

# TIR

THAILAND INVESTMENT REVIEW

Issue 2/2025



## ELECTRIFYING TOMORROW:

Thailand's Charge Forward



# BOI NET APPLICATION

January-June 2025












**Total Investment**  
1,880 Projects  
USD 32.44 Billion

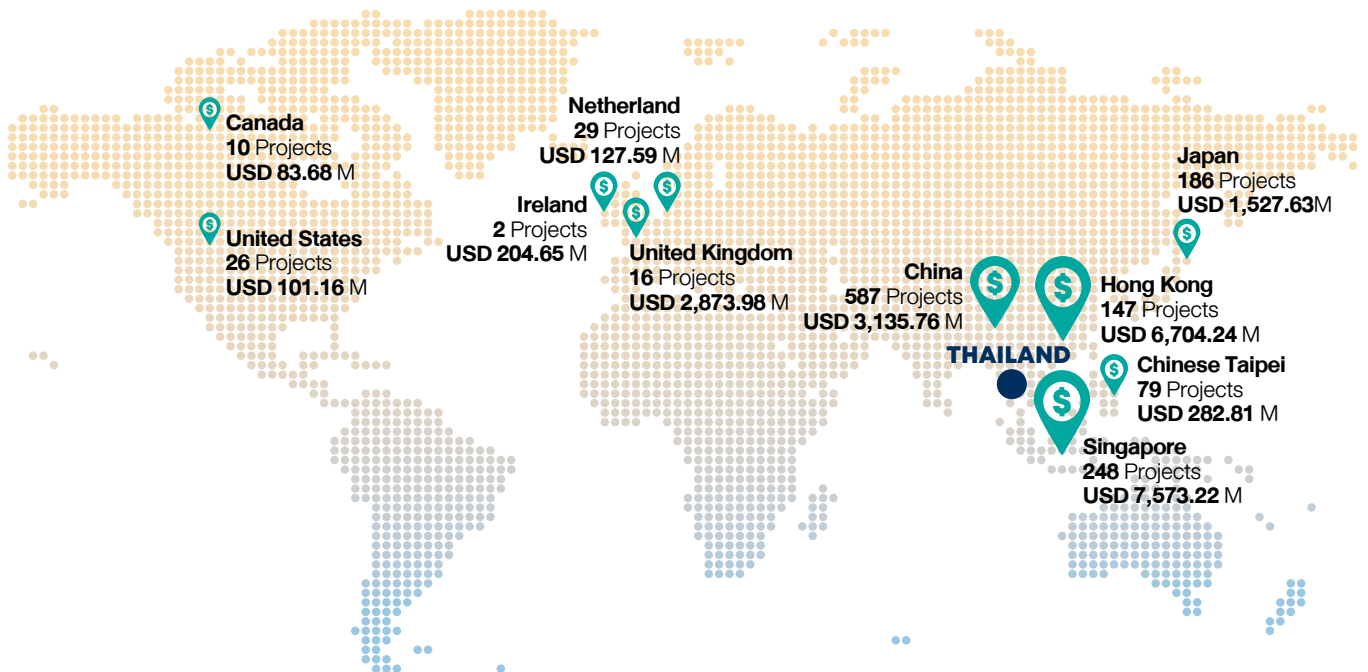


**Total Foreign Investment**  
1,369 Projects  
USD 22.61 Billion

## FOREIGN INVESTMENT BY TARGET SECTORS

First S-Curve	New S-Curve
 <p><b>Electronics</b> 255 Projects   USD 3,849.98 M</p>	 <p><b>Digital</b> 59 Projects   USD 12,572.10 M</p>
 <p><b>Automotive &amp; Parts</b> 153 Projects   USD 1,356.53 M</p>	 <p><b>Medical</b> 29 Project   USD 361.25 M</p>
 <p><b>Petrochemicals &amp; Chemicals</b> 140 Projects   USD 762.97 M</p>	 <p><b>Automation &amp; Robotics</b> 13 Projects   USD 72.83 M</p>
 <p><b>Agriculture &amp; Food Processing</b> 60 Projects   USD 260.79 M</p>	 <p><b>Biotechnology</b> 12 Projects   USD 120.29 M</p>
 <p><b>Tourism</b> 4 Projects   USD 105.64 M</p>	 <p><b>Aerospace</b> 4 Projects   USD 68.10 M</p>

## FOREIGN INVESTMENT BY MAJOR ECONOMIES



Unit: USD (1 USD = 32.6119 THB as of 18 August 2025)

Note: Investment projects with foreign equity participation from more than one economy are reported in the figures for both economies. Statistics on net applications are adjusted whenever applications are returned to applicants due to insufficient information. For more details, please visit [www.boi.go.th](http://www.boi.go.th)

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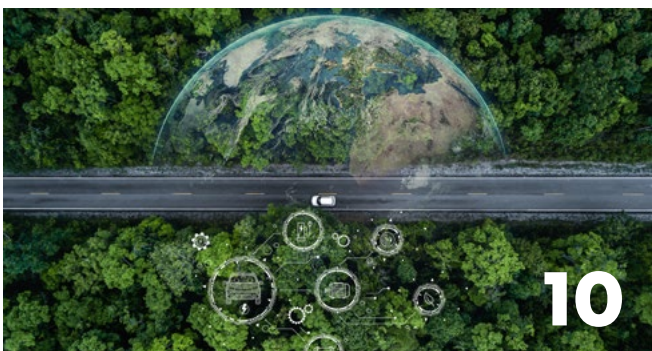
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## Thai Economy at A Glance



# Next-Gen Mobility: Driving Thailand Towards a Smart Future

**As the global automotive industry undergoes a transformative shift toward electrification and sustainability, Thailand is poised to build on its long-established legacy as the automotive hub of Southeast Asia. For decades, Thailand has served as a critical manufacturing base for leading global automakers. With a solid industrial foundation, skilled workforce, advanced production capabilities, and well-equipped comprehensive ecosystem, Thailand is now accelerating its transition toward next-generation mobility, focusing on smart, sustainable, and future-ready transportation solutions.**

Thailand's infrastructure development has long served as a foundation for industrial growth. A series of transportation projects were launched in recent years including rail mass transit network, airports, motorway, and deployment of EV charging stations reflect Thailand's commitment to building a future-ready transport system. These advancements are complemented by nationwide digital infrastructure upgrades, supporting real-time data systems and intelligent traffic management.

