

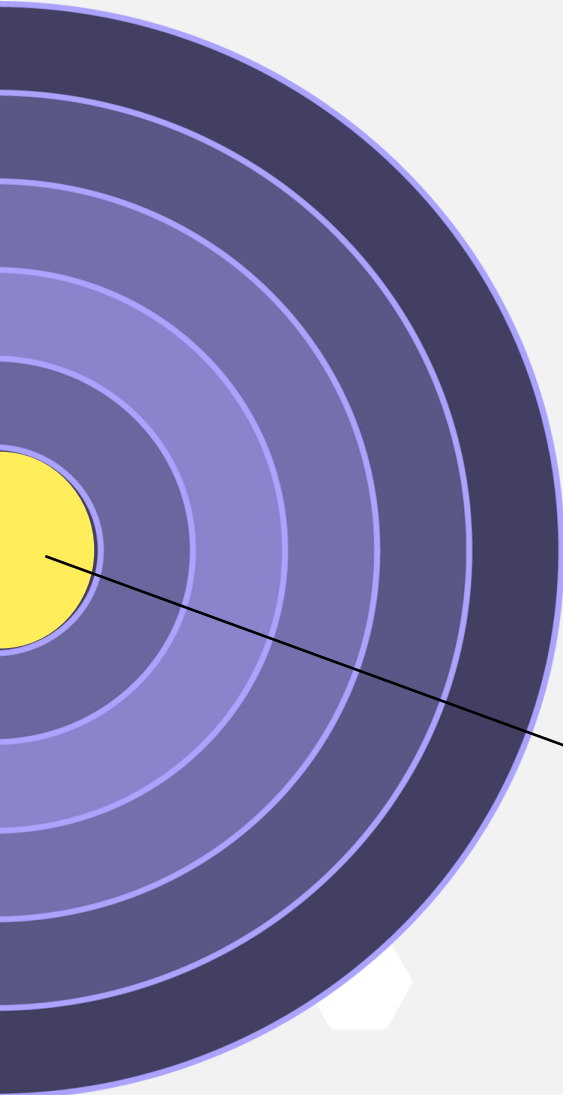
Thailand

The Time is Now, Invest in Thailand

Sonklin Ploymee
Executive Director

Foreign Investment Marketing Division
Thailand Board of Investment

23 July 2019



Why Thailand?



Why Thailand?



Inflation Rate
(%)



1.1

GDP
(Billion USD)



523.3

GDP Growth
(%)



4.1

GDP/Capita
(USD)



8,235.49

Strong Government Support



Friendly Tax Environment
(Ex. 20% Corporate Income Tax)



