

Transforming Thailand through Investment

Presented by

Ms. Duangjai Asawachintachit

Deputy Secretary General

Thailand Board of Investment

June 15, 2017

Thailand: the Crossroads of ASEAN

Strategic Location Gateway to ASEAN

**“We are surrounded by
the world’s economic powerhouses”**



ASEAN Economic Community



633 million population
(9% of world population)



GDP: USD 2.4 trillion
(2% of world's GDP)



Regional Comprehensive Economic Partnership *(RCEP)



3.3 billion population
(50% of world population)



GDP: USD 21 trillion
(28% of world's GDP)

Thailand Plays a Vital Role in the Global Supply Chain



2nd in HDD Exports



6th Rubber Tire Exports

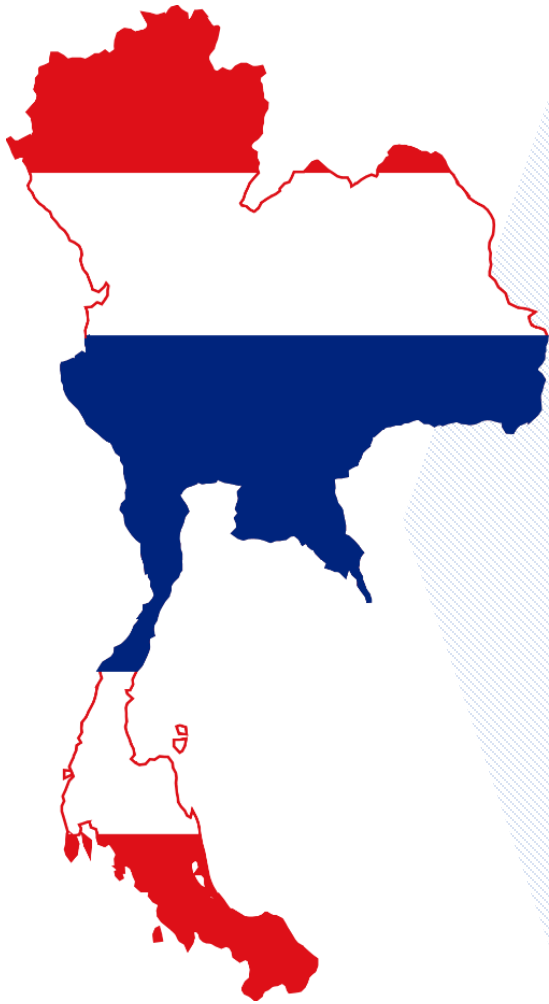


**7th Computer Device
Exports**



**12th Automotive
Production**

Thailand's Competitiveness



20% Corporate Income Tax



Well-developed infrastructure



Low Cost of Living



Low Cost of Operating Business



Great Expat Lifestyle



Thailand's Infrastructure Development Strategy (2015-2022)

5 Key Programs: to reduce logistics and transportation costs and Improve the competitiveness of the economy

Infrastructure development programs for 2015-2022 (USD 53.4 billion*)

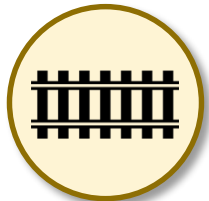
1. Expansion of the **inter-city rail network** (USD 14.1 billion)

2. **Highway** capacity enhancement (USD 14.9 billion)

3. Development of **mass transit systems** in Bangkok Metropolitan Region (USD 21.3 billion)

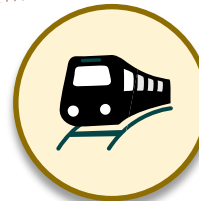
4. **Air transport** capacity enhancement (USD 1.4 billion)

5. Development of the **maritime transport network** (USD 2.8 billion)



Railway

- **Upgrade** railway networks
- Increase **double-track** railways
- Build **1.435-meter standard** gauge



Mass Transit

- Extend **mass transit railway** system
- Acquire **3,183** NGV buses



Road

- Expand highways to **4 or more traffic lanes**
- Develop **facilities** along the main roads such as container yards



