

THAILAND INVESTMENT REVIEW

VOL.29 | DECEMBER 2019

TIR

TRANSPORT
& LOGISTICS

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ABOUT BOI

BOI NET APPLICATION

JANUARY - SEPTEMBER 2019



TOTAL INVESTMENT
1165
Projects
US \$10,333.19
Million



TOTAL FOREIGN INVESTMENT
689
Projects
US \$6,689.67
Million

FOREIGN INVESTMENT BY TARGET SECTORS

	ELECTRONICS 94 Projects US \$1,664.09 Million		AUTOMOTIVE 60 Projects US \$1,109.11 Million
	PETROCHEMICALS & CHEMICALS 45 Projects US \$512.34 Million		TOURISM 9 Projects US \$289.54 Million
	DIGITAL 93 Projects US \$191.72 Million		AGRICULTURE & FOOD PROCESSING 48 Projects US \$315.78 Million
	BIOTECHNOLOGY 4 Projects US \$141.06 Million		MEDICAL 12 Projects US \$82.01 Million
	AUTOMATION & ROBOTICS 5 Projects US \$25.41 Million		AEROSPACE 2 Project US \$17.99 Million

MAJOR FOREIGN INVESTMENTS

Unit: US\$ (US\$ = 30.6 THB as of 11 December 2019)

Note: Investment projects with foreign equity participation from more than one country are reported in the figures for both countries. Statistics on net applications are adjusted whenever applications are returned to applicants due to insufficient information.



JAPAN
167 Projects
US \$1,953.37
Million



PEOPLE'S REPUBLIC OF CHINA
139 Projects
US \$1,499.64
Million



SWITZERLAND
15 Projects
US \$386.47
Million



TAIWAN
44 Projects
US \$318.81
Million



SINGAPORE
88 Projects
US \$307.06
Million



HONG KONG
44 Projects
US \$294.95
Million



NETHERLANDS
30 Projects
US \$194.82
Million



AUSTRALIA
11 Projects
US \$150.63
Million



USA
24 Projects
US \$101.29
Million



SOUTH KOREA
21 Projects
US \$80.26
Million

For more details, please see www.boi.go.th

THE FUTURE OF TRANSPORTATION, LOGISTICS AND MOBILITY

Thailand's transportation and logistics development is accelerating at a rapid pace and positioning Thailand to become the transportation hub of ASEAN. As Thailand develops, growing urbanization creates demand for transportation improvements, and the supply chains of every industry rely on transportation and logistics infrastructure. Given the country's robust growth as one of Asia's mobility and trading hubs, Thailand's transportation and logistics sector shows strong potential to drive further trade, travel, and investment. Future trends in Thailand's transportation and logistics sector are detailed below.



THE FUTURE OF CONNECTIVITY IN THAILAND

Thailand's national infrastructure development program has committed US\$ 25.2 billion to 36 projects concerning rail and road upgrades, public transport improvement, airport expansion and seaport development nationwide.¹ Major plans include:

- U-Tapao airport development
- Sattahip, Laem Chabang, and Map Ta Phut seaport upgrades
- High-speed and double-track railways
- Bangkok's public transport network expansion

A LUCRATIVE ENVIRONMENT FOR INVESTMENT OPPORTUNITIES

The government is facilitating these significant investments in transportation, logistics, and infrastructure projects to promote future connectivity between key hubs and gateways because it recognizes the surging demand for

national and cross-border transportation and the opportunities it creates for investment in the kingdom. Notably, the Ministry of Industry's industrial development strategic plan to promote the Eastern Economic Corridor (EEC) as a leading ASEAN economic zone is expected to drive additional infrastructure investment projects worth US \$43 billion by 2021.² The broad range of transportation infrastructure projects coupled with government support creates a highly favorable investment climate for companies in the transportation and logistics industries.

THE EXPANDING TRANSPORT AND LOGISTICS SECTOR IN THAILAND

Thailand continues to benefit from private investment in public infrastructure projects and the robust, ongoing expansion of countrywide transport networks.³ The expansion of air transport,

high-speed rails and other infrastructure projects in the Eastern Economic Corridor (EEC) are set to drive Thailand's economic growth over the next decade, with strong investment prospects in Bangkok, Rayong, Chachoengsao, and Chonburi. Network expansion and facilities improvement in both the public and private development sectors is projected to remain high thanks to the implementation of large public infrastructure systems and the raft of supportive policies working to stimulate inclusive urban growth.⁴

PARTNERSHIPS DRIVE THE EXPANSION OF URBAN CONNECTIVITY

The role of the Thai government in national transportation and infrastructure development involves facilitating investment projects and partnerships that have far-reaching impacts on people's lives, drive economic prosperity,

¹ BOI. (2017). Thailand infrastructure development. Retrieved from https://www.boi.go.th/upload/content/BOI%20-%20Thailand%20Infrastructure%20Development_14976.pdf

² ASEAN Briefing. (2018). Thailand's Eastern Economic Corridor - What you need to know. Retrieved from <https://www.aseanbriefing.com/news/2018/06/29/thailand-eastern-economic-corridor.html>

³ World Bank Group. (2019). Thailand Economic Monitor.