The automotive industry has been a cornerstone of Thailand's economy since the 1960s, with leading global manufacturers establishing production bases across the country. Over the decades, Thailand has developed deep expertise and a robust supply chain, making it a regional leader in automotive production. This strong foundation is being modernized to align with global sustainability development goals (SDGs). Thailand is actively transitioning toward electric mobility, supported by the rapid growth of related

ecosystems such as battery manufacturing, battery recycling, and EV charging infrastructure. This transformation reflects the country's commitment to innovation, environmental stewardship, and long-term competitiveness in the global mobility landscape.

Through strategic policies and BOI incentives, Thailand continues to attract global players across the EV supply chain. Under the Investment Promotion Strategy for 2023–2027, the Thailand Board of Investment (BOI) has identified the automotive sector, particularly electric vehicles, as one of five strategic industries prioritized for long-term development. To support this vision, the BOI offers comprehensive incentives, including tax holidays, import duty exemptions, and non-tax privileges. Additionally, the establishment of the **National Electric Vehicle Policy Committee, commonly known as the EV Board**, has further streamlined coordination across agencies, ensuring unified policy direction and regulatory clarity. Complementing these efforts is a national workforce development plan by the Ministry of Higher Education, Science, and Innovation (MHESI) that aims to upskill and develop a highly skilled workforce of 150,000 professionals in key EV-related areas within five years in key areas related to EV, reinforcing Thailand's capacity to support long-term industrial growth and innovation.

Thailand has firmly established itself as a key player in the global electric vehicle value chain, attracting a growing number of EV manufacturers who recognize its skilled workforce, efficient logistics network, and investor-friendly policies. To strengthen the domestic EV supply chain, Thailand's Industry Ministry mandates that Chinese EV manufacturers source at least 40% of parts locally, fostering integration of locally produced components and driving the growth of the nation's EV industry. With a strong industrial foundation and a clear strategic direction, Thailand is driving towards its ambitious goal of leading ASEAN in EV adoption and production. Thailand's 30@30 policy and EV 3.5 initiative aim to transform 30% of the nation's automotive manufacturing capacity into zero-emission vehicles (ZEVs) by 2030, while encouraging broader EV adoption. These efforts further establish Thailand as a leading hub for next-generation mobility.





The increasing presence of global automotive innovators underscores Thailand's capability, vision, and commitment to shaping the future of sustainable transportation in the region. Leading EV manufacturers have made significant investments in Thailand, further solidifying the country's role as an EV production hub. BYD inaugurated its 900 million USD factory in Rayong in July 2024, marking a major milestone in Thailand's EV industry. Additionally, Changan has ramped up its local production and outlined a clear localization strategy, aiming to increase the proportion of locally sourced parts from 60% in 2024 to 80% by 2028, reinforcing Thailand's growing EV ecosystem.

One of the most promising areas of development, further contributing to a comprehensive ecosystem, lies in the circular economy, particularly in the battery recycling and production sectors. Deemed as an essential part of circular economy, smart mobility and as the use of lithium-ion batteries expands, Thailand has a vital opportunity to establish a world-class recycling industry that not only minimizes environmental impact but also secures and preserves essential materials for future battery manufacturing. At the same time, the country is strengthening its position in battery production. Last year, BMW announced a new battery assembly plant in Rayong to support an upcoming electric car scheduled to go into production. The new facility will be the company's first

manufacturing plant to produce high-voltage batteries along with BMW's first Battery-electric vehicle (BEV) with the area over 4,000 square meters. Thailand is leveraging advanced research, a skilled workforce, and strategic investments to build a robust supply chain that supports the growing demand for EVs and responds to new global regulations regarding carbon emission and green mobility. With strong backing from public initiatives and a steadfast focus on international partnerships, battery recycling and production are poised to solidify Thailand's leadership in next-generation mobility and support the sustainable growth.

In this pivotal moment for global mobility, Thailand stands ready to accelerate the transition towards smarter, cleaner, and more inclusive transportation solutions. As the country builds upon its legacy as Southeast Asia's automotive powerhouse and the advocator of the SDGs on the international stage, Thailand is driving forward with the investments in cutting-edge innovation such as lithium-ion battery, and a commitment to sustainability. With a rapidly advancing infrastructure, a thriving EV ecosystem, and unwavering support from both the public and private sectors, Thailand is positioning itself as a global force in next-generation mobility. Explore the story inside. ■

# Thailand xEV Snapshot: Accelerating Toward an Electrified Future



**In 2024, over 17 million electric vehicles (EVs) were sold globally, representing a 25% year-on-year increase. This surge highlights the sector's growing dominance, particularly in China, the European Union, and the United States. The pace of electrification is setting a new trajectory for global automotive markets, driving both established and emerging players to innovate, localize, and scale rapidly in response to rising demand and intensifying competition.**

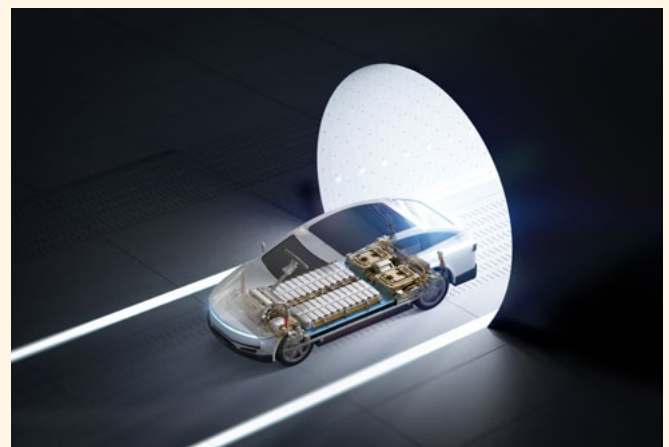
## **Thailand's Dominance in ASEAN's EV Market**

Southeast Asia's EV market is experiencing rapid growth, with EV sales rising over 50% year-on-year in 2024, pushing EVs to account for 10% of new passenger vehicle sales in the region. While the overall automotive market contracted by 5.7%, interest in EVs remained strong, supported by rising environmental awareness, diverse model offerings, and active government incentives. Thailand continues to play a central role, both as a manufacturing hub and a key market for battery electric vehicles.

