

THAILAND-An Asian Hub, a World of Opportunity

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Thailand-not just a great place for holidays



Thai Economy: Sophisticated

- World's 10th biggest car maker (2.5 m cars manufactured in 2012)
- Regional hub for electrical & electronic products, consumer goods, processed food
- Upper middle income country with growing middle class



Thailand: 2nd Largest Economy in ASEAN

GDP US\$366 Billion (2012)
US\$5,390 per capita

45%
Industry

43%
Services

12%
Agriculture

- Thailand is the world's
- **17th** largest manufacturer
 - **20th** largest exporter of goods
 - **33th** largest economy

Population: 67 Million

Labor Force: 40.2 Million

Sources: MOC, NESDB, Pocket World in Figures 2013 Edition Note:MYR1=Bt9.74 in Q2,2013

Thailand: the Crossroads of ASEAN

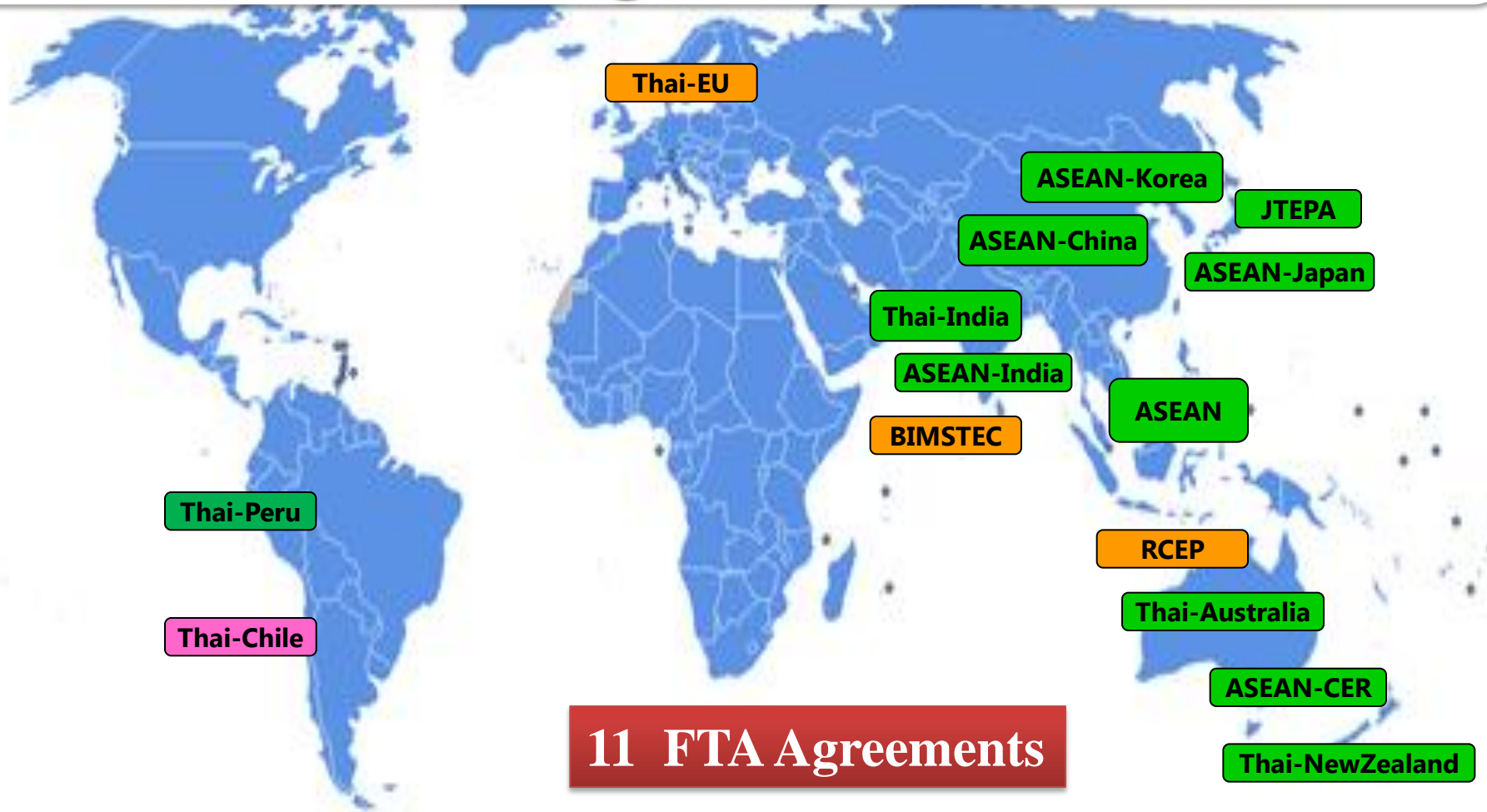
10 Countries, One Single Market in 2015



GDP	US\$ 2.3 trillion
Population	607 million
Foreign Direct Investment	US\$ 111 billion
GDP Growth	5.7% (2011) 6.4% (2012) 5.2% (2013)

ASEAN's GDP to double to US\$4.7 trillion in 2020

Thailand's Extensive Free Trade Agreement Network



In Effect

Under negotiation

finalized

Expanding Regional Integration

AEC

(ASEAN Economic Community)

607 million
population

(9% of world population)

GDP: US\$ 2.3 trillion
(2% of world's GDP)



FLAGSHIP OF ASEAN

- Emerging regional architecture
- A new generation FTA
- A high ambition agreement

RCEP

(Regional Comprehensive Economic Partnership)

3.3 billion
population

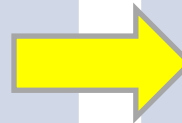
(50% of world population)

GDP: US\$17.1 trillion
(27% of world's GDP)



THE BIGGEST FTA

- Market size (16 countries)
- Regional supply chain
- FDI (intra-extra region)



The World Bank Ranks Thailand among the easiest places to do Business in Asia and 18th in the World