Retrieved from <http://documents.worldbank.org/curated/en/765751562176921636/pdf/Thailand-Economic-Monitor-Harnessing-Fintech-for-Financial-Inclusion.pdf>

⁴ PWC. (2019). Thailand Infrastructure News. Retrieved from <https://www.pwc.com/th/en/deals/assets/infrastructure-news/Issue10.pdf>

and improve efficiency and safety. The BOI has reported Foreign Direct Investment (FDI) amounting to US \$9.3 billion in the EEC, and a range of Public-Private Partnerships (PPPs) have been established to meet the need for urban mobility and accessibility in line with the government's smart city framework, Thailand 4.0 strategic direction, and urban development initiatives. Thailand's transport infrastructure development strategy places focus on human resource development and strategic investment for the integration of rail mass transit, and investors are seizing the opportunities that investment in these sectors has created.

ONE TRANSPORT FOR ALL: OPPORTUNITIES IN THAILAND

Thailand offers tremendous opportunities across industries and continues to drive investment in its transportation and infrastructure development and expansion. The government established the national investment action plan to address priority multimodal transport projects and interconnection activities, including extensive highway and rail system improvements, next-generation mass transit, 11 international airports, 8 major deep seaports, and well-integrated international river ports.⁵ In this pursuit, the Ministry of Transport (MOT) outlined significant investment opportunities and bilateral cooperation prospects to promote sustainable, safe, and cost-effective transport and logistical measures in areas such as aviation development, border transport upgrades, and marine transport and logistics integration. Signed MOUs at a regional level include the following:

- Thailand-Japan Transport Cooperation
- Thailand-Republic of Korea Transport Cooperation
- Thailand-Germany Transport Cooperation
- ASEAN Transport Cooperation
- Greater Mekong Subregion (GMS) Transport Cooperation⁶



BOI INCENTIVE POLICIES

The Thailand Board of Investment (BOI) provides enticing privileges to foreign investors to support further logistics and transport infrastructure development. Subject to conditions and/or approval by relevant government agencies, the BOI provides investment facilitation for investors through its competitive package of tax incentives, general incentives, and assistance relating to smart visas and work permits. Some examples of the incentives include:

- Companies that are involved in the manufacture and/or repair of rolling stock, parts or equipment for rail systems may apply for BOI's incentives under the general list of activities for investment promotion ranging from group A1 to A3.
- Companies investing in mass transit systems and transportation of bulk goods may obtain the following general incentives:
 - A2: Rail transport
 - B1: Pipeline transportation (except water pipeline)
 - A2: Maritime transportation services
 - A3: Air transportation services
- Logistics service centers may be eligible for the following incentives:
 - B1: Logistics service's distribution centers (DC)
 - A3: International distribution centers (IDC)
 - A3: Logistics Park
- In addition to general incentives, logistics businesses in certain areas for the Special Economic Zones (SEZs), subject to conditions, may be granted 8-year exemptions on corporate income tax and an additional 50% reduction in corporate income tax for 5 years.



⁵ Invest in ASEAN. (2019). Thailand.

Retrieved from <http://investasean.asean.org/index.php/page/view/asean-member-states/view/709/newsid/862/thailand.html>

⁶ Ministry of Transport. 4-year Performance of Ministry of Transport: For Happiness of Thai People.

Retrieved from https://complain.mot.go.th/prproject/files_upload/publishonweb/4years-performance-mot.pdf

FROM ROAD TO RAIL

A MAJOR UPGRADE

Looking for a way to tap into the ASEAN market, one of the fastest growing markets in the world? Thailand offers the most convenient point of access for the region's 640 million residents. Located at the heart of Southeast Asia, Thailand is known as the region's connectivity hub. Its capital, Bangkok, welcomed over 22 million international visitors in 2018, making it the world's most visited city four years in a row.¹

The kingdom has relied heavily on roads for transportation, but since rail transportation consumes less energy, occupies less land, results in fewer accidents and causes less air pollution, it is a more cost-effective solution for many types of freight. Recognizing these advantages, the Thai government has invested to strengthen the country's position as a regional hub by improving inter-country transportation connectivity and efficiency through a major overhaul of railway systems. Under Thailand's Transport Infrastructure Development Strategy 2015-2022, the value of railway development projects takes up about half of the megaproject's THB1.94 trillion (US \$63.39 billion) total budget.