Low Cost of Living



Low Cost of Office Space



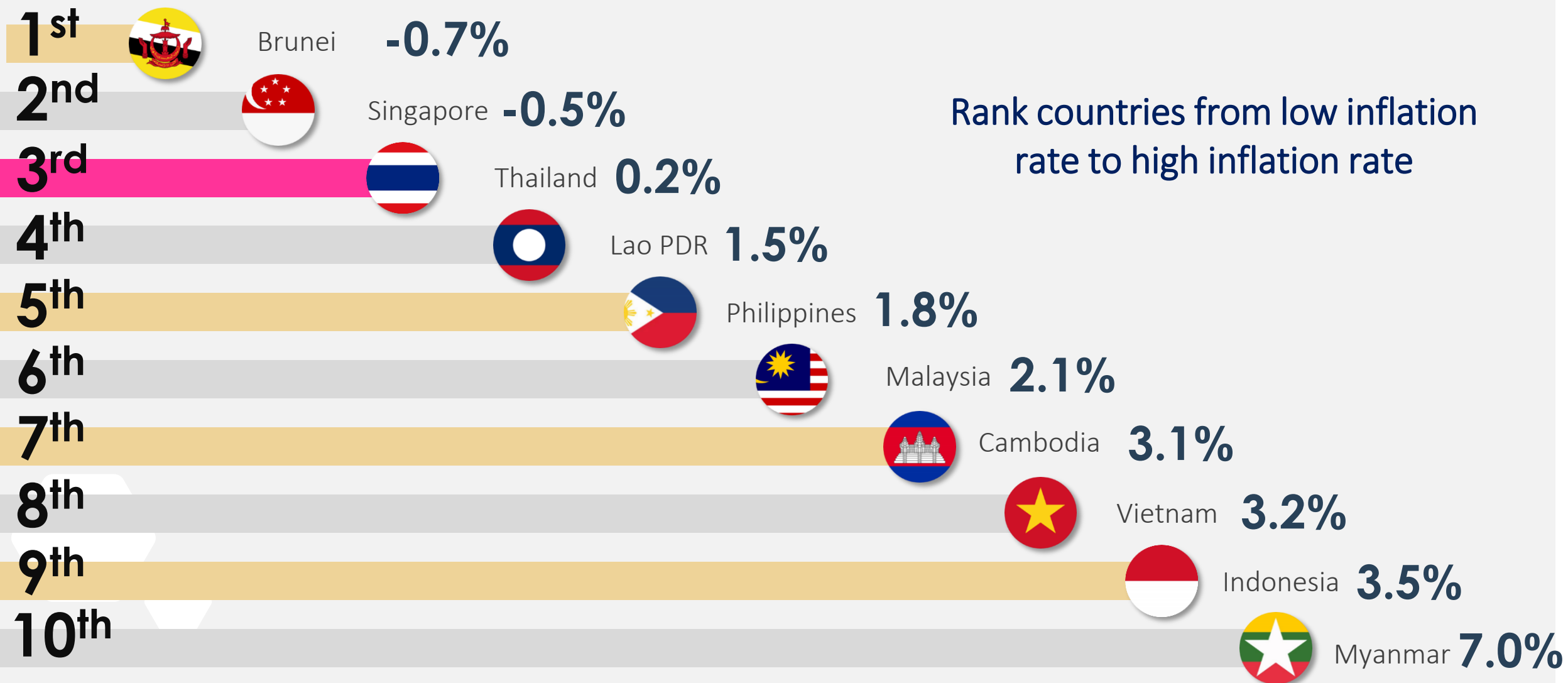
Well-Equipped Infrastructure



Well-Equipped Industrial Estates

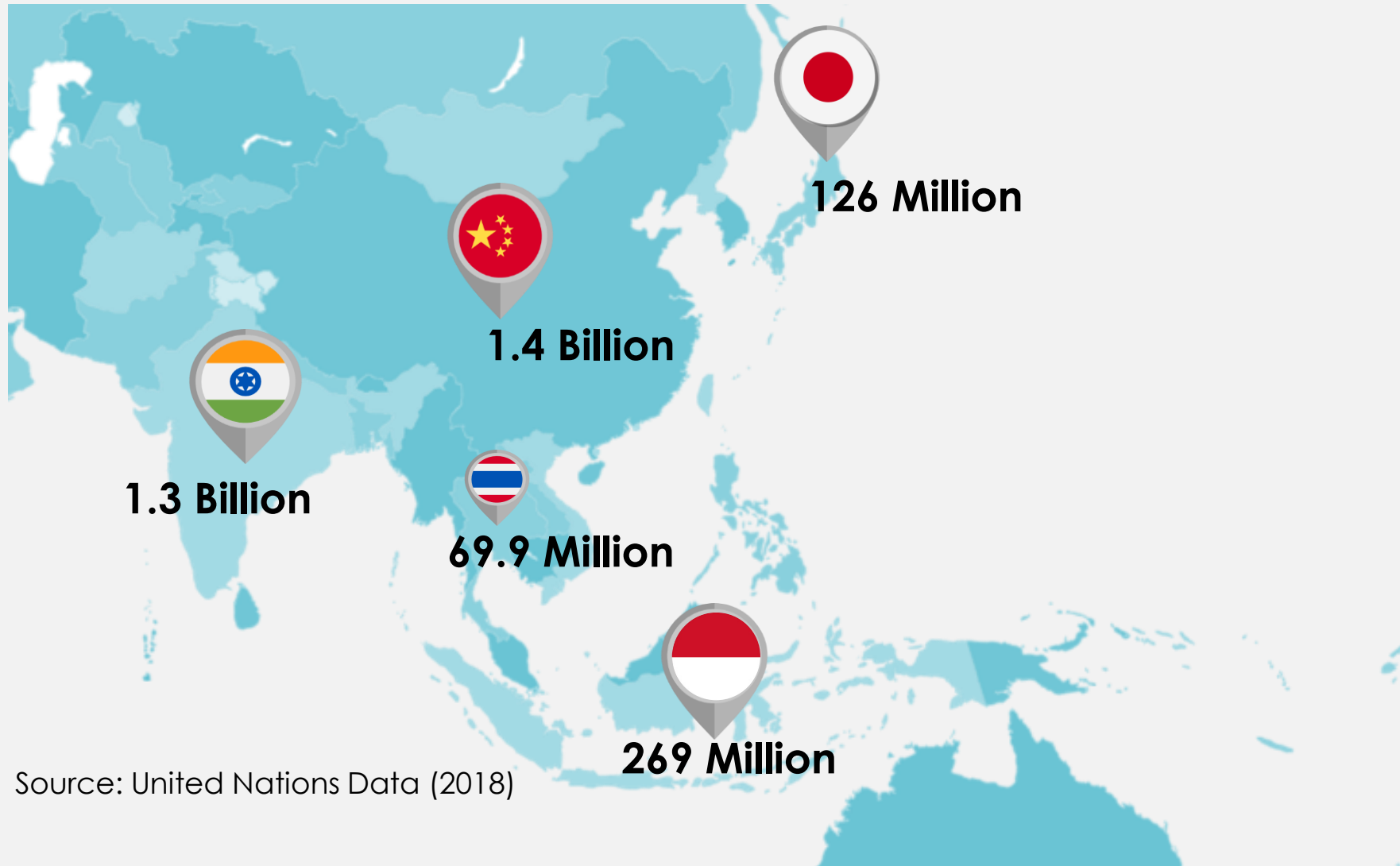
Source: NESDB and Population Division, United Nations Data (2018)

Thailand's inflation is relatively low compared to other ASEAN Countries



Source: World Bank (2017 Data)