UNCTAD Survey

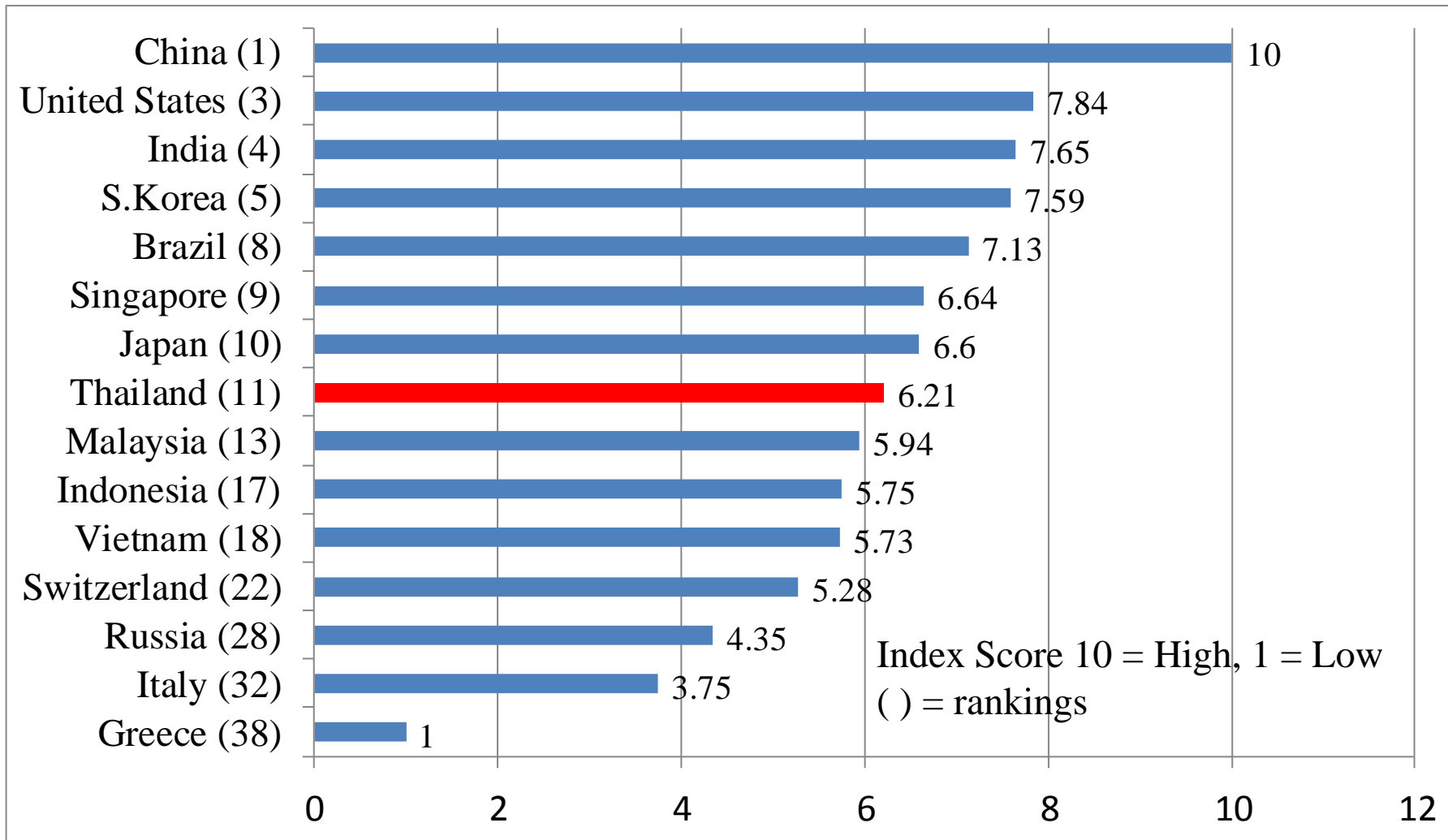
Top Ten Prospective Host Economies for 2013-2015



Source: UNCTAD
Investment Prospect
Survey, based on 159
company responses

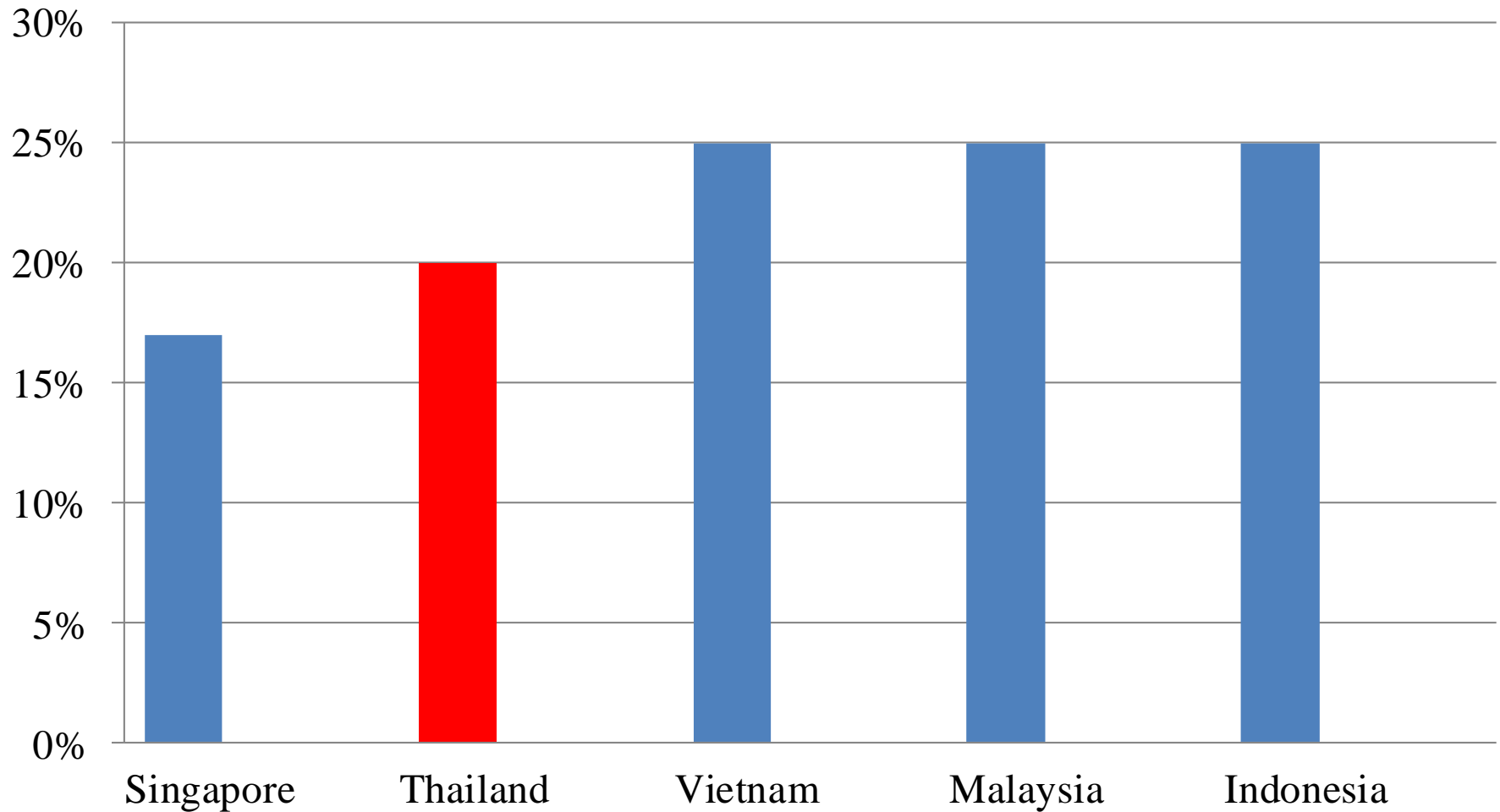
Country	Rank
China	1
USA	2
India	3
Indonesia	4
Brazil	5
Germany	6
Mexico	7
Thailand	8
UK	9
Japan	10

2013 Country Manufacturing Competitiveness Index Rankings



Source: 2013 Global Manufacturing Competitiveness Index, Deloitte Touche Tohmatsu Ltd.
and the U.S. Council on Competitiveness as of April , 2013