In April 2019, the Department of Rail Transport was established under the Ministry of Transport (MOT) to drive the country's rail management and infrastructure development. It is tasked with creating rail transportation development policy and regulations as well as overseeing rail management, including the ongoing development projects under the Transport Infrastructure Development Strategy. The railway development strategy paves the way to integrated and seamless transportation in the ASEAN region through improvement of existing inter-city tracking and facilities and the development of double track railways, commuter trains, metros and high speed trains.

THE TRAIN IS ON TRACK

A total of 43 railway system development projects are planned for implementation under the State Railway of Thailand (SRT) and the Mass Rapid Transit Authority of Thailand (MRTA). The former manages inter-city railway

infrastructure and services while the latter oversees rapid transit systems in Bangkok and other major cities. Major railway infrastructure development projects include a double track railway network, including high-speed rail (HSR), and mass rapid transit development.

• Double Track Railway Network

Under the Intercity Rail Networks Development plan, there are 25 double track railway projects, including 6 High Speed Rail (HSR) projects, set to connect regional centers and link major cities. The plan calls for a 5,561 kilometer rail network by the end of 2022. As of June 2019, the MOT reports that construction on six rail projects and one HSR project has commenced.

The 187 kilometer double track rail line between Nakhon Ratchasima and Khon Kaen opened in March of 2019. This new route forms a part of the northeastern rail link, and will shorten a passenger train trip from 3 hours to

¹ <https://newsroom.mastercard.com/wp-content/uploads/2019/09/GDCI-Global-Report-FINAL-1.pdf>

less than 1.5 hours and a cargo train trip from 6 hours to only 2.5 hours. The Chachoengsao-Klong Sib Kao-Kaeng Koi line is also expected to be completed in 2020. This route offers a gateway to Thailand's next major economic zone, the Eastern Economic Corridor (EEC).

Thailand's HSR infrastructure projects, when completed, will strengthen the Trans-ASEAN bullet train network, expanding trade across the region. The routes will link Bangkok to major cities in the North, Northeast, South and the EEC in the East. Ultimately, the Northeastern Bangkok-Nong Khai route, a collaboration between Thailand and China, will connect with the HSR from China through Laos. The Southern Bangkok-Padang Besa line will link to Malaysia and Singapore. The northeastern line construction is expected to commence in 2020. The second phase is expected to start in 2020. Another high priority HSR investment is the flagship east route project. The first phase will link the three major international airports in Thailand: Don Mueng International Airport, Suvarnabhumi Airport, and U-Tapao International Airport.

• Mass Rapid Transit System

By 2029, Bangkok Metropolitan's mass rapid transit system will span a total length of 557.56 kilometers. The expansion of the green line from Mochit to Khu Khot is expected to be completed in December 2020. The Blue metro line will open new stations in early 2020, and the construction of the Dark Red commuter rail connecting Bang Sue Central Station, Bangkok's next rail transport hub, to the northern suburbs is projected to open in early 2021.