Thailand the Strategic Channel to the Region

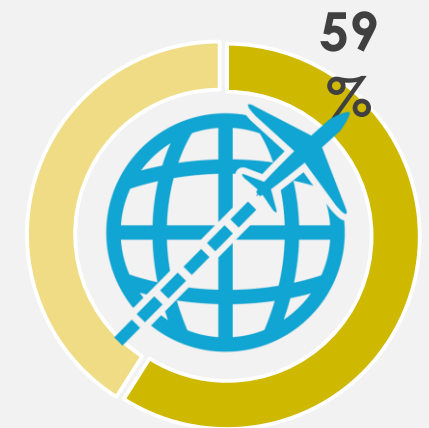


Source: United Nations Data (2018)

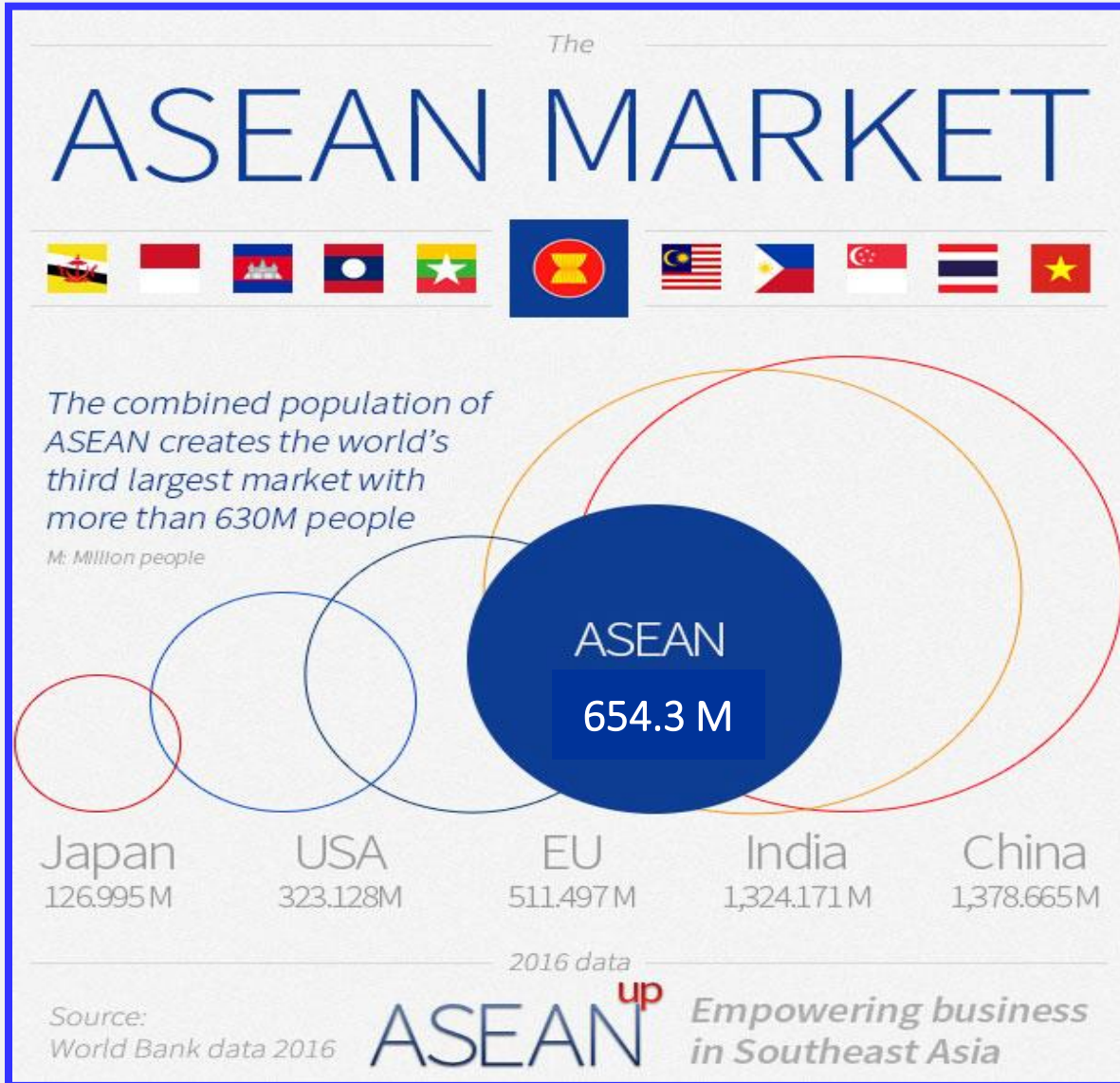
ASIA & Thailand Population



4.58 Billion



ASEAN market compared to China, India, EU, US and Japan

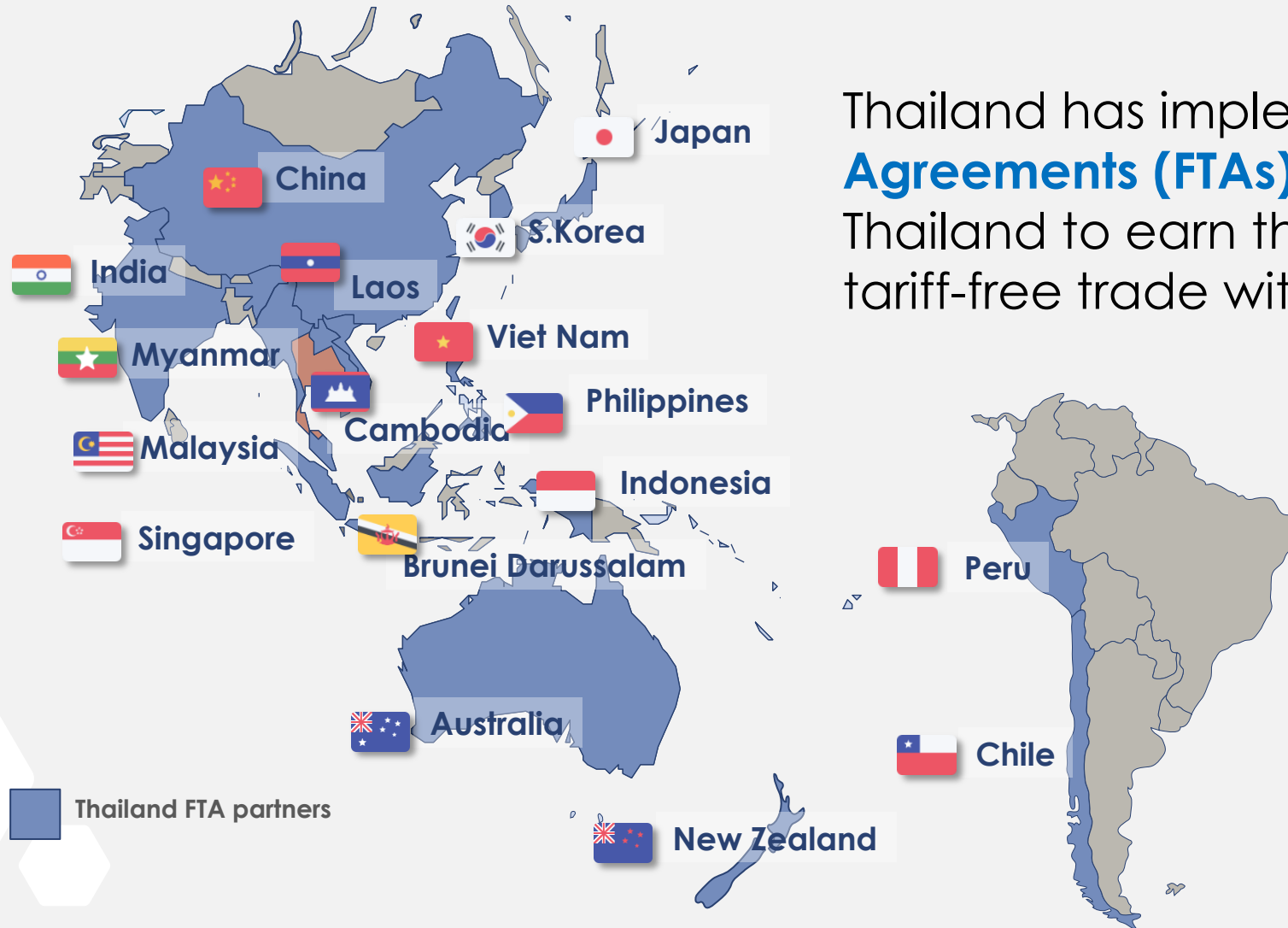


TOTAL POPULATION IN MILLIONS (2018)

Indonesia	266.8
Philippines	106.5
Vietnam	96.5
Thailand	69.2
Myanmar	53.9
Malaysia	32.0
Cambodia	16.2
Laos	7.0
Singapore	5.8
Brunei Darussalam	0.4

The State of World Population (2018)
UNFPA

Thailand's FTA Network



Thailand has implemented **12 Free Trade Agreements (FTAs)**, enabling businesses in Thailand to earn the rewards of almost tariff-free trade with **17 different nations**.