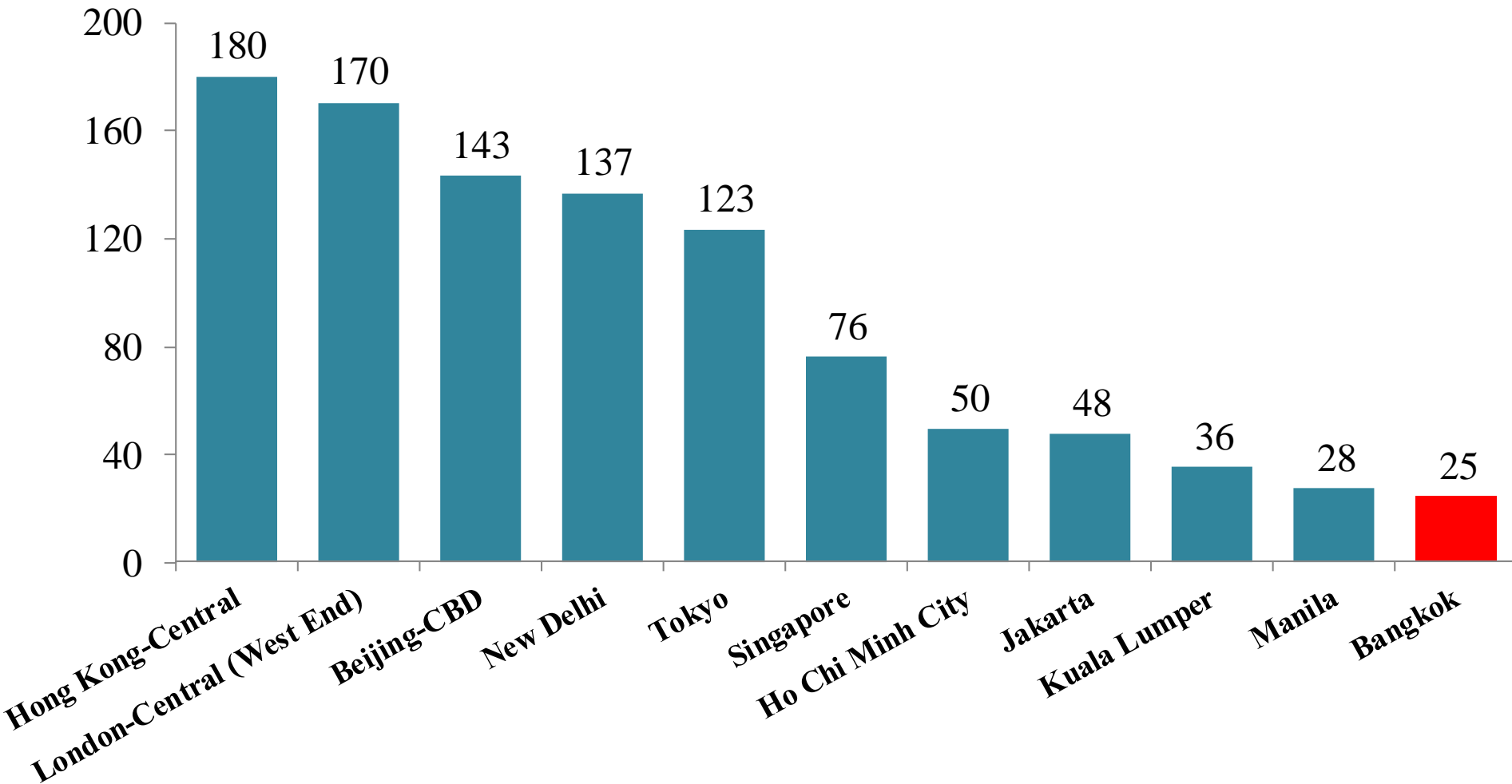
Low Corporate Income Tax 2013



Source: KPMG

Low Costs of Office Occupancy

Euro/sq ft/annum



Source: CBRE Prime Office Occupancy Costs, Q1/2013 as of June 24, 2013 Note: US\$1=Bt29.89 and Euro1=Bt39.03 in Q2, 2013

No restrictions on
foreign currency

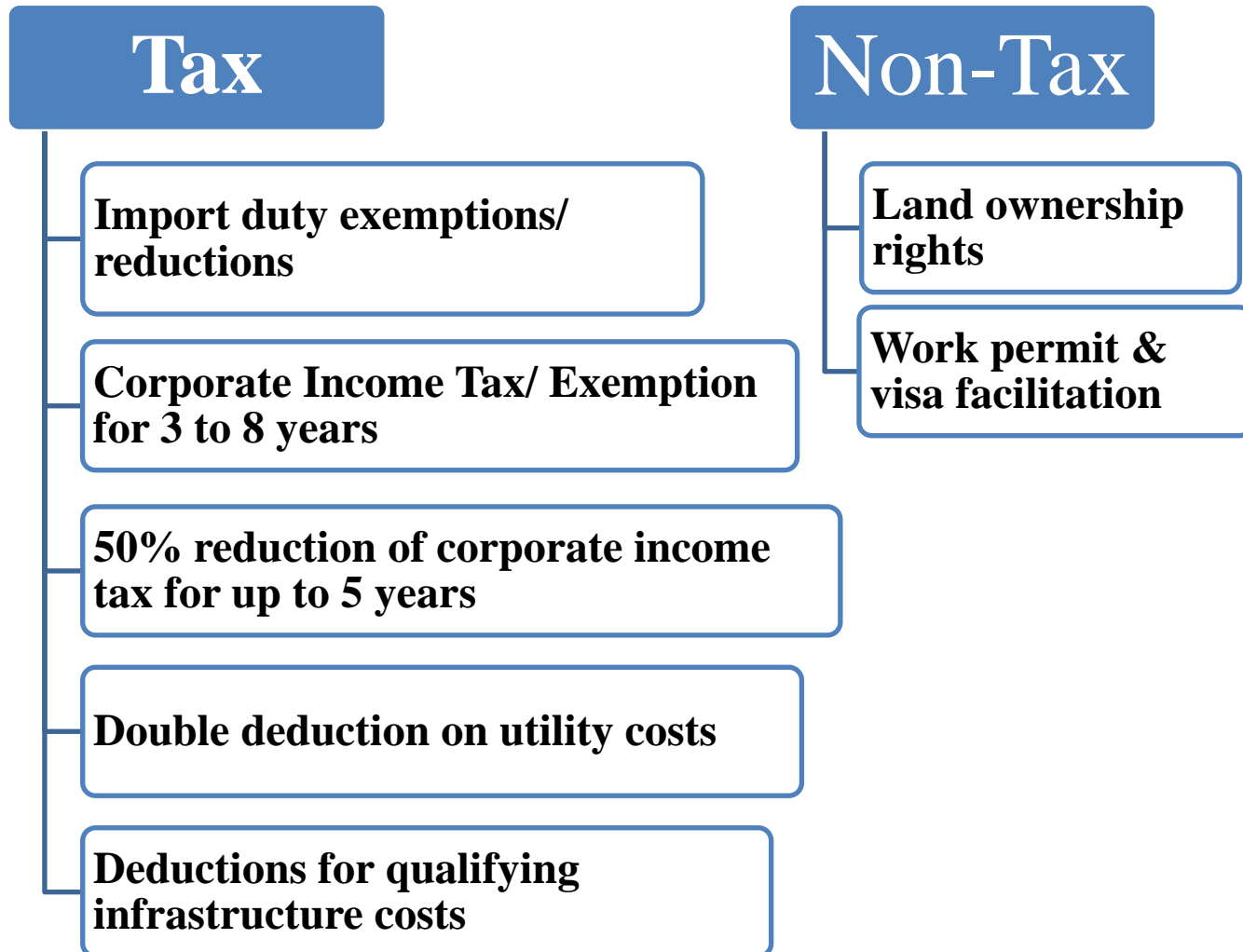
100% foreign
ownership

**LIBERAL
INVESTMENT REGIME**

No export
requirements

No local content
requirements

BOI's Attractive Investment Incentives



Special Tax Regime for Regional Operating Headquarters

Benefit

For portion of income from **OVERSEAS OPERATIONS**

0% CORPORATE INCOME TAX for 15 years

Benefit

For portion of income from **LOCAL OPERATIONS**

10% CORPORATE INCOME TAX for 15 years

Benefit

For income of **EXPATRIATE EMPLOYEES**

15% PERSONAL INCOME TAX for 8 years

Living Abroad

Thailand: Best Overall Expat Experience

Ranking	Country
1	Thailand
2	Bahrain
3	China
4	Cayman Islands
5	Australia
6	Singapore
7	India
8	Taiwan
9	Spain
10	Brazil

Source: HSBC Expat Explorer 2013

Samples of French Investments in Thailand



Sectors of Opportunity for French Investors



Automotive Industry

“Thailand: Automotive Hub of Asia”