Water & Air

- Enhance **sea ports capacity**
- Enhance **airport capacity**
- Establish **aviation industrial estates**

Source: Office of Transport and Traffic Policy and Planning, Ministry of Transport, as of 21 December 2015

BOI's Core Functions

Enhancing Competitiveness and Investment Facilitation



- Offers an attractive and competitive package of **tax incentives**.
- Imposes no **foreign equity restrictions** on manufacturing activities or on some service.
- Provide assistance in the provision of **visas and work permits** to facilitate entry and subsequent operation for a **foreign-owned business**.
- Waives restrictions on **land ownership** by foreign entities.



Business Support Services

- **Provides comprehensive information and advice** on establishing operations in Thailand.
- **Arranges site visits.**
- **Identifies potential suppliers,** subcontractors, joint-venture partners.
- **Provides useful contacts** with key public and private organizations.
- **Coordinates** between the foreign business community and other public agencies



Enhanced Investment Incentives

- Corporate income tax exemption
- 50% reduction of corporate income tax
- Investment tax allowance (up to 70%)
- Double deduction of public utilities
- 25% Deduction of qualified infrastructure costs
- Exemption of import duties on machinery
- Exemption of import duties on raw materials used in the manufacture of exports
- Exemption of import duties on materials used for R&D purposes
- Matching funds for R&D and advanced training in strategic pioneer investment projects

BOI Tax Incentive Schemes

Sector-based

- Bio Industries
- Creative & Digital Industries
- High Value Businesses & Services
- Advanced Manufacturing
- Basic & Supporting Industries

Technology-based

- Biotechnology
- Nanotechnology
- Advanced Materials Technology
- Digital Technology

Area-based

- EEC (3 provinces)
- SEZ (10 provinces)
- Southern Border (4 provinces, 4 districts)
- 20 Provinces with the Lowest per Capita Income
- Industrial Estates/Zones
- Science and Technology Parks, e.g. Science Parks, Food Innopolis, SKP

Specific Measures

Merit-based

- R&D
- Support academic/research institutes, or technology and human resource development funds
- IP licensing fee
- Advanced technology training
- Development of Local suppliers
- Product and packaging design

SME Supporting Measures

- Increase incentives and ease conditions for Thai SMEs with high potential

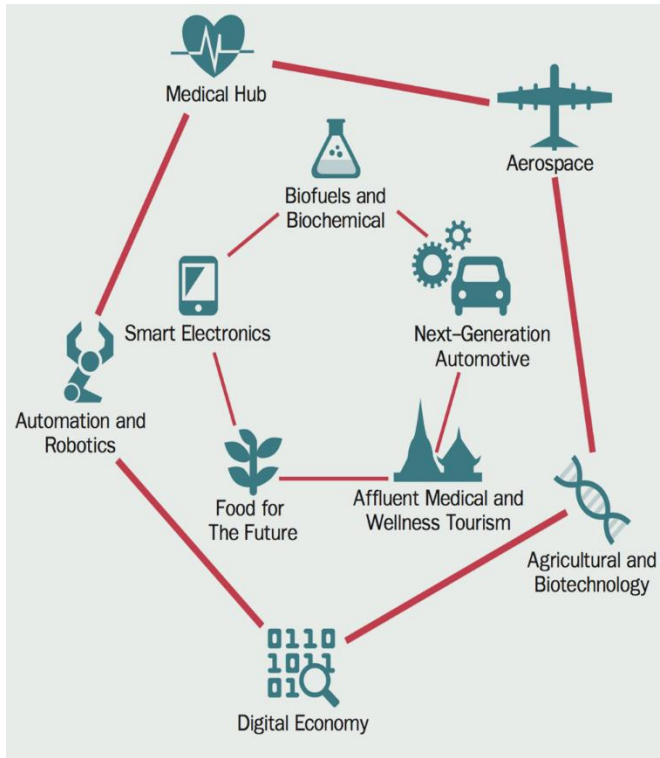
Measures to Build Thailand's Domestic Strengths

