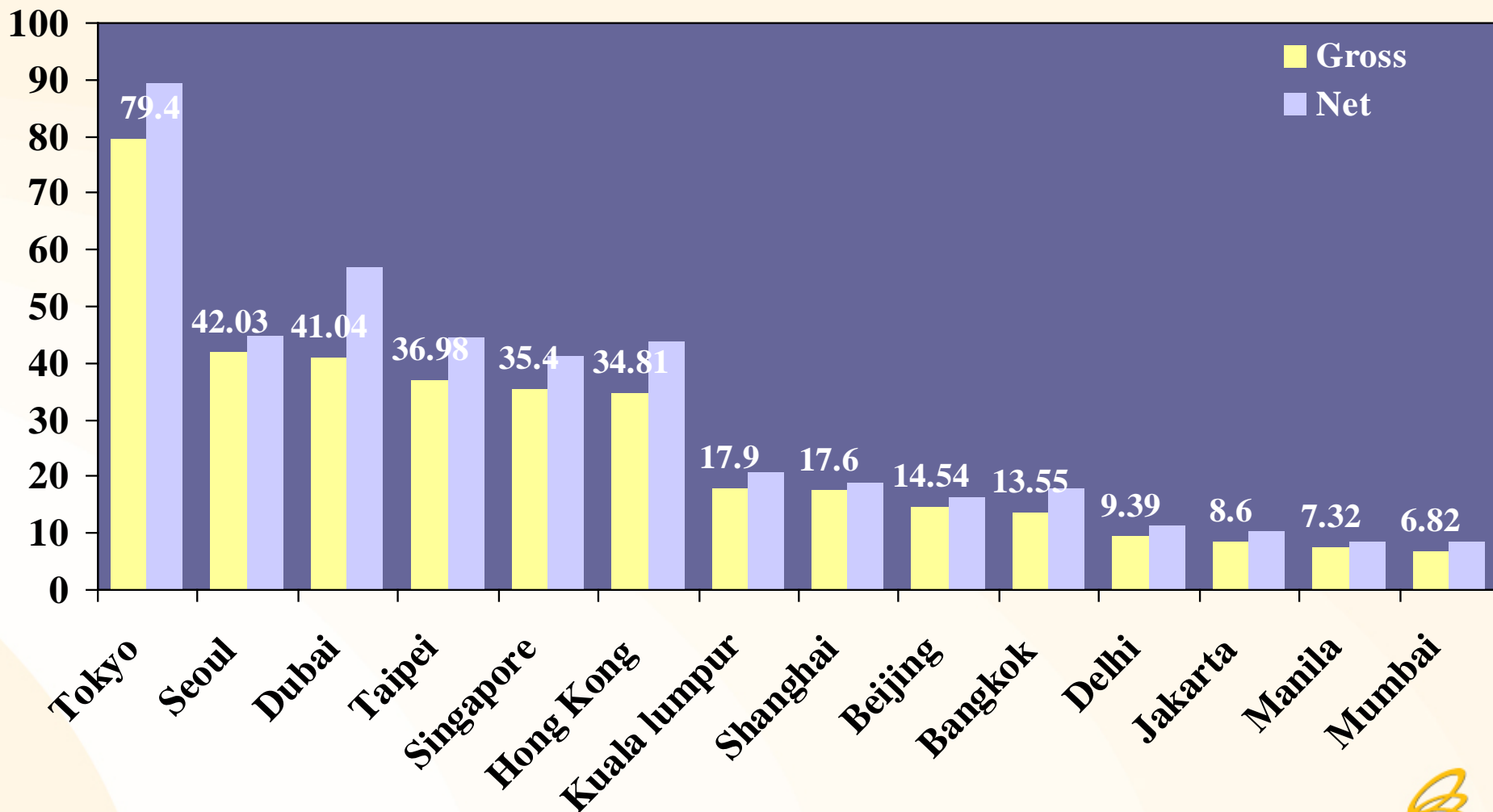


Note: Exchange rate US\$1 = Bt30.49 and CA\$1=Bt30.84 in 2011

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

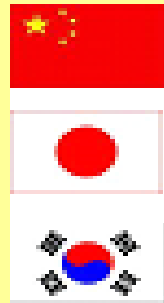
## ASEAN



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

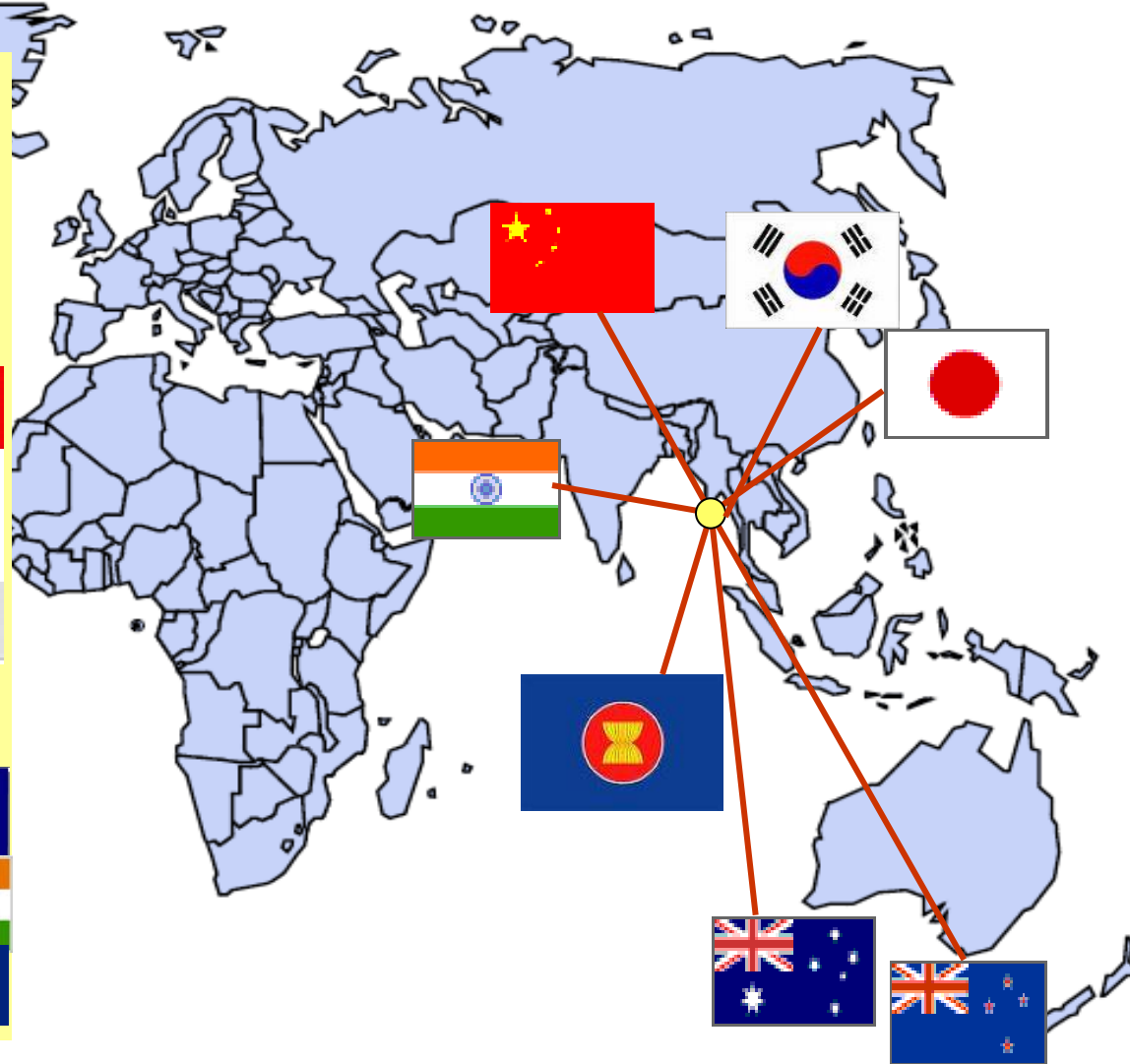
## ASEAN+3

- +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**





# Easy and Improving Transport

**Rail: 4,346 km rail links to Malaysia, Singapore;  
Mass Transit Master Plan (2010-2029) expansion plan for 508 km  
2010-2029, while 122.8 km is scheduled to complete this year(2012)**