Source: Asian Development Bank as of 5 November 2018

Infrastructure in Thailand

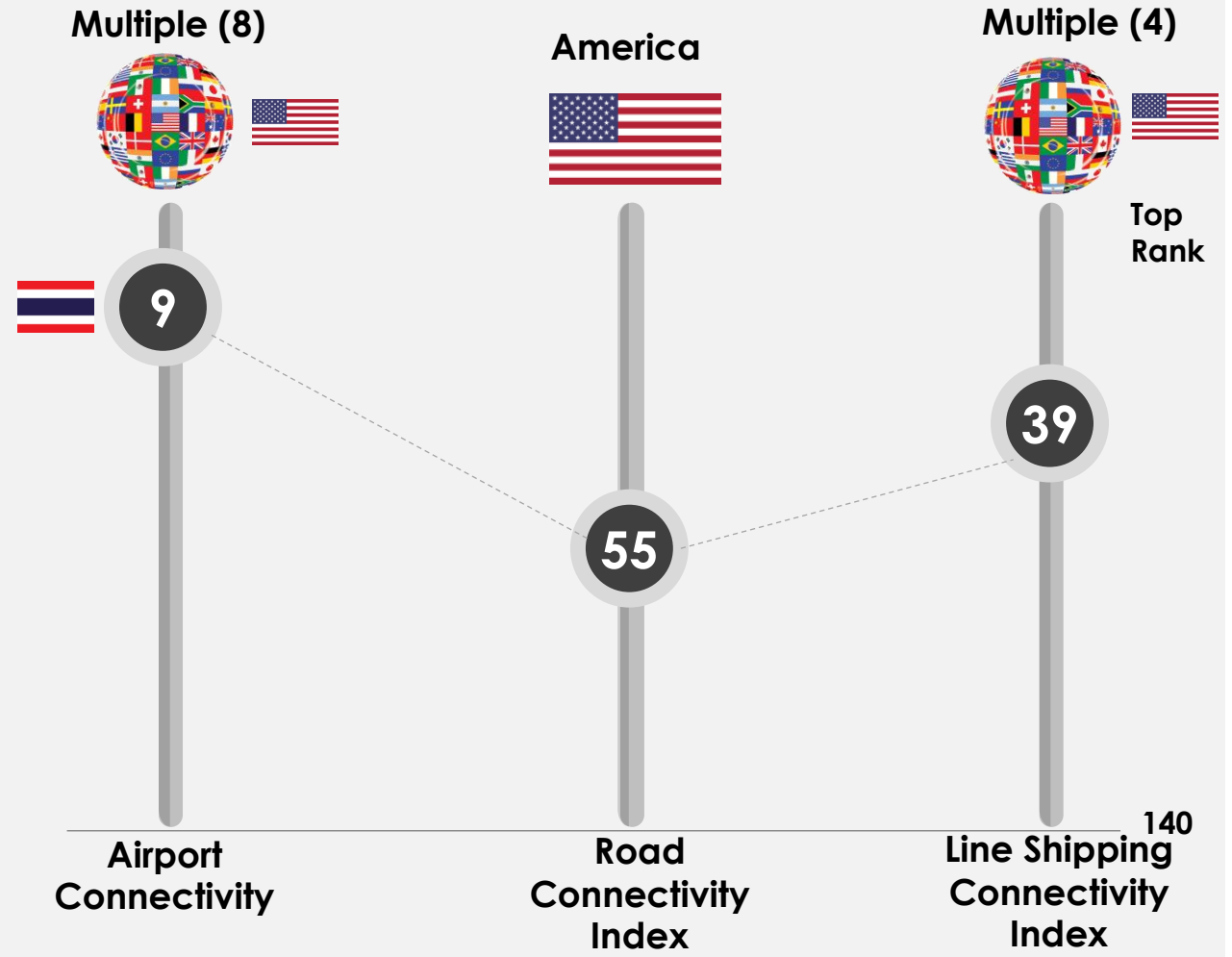
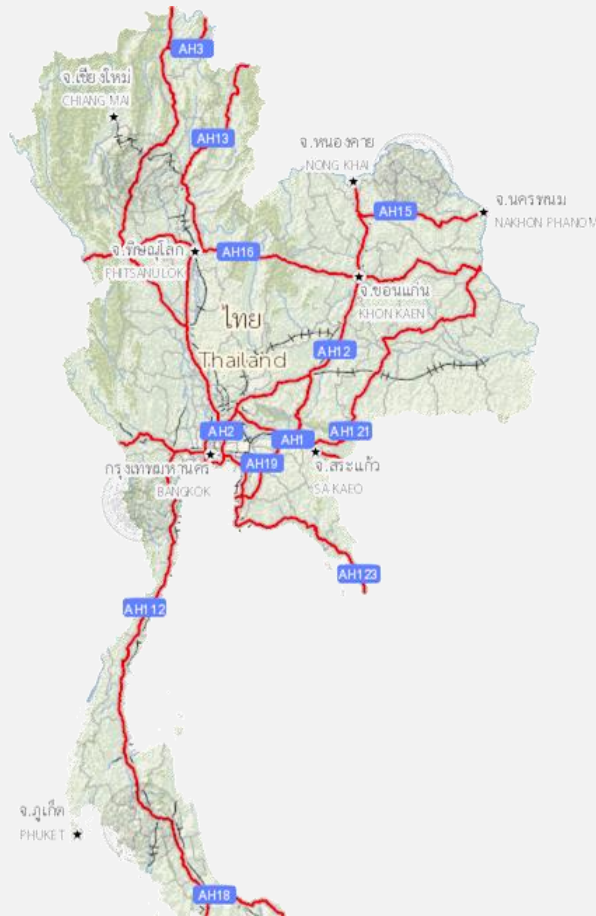
11
International Airports