- Agriculture (upstream/processing foods & non-foods)
- Community Tourism (tourism infrastructure, tourist attractions)

Measure to Promote Improvements in Production Efficiency

- Upgrade machinery for energy conservation, alternative energy utilization, reduction of environmental impacts
- Upgrade machinery for efficiency enhancement, e.g. automation
- Invest in R&D/advanced engineering designs for efficiency improvements

Priority: 10 Targeted S-curve industries



First S-Curve Industries

- Next-generation automotive
- Smart electronics
- Affluent, medical and wellness tourism
- Agriculture and biotechnology
- Food for the future

New S-Curve Industries

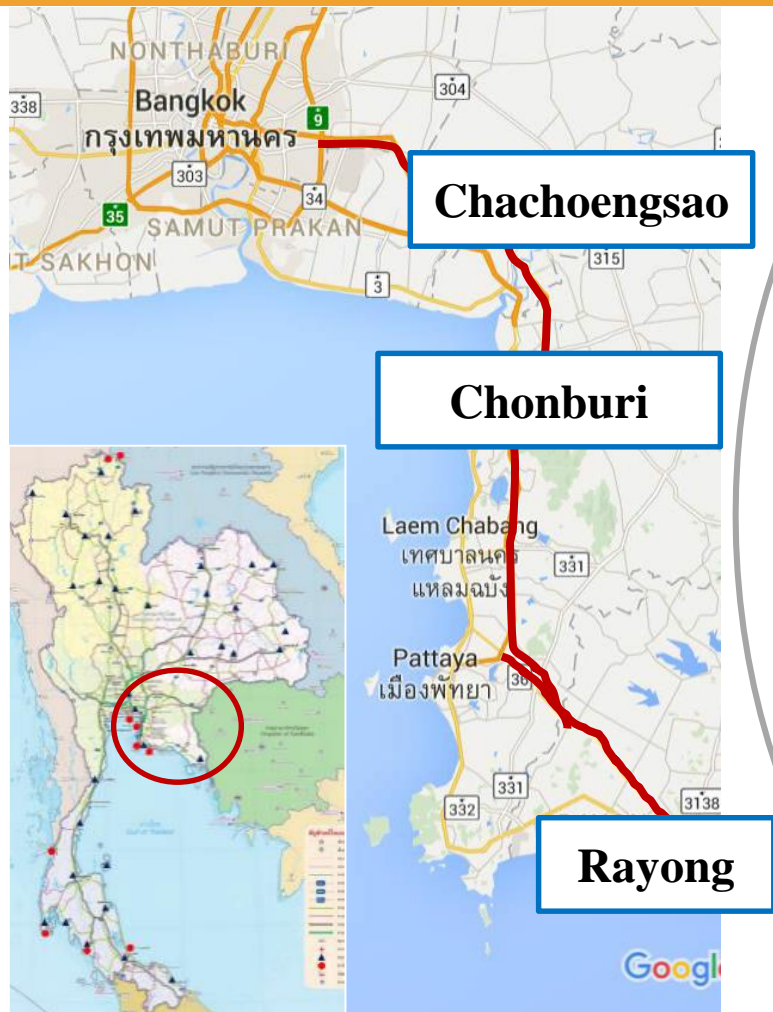
- Robotics and automation
- Aviation and logistics
- Biofuels and biochemical
- Digital
- Medical hub

There are sectors of priority, but the activity coverage for the BOI scheme remains comprehensive.