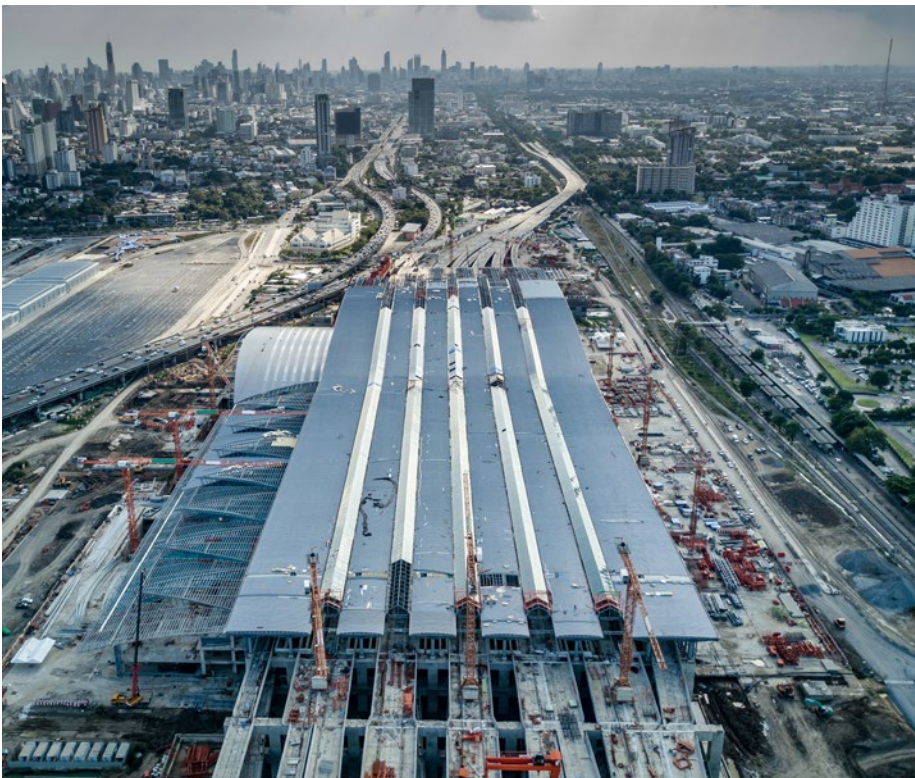
BOI INCENTIVE SUPPORT

To support rail development, the Thailand Board of Investment (BOI) offers appealing privileges to investors, inclusive of tax and non-tax incentives, and business-related assistance such as work permits. Investors in the rail sector, manufacturing and/or repairing of rolling stocks, parts or equipment for rail system, are eligible for corporate income tax exemption for a consecutive period of no more than eight years, provided that applications are submitted by December 30, 2021 and projects meet the BOI's requirements and conditions.



RAIL SYSTEMS TO PROPEL OPPORTUNITIES

Thailand's railway development projects are creating lucrative opportunities for a wide range of investors. Companies with operations relating to these megaprojects can seize tremendous investment opportunities. Demand for rail components, electrification and power supply systems, railway signaling systems, and train and infrastructure maintenance will skyrocket following completion of the projects. Investors in other industries will enjoy a variety of opportunities in real estate development, retail, logistics, tourism and more.



MASS TRANSIT CONNECTS BANGKOK TO A BRIGHTER FUTURE

The mass transit system in Thailand's capital city has been called a model for emerging Asian countries.¹ By collaborating with industry leaders with a long history of excellence in the rail market, Bangkok has benefited from two iconic transit systems: the BTS Skytrain and the MRTA Metro underground. The government is planning extensive expansions of Bangkok's mass transit network, and 12 routes covering 512.5 kilometers across 312 stations will be completed by 2029. This plan includes extending current lines as well as constructing new ones in order to better link Bangkok with surrounding suburb and provinces, that will be capable of transporting an estimated 7.6 million passengers a day.

The Thai government's concerted efforts to develop the country's mass transit infrastructure under the

Thailand 4.0 development strategy has driven investment from a number of leading international companies and created new opportunities in the rail transport sector. Increased investment in this sector builds the capacity of Thai engineers and sets the country on the path to be a leader in the rail transport industry in southeast Asia.

The expansion of mass transit in Thai cities has positive implications for Thailand's economy and society beyond the influx of investment. Currently, Bangkok's twin transit systems, the BTS Skytrain and the MRTA Metro, enable nearly one million people each day to efficiently and affordably move around the city, making Bangkok one of the most livable capital cities in Southeast Asia, and a model for the rest of the region. Bangkok is well known of its traffic

and congestion, leading to delays and frustration from commuters and decreasing employee productivity. Expanding the mass transit system will help reduce traffic, decrease the time and cost of commuting, and allow people to move around the city more safely, more efficiently and more sustainably.

Thailand's mass transit investment also addresses concern about the environmental impact of carbon dioxide and other greenhouse gasses. With an estimated twenty five percent of Bangkok's carbon emissions stemming from transport¹, expanding the mass transit network to increase public transport ridership and decrease private vehicle use will help the government meet its objective to curb emissions.

As mass transit systems in Thailand continue to expand, there will be increased demand, and new opportunities, for the rail industry in the kingdom. If the government approves the proposed tram systems for major markets such as Chiang Mai, Phuket, and Khon Kaen, partnerships could move forward to establish a plant to produce rail cars for both the Thai and greater Southeast Asian market.²

Dr. Sombat Kitjalaksana, the Managing Director of the Bangkok Expressway and Metro Public Company (BEM), summed up the importance of mass transit well: "The metro isn't just about the passengers' demands; it is actually about the economy. If we didn't have the Mass Rapid Transit System, the economy would immediately become bottlenecked."³



1 World Bank: http://siteresources.worldbank.org/INTCARBONFINANCE/Resources/Chanin_Manopiniwes_Nat_Pinnoi_Bangkok_Urban_Transformation.pdf

2 Ibid.

3 Lesley Nichol, "Blue Line Upgrade: Trust is a must," Siemens, (17 July 2018). <https://new.siemens.com/global/en/company/stories/mobility/trust-is-a-must.html>

BOMBARDIER TRANSPORTATION THAILAND



Bombardier Transportation, a global leader in the rail industry, has had a strong footprint in Thailand for over two decades. Mr. Claudio Tiraferri, Head of Region Asia Pacific for Bombardier Transportation's Rail Control Solutions Division and Managing Director of Bombardier Transportation Thailand and Mrs. Yuwaree Chulya, Head of Finance for Bombardier Transportation Southeast Asia discussed the company's commitment to the railway industry in Thailand.