24
Domestic Airports

701,847 km
Road Length

4,644 km
Rail Length

12,557 km
Water Length



Source: Ministry of Transport, The Global Competitiveness Report 2018

Infrastructure Projects Timeline

BENEFITS

Travelling time



Logistic costs

Connectivity



Capacity to absorb
and trades



Intercity Motorway

**New network that
connects to EEC**



**U-Tapao
International Airport**

**60 million
passengers/ year**



Double-Track Railway

Increase rail transportation



**High-Speed Rail
Linking 3 Airports**

Less than a hour to EEC



**Laem Chabang Port
(Phase 3)**

18.1 million TEU/ year



**Map Ta Phut
Industrial Port (Phase 3)**

**31 million tonnes of gas and
liquid cargo shipment/ year**

2019

2022

2023

2025

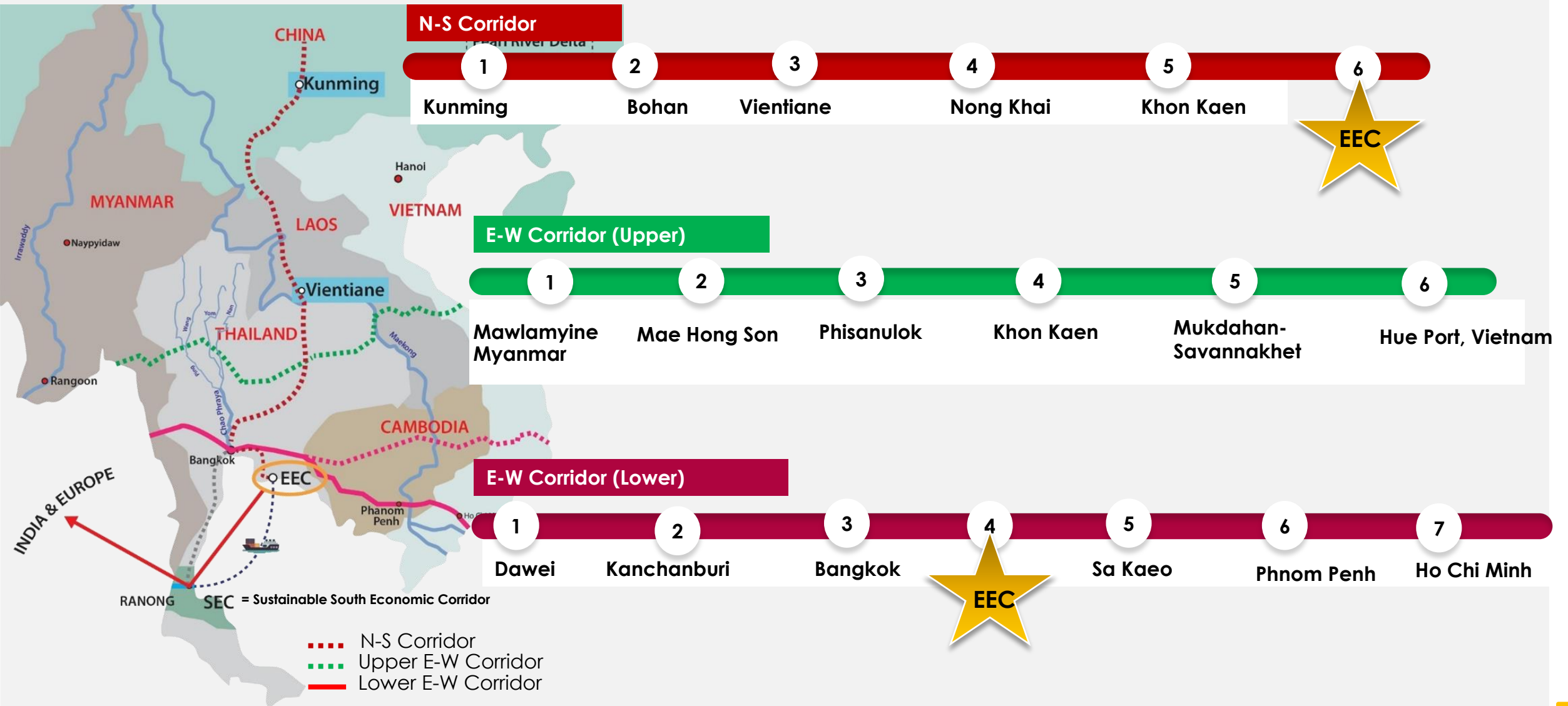
China's Vision: Belt Road Initiative



 **Silk Road Economic Belt**

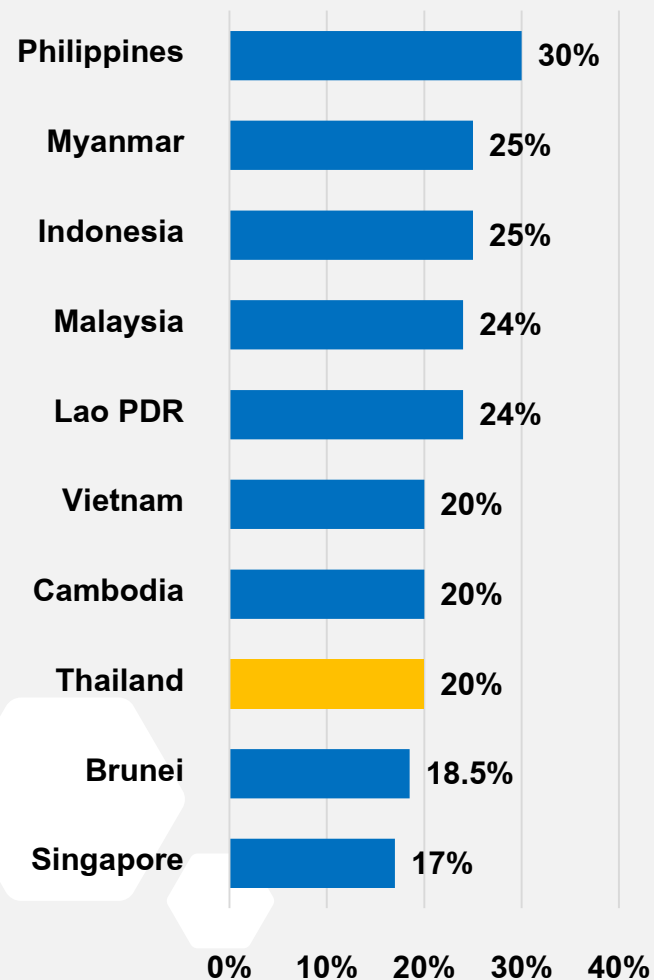
 **Maritime Silk Road Initiative**

China-Thailand for CLMVT & ACMECS Connectivity

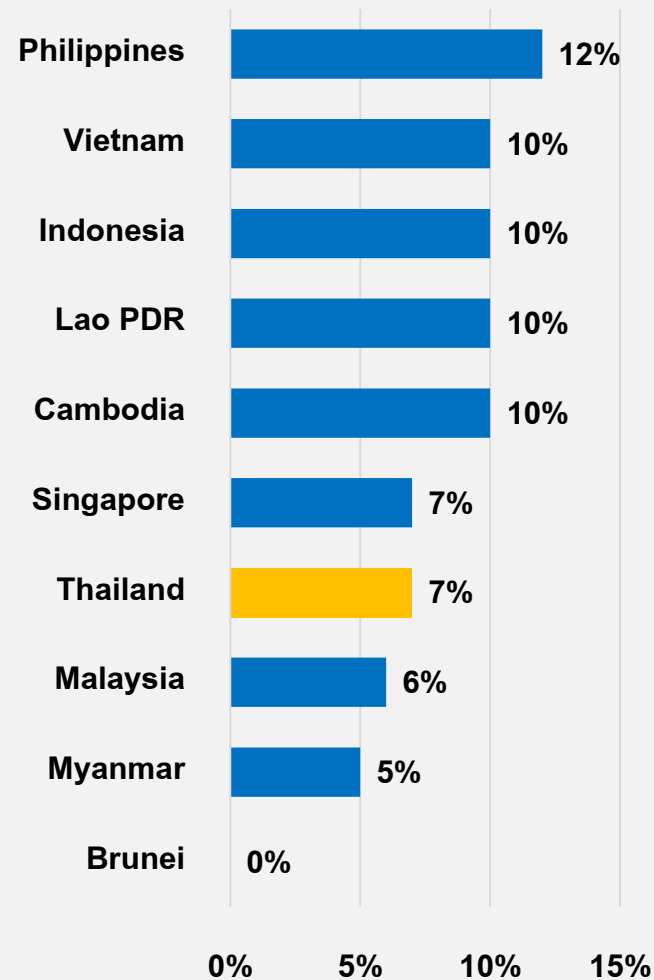


Thailand is relatively competitive in terms of CIT and VAT rates

Corporate Income Tax



VAT



Country	Withholding Tax		
	Dividends	Interest	Royalties