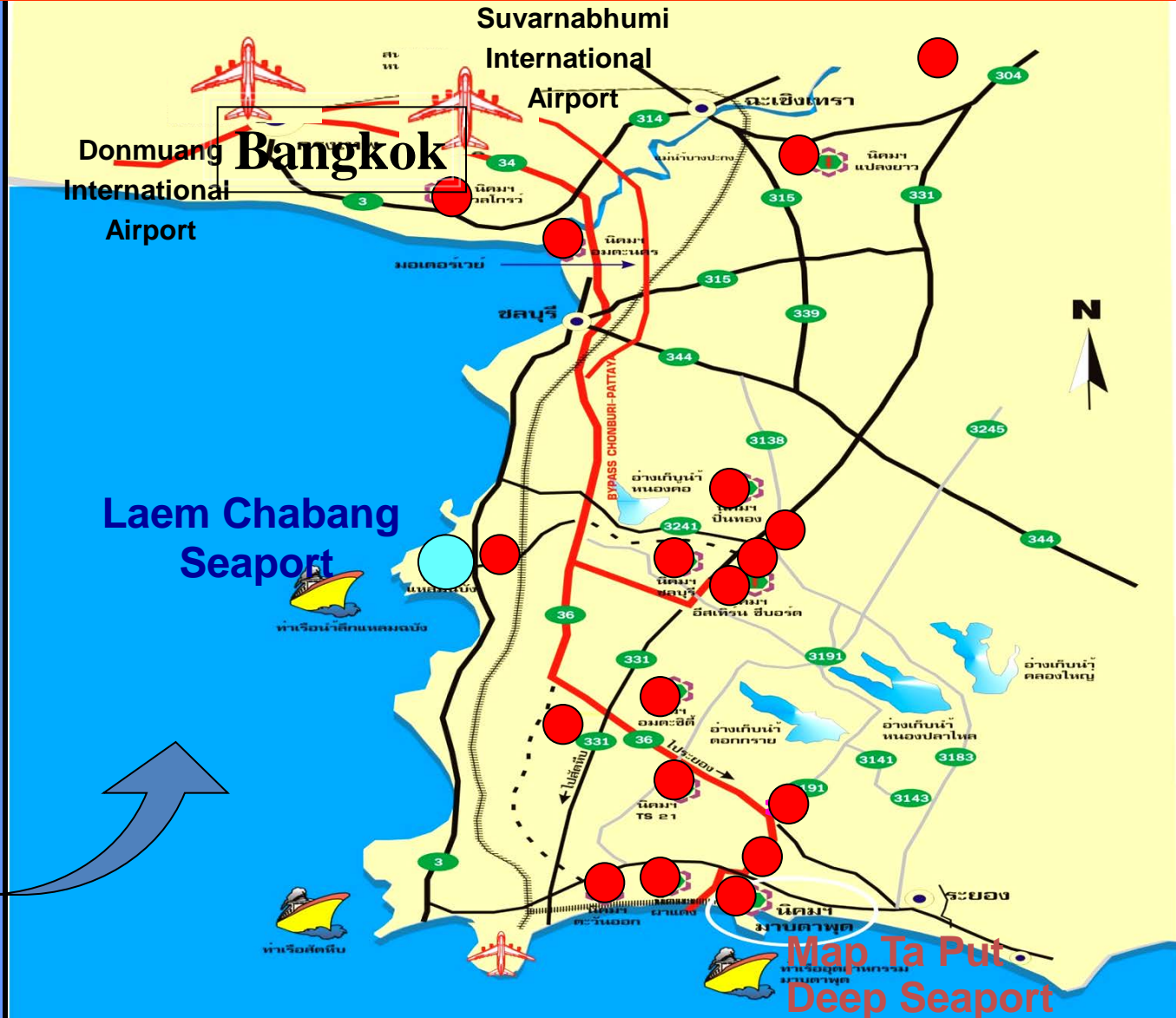
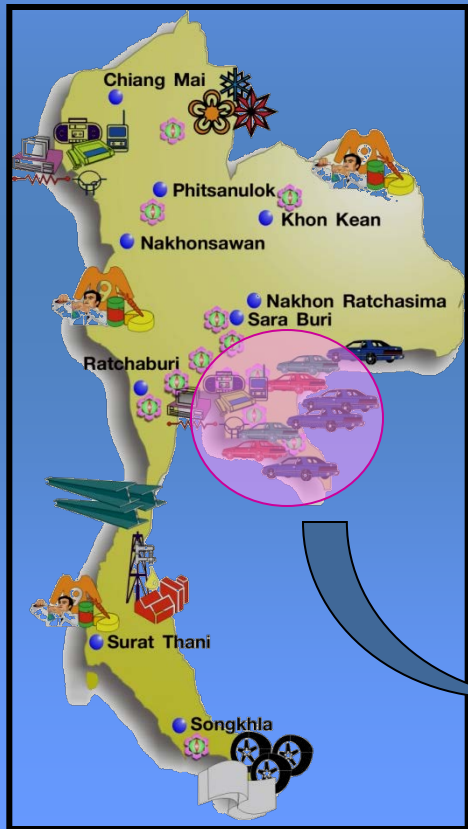
Transnational RR linking China and SE Asia, covering 615 km at 200km/hr





# Efficient Logistics Network

## Seaport - Land Transport - Airport



# GMS Infrastructure Development



-  North-South Corridor
-  North-Eastern Corridor
-  East-West Corridor
-  Southern Corridor
-  Central Corridor
-  Southern Coastal Corridor