WHY THAILAND?

Bombardier Transportation began its investment journey in Thailand in 1997, with a small team focused

on rail control and signaling technology. "The choice of Bangkok as a base was driven by several factors, including its level of development, strategic location, and skilled workforce," said Mr. Tiraferri. "The city had an established power system, which the company saw as a necessary foundation for developing a transportation network. Thailand is also situated in the heart of Southeast Asia with close proximity to other key markets, providing a strategic base for Bombardier's rail control products and services in the region."

In 1998, Bombardier provided the first successful electronic interlocking in the region and by 2007 had

established its Bangkok site as the first Regional Centre for Rail Signaling Engineering in Asia. Today the team has grown to 600 employees in Thailand, of which 85% are Thai, working on Bombardier's full range of high-technology rail system solutions and services, as part of Bombardier's wider presence across the region. The Bangkok site is the base for a state-of-the-art regional customer training center on mass transit rail control and growing global center of competence for system integration.

A LEADER IN TRANSPORTATION SOLUTIONS

Since commencing operations in Thailand, Bombardier has been proud to be a local partner for key customers, including the Bangkok Mass Transit System Public Company Limited (BTSC), the State Railway of Thailand (SRT), and Bangkok Expressway and Metro Company Limited (BEM).

Expanding on its first projects in Bangkok, which included upgrading the signaling on the Bangkok SkyTrain and its subsequent extensions, the company is currently working to implement Thailand's first monorail systems—providing its turnkey *BOMBARDIER INNOVIA* solutions, comprising trains, signaling and other sub-systems for the city's new Pink and Yellow lines and first automated people mover system on the city's new Gold Line. Mr. Tiraferri said,

“The choice of Bangkok as a base was driven by several factors, including its level of development, strategic location, and skilled workforce.”

“As well as providing our market-leading technology, key growth areas for Bombardier are system integration and services. Railway systems are complicated and Bombardier can ensure that the many sub-components required are delivered as one solution which is then supported throughout its entire life cycle.”

Notably, Bombardier was recently awarded its first order in Thailand to deliver the now globally-recognized European Rail Traffic Management System (ERTMS) Level 1 technology for mainline operations. “Upgrading to ERTMS is an excellent and proven choice for Thailand to provide improved safety and reliability of services, plus integration between systems from different companies, allowing for easier network development,” Mr. Tiraferri said. “The standard can also facilitate cross-border transport and trade, as it can enable seamless transitions for trains and freight to other similarly equipped rail systems.”

A STRONG FUTURE THROUGH INVESTMENT IN LOCAL SKILLS DEVELOPMENT

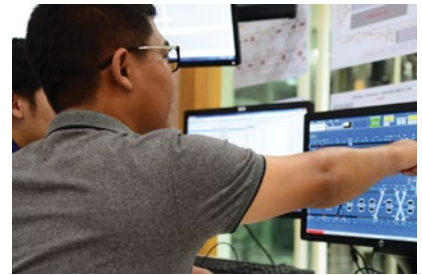
Bombardier strongly recognizes Thailand’s long-term potential and has made significant investments in developing the advanced railway engineering expertise and business education of its employees. This engineering expertise spans both mass transit and mainline rail system technologies, explained Mrs. Yuwaree Chulya. “Our Thai Engineers have been developed with high

technology skills and have become much needed resources. As a result, they help the Thai economy and contribute to projects around the world.”

“It is natural, and a reflection on their level of training, that some Bombardier employees may go to work for other companies, but we see this as an asset,” said Mr. Tiraferri. “They often return to work for us with broader experience and a deeper understanding of how to provide even better solutions for our customers.”

Bombardier Transportation Thailand also prides itself on being a leader in gender diversity in the industry, both in the region and globally. “Diversity in the workforce is a key success factor for Bombardier as a whole, as employees gain understanding of different ways of working from colleagues of different genders, ages, nationalities and cultures.”