10th largest automobile producer in the world in 2012

14 assemblers with a combined production of more than 2,000,000 in 2012

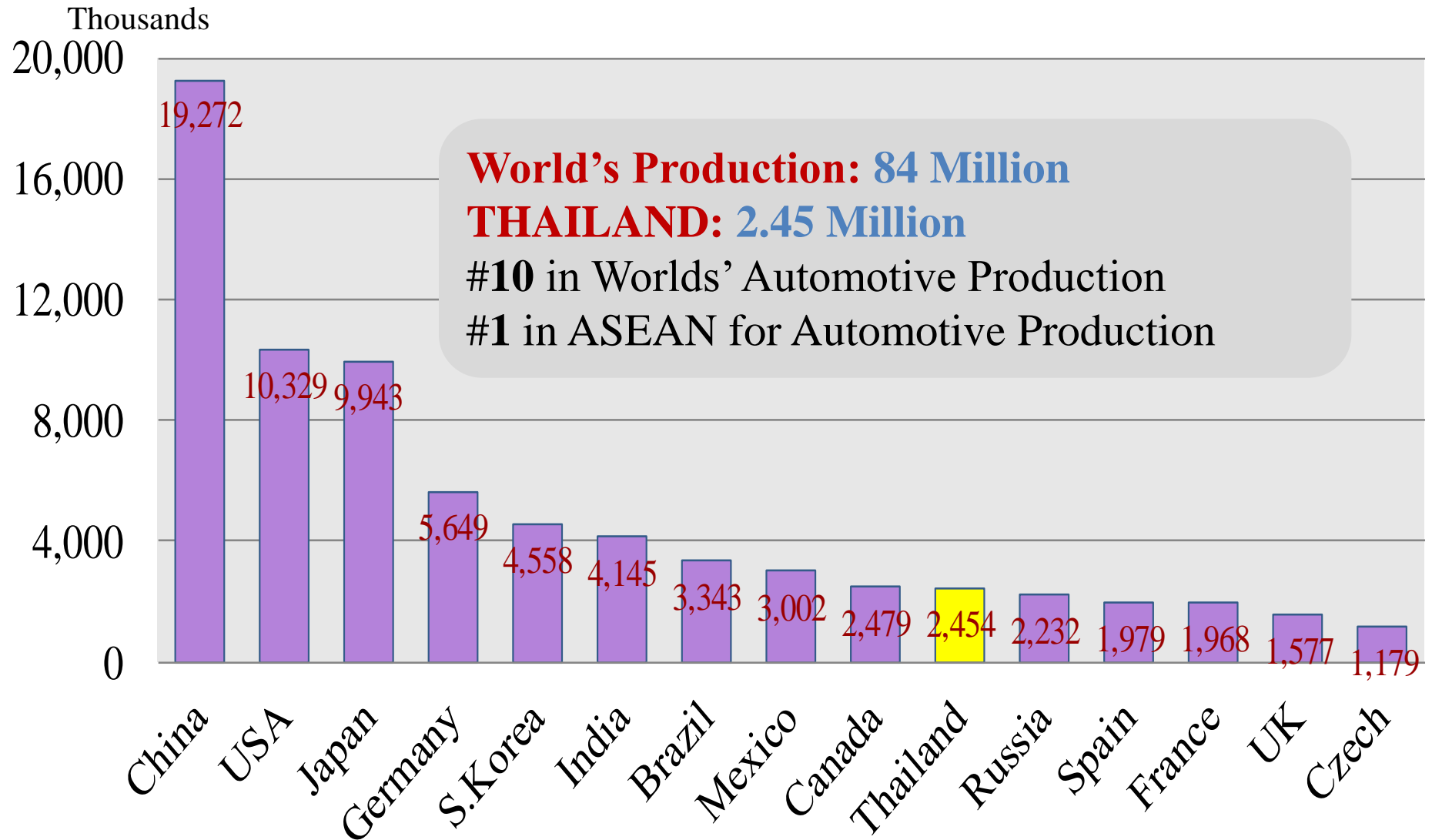
High Local content of up to 90%

Contributes 10% of Thailand’s manufacturing GDP

Employs over half a million skilled direct labor

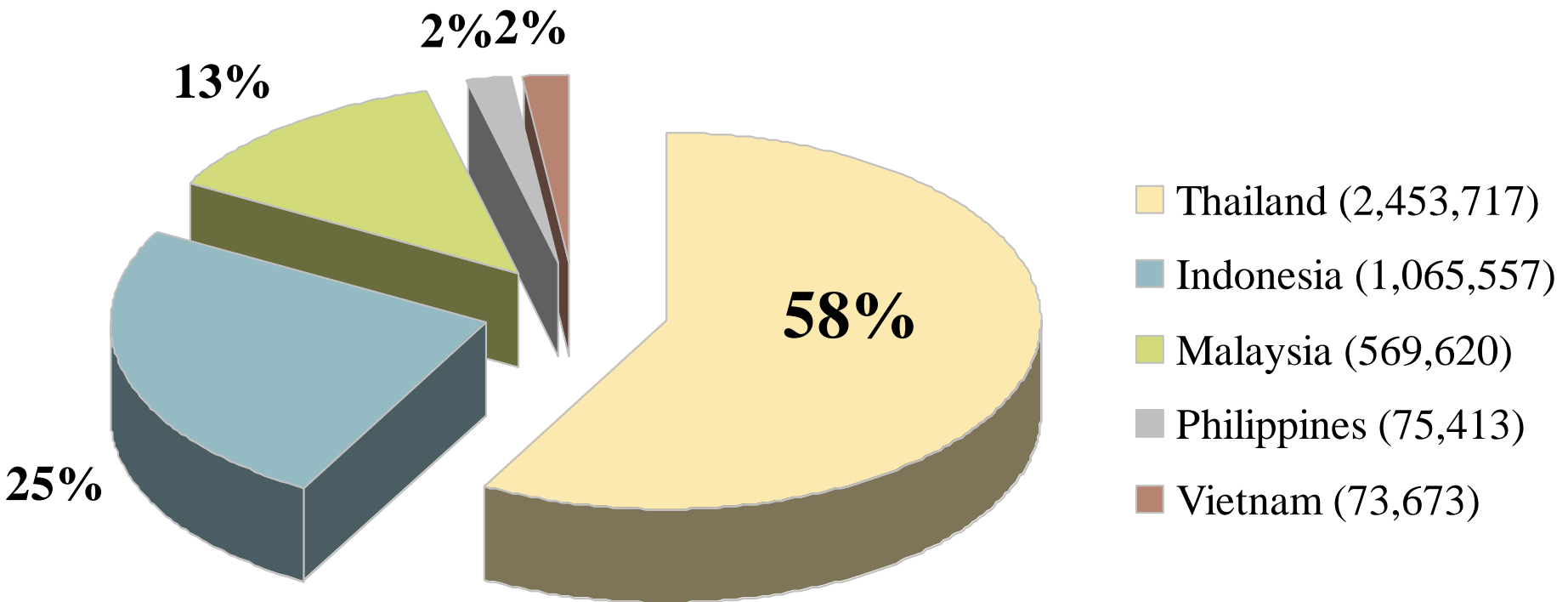
Source: Thailand Automotive Institute

World's Automotive Production 2012















Automotive Production Share in ASEAN 2012

Production Share (%)



Source: ASEAN Automotive Federation(Automotive Summit 2013) as of June 24, 2013

By 2018, ASEAN will be the 6th Largest Automotive Market Globally

Global Rank	SALE 2011	SALE 2015F	SALE 2018F
	17,708,634	29,010,852	33,391,276
	11,562,701	16,466,283	16,970,585
	3,524,789	5,788,462	9,039,806
	3,475,760	5,364,935	6,287,188
	3,173,634	4,591,476	4,717,218
	2,904,338	3,850,511	4,692,961
 2,593,769	 3,499,860	 4,025,975	
	2,409,826	3,429,031	3,968,411
	2,204,229	2,704,451	2,897,909
	1,941,253	2,563,360	2,793,822

Thailand's Automotive Master Plan 2012-2016

Aim: “Global **green** automotive production base with strong **domestic supply chains** which create **high value-added** for the country”

