

ศูนย์บริการลงทุน
สำนักงานคณะกรรมการส่งเสริมการลงทุน
สำนักนายกรัฐมนตรี



INVESTMENT SERVICES CENTER
THE BOARD OF INVESTMENT
OFFICE OF THE PRIME MINISTER

555 ถ.วิภาวดีรังสิต จตุจักร กรุงเทพฯ 10900 โทร 0 2553- 8111

555 VipavadeeRangsit Road, Chatuchuck 10900 Tel. 0 2553- 8111

ข่าวสำหรับสื่อมวลชน / PRESS RELEASE

No. 3/ 2563 (O.1)
08 January 2020

Thailand Board of Investment Offers Incentives to Enhance Human Resource Development and Support Educational Institutions

The Thai government has launched the economic vision known as Thailand 4.0 and a series of strategies to support the Eastern Economic Corridor or EEC, a digital hub of Southeast Asia covering three provinces outside Bangkok. To achieve the vision, Thailand will need to fill 475,000 new jobs by 2023 in the EEC alone. This will require a bachelor's degree or higher and the rest increasingly sophisticated vocational skills.

In addition, to become a fully developed nation by 2035, Southeast Asia's second largest economy realized it, too, must leapfrog from traditional manufacturing into the innovation age and become a hub for artificial intelligence, robotics, biosciences, aerospace and other new pillars of what is frequently termed the world's fourth industrial revolution.

Thailand's government therefore merged four separate government departments into a new Ministry of Higher Education, Science, Research and Innovations, which aims to work closely with the private sector in Thailand and overseas to increase research and human resource development (HRD).

Meanwhile, Thailand Board of Investment (BOI) is offering additional tax incentives to companies engaged in HRD. Companies investing in the establishment of education and vocational training institutes specializing in science, technology, engineering and mathematics – the so-called STEM subjects -- will be granted five years corporate income tax exemption.

The BOI also offers so-called SMART visas that enable foreign investors and their families, as well as key talent in business, science and education, to enjoy privileges that include residing in the country for up to four years without needing to obtain a work permit.

BOI also struck an agreement with Thailand's Research Universities' Network, comprising eight of the country's leading research schools, to improve R&D information sharing. The agreement is aimed at stimulating collaboration in private sector demand-driven R&D activities, co-operative education programs and high-skilled workforce recruitment.

"We want to ensure a perfect match between demand and supply," says Ms Duangjai Asawachintachit, Secretary General of the BOI. "This agreement reinforces the BOI's facilitation role in fostering cooperation between business and academics to increase research and development in Thailand and to strengthen our manufacturers' competitiveness in key technologies."

These recent initiatives are adding momentum to an already identifiable trend. In the five years to 2017, Thailand's spending on R&D doubled to 1 percent of GDP and the government aims to raise that to 1.5 percent by 2021. Thailand jumped five places to 25th in Switzerland-based IMD Business School's annual global ranking of the world's most competitive economies in 2019. The Kingdom was also placed first among the nine countries that form the Association of Southeast Asian Nations, or ASEAN, on the UN's 2019 Sustainable Development Goals, which include quality education.

Collaboration between local and foreign educational institutions and the private sector is also another essential driver to support the HRD. King Mongkut's Institute of Technology Ladkrabang, (KMITL), based on Bangkok's eastern outskirts near Suvarnabhumi International Airport, teamed up with Pittsburgh's Carnegie Mellon University. And, in 2019, CMKL University, a joint venture between KMITL and CMU, launched its first masters and doctoral programs in computer and electrical engineering.

"Many companies moved to Pittsburgh to be near CMU and now we are bringing CMU to Thailand," says Dr Supan Tungjitkusolmon, President of CMKL University. "Together we can create a new collaboration between industry and academia."

KMITL's deal with CMU is just one example of Thailand's efforts to upskill its workforce through human resource development and incentivize foreign investors and some of the world's best academic and vocation training institutions to supply critical support.

In addition to the CMKL joint venture, Bangkok's Thammasat University and Amata University in the EEC have both partnered with National Taiwan University while Vidyasirimedhi Institute of Science and Technology, which is funded by Thailand's biggest company, Fortune 500-ranked PTT, is in collaboration with leading Japanese, Korean and European educational institutions with the aim of becoming a world class university and center of cutting-edge innovation.

Bangkok's Burapha University has combined with Japan's Mitsubishi Electric Factory Automation to develop and accelerate education standards in automation technology using AI and industrial robots to operate intelligent factory systems.

Significantly, Thailand's education reforms stress the importance and status of vocational studies. One of the best examples is a collaboration by KMITL with Japan's National Institute of Technology to open a tertiary engineering school offering world class vocational training provided by the Japanese KOSEN technical college system.

KOSEN-KMITL, as it is known, teaches a five-year course from age 15 that produces engineers qualified in mechatronics, a combination of electrical and mechanical engineering that is required in both robotics and AI.

Japan is the biggest foreign investor in Thailand and graduates are expected to mostly join the Japanese companies that are moving into the EEC. Classes are held in English and Thai, with Japanese added in year three. The first batch of 24 students was chosen from more than 300 applicants from all over Thailand. A second KOSEN institute, known as KOSEN-KMUTT) will open at KMITL's sister campus, King Mongkut's University of Technology Thonburi, next year.

KOSEN-KMITL Associate Professor Dr Komsan Maleesee says that by choosing to work with two universities, Japan's National Institute of Technology will raise the status of technical education in Thailand. Graduates will also have the opportunity to complete an additional two years study to gain a full university degree. "We plan to send all of them to further their studies in Japan to inspire future generations," he says.

Thailand's educators and businesses are also tapping European vocational expertise. One of the world's leading education companies, UK-based Pearson, is working with the EEC to develop career-focused programs that offer BTEC diplomas awarded by Britain's Business and Technology Education Council.

In addition to traditional fixed-term degree and vocational courses, Thailand's educational institutions plan to focus on working with the private sector to provide lifetime learning programs and more flexible short courses to constantly update specific skills. "We call it reinventing universities," says Dr Poolsak Koseeyaporn, a Senior Director at the Office of National Higher Education Research and Innovation Policy Council.

With such a strong commitment to human resource development, Thailand's target of boosting innovation-focused foreign investment and achieving developed nation status by 2035 is looking increasingly attainable.

For more information, please contact:

Thailand Board of Investment

Tel. +66 (0) 2553 8111

Website: www.boi.go.th