The company’s commitment to localization in Thailand has also extended to university programs which are benefitting the entire industry. In 2018, the company signed a Memorandum of Understanding (MOU) with Mahidol University to develop the first postgraduate degree in Thailand on railway engineering. The company has also signed MOUs with Navamindradhiraj University and Kasetsart University in 2016 and 2013, respectively, to develop signaling and rail expertise in their university curricula.



ATTRACTIVE INCENTIVES FROM THE BOI

The BOI has been an integral part of Bombardier’s continuing growth in Thailand. The BOI first approved Bombardier’s investment application in 2014, providing tax and import benefits, supporting business development, and facilitating the company’s efforts to bring in international experts to grow local knowledge and introduce advanced technology to the market.

“Incentives and investment support from the BOI make Bombardier’s engineers globally competitive, and the company has sent them around the world to assist with projects and gain experience,” said Mr. Tiraferri.

Support from BOI also enabled Bombardier to establish the status of Regional Operating Headquarters, and most recently an International Business Centre in 2019, which have enabled the company to continue its growth and add new roles and expertise to the Bangkok site. The BOI recognizes the importance and potential of the rail and logistics industry and offers a wide range of tax and non-tax incentives for projects that support Thailand’s push to upgrade its rail systems. The BOI is ready to assist companies in their investments that will help develop Thailand’s rail ecosystem, putting Thailand on track to be a regional rail hub.



BOI PRESENTS “BUSINESS OPPORTUNITY IN THAILAND” SEMINAR

20 NOVEMBER 2019 Mr. Chokedee Kaewsang, Deputy Secretary General BOI, presided over the opening ceremony of the “Business Opportunity in Thailand” seminar which was co-presented by the Eastern Economic Corridor (EEC) and Japan External Trade Organization (JETRO). The seminar was presented to over 70 Japanese investors at BITEC Bangna, Bangkok. Mr. Chokedee Kaewsang, Deputy Secretary General BOI, together with Ms. Kanchana Noppun, the Executive Director of the Investment Services Center of the BOI, and Ms. Patcharada Nawakawongkarn, the Director of BOI Osaka Office, hosted a welcome reception for investors from Japan and Thailand to network.



BOI LEADER ADDRESSES 2019 SEGYE ASEAN FORUM IN SEOUL

20 NOVEMBER 2019 Mr. Narit Therdsteerasukdi, the Deputy Secretary General of the BOI, presented on impacts of trade wars on ASEAN's investment opportunities during the 2019 Segye ASEAN Forum. Approximately 200 participants joined the event organized by Segye Times, a leading news publication from the Republic of Korea. The forum was honored by the attendance of Mr. Yunmo Sung, Minister of Trade, Industry and Energy (MOTIE), Mr. Park Young-sun, Minister of SMEs and Startups, and Mr. Joo Hyung Chul, advisor to President Moon Jae-in, and the President of the Presidential Committee on New Southern Policy.



BOI LEADS AGRO DELEGATION TO TOKYO INDUSTRY EXHIBITION

13-15 NOVEMBER 2019 Mrs. Achara Soontawnkrut, Director of BOI Tokyo Office, together with the Investment Ecosystem Division of the BOI, led a group of Thai entrepreneurs in the agro processing and healthcare sectors to an investment promotion activity at the Tokyo International Industry Exhibition 2019 in Japan.



MAXIMIZING BOI PROMOTIONS PRESENTATION AT STOCK EXCHANGE OF THAILAND

14 NOVEMBER 2019 Mr. Narit Therdsteerasukdi, Deputy Secretary General of the BOI, together with Mr. Suthiket Thatpitak-Kul, Executive Director of the Investment Promotion Division 1 (Bio and Medical Industries), lectured on how to “Maximize BOI Promotion for Best Benefit and Efficiency” organized by mai listed company association (maiA) at the Stock Exchange of Thailand.



EXECUTIVE DIRECTOR TOYAMA JAPAN MEETS BOI

21 NOVEMBER 2019 Ms. Ratchanee Wattanawisitporn, Executive Director of Foreign Investment Marketing Division of BOI, welcomed the delegation of executive director from Toyama, Japan who had come to visit Metalex 2019 expo. The meeting was held at the BOI head office where the delegation and the BOI expressed interest in potential cooperation to leverage the Thai industrial sector.



BOI PRESENTS TO AUTOMOTIVE SEMINAR IN JAPAN

21 NOVEMBER 2019 The BOI Office in Tokyo partnered with the city of Hamamatsu, site of Suzuki Motor's headquarters, to organize a seminar focused on the automotive industry. In the seminar, Mrs. Achara Soontawnkrut, Director of BOI Tokyo Office, and Mr. Chatri Limongsai, Executive Director of the Investment Promotion Division 2 (Advanced Manufacturing Industries), in collaboration with KPMG, presented on the modern automotive technology industry and outlined the investment incentive policies that Thailand is offering for this sector.