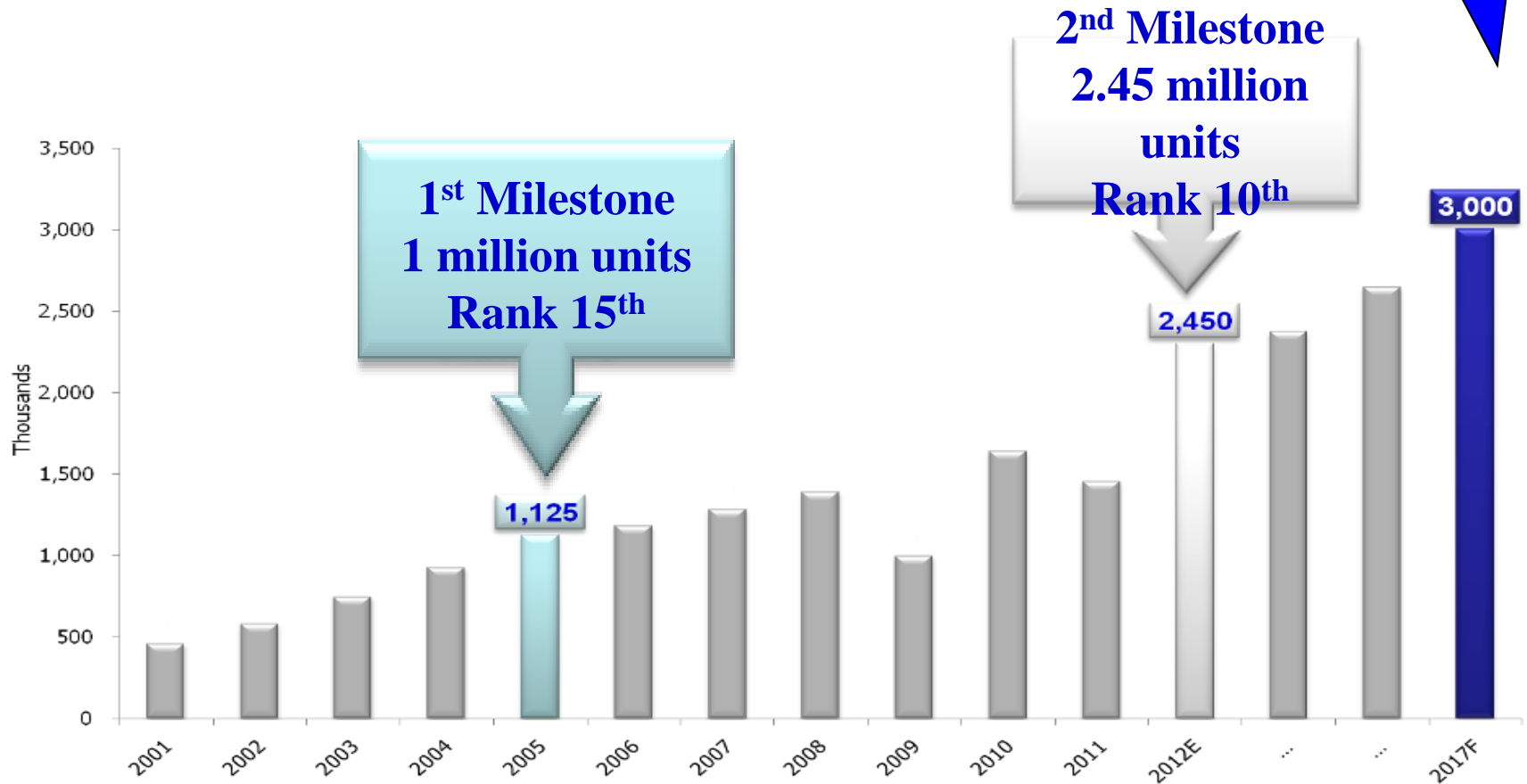
Key Strategies:

- Research and technology development
- Human resource development

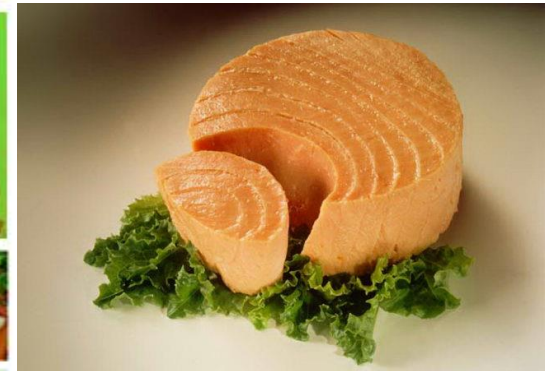
Thai Automotive Industry: ASEAN Hub

- Light Truck (1 ton Pick – up)
- Eco – Car
- Global supplier
- Automobiles & parts regional R&D center