According to the Thailand Automotive Institute, Thailand's auto parts industry comprises over 2,200 companies divided into three tiers. Tier-1 manufacturers

number around 720 and are responsible for producing high-quality components that meet original equipment manufacturer (OEM) specifications. Of these, 47% are foreign-owned, 30% are joint ventures, and 23% are Thai-owned. These firms primarily manufacture parts for automobiles (54%), while others serve the motorcycle sector or both.

More than 1,500 companies fall under Tier-2 and Tier-3 categories, which are mostly Thai-owned SMEs. These firms typically supply components to the replacement equipment market (REM) or support Tier-1 producers. Their products cater to cost-sensitive market segments. Tier-2 and Tier-3 firms remain a vital part of Thailand's local supply chain although investments in R&D can be further explored.<sup>1</sup>



<sup>1</sup> Krungsri Research, "Industry Outlook 2024-2026: Electric Vehicle Industry"



In recent years, the Thai government’s focus on EV investment promotion in part of achieving international carbon-neutrality targets has further energized the sector. From 2022 to 2024, the Board of Investment (BOI) received 644 EV-related investment applications, amounting to a total pledged investment value of over 280 billion baht.<sup>2</sup> These projects span the full spectrum of the EV value chain, from final vehicle assembly to key components such as traction motors, inverters, battery packs, and even charging infrastructure. This rapid influx of investment is transforming Thailand’s automotive production base to accommodate the anticipated 8.5 million EVs projected to be sold in the ASEAN region by 2035.<sup>3</sup>

### **Manufacturing Capacity and Market Momentum**

Thailand’s position as a regional automotive leader provides a strong industrial foundation for scaling up EV production and meeting rising demand. With an annual production capacity of 3 million vehicles, Thailand produced approximately 1.47 million units in 2024, exporting 999,307 and selling 572,675 domestically. This underscores Thailand’s dual role as both a production base and a strategic export hub. Thailand’s export footprint spans across global markets, with Oceania (29.1%), Asia (26.1%), and the Middle East (19.7%) serving as the top destinations for Thai-made automobiles in 2024. This wide global reach reflects Thailand’s robust logistics capabilities and export-readiness as EV supply chains regionalize and diversify.

The country’s vehicle mix also demonstrates its versatility: pickup trucks and PPVs made up 60.8% of total production in 2024, followed by passenger cars at 35.6%, and vans, buses, and trucks at 1.7%. This composition highlights Thailand’s potential not just for electrifying private vehicles but also for transitioning commercial fleets and utility segments to electric platforms.

On the market side, domestic EV adoption continues to build momentum. By the end of 2024, the accumulated number of registered xEVs had surpassed 760,000 units. This included 469,543 hybrid electric vehicles (HEVs), 63,184 plug-in hybrid vehicles (PHEVs), and 227,490 battery electric vehicles (BEVs). Notably, new BEV registrations in 2024 reached 96,891 units, reflecting growing consumer confidence, wider model variety, and stronger product availability.

BEVs are now the fastest-growing segment of Thailand’s xEV market. In just four years, new BEV registrations have risen from fewer than 3,000 units in 2020 to nearly 100,000 in 2024. The breakdown shows that over 70,000 of these BEVs were cars, with the rest comprising motorcycles, trucks, tuktuks, and buses. This trend illustrates that electrification is expanding across both passenger and utility segments, aligning with broader shifts in consumer and fleet behavior.

The combined strength of Thailand’s manufacturing base, flexible vehicle mix, and rising domestic demand positions the country to lead EV growth in ASEAN and beyond.

<sup>1</sup> Techsauce Team, "Thailand’s xEV market is pushing forward with serious government and private sector action"  
<sup>2</sup> RECESSARY, "ASEAN EV booms, Thai and Indonesia contribute the most"

## Strengthening the Supply Chain

Thailand's enduring strength lies in its sophisticated automotive supply chain, which is increasingly adapting to serve the EV market. Tier-1 suppliers are mostly global joint ventures, more Thai-owned Tier-2 and Tier-3 companies are entering the EV ecosystem. With support from BOI programs, these firms are upgrading capabilities in precision manufacturing, embedded electronics, and battery systems.

A major development in the upstream battery sector is Sunwoda Electronic's investment of more than 50 billion baht to build Thailand's first battery cell production facility in the Eastern Economic Corridor. The project includes two plants producing lithium-ion batteries for both electric vehicles and energy storage, reinforcing Thailand's position in Asia's EV supply chain.

Thailand is also strengthening its testing infrastructure. The Automotive and Tyre Testing, Research and Innovation Center, or ATTRIC, is on track for completion in 2026. It will be the largest automotive testing facility in Southeast Asia and among the top 15 globally. The center includes a proving ground, vehicle crash testing site, tyre testing track, and a battery testing lab.

In addition to ATTRIC, Thailand is home to specialized institutions that support innovation and product verification. The Electrical and Electronic Products Testing Center (PTEC) provides testing for EV battery safety, energy efficiency, and vehicle systems. The Thailand EV Center of Excellence (TEC), under the Ministry of Higher Education, focuses on human resource development. It provides training and reskilling in areas such as electric drivetrains, battery systems, and digital automotive technologies.

These developments are part of Thailand's broader strategy to support advanced industries. Electric vehicles are a national priority alongside sectors such as smart electronics, digital platforms, and the bio-circular-green economy. With a strong supplier base, world-class testing facilities, and a skilled workforce, Thailand is emerging as a complete platform for EV production, testing, and innovation.

For investors seeking a strategic location in Asia's green mobility market, Thailand offers not only industrial capacity and export access, but also the technical readiness and long-term vision needed for future growth. ■



# Incentivizing Innovation: Policy Moves That Drive the EV Shift

Thailand is accelerating its journey toward becoming Southeast Asia’s clean mobility leader. With unwavering government commitment, forward-looking policy frameworks, and active private sector participation, the country is positioning itself as a premier electric vehicle (EV) production hub. These efforts are not only aligned with Thailand’s climate ambitions, but also with its vision to attract high-quality investment, foster technology transfer, and strengthen long-term industrial competitiveness.

