

Thailand Digital Industry: Current Situation and Supporting Measures

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Thailand's Digital Industry at a Glance

25%

The Digital Economy is expected contribute 25% to Thailand's GDP by 2027.



Total Population
66.5 Million
Urbanization **50%**
In 2019



91.6 Million Mobile
Phone Number
Subscription in 2018



Internet Users
50.1 Million,
75.3% of
Population in
2019



Rank **3rd** in Fixed
Broadband Speed
Test Global Index
in April 2020



Social Media Users
52 Million,
78.2% of
Population



Total ICT
Professional
386,306
Persons in 2018



Number of ICT
Graduates
14,698
Persons in 2019

Future Information
and Communication
Technology



Broadband



Big Data



Cloud



Data Center



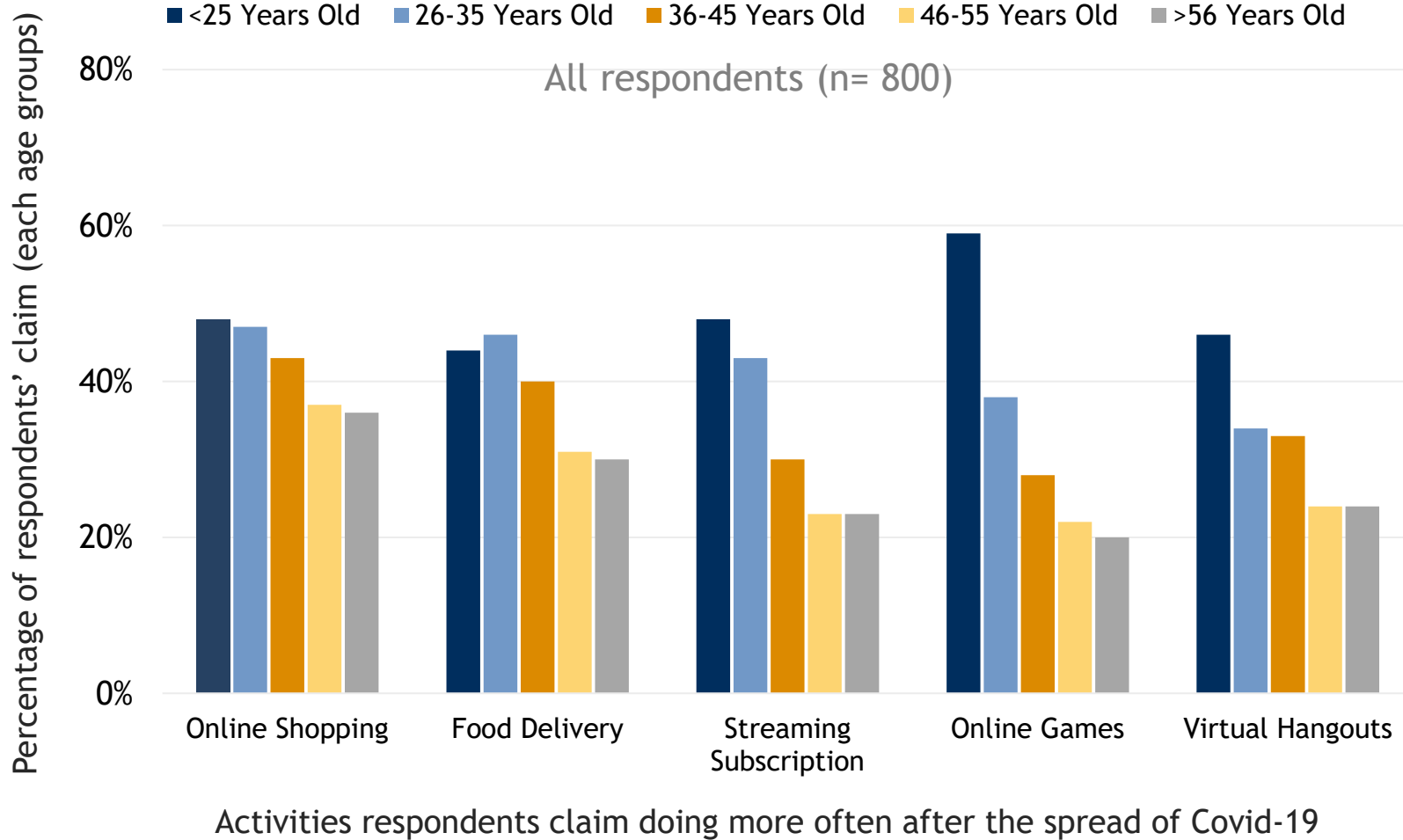
IoT



AI

COVID-19 Leads Thailand to Digitization of Demands

Thai Consumer Claims on Higher Consumption of Digital Products & Services



E-Commerce Uses and Streaming Subscription Increase After the Covid-19



15.77

Million new paid subscribers globally



122%

Increase in number of uses in Thailand



Shopee

479%

Increase in number of uses in Thailand



100%

Increase in courier average income in Thailand

Covid-19 Accelerate Digital Transformation Across Thailand



Internet Usage

The internet usage has been increasing due to the work from home and e-learning; hence, there is an increase in demand for high speed internet and bandwidth.



E-payment

After the covid-19, consumer's payment behavior pivot to electronic payment channel to minimize the risk of the pandemic spread.



Remote Working and E-learning

The Covid-19 has jumped start the work from home trend in Thailand. Moreover, the Thai government also utilize the Distance Learning Television and online learning as key pedagogical methods given physical distancing.



Collaboration Tools

Due to the behavioral change, the importance of remote collaboration tools such as VDO conference program and project and task management application has been increased.

From now on, there is a high chance of rapid digital transformation in Thailand which can leads to cost saving, creation of digital products and services, and greater business operation and resource management.

Thailand's Investment Opportunities in Digital Products and Services

Healthcare

Software



Software solutions for hospital

Blockchain



Carry out numerous processes in the Nationwide Health Information Exchange

Cloud



Cloud technology for human capital management

IoT & Security



Helping healthcare professionals deliver innovative digital solutions

Education



Support ICT integration using IP-based communication system.



Security for cloud storage and certification



Deliver cloud services for students and researchers



integrated development environment (IDE) for building IoT projects