Brunei	0%	2.5%	10%
Myanmar	0%	15%	10-15%
Malaysia	0%	15%	10%
Singapore	0%	15%	10%
Thailand	10% or 0% (under BOI promotion)	15%	15%
Cambodia	14%	14%	14%
Lao PDR	10%	10%	5%
Indonesia	20%	20%	20%
Vietnam	0-5%	5%	10%
Philippines	15-30%	20%	30%

Source: Deloitte Tax Guide (2017)

Thailand: High Standard of Living for Expat



Standard of Living at the Right Cost

HSBC Expat Explorer Survey 2018 has ranked Thailand among its top 21st best country in the world for expatriate. Ranking Criteria includes Economics, Experience, and Family.



Family
17th



Experience
12th



Economics
26th



Livable Community

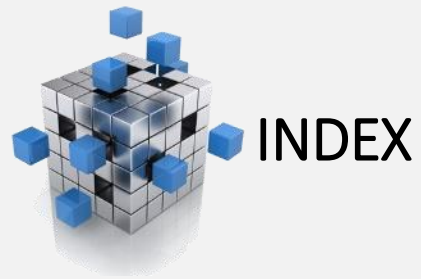
Expat City Ranking has ranked Bangkok as the 2nd best city for finance and housing for expats in 2018. Three-quarters (75%) are satisfied with the financial situation, which is 17 percentage points more than global average (58%).



Affordable and High-quality Health Care Facilities

Thailand is well-positioned to be the medical hub of Asia. With outstanding medical foundation that includes premium medical services, qualified healthcare specialists, and various internationally accredited medical facilities.