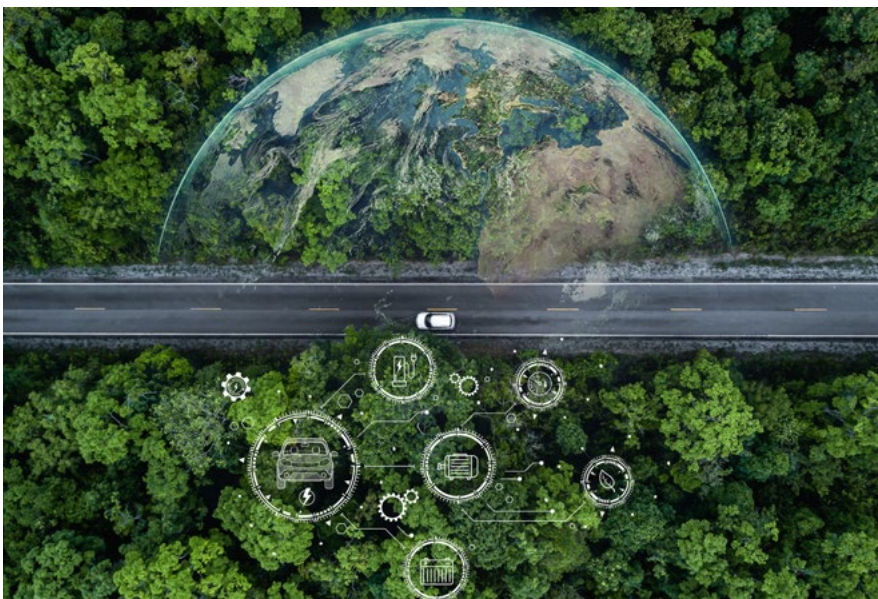
## Driving Ambition

Thailand’s sustainability journey gained global attention with its COP26 pledge to achieve carbon neutrality by 2050 and net-zero emissions by 2065, supported by its Bio-Circular-Green (BCG) economic strategy. These environmental goals are woven into the country’s broader industrial transformation, resonating with international investors seeking to align with ESG and CSR standards. Central to this vision is the transformation of the transportation sector. The National Electric Vehicle Policy Committee’s “30@30” goal aims for at least 30 percent of all vehicles produced domestically to be zero-emission by 2030—equivalent to around 725,000 electric cars and 675,000 electric motorcycles annually<sup>1</sup>. This target builds upon Thailand’s position as one of the world’s top 10 auto exporters, directing its established automotive base toward electrification. The long-term ambition is clear: by 2035<sup>2</sup>, all new vehicles sold in Thailand will be electric. This alignment of environmental policy and industrial strategy demonstrates that EV development is a national priority, placing Thailand in the driver’s seat of ASEAN’s mobility transformation.



## Incentives in Action

Thailand’s EV policies translate ambition into tangible market impact through a comprehensive incentive framework. The EV 3.0 program, launched in 2022, offers direct purchase subsidies for electric cars, pickups, and motorcycles, with commitments from participating manufacturers to invest in local production. Buyers of passenger EVs with battery capacities greater than 30 kWh can receive support of up to 150,000 baht, while models with smaller batteries receive 70,000 baht. Locally produced electric pickups with larger batteries qualify for 150,000 baht in support, and eligible electric motorcycles priced under 150,000 baht receive 18,000 baht<sup>3</sup>.



<sup>1</sup> Thailand Board of Investment, “EV Board Gives the Green Light to EV 3.5 Package, Positioning Thailand as the Key Regional Hub for Electric Vehicle Manufacturing”  
<sup>2</sup> Illuminem, “Thailand: 100 percent electric vehicles by 2035 – with a twist”  
<sup>3</sup> Thai PBS, “Cabinet approves outstanding EV 3.0 subsidy payments, aiming to become a regional hub.”

To maintain momentum, the government introduced EV 3.5 as an updated framework. This next phase continues to offer purchase subsidies but increases the focus on domestic production. Automakers must now produce two EVs in Thailand by 2026 for every EV imported earlier. By 2027, the ratio rises to three to one<sup>4</sup>. This approach ensures that Thailand not only attracts EV imports but also builds long-term manufacturing capabilities and supply chain depth<sup>5</sup>.

Tax incentives further strengthen competitiveness. The excise tax on battery electric vehicles priced under seven million baht has been reduced from 8% to 2%. Import duties on fully built EVs have also been lowered, especially for companies committed to local production<sup>6</sup>. These fiscal measures help bring EV prices closer to internal combustion engine vehicles, while encouraging technology transfer and industrial investment. In parallel, the government is preparing to revise tax structures to better support EV-related technologies. For plug-in hybrid vehicles, a new excise tax framework will replace the current CO<sub>2</sub>-based system, using electric driving range as the main criterion, starting with a benchmark of 80 km per charge. This change, expected in early 2026, aims to promote longer-range models and align with global standards. At the same time, the Ministry of Finance is studying a tiered excise tax for batteries to replace the flat 8% rate<sup>7</sup>. Rechargeable, efficient batteries would be taxed at lower rates, while single-use types would face higher ones.

Support for upstream industries is another important focus. The government is encouraging investment in battery cell production, which is essential to the long-term sustainability of the EV ecosystem. Eligible investors must meet technical standards, including minimum energy density and battery lifecycle requirements, and must be recognized suppliers to EV manufacturers.

## Building the EV Ecosystem

Thailand is strategically building a robust ecosystem to sustain a competitive electric vehicle industry. To attract global investment, the Board of Investment (BOI) provides comprehensive incentives covering vehicle assembly, battery and component manufacturing, and charging infrastructure.

Eligible projects benefit from corporate income tax exemptions for up to eight years, along with import duty exemptions on machinery and essential materials. Beyond tax breaks, foreign investors gain significant non-tax privileges, such as 100% land ownership for industrial use, streamlined work permits and visas for experts, and unrestricted profit repatriation.

Complementing these incentives is the rapid expansion of research and testing infrastructure. A key milestone is **the Automotive and Tyre Testing, Research and Innovation Center (ATTRIC)** in the Eastern Economic Corridor (EEC). Set to fully open in 2026 as ASEAN's first and the world's eighth-ranked testing center, ATTRIC will offer world-class

certification, battery testing, and R&D facilities. These integrated measures not only reduce entry barriers but also signal Thailand's readiness to support long-term partnerships, aiming to drive an estimated 1.5 trillion baht in total investment<sup>8</sup>.

