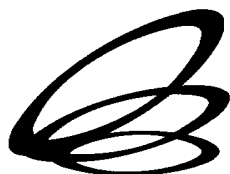


ศูนย์บริการลงทุน
สำนักงานคณะกรรมการส่งเสริมการลงทุน
สำนักนายกรัฐมนตรี



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

555 ถ.วิภาวดีรังสิต จตุจักร กรุงเทพฯ 10900 โทร 0 2553- 8111
555 Vibhavadi-Rangsit Road, Chatuchak 10900 Tel. 0 2553- 8111

ข่าวสำหรับสื่อมวลชน / PRESS RELEASE

No. 14/2565 (O.5)
3 February 2022

Thailand's 2021 Investment Pledges Up 59% to US\$19.5 Billion on FDI and BCG Boost, BOI Says

The Thailand Board of Investment (BOI) announced today that the combined value of foreign and local applications for investment promotion in 2021 totaled 642.7 billion baht (ca. US\$19.5 billion), an increase of 59%, boosted mainly by foreign direct investments (FDI) in tech sectors and a continued increase in the value and number of projects in Bio-Circular-Green (BCG) industries, as well as the continued buildup of the power generation sector.

The data was announced at a press conference held after a BOI meeting chaired by Prime Minister Gen Prayut Chan-ocha. The meeting also approved additional incentive measures to support the national strategy for enhancing the country's position as the regional bio hub and the bioeconomy initiative.

"Investment applications in BCG activities are continuously increasing as investors take advantage of the promotion measures that we have issued to help Thailand's economy and companies operating here to prepare for the changing consumer demand and supply chains in the post-Covid-19 world," BOI Secretary General Ms. Duangjai Asawachintachit told reporters. "As for FDI, we are seeing constant growth in foreign investments in target sectors such as smart electronics, specialty chemicals, bioplastics and the medical cluster."

Electrics and electronics once again topped the list of target sectors which attracted the most applications with 104.5 billion baht in value, reflecting the soaring demand for electronics devices and parts, followed by the medical sector with 62.2 billion baht, petrochemicals and chemicals with 48.4 billion baht, agriculture and food processing with 47.7 billion baht, and automotive and parts with 24.6 billion baht. Overall, the 12 target sectors attracted a combined value of 340.5 billion baht, representing 53% of the total pledges.

The fastest-growing sector was digital which saw the value of applications soar almost nine-fold to 14 billion baht in 2021, from a modest 1.61 billion baht a year earlier.

The combined value in activities classified as BCG, a cross-sector grouping of biotechnologies and environmentally-friendly manufacturing, more than doubled to 152.4 billion baht, from 68.4 billion baht in 2020, confirming the growing commitment of investors to sustainable activities, including bio-plastics manufacturing and recycling of agricultural waste.

The power generation sector saw a significant proportion of investment as the power generation infrastructure expands and transitions to a higher proportion of renewable energy and clean natural gas.

Meanwhile, FDI represented 71% of total pledges with 455.3 billion baht for a total of 783 project applications, a nearly three-fold increase in value from the 169.3 billion baht worth of applications filed in 2020.

Japan once again topped the list of FDI source countries with a combined investment value of 80.7 billion baht for 178 projects, followed by China with 38.6 billion baht in investment pledges for 112 projects, and Singapore with 29.7 billion baht for 96 projects. The top three sectors for FDI applications were electrics and electronics, petrochemicals and chemicals, and the medical cluster.

In terms of regions, the Eastern Economic Corridor (EEC), Thailand's prime industrial area comprising Chonburi, Chachoengsao, and Rayong, attracted the most applications with 220.5 billion baht, an increase of 34% from 2020.

Additional Measures to Support Bio-Hub

Additional measures aimed at supporting the bioeconomy approved today include two new businesses to be incorporated in the BOI list of activities eligible for incentives, namely "Digital Trading Platform for Agricultural Products" and "Agri-Food Industrial Estates/Parks".

The digital trading platform activity aims to facilitate the "from farm to factory" concept which aims to ensure the constant supply of high-quality raw materials to the industry and improve productivity of the agricultural sector, including enabling farmers to access relevant modern technologies. It is expected that this model will help enhance a more resilient supply chain in the agricultural and food & non-food industry and will further strengthen Thailand's competitiveness as the world's leading food supplier.

Despite the large number of existing companies in the bio-based sectors, clustering of these activities may not be observed and should be promoted to enhance the linkages between players in the same supply chain. The special zones for agricultural and food

industry aim to group businesses involved in the agricultural and food supply chain, including food processing and businesses using agricultural products, by-products and waste as main raw materials, as well as businesses providing relevant science and technology services (such as testing laboratories) and training.

Both new activities will be eligible for tax benefits for 5 years.

The approved package also includes improved benefits and conditions for businesses involved in the production of extracts from natural raw materials and products using those extracts. The scope of product coverage has been expanded and incentives have been improved with a view to promote the adoption of advanced technology and higher product standards as well as the commercialization of research funded by the public sector.

For more information, please contact:

Thailand Board of Investment

Tel. +66 (0) 2553 8111

Website: www.boi.go.th

YouTube: Think Asia, Invest Thailand