**GMS  
CORRIDORS**

# 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**



# 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**



# **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**

# Success Stories of US Companies



# BOI Investment Promotion Policy

- BOI's investment promotion policy is to promote “Sustainable development” to enhance the country's competitiveness in *science and technology* and encourage the improvement of manufacturing quality as well as reduce environmental impact

**Eco-friendly  
Industry**

**Renewable  
energy**

**Knowledge base  
Industry**

# Target BOI Promotion in Life Science Business

- **Medical supplies or medical devices**
- **Medical food**
- **Scientific equipment**
- **Laboratories Services/Test**
- **Research and development**
- **Training Center**
- **Biotechnology**
  - Biopharmaceutical agent
  - Diagnostic kits for health, agriculture, food
  - Bio molecule and bioactive compounds
  - Biological substances analysis or synthesis services
  - Biological substances analysis and/or synthesis services





# Special Incentive for Life Science Business

## Priority Activity Incentives

- Exemption on machinery import duties
- 8-year corporate income tax holiday
- Additional incentive if submit application by Dec 2012 or if locate in Science Park
- 50% corporate income tax reduction for another 5 years

# Example of Promoted Projects in Medical Devices

- Kendall-Gammatron (Covidien US) : IV Sets, Urine Bag
- Safeskin, Cardinal Health (US): Medical Glove
- Merton Medical (Aus.): Electrotherapy Device
- Radimedical Systems (Sweden): Blood Pressure Analyzer, Bone Biopsy System
- Benchmark Electronics (US): Glucose meter, Respirator Defibrillator, Neurodiagnostic kit
- Vascular Innovations (US): Cocoon Occluder and Delivery System
- Asahi Intech (Japan): Catheter, Guide Wire
- Nipro Corp (Japan): Needle, Infusion Set
- Kawasumi Laboratories (Japan): Blood Tubing Line, Hallow Fiber Dialyzer
- Molnlycke Health Care (Sweden): Disposal Medical Products
- Tytex Group Thailand (Denmark): Elastic Fixation

# Example of Promoted Projects (1/2)

<u>Company</u>	<u>Product/Services</u>
<b>DELPHI HEALTH SERVICES</b>	DNA Genotyping test
<b>MBS ASIA</b>	Antibody testing
<ul style="list-style-type: none"> <li>• <b>BIO-INNOVA and SYNCHRON</b></li> <li>• <b>INTERNATIONAL BIO SERVICE</b></li> </ul>	Bioequivalence
<b>BIONET-ASIA</b>	R&D for Vaccine
<b>PACIFIC TIME</b>	Microbial testing/DNA testing
<b>PROFESSIONAL LABORATORIES MANAGEMENT</b>	Medical laboratories
<b>Greater Pharma Manufacturing</b>	Vaccine and Allergy Testing Agent

# Example of Promoted Projects (2/2)

<u>Company</u>	<u>Product/Services</u>
Heron Diag	Medicine, Agriculture, Food, and Environment Diagnostic Kit
I- med Laboratory	Thalassemia / Lymphocyte test kit
<b>Health Concept International</b>	<ul style="list-style-type: none"> <li>•HIV serum bank and Cyclofem QC lab</li> <li>•HIV testing service &amp; contract testing</li> <li>•Plasma sample for R&amp;D</li> </ul>
Cryoviva (Thailand)	Stem cell and Cell processing stage
<ul style="list-style-type: none"> <li>• International Drug Development</li> <li>• Aclires Bangkok</li> <li>• Asia-Pacific Iatec Cro</li> </ul>	Clinical Trial
<ul style="list-style-type: none"> <li>• SSUP SCIENTIFIC SERVICES</li> <li>• DERMSCAN ASIA</li> </ul>	Cosmetic testing

# EXCELLENT SUPPORTING UNITS

- Thailand's Science Park (TSP) was established as a one-stop service center to assist companies engaged in scientific and technological research.
- National Science and Technology Development Agency (NSTDA)
- National Science Technology and Innovation Policy Office (STI)
- The National Center for Genetic Engineering and Biotechnology (BIOTEC)
- Thailand Center of Excellence for Life Sciences (TCELS)
- Health Systems Research Institute
- Food and Drug Administration (FDA)
- Ministry of Public Health (MoPH)
- Ministry of Science and Technology (MOST)
- National Innovation Agency



# Supports for US Investors

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**Think Asia, Invest Thailand**

*GEARED FOR THE FUTURE*

***Thank You!***

An aerial night view of a city skyline, likely Bangkok, Thailand, featuring numerous illuminated skyscrapers and buildings. The city lights are vibrant, with various colors like yellow, white, and blue. The text 'Thank You!' is overlaid in a large, yellow, italicized font with a yellow underline.