Thailand also offers world-class EV battery testing facilities through the Electrical and Electronic Products Testing Center (PTEC), operated by the National Science and Technology Development Agency (NSTDA). PTEC serves leading manufacturers, including Mercedes-Benz, with capabilities ranging from electromagnetic compatibility and product safety testing to photovoltaic module evaluation, energy efficiency testing, and R&D to help products meet international standards. PTEC facility located at Thailand Science Park are well-equipped with state-of-the-art instruments and operated by highly-skilled technical team to deliver world-class testing services to its clients.



<sup>4</sup> Reuters, "Thailand to extend production timeframe for battery EVs"

<sup>5</sup> Thailand Board of Investment, "EV Board Gives the Green Light to EV 3.5 Package, Positioning Thailand as the Key Regional Hub for Electric Vehicle Manufacturing"

<sup>6</sup> Ibid

<sup>7</sup> InfoQuest, "The Ministry of Finance is preparing to propose to the Cabinet a restructuring of taxes on plug-in hybrid electric vehicles (EVs)"

<sup>8</sup> Grandprix, "Dr. Kriengsak Wongpromrat, Director of the Automotive Institute, on the direction of the ATTRIC racetrack."



In addition, Developed in partnership with the Ministry of Higher Education, Science, Research and Innovation, the Testing Center for Autonomous Vehicle (T-CAV), scheduled to be fully operational in 2025, will focus on autonomous driving technologies, vehicle-to-infrastructure communication, and advanced safety systems, reinforcing Thailand’s position as a testing ground for next-generation mobility solutions.

### **Battery Recycling & Circular Economy Initiatives**

Recognizing that sustainable EV growth must include end-of-life battery management, Thailand is considering expanding BOI incentives to cover the full battery recycling chain, from proper waste disposal to recycling, reuse, and repurposing. These measures would address current regulatory gaps and encourage investment in advanced recycling technologies, supporting a circular EV economy.

### **Infrastructure Expansion**

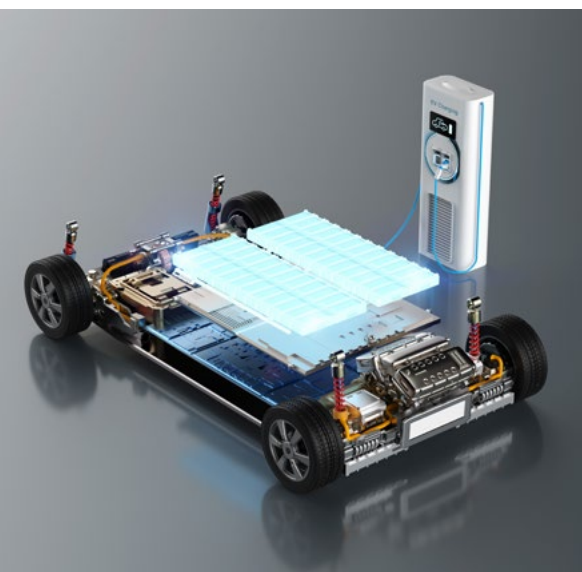
Thailand’s charging network has grown rapidly, reaching more than 3,700 public locations and over 11,000 charging points nationwide by early 2025, thanks to collaboration between state utilities, private firms, and startups. Updated regulations, streamlined permits, and cost-reflective pricing are driving further expansion.

### **Collaboration & Talent Development**

The National EV Board, chaired by the Prime Minister, plays a central role in coordinating strategy and ensuring strong public-private collaboration. Automakers, suppliers, and the Electric Vehicle Association of Thailand are regularly consulted on policy measures, as seen in recent adjustments to the EV 3.5 program. Workforce development is a parallel priority, with initiatives such as GAC AION’s Training Center—developed in partnership with Rajamangala University of Technology Isan and industry partners—focusing on EV engineering curricula tailored to industry demand.

International events such as Electric Vehicle Asia and the iEVTech Conference further showcase Thailand’s EV leadership, attracting global participants, encouraging technology exchange, and generating cross-border investment opportunities. The Thai government and BOI actively use these platforms to engage with investors, highlight available incentives, and present opportunities across the EV value chain.

Thailand’s EV policy is more than a regulatory framework—it is a coordinated national strategy to lead in sustainable transport, drive industrial transformation, and deliver long-term economic value. With a large and growing domestic EV market, competitive incentives, a strong manufacturing base, advanced R&D infrastructure, and a strategic ASEAN location, Thailand offers global investors a ready-made platform for growth. The EV revolution here is not a distant vision—it is happening now, and the window of opportunity is wide open for forward-looking companies to secure their place in one of Asia’s most dynamic clean mobility ecosystems. ■



<sup>9</sup> Electrical and Electronic Products Testing Center (PTEC)

<sup>10</sup> Statista, “Number of electric vehicle (EV) charging locations in Thailand as of December 2024, by provider”

# Steering Thailand Towards an EV Future

In an era where sustainability and technological innovation are reshaping global economies, Thailand is accelerating its journey to become a powerhouse in the electric vehicle (EV) industry. The National Electric Vehicle Policy Committee (EV Board), chaired by the Prime Minister and supported by the Thailand Board of Investment (BOI) as its secretariat, has laid the strategic foundation by approving the “30@30” goal—aiming to have 30% of domestically produced vehicles be Zero Emission Vehicles (ZEVs) by 2030. These efforts underscore Thailand’s sights on becoming a leading hub for EV production in Southeast Asia.



Leading this charge is the BOI, under the visionary leadership of Secretary General, Mr. Narit Therdsteeasukdi. In this exclusive interview, Mr. Narit unveils the government’s forward-thinking EV agenda, the BOI’s game-changing strategies, and the exceptional investment opportunities awaiting investors in Thailand’s EV sector.

## From Challenge to Charge: Thailand’s EV Opportunities

The global economy is increasingly propelled by sustainability and environmental responsibility. At the same time, a shifting world order and escalating geopolitical tensions add layers of complexity for international investors. Yet, Thailand’s investment appeal remains unshaken—anchored by its robust infrastructure, strong supply chain, and a ready pool of skilled human capital. Adding to this, Thailand’s longstanding neutrality amidst global geopolitical tensions further reinforces its standing as a stable and strategic investment destination in an era of uncertainty.