KEY ECONOMIC FIGURES

GDP
(2018)**US \$506.2**
BILLIONGDP PER
CAPITA
(2018)**US \$7,462**

GDP GROWTH



INVESTMENT GROWTH



EXPORT VALUE GROWTH

UNEMPLOYMENT
2018***1.1%**HEADLINE
INFLATION
2019***1%**

Source: NESDB

*Forecast under Source: NESDB, add Bank of Thailand

MARKET PROFILE 2018

POPULATION
69.6
MillionMINIMUM WAGE
PER DAY
THB **325**\$ APPROXIMATE
US \$10.5

Source: United Nations and Ministry of Labor

CLMVT ECONOMY AT-A-GLANCE



Source: IMF, International Trade Statistics, UNCTAD, World Bank Data 2018

POPULATION

242
Million

GDP GROWTH

8.2%

FDI

52
US \$ BillionIMPORT
FROM THE WORLD**12.7%**
(540 bil. US \$)EXPORT
FROM THE WORLD**9.9%**
(535 bil. US \$)

INTERNATIONAL COMPETITIVENESS

Source: WEF, IMD and World Bank

THAILAND IS THE EASIEST CLMVT COUNTRY TO DO BUSINESS.

LEAST TIME
TO SET UP BUSINESS**4.5** DAYSHIGHEST RATING:
WORLD BANK EASE OF
DOING BUSINESS 2019**27TH**FEWEST
PROCEDURES **5** STEPSHIGHEST SCORE:
WORLD ECONOMIC
FORUM COMPETITIVENESS
INDEX**38TH**

EXPORT FIGURES

EXPORT VALUE
JANUARY-NOVEMBER 2019**232,813.10**US \$
MILLION

TOP 10 INDUSTRIES

Motorcars and Parts
\$26,022.52
Share 11.2%Computers and Parts
\$17,082.50
Share 7.3%Precious Stones
and Jewellery
\$15,334.20
Share 6.6%Rubber Products
\$10,472.50
Share 4.5%Plastic Beads
\$8,687.70
Share 3.7%Chemical Products
\$7,188.33
Share 3.1%Electronic
Integrated Circuits
\$7,126.41
Share 3.1%Refined Fuels
\$6,870.08
Share 3%Machinery
and Parts
\$6,825.18
Share 2.9%Iron, Steel
& Products
\$5,282.67
Share 2.3%

TOP 10 MARKETS

USA
\$29,519.25
Share 12.7%China
\$27,192.42
Share 11.7%Japan
\$23,349.80
Share 10%Vietnam
\$11,450.13
Share 4.9%Hong Kong
\$11,100.48
Share 4.8%Malaysia
\$9,884.39
Share 4.2%Australia
\$9,844.97
Share 4.2%Indonesia
\$8,686.79
Share 3.7%Singapore
\$8,384.29
Share 3.6%India
\$7,000.60
Share 3%

Source: Ministry of Commerce

EXCHANGE RATES

(Data as of 11 December 2019)

\$	£	€	¥	¥
THB	THB	THB	THB	THB
30.6	39.4	34.0	28.2	4.4

Source: Bank of Thailand
Note: Baht/ 1 Unit of Foreign
Currency - Average Selling Rates.
JPY currency is for 100 Yen

TAX RATES

Source: The Revenue Department

CORPORATE INCOME TAX:	PERSONAL INCOME TAX	VAT	WITHOLDING TAX
20%	35%	7%	1 - 10%

BOI OVERSEAS OFFICES



HEAD OFFICE, OFFICE OF THE BOARD OF INVESTMENT

555 Vibhavadi-Rangsit Road., Chatuchak, Bangkok 10900, Thailand
Tel: (+66) 2553 8111 Fax: (+66) 2553 8222 Email: head@boi.go.th

BEIJING

**Thailand Board of Investment,
Beijing Office**
No.21 Guanghua Road,
Chaoyang District, Beijing,
P.R. China 100600
Tel: +86 10 8531 8755-57
+86 10 8531 8753
Fax: +86 10 8531 8758
Email: beijing@boi.go.th

LOS ANGELES

**Thailand Board of Investment,
Los Angeles Office**
Royal Thai Consulate-General,
611 North Larchmont Boulevard,
3rd Floor Los Angeles
CA 90004, USA
Tel: +1 323 960 1199
Fax: +1 323 960 1190
Email: boila@boi.go.th

SEOUL

**Thailand Board of Investment,
Seoul Office**
#1804, 18th Floor,
Daeyungak Tower 25-5,
1-ga, Chungmu-to, Junggu
100-706, Korea
Tel: +82 2 319 9998
Fax: +82 2 319 9997
Email: seoul@boi.go.th