3rd Milestone
3 million units



Thailand's Food Industry



Agro-business Sector

World's # 1 Cassava Exports

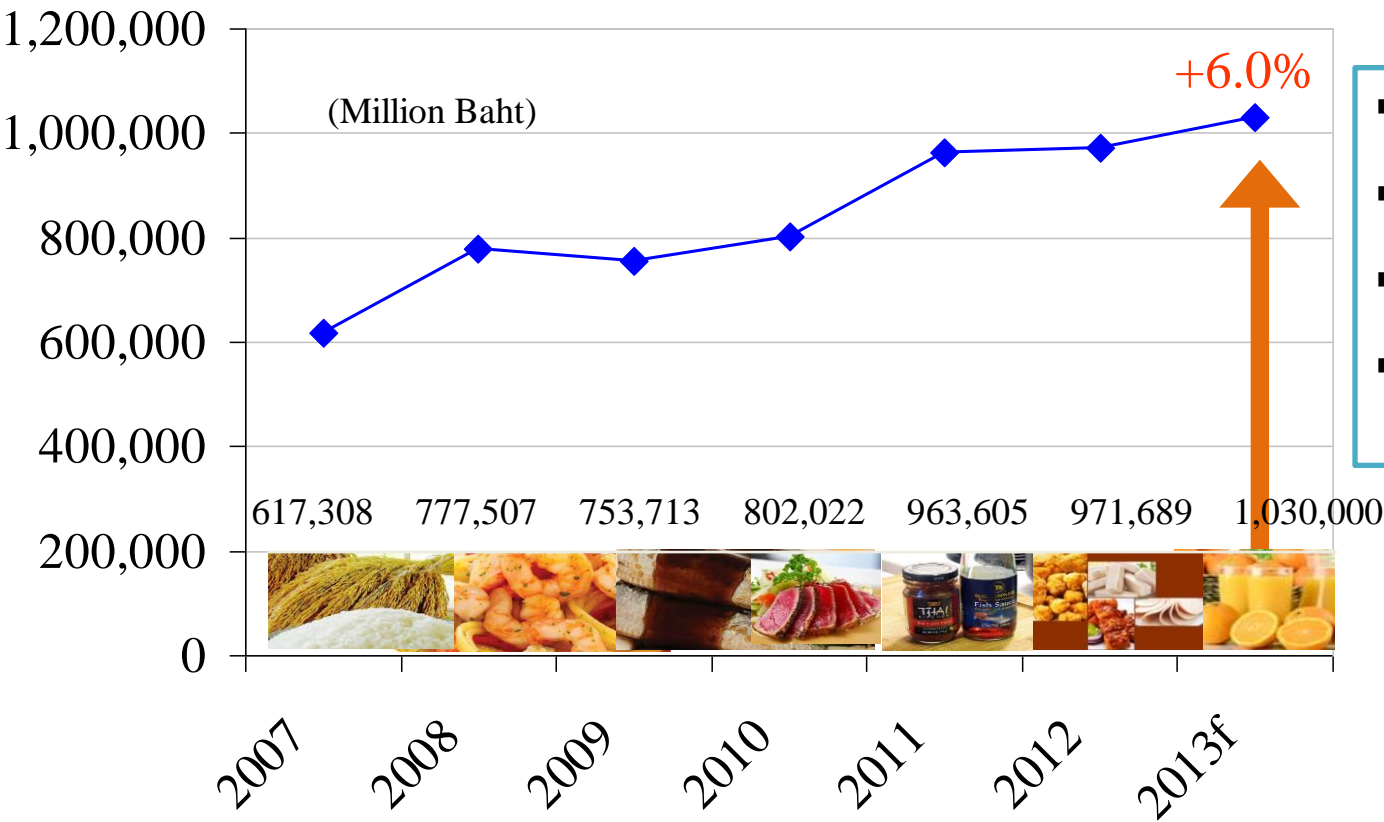
World's # 2 Sugar Exports

World's # 3 Fishery Exports

World's # 6 Rice & Grains Exports

Source: National Food Institute 2012

Thailand Food Exports Forecast in 2013

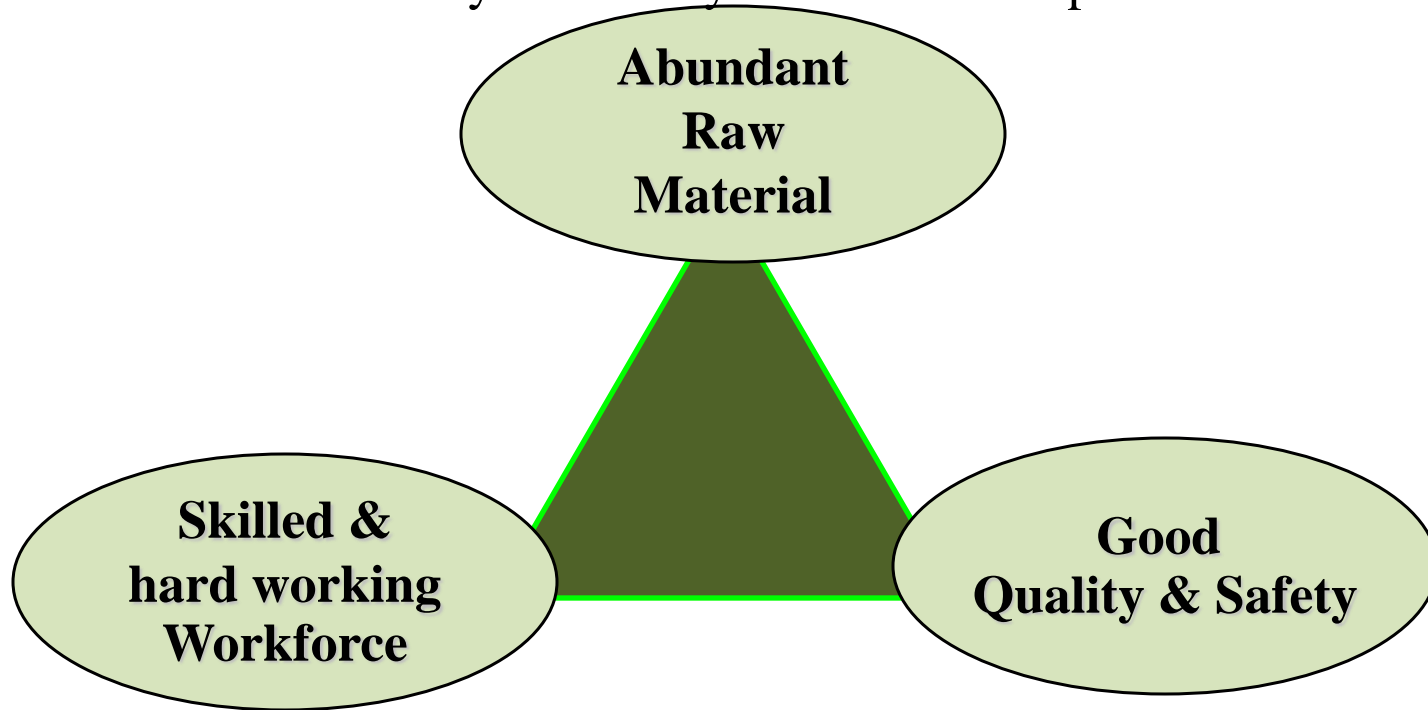


Assumptions:

- World GDP: +3.5%
- Currency: Bt29.50/\$
- World food price: +5%
- Domestic food price: +3%

Strengths of Thai Food Industry

> 80% of raw materials used by the food industry are locally sourced at low prices



Size of workforce now > 39.5 million
Minimum Daily Wage Bt300

GMP and International Standard
Good Manufacturing Practices is a mandatory measure for 54 types of food products

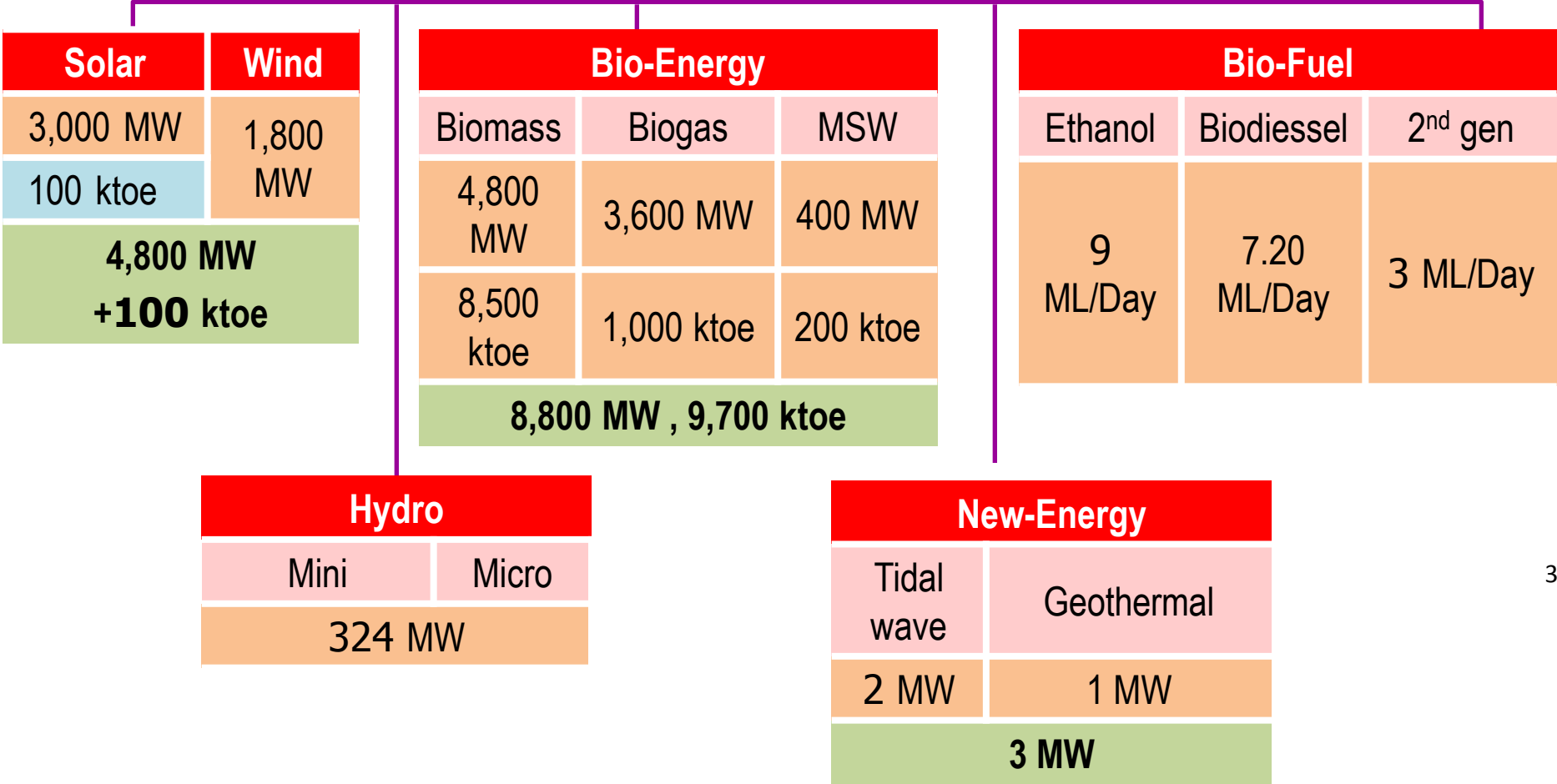
Source: Thailand Food Industry Outlook, Commercial Section, Royal Danish Embassy Mar 2011