Smart Farming



Provide precise information about an individual farmer's land



offer investors to become a co-creator



Farm management service for more efficient production



the application of predictive analytics on real-time data.

Manufacturing Sector

Automotive

E & E

Moving towards Industry 4.0

Thailand's ICT Workforce



Number of ICT
Graduates
14,698
Persons in 2019



156
Universities/
Colleges offering ICT
courses in 2019

Estimated Average New Graduate Salary

Database Administrator	EUR 609.71 per month
IT Application Support	EUR 609.71 per month
IT Support	EUR 638.07 per month
Network Engineer	EUR 609.71 per month
Programmer	EUR 666.43 per month
Web Designer	EUR 708.97 per month

Note: 1 EUR = 35.2628 THB (as of May 2020, Bank of Thailand)

Source: Adecco (as of June 2020), Office of the Higher Education (Ministry of Higher Education, Science, Research and Innovation)

BOI's Basic Incentive Packages

10
years



CIT exemption

0
year

Exemption
CIT

Exemption
Import duties
on machinery

Exemption
Import duties
on raw materials

Non-tax
incentives

Targeted Core Technology Development

10
years + Merit
no cap

✓

✓

✓

A1

Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness

8
years + Merit
no cap

✓

✓

✓

A2

Infrastructure activities for the country's development, activities using technology to create value-added, with no or very existing investments in Thailand

8
years + Merit

✓

✓

✓

A3

High technology activities which are important to the development of the country, with a few investments already existing in Thailand

5
years + Merit

✓

✓

✓

A4

Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain

3
years + Merit

✓

✓

✓

B1

Supporting industry that does not use high technology, but is still important to the value chain

-
years + Merit

✓

✓

✓

B2

Supporting industry that does not use high technology, but is still important to the value chain

-
years

-

✓

✓

Incentives are based on several key factors including level of technology, role in supply chain, and location.



Digital Industry Promotion Categories

Targeted Core Technology Development

- Digital Technology Development

Software

- Embedded software
- High Value-Added Software

Service and Infrastructure

- Digital Park
- Data center
- Innovation Incubation Center
- Cloud Service

A1

A2

-

- International high-speed marine communication circuits

A3

- Enterprise software and/or digital content
(No cap for CIT Exemption)
- Digital Services

- Maker Space or Fabrication Laboratory

B1

-

- Co-working Space

B2

- E-commerce

-

See additional conditions at https://www.boei.go.th/upload/content/BOI-A%20Guide_EN.pdf (English ver.) or https://www.boei.go.th/upload/content/BOI_A_Guide_Web_Th.pdf (Thai ver.)

Source: Thailand Board of Investment



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