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**Thailand offers a powerful combination of opportunity, innovation, and support. We invite global EV partners to join us in shaping the future of sustainable mobility — and make Thailand the driving force of the global EV revolution**

”

**Mr. Narit Therdsteeasukdi**  
Secretary General of the Thailand Board of Investment

Despite broader economic headwinds, Thailand remains resolutely committed to advancing its electric vehicle (EV) industry. The country has witnessed a substantial surge in EV-related investments, with leading global manufacturers—including BYD, Changan, MG, Great Wall Motor (GWM), and Mercedes-Benz—establishing production bases in Thailand. Not to mention, major legacy automakers are scaling up their investments in the EV transition by 150 billion baht within five years. These expansion plans include the production of Battery Electric Vehicles (BEVs), Hybrid Electric Vehicles (HEVs), Mild Hybrid Electric Vehicles (MHEVs), and battery swapping systems for commercial vehicles.

The slow recovery in both domestic consumption and exports poses a challenge shared by many countries, including Thailand and its EV sector. Mr. Narit Therdsteeerasukdi, Secretary General of the BOI, emphasized that the agency continues to actively support EV manufacturers. Under the EV 3.0 incentive scheme, participating companies have already begun offsetting production since last year.

*“We remain confident that investment figures this year are likely to show a positive trend, despite concerns over import tariffs. Thailand continues to present strong opportunities as an attractive and ready destination for investment,”* emphasized Mr. Narit Therdsteeerasukdi. *“The country maintains peaceful international relations and offers well-developed infrastructure, robust supply chains, skilled human resources, supportive government policies, and a stable electricity supply—including access to clean energy. In addition, industrial land is readily available nationwide,”* he added.

### **Where Vision Scales Up: How BOI Fuels Thailand’s EV Momentum**

As the secretariat of the EV Board, the BOI serves as the linchpin in propelling Thailand’s EV ecosystem forward. The BOI has been instrumental in facilitating the growth of the EV ecosystem—coordinating efforts across public and private stakeholders and implementing targeted measures that steer the industry toward a sustainable, low-emission, and future-ready mobility landscape.

*“As the conventional automotive industry shifts to next-generation technologies, Thailand is stepping up. The government, including the BOI, has introduced support measures for manufacturers across all technology platforms—ensuring a successful transition and positioning Thailand as a standout regional EV producer,”*  
—Mr. Narit Therdsteeerasukdi, Secretary General, BOI

The BOI offers a robust incentive package: 3–8 year tax breaks, import duty exemptions for machinery and raw materials for export production, and streamlined regulations covering the full range of EV technologies—from BEVs and PHEVs to HEVs and MHEVs. Support spans the entire EV value chain, including battery production, vehicle assembly, charging stations, as well as factory modernization, automation, and workforce development.

To stimulate demand and promote the continuous growth of the EV industry, the EV Board rolled out the EV 3.0 and EV 3.5 incentive schemes in 2022 and 2024, respectively. These programs offer subsidies for electric cars, pickup trucks, and motorcycles based on vehicle type and battery capacity, along with excise tax reductions for vehicles that meet domestic production and local content criteria. Bearing fruit, the measures led to a surge in xEV registrations, which more than doubled from 84,500 in 2022 to 206,600 in 2024—highlighting Thailand’s rapid transition to electric mobility.



To further support the local EV transition, the temporary lowering of the excise tax rate is granted to domestically produced HEVs and MHEVs that meet investment and vehicle specification criteria.

Over the past three years, a total of 644 projects related to xEV and parts production have applied for investment promotion, representing a total value exceeding USD 8.62 billion .

One of the BOI's flagship success stories is Changan Automobile, which on May 16, 2025, inaugurated its first overseas manufacturing facility in Thailand. Alongside production of right-hand-drive models for regional markets, the site will house Changan's R&D center and regional headquarters, creating 2,000 skilled jobs for Thai professionals.

Another notable example is BYD, currently the largest EV employer in Thailand. It has hired over 6,100 workers, 88% of whom are Thai, and plans to expand its workforce to 8,000 by 2026, with Thai employees projected to make up 95% of the total.

*"BYD and Changan's investments are demonstrating a strong vote of confidence in Thailand's EV policies, a robust supply chain, and skilled workforce—marking not only a milestone for the companies, but also serving as catalysts for the growth of Thailand's EV industry,"* said BOI Secretary General

Major automakers continue to expand in Thailand's EV and hybrid sector. Mazda will produce over 100,000 B-SUVs and MHEVs annually for export, while Nissan is launching a next-gen HEV line to establish

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**BYD and Changan's investments are demonstrating a strong vote of confidence in Thailand's EV policies, a robust supply chain, and skilled workforce — marking not only a milestone for the companies, but also serving as catalysts for the growth of Thailand's EV industry**”



Thailand as its ASEAN hub. Mitsubishi plans a new HEV line and a battery electric truck facility by 2025. Isuzu will export BEV pickup trucks to Norway and is developing a swappable battery commercial vehicle.

Battery production is also expanding. We are beginning to see cell-level battery producers investing in Thailand. Sunwoda, a top-10 global battery cell producer, announced the establishment of a cell battery manufacturing plant in Thailand in March, with an investment of over 1 billion USD. The BOI is also in talks with other leading battery producers to strengthen the supply chain further.



### Weaving Thai Entrepreneurs into the Global Supply Chain

Amid the flow of foreign investments drawn by the BOI’s investment promotions, Thai entrepreneurs have never been left behind.

Mr. Narit said, *“We also place great importance on empowering Thai (auto) parts manufacturers, especially SMEs, to take on a larger role in the global supply chain. Through investment incentives designed specifically for Thai entrepreneurs and targeted networking events that connect local parts suppliers with leading global automakers, we aim to foster domestic procurement, facilitate technology transfer, and pave the way for future joint ventures.”*

The BOI also offers Industrial Linkage services to build a robust domestic EV supply chain. We have accelerated efforts to connect global manufacturers with Thai suppliers through the annual event, SUBCON Thailand, as well as over 10 “Sourcing Day” events co-hosted with leading EV automakers over the past two years. Each event has attracted between 200 to 300 Thai suppliers, serving as a platform for local manufacturers to engage directly with global EV companies. Together, these efforts are expected to generate more than 40.6 billion baht in business linkages and supply chain value.

SUBCON Thailand 2025 drew 68 buyers from 13 countries and facilitated nearly 10,000 business negotiations, generating over USD 677 million in parts orders—underscoring the strength of Thailand’s EV supply chain. WHERE VISION MEETS MOTION: THAILAND’S EV STRATEGY IN ACTION With 17 Free Trade Agreements (FTAs) covering 24 countries and economies—and ongoing negotiations with key partners such as the European Union and South Korea —Thailand is expanding global market access while advancing its EV ecosystem.