Renewable Energy

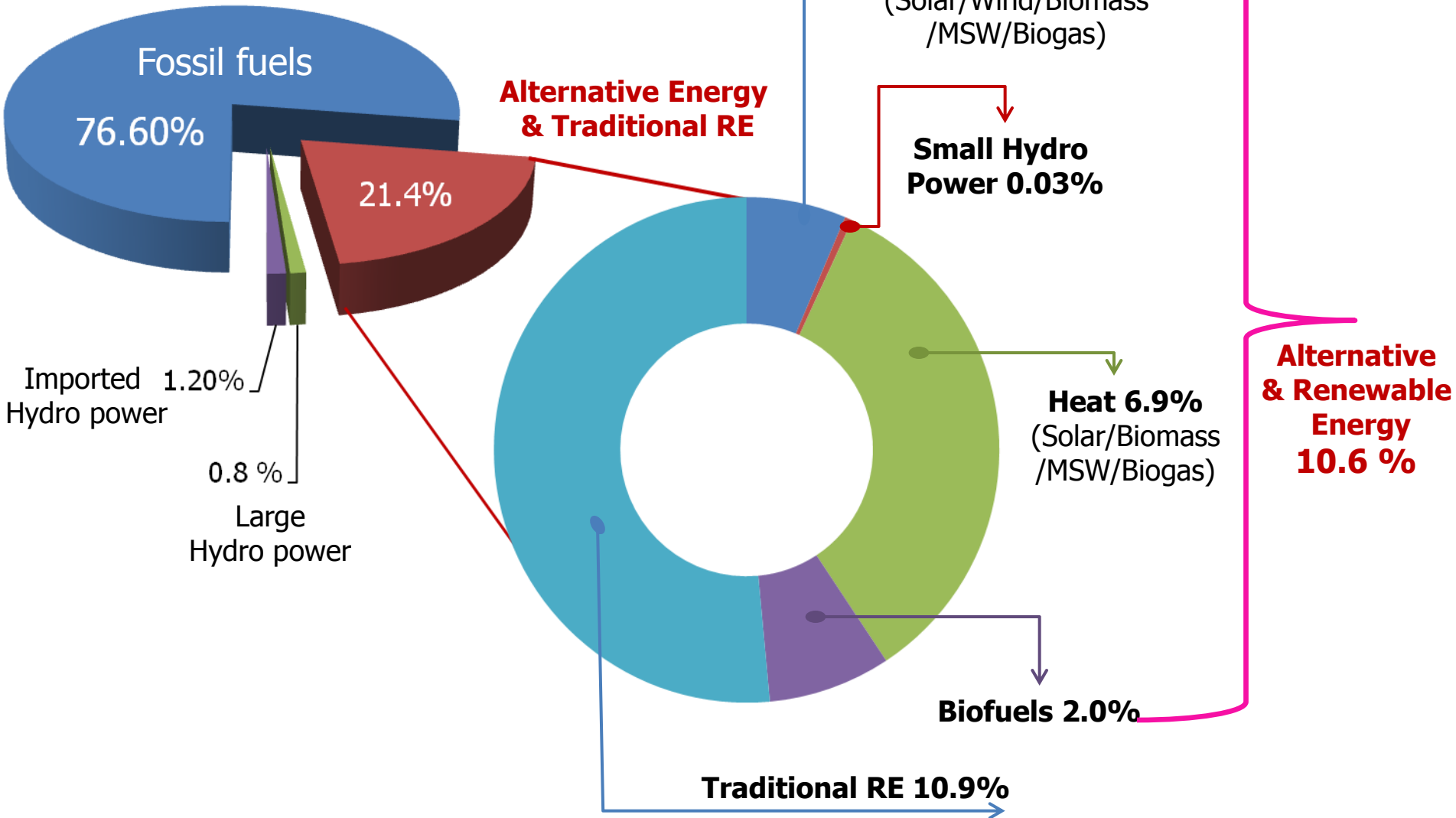
Alternative Energy Development Plan (AEDP : 2012-2021)

Target 25 % of RE in Total Energy Consumption by 2021



Source: Ministry of Energy

Final Energy Consumption Q2/2013



Share of Bioenergy in Energy Consumption

(as of Q2, 2013)

Type of Energy	Unit	2021 Target	Q2 2013 Status
Electricity			
Biomass	MW	4,800	2,185
Biogas	MW	3,600	240
MSW	MW	400	47
Heat			
Biomass	Ktoe	8,500	2,334
Biogas	Ktoe	1,000	241
MSW	Ktoe	200	40
Ethanol	ML/day	9	2.5
Biodiesel	ML/day	7.2	2.8
New Energy Replacing Diesel	ML/day	3	-
Compressed Bio-methane Gas	ton	1,200	-

Healthcare Sector

JCI/CCPC Accredited Hospitals

Popular Health Tourism Destination

Rated 2012 Day Spa of the Year

Medical Device and Pharmaceutical Sectors

Thailand as a Medical Hub of Asia

Thailand has successfully emerged as a **Regional Medical Center** in terms of the capabilities of its increasingly renowned doctors, attainment of international health delivery standards, and provision of excellent health services at relatively affordable prices. Along with enticing tourist attractions, Thailand is becoming a popular **medical tourism destination**, attracting visitors from all over the world.