Position of Thailand in Global, Asia and ASEAN Rankings



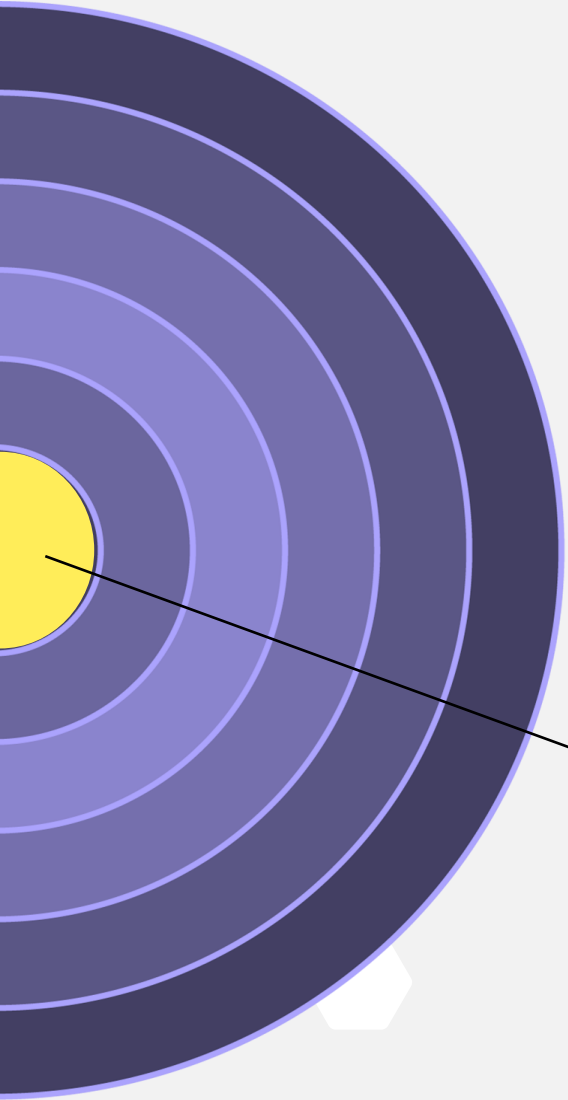
	YEAR	SCORE (Score of 100)	GLOBAL RANKING	ASIA RANKING	ASEAN RANKING
Ease of Doing Business Index	2019	78.45	27	6	3
Global Competitiveness Ranking 4.0	2018	67.5	38	10	3
Logistics Performance Index Ranking	2018	3.41	32	9	2
IMD World Competitiveness Index	2018	79.45	30	11	3
IMD World Digital Competitiveness Ranking	2018	65.72	39	10	3
Global Talent Competitiveness Index	2019	38.62	66	10	2
Global Innovation Index	2018	38.00	44	9	3
Inclusive Development Index *	2018	4.24	17	2	2

Note: * Ranking in Emerging Economies Group

Source: World Bank, IMD Business School, INSEAD, World Intellectual Property Organization and World Economic Forum



BOI Investment Incentive Schemes



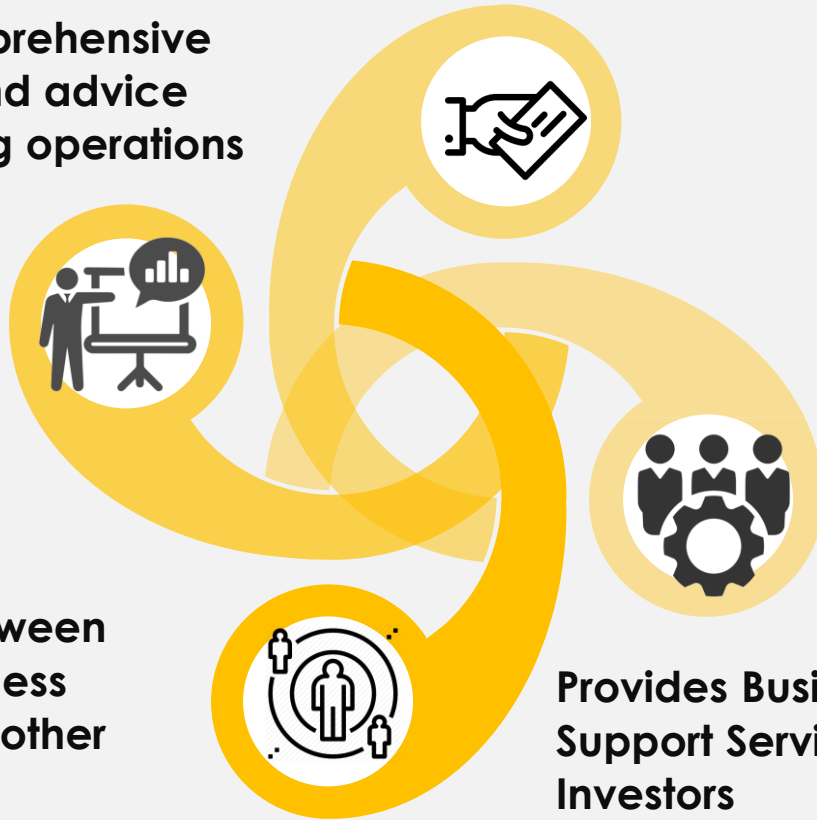
Introduction to Thailand Board of Investment

Grants “Tax-based incentives” and “Non-Tax incentives”

Provides comprehensive information and advice on establishing operations in Thailand

Coordinates between the foreign business community and other public agencies

Provides Business Support Services for Investors