**Thailand offers a powerful combination of opportunity, innovation, and support. We invite global EV partners to join us in shaping the future of sustainable mobility — and make Thailand the driving force of the global EV revolution.**

In today’s complex and fast-evolving investment landscape, Thailand stands out for its strategic vision, consistent policy support, and investor-friendly environment. Backed by forward-looking policies, comprehensive incentives, and a well-established supply chain, the country presents a compelling destination for global investors seeking opportunities in the future of mobility.

*“Thailand offers a powerful combination of opportunity innovation, and support. We invite global EV partners to join us in shaping the future of sustainable mobility — and make Thailand the driving force of the global EV revolution.”* — Mr. Narit Therdsteerasukdi, BOI Secretary General. ■

# Powering Thailand's EV Future: Inside ChangAn Automobile's Strategic Leap

As the global automotive industry undergoes unprecedented electrification, Chinese automotive manufacturer ChangAn has established a significant presence in Thailand, recognizing the kingdom as a strategic platform for Southeast Asian market penetration. The manufacturing facility in Rayong Province represents a definitive affirmation of the company's unwavering commitment and clear determination to achieve sustainable and enduring growth in Thailand and the broader regional market. Through comprehensive analysis of Thailand's electric vehicle policies and market dynamics, Mr. Shen Xinghua, Managing Director of ChangAn Auto Southeast Asia Co., Ltd., and Managing Director of ChangAn Auto Sales (Thailand) Co., Ltd., provided insights into the factors that influenced their substantial investment commitment.

## CHANGAN

CHANGAN AUTO SOUTHEAST ASIA CO., LTD.  
RAYONG THAILAND



“

**Thailand demonstrates globally competitive industrial zones and well-developed transportation, communication, and technology infrastructure**

”

**Mr. Shen Xinghua**  
Managing Director of ChangAn Auto Southeast Asia Co., Ltd.  
& Managing Director of ChangAn Auto Sales (Thailand) Co., Ltd.

### Strategic Policy Leadership in Regional Context

Thailand's emergence as the first Southeast Asian nation to implement comprehensive electric vehicle promotion policies has garnered significant attention from international automotive manufacturers. For ChangAn Automobile, executing its strategic "VAST OCEAN PLAN" for international market expansion, Thailand's progressive policy framework represented a critical determinant in investment decision-making.

*"We recognize Thailand as the pioneering nation in the Southeast Asian region in developing policies to promote the electric vehicle industry," stated Mr. Shen Xinghua. "Thailand's automotive industry foundation has been established on internal combustion engine (ICE) technology with an integrated supply chain developed over six decades. The policy transition toward electric vehicle (EV) promotion presents direct implications for the established industry structure, while simultaneously creating substantial opportunities for growth."*



This policy initiative particularly aligns with ChangAn's strategic vision. Although the transition from ICE to EV presents challenges to Thailand's established automotive ecosystem, it creates opportunities for developing new S-curve industries consistent with global carbon neutrality objectives.

### **Comprehensive Analysis of Strategic Investment Factors**

ChangAn's decision to invest in Thailand emerged from a thorough evaluation of multiple international markets, ultimately identifying Thailand as the most suitable base for regional expansion. Four key factors influenced this choice. First, Thailand's central location in Southeast Asia, paired with an extensive network of Free Trade Agreements, positions the country as a strategic export hub. This combination of geographic advantage and trade accessibility aligned well with ChangAn's broader regional export strategy. Additionally, Thailand's well-established automotive supply chain—developed over six decades—offers a solid foundation for adaptation to the electric vehicle (EV) sector. While EV components, particularly electronics, differ significantly from those of ICE and still face local sourcing limitations, the existing industrial base provides a strong starting point for further development.

Moreover, Thailand's progressive EV policy frameworks—specifically the EV 3.0 and 3.5 initiatives—have significantly reshaped the domestic market. Despite initial challenges, such as high EV prices and consumer hesitancy regarding performance and charging infrastructure, government incentives have spurred widespread adoption and created a favorable operating environment for new entrants like ChangAn. Finally, the strong bilateral relationship between Thailand and China has reinforced ChangAn's confidence in receiving holistic support across the value chain, from government agencies to suppliers and end consumers. This combination of economic, infrastructural, policy, and diplomatic advantages firmly positioned Thailand as the optimal destination for ChangAn's strategic investment in Southeast Asia.

### **Assessment of Electric Vehicle Ecosystem Development**

Thailand's electric vehicle market potential attracted ChangAn's investment commitment, though the company maintains pragmatic assessments of current ecosystem capabilities and development requirements.



Supply chain readiness presents a complex challenge for Thailand's transition to EV production. While the country has a long-standing foundation in the automotive industry, it remains primarily oriented toward ICE vehicles. This creates notable gaps, particularly in the availability of local electronic component suppliers, which are critical for EV manufacturing. To address this, ChangAn has outlined a clear localization strategy, aiming to increase the proportion of locally sourced parts from 60% in 2024 to 80% by 2028. As of now, the company partners with over 37 parts manufacturers in Thailand and anticipates reaching 68% localization by the end of 2025.

Infrastructure development, particularly in charging station deployment, reflects a classic supply-demand coordination challenge in Thailand's evolving EV ecosystem. Recognizing this, ChangAn has adopted a proactive approach rather than waiting for a fully developed public charging network. The company promotes home charging solutions by offering wall charger installations for its customers, ensuring greater convenience and alleviating concerns about charging accessibility. Complementing this strategy is ChangAn's introduction of Range-Extended Electric Vehicle (REEV) technology—a cutting-edge system that combines an electric drivetrain with an onboard internal combustion engine and generator. This setup extends the driving range beyond what the battery alone can provide, offering a practical solution for consumers in markets where charging infrastructure is still in development. By integrating home charging support and REEV technology, ChangAn effectively addresses both immediate infrastructure limitations and consumer range anxiety.

Skilled labor availability demonstrates positive potential, particularly in after-sales service capabilities. ChangAn has established a training facility to enhance internal combustion engine-based technicians' capabilities, developing electric vehicle service competencies to improve customer service delivery.