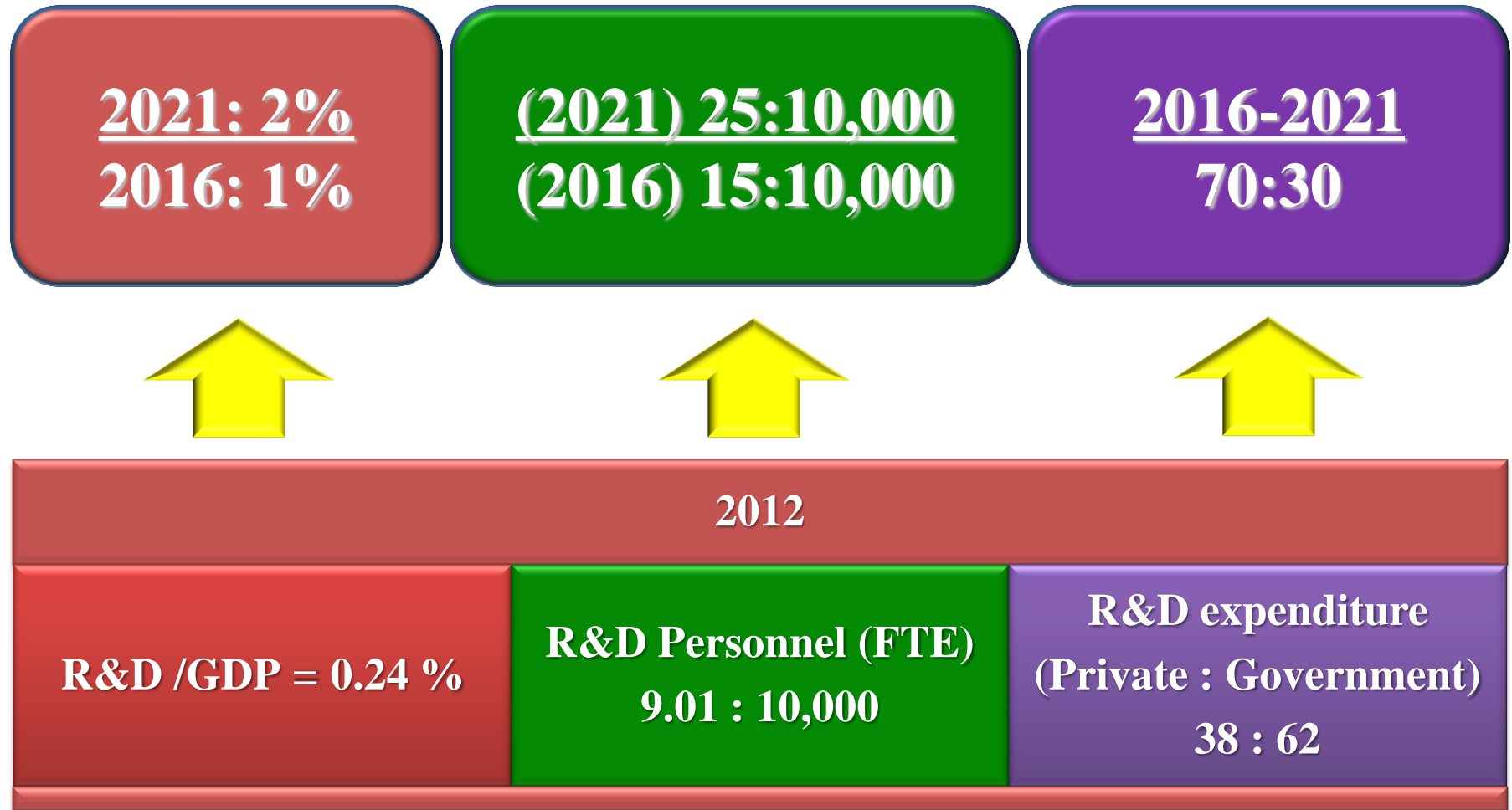


2011 Foreign Patient Visits:
1.3 mil.
Estimated national income:
Bt 80 bn.
Average revenue growth:
5.5-7.0%

*In 2012, Thailand has more than **80** JCI accredited hospitals and other internationally accredited hospitals, together with over **1,000** public hospitals and **300** private hospitals with well-trained staff.*

Source: NESDB Thailand's Competitiveness Report 2012 & Ministry of Public Health as of October 15, 2013

Science, Technology & Innovation Investment Targets

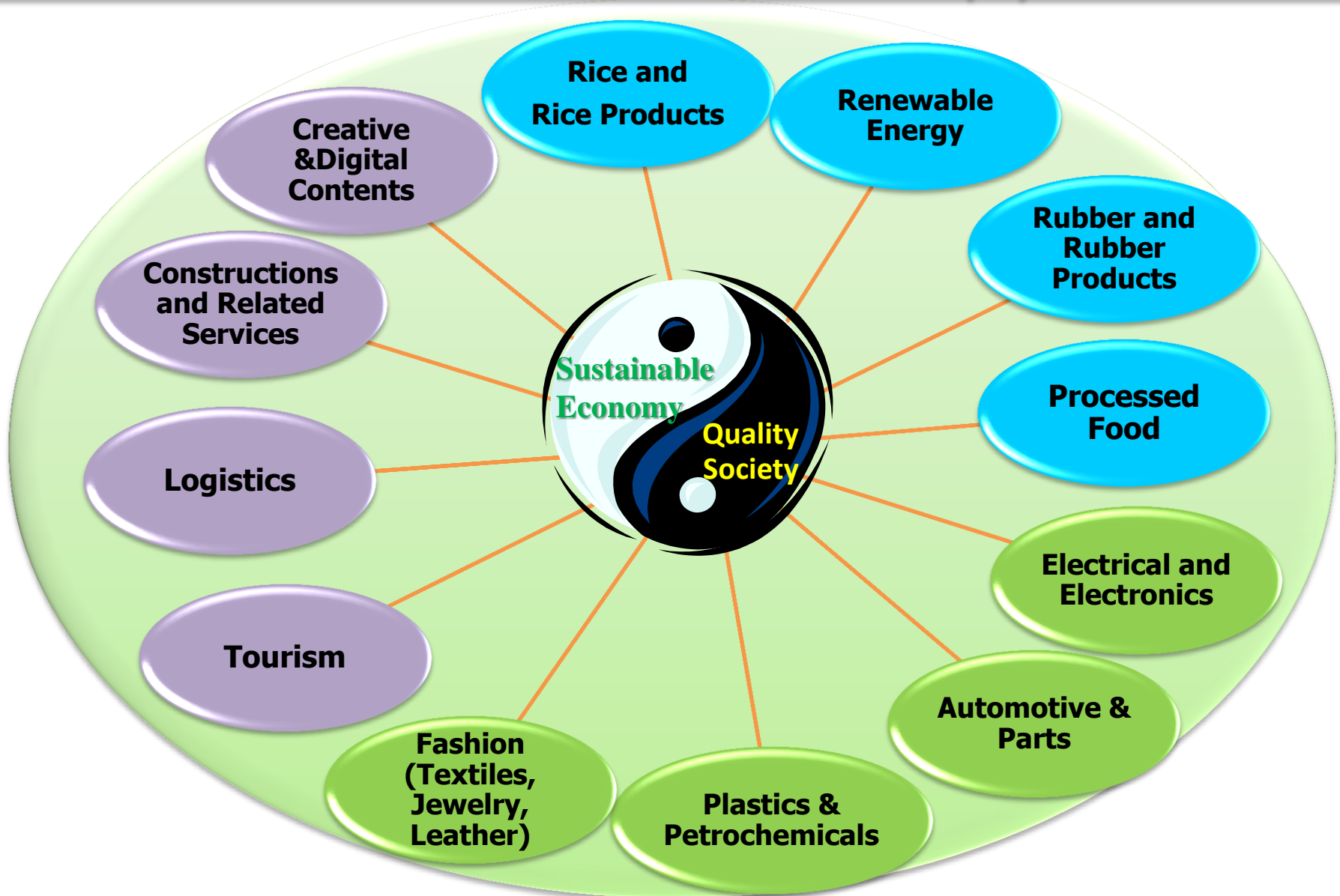


Thailand Status in 2012

- R&D Exp = 21,493 MB
- R&D Exp : Gov : Private = 13,318:8,175 MB
- R&D Personnel = 57,220 (man-year)

Source: National Science Technology and Innovation Policy Office

**Target Strategic Economic Sectors :
Contribute to 33% of GDP and 65% of Employment**



Driving Skill, Technology and Innovation Investment through Investment Incentives

Incentives: Additional 1-3 years of tax holidays

Criteria: Investments and expenditures on

- **Research and development or design**
- **Advanced technology training**
- **Funding educational and research institutions**
- **Contribution to S&T Development Fund**

Examples of MNCs Establishing R&D Centers in Thailand

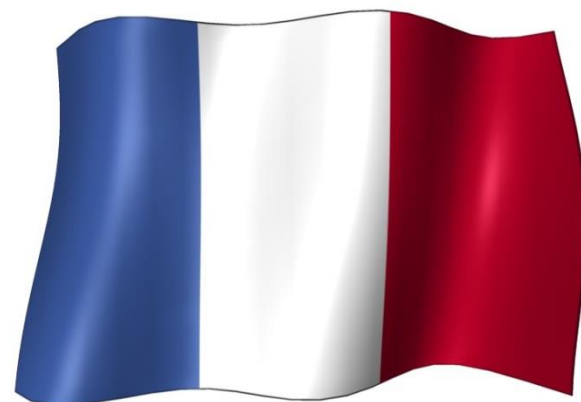


Examples of Thai-owned Large Firms Significantly Expanding R&D Investment





Merci



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