FRANKFURT

**Thailand Board of Investment,
Frankfurt Office**
Royal Thai Consulate-General,
Investment Section
Liebfrauenberg
26, 60313 Frankfurt am Main,
Federal Republic of Germany
Tel: +49 69 92 91 230
Fax: +49 69 92 91 2320
Email: fra@boi.go.th

MUMBAI

**Thailand Board of Investment,
Mumbai Office**
Royal Thai Consulate-General
12th Floor, Express Towers,
Barrister Rajni Patel Marg,
Nariman Point Mumbai
400021, India
Tel: +91 22 2204 1589
+91 22 2204 1590
Fax: +91 22 2282 1525
Email: mumbai@boi.go.th

SHANGHAI

**Thailand Board of Investment,
Shanghai Office**
Royal Thai Consulate General,
No. 18, Wanshan Road,
Changning District, Shanghai
200336, P.R. China
Tel: +86 21 5260 9876
+86 21 5260 9877
Fax: +86 21 5260 9873
Email: shanghai@boi.go.th

GUANGZHOU

**Thailand Board of Investment,
Guangzhou Office**
Royal Thai Consulate-General
No.36 Youhe Road, Haizhu
District, Guangzhou 510310
P.R. China
Tel: +86 20 8385 8988
ext. 220-225
+86 20 8387 7770
(Direct Line)
Fax: +86 20 8387 2700
Email: guangzhou@boi.go.th

NEW YORK

**Thailand Board of Investment,
New York Office**
7 World Trade Center
250 Greenwich Street,
Suite 34F New York,
NY 10007, USA
Tel: +1 212 422 9009
Fax: +1 212 422 9119
Email: nyc@boi.go.th

STOCKHOLM

**Thailand Board of Investment,
Stockholm Office**
Stureplan 4C, 4th Floor
114 35 Stockholm, Sweden
Tel: +46 8 463 1158
+46 8 463 1174
Fax: +46 8 463 1160
Email: stockholm@boi.go.th

OSAKA

**Thailand Board of Investment,
Osaka Office**
Royal Thai Consulate-General
Bangkok Bank Building,
7th Floor 1-9-16 Kyutaro-Machi,
Chuo-ku Osaka 541-0056,
Japan
Tel: +81 6 6271 1395
Fax: +81 6 6271 1394
Email: osaka@boi.go.th

SYDNEY

**Thailand Board of Investment,
Sydney Office**
Suite 101, Level 1, 234 George
Street, Sydney, NSW 2000,
Australia
Tel: +61 2 9252 4884
Email: sydney@boi.go.th

HANOI

**Thailand Board of Investment,
Hanoi Office**
26 Phan Boi Chau Str.,
Hoan Kiem, Hanoi, Vietnam
Tel: +81 24 3823 5092-4
Email: hanoi@boi.go.th

JAKARTA

**Thailand Board of Investment,
Jakarta Office**
Royal Thai Embassy,
Jl. DR Ide Anak Agung Gde
Agung Kav. E3.3 No.3 (Lot 8.8),
Kawasan Mega Kuningan,
Jakarta 12950, Indonesia
Email: jkt@boi.go.th

PARIS

**Thailand Board of Investment,
Paris Office**
8 Rue Greuze 75116
Paris, France
Tel: +33 156 902 600-01
Fax: +33 156 902 602
Email: par@boi.go.th

TAIPEI

**Thailand Board of Investment,
Taipei Office**
Taipei World Trade Center
Room:3E40 No.5 Xinyi Rd.,
Sec.5, Taipei110 Taiwan R.O.C.
Tel: +81 2 2345 6663
FAX: +81 2 2345 9223
Email: taipei@boi.go.th

TOKYO

**Thailand Board of Investment,
Tokyo Office**
8th Floor, Fukuda Building West,
2-11-3 Akasaka, Minato-ku,
Tokyo 107-0052 Japan
Tel: +81 3 3582 1806
Fax: +81 3 3589 5176
Email: tyo@boi.go.th



ABOUT BOI

The Office of the Board of Investment (BOI) is the principle government agency that operates under the Prime Minister's Office for the purpose of encouraging investment in Thailand. We at the BOI serve as the professional contact points for investors, providing them with useful investment information and services. We offer business support and investment incentive to foreign investors in Thailand, including tax and non-tax incentives. A few non-tax incentives include granting land ownership to foreigners and facilitating visas and work permits. Besides serving the needs of overseas investors, we also offer consultation services to Thai investors who are interested in investment opportunities abroad.



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