### **ChangAn's strategic vision for Thailand's EV Ecosystem**

ChangAn's strategic vision for its Thailand operations extends well beyond manufacturing, emphasizing the establishment of a regional Research and Development (R&D) hub to unlock the country's untapped innovation potential. *"Thailand still has a room for a comprehensive national R&D center dedicated to electric vehicles, presenting a significant opportunity for collaborative development with local research institutions."*, observed Mr. Shen Xinghua.

ChangAn aims to address this gap by creating a dedicated R&D center focused on right-hand-drive new energy vehicles, with particular emphasis on advanced technologies such as artificial intelligence and electric drivetrains. This center will not only facilitate product innovation but also serve as a platform for technology transfer and human resource development. The company envisions launching overseas exchange programs, offering scholarships for Thai engineers and technicians to gain hands-on experience at ChangAn's headquarters, then return as qualified trainers to strengthen domestic capabilities. By integrating local suppliers, government testing facilities, and corporate teams, ChangAn's R&D hub aspires to become a catalyst for long-term industry growth and a cornerstone of Thailand's evolving electric vehicle ecosystem.



## Board of Investment Facilitation and Support Mechanisms

ChangAn's collaboration with Thailand's Board of Investment exemplifies effective government facilitation in accelerating foreign investment processes. From initial support provided by the Shanghai BOI office through comprehensive assistance from Bangkok headquarters during feasibility assessment phases, the facilitation process demonstrated exceptional effectiveness.

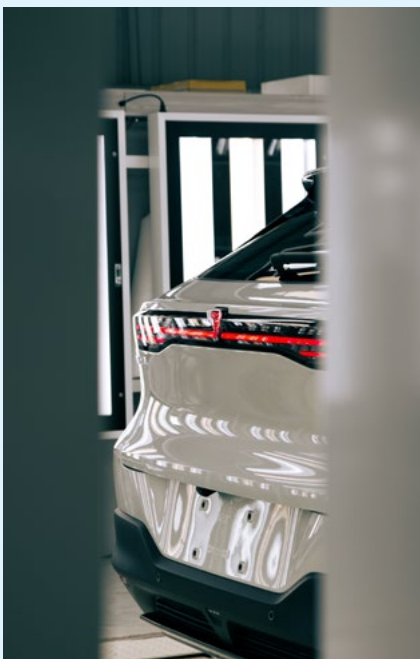
*"The Board of Investment's management of our case demonstrated remarkable efficiency,"* reported Mr. Shen Xinghua. *"We were assigned a dedicated BOI officer to support our project implementation, provide comprehensive responses to inquiries, and offer strategic recommendations throughout the process until successful BOI certificate acquisition."*

## Recommendations for International Investors

For international corporations evaluating Thailand's electric vehicle industry investment opportunities, ChangAn's assessment emphasizes compelling fundamental characteristics. Thailand's investment-conducive environment, strategic geographical positioning, well-developed infrastructure, and skilled labor force establish favorable conditions for sustainable growth. Government support through comprehensive incentive programs and policy frameworks provides additional investment confidence.

*"Thailand demonstrates globally competitive industrial zones and well-developed transportation, communication, and technology infrastructure,"* Mr. Shen Xinghua concluded, positioning the kingdom as an attractive destination for electric vehicle industry investment initiatives.

As Thailand's electric vehicle transformation accelerates, ChangAn's experience provides a framework for successful foreign investment implementation. Through recognition of both opportunities and challenges, collaborative engagement with government partners, and sustained commitment to local ecosystem development, international corporations can leverage Thailand as an effective platform for regional growth initiatives. ■



# THAI ECONOMY AT A GLANCE

## Key Economic Figures



### GDP Growth



Source: NESDC  
(Data as of Aug 2025)

### Unemployment (2024)



### Inflation (2024)



Source: NESDC  
(Data as of Aug 2025)

### Investment Growth



### Export Value of Goods Growth



Source: NESDC  
(Data as of Aug 2025)

## Market Profile (2024)



Minimum Wage  
THB 337-400

US\$ Approximate  
USD 10.64-12.63

Source: Ministry of Labour



## Export Figures

### Export value (USD million)

Jan-Dec 2022: 305,320

Jan-Dec 2023: 301,342

Jan-Dec 2024: 323,685

Jan-June 2025: 171,071

## Top 10 Export Markets (Jan-June 2025)

Rank	Value (USD Million)	Share
<b>United States</b>	34,230.39	20.01%
<b>China</b>	21,413.51	12.52%
<b>Japan</b>	11,997.55	7.01%
<b>India</b>	8,561.17	5.00%
<b>Malaysia</b>	6,598.91	3.86%
<b>Vietnam</b>	6,322.21	3.70%
<b>Australia</b>	6,318.45	3.69%
<b>Singapore</b>	5,769.25	3.37%
<b>Hong Kong</b>	5,366.95	3.14%
<b>Cambodia</b>	5,247.57	3.07%

source: Ministry of Commerce, in cooperation with the Thai Customs Department (Date as of August 2025)

## Top 10 Exports (Jan-June 2025)

Goods / Products	Value (US\$ million)	Share
Computers and Parts	19,217.36	11.23%
Vehicles and Parts	15,326.78	8.96%
Jewelry Products	14,590.15	8.53%
Rubber Products	8,080.57	4.72%
Machinery and Parts	5,673.79	3.32%
Integrated Circuits	5,608.75	3.28%
Air Conditioning Machine and Parts there of	4,493.85	2.63%
Plastic Pellets	4,444.79	2.60%
Chemical Products	4,260.68	2.49%
Fresh, Frozen and Dried Fruit	4,093.46	2.39%

source: Ministry of Commerce, in cooperation with the Thai Customs Department (Date as of August 2025)

## Exchange Rates (As of 18 August 2025)



Source: Bank of Thailand

## Tax Rate

Corporate Income Tax: 0 - 20%

Personal Income Tax: 5 - 35%

VAT: 7%

Withholding Tax: 1 - 15%

Source: the Revenue Department  
(As of August 2025)



## Thailand Investment and Expat Services Center (TIESC)

TIESC serves as a one-stop center to support both investors and expatriates in Thailand.

The center brings together key services under one roof, making it easier and faster to set up and operate businesses while ensuring smooth relocation and work arrangements.

### Our Services include

- **One Start One Stop Investment Center (OSOS):** Comprehensive guidance and advisory on setting up operations in Thailand, including coordination with government agencies.
- **One Stop Service for Visa and Work Permit (OSS):** 1-Stop for visas & work permits in 3 hours

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