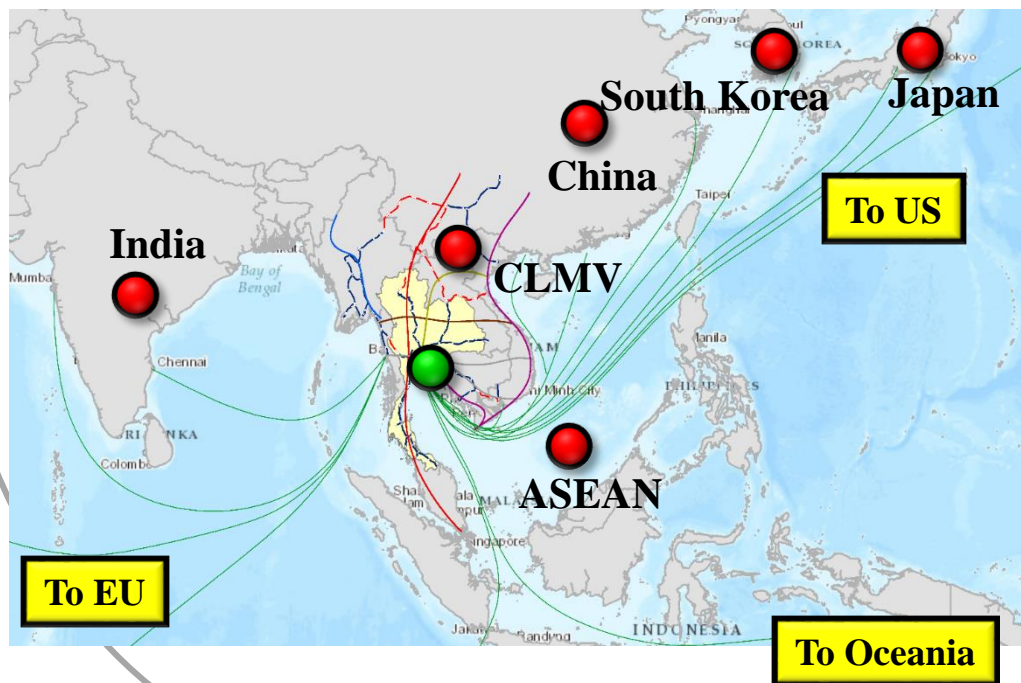


Thailand's Eastern Economic Corridor

New Growth Hub of Thailand and AEC



- 1 Strategic Location
- 2 Infrastructure Linkage
- 3 Excellent Atmosphere



Investment Promotion Measures in the EEC

Targeted Industries in the EEC



Next-Generation
Automotive



Food for the Future



Biochemicals and Eco-
friendly Petrochemicals



Smart Electronics



Automation and
Robotics



Digital



Affluent, Medical and
Wellness Tourism



Aviation



Medical Hub

- **An additional 50% CIT reduction for 5 years** for projects in the selected industries/services

BOI Services

BOI Support Services

BOI Support Services



Investment Matchmaking Program

**1-Stop for visas & work permits:
work permits in 3 hours**

**Subcontracting Development
Program by BUILD Unit**

**ASEAN Supporting Industry
Database**

**Interaction with other govt. agencies
on behalf of investors**

Country desks

Overseas offices

One Start One Stop Investment Center (OSOS)



More convenience

Less time

More efficiency!



One Start One Stop Investment Center (OSOS)

18th Floor, Chamchuri Square Building, 319
Phayathai Road, Pathumwan,
Bangkok Thailand

Tel. 02-209-1100 (domestic), +662-209-1100
(international)

Email. osos@boi.go.th

New BOI Service

- ✓ **Strategic Talent Center (STC)** offering
 - S&T Expert Matching Service
 - Expert Qualifications Recognition (to help facilitate the entry and sojourn of foreign experts)
 - Access to One-Stop Center for Visas and Work Permit (for non-BOI expats who are qualified S&T experts)
- ✓ **Complete Single Window for Visas and Work Permits** (1 Oct 17 onwards)

Where to contact BOI

Taipei

Thailand Board of Investment, Taipei Office
Taipei World Trade Center, 3rd Floor, Room 3E 39-40 No.5 Xin-Yi Road, Sec. 5 Taipei 110, Taiwan R.O.C.

Telephone:

+886-2-2345-6663

Fax: +886-2-2345-9223

Email: taipei@boi.go.th

Bangkok

Thailand Board of Investment, Headquarter
Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900

Tel: +66 (0) -2553-8111

Fax: +66 (0) -2553-8222

E-mail : head@boi.go.th

Website : www.boi.go.th

Thank you.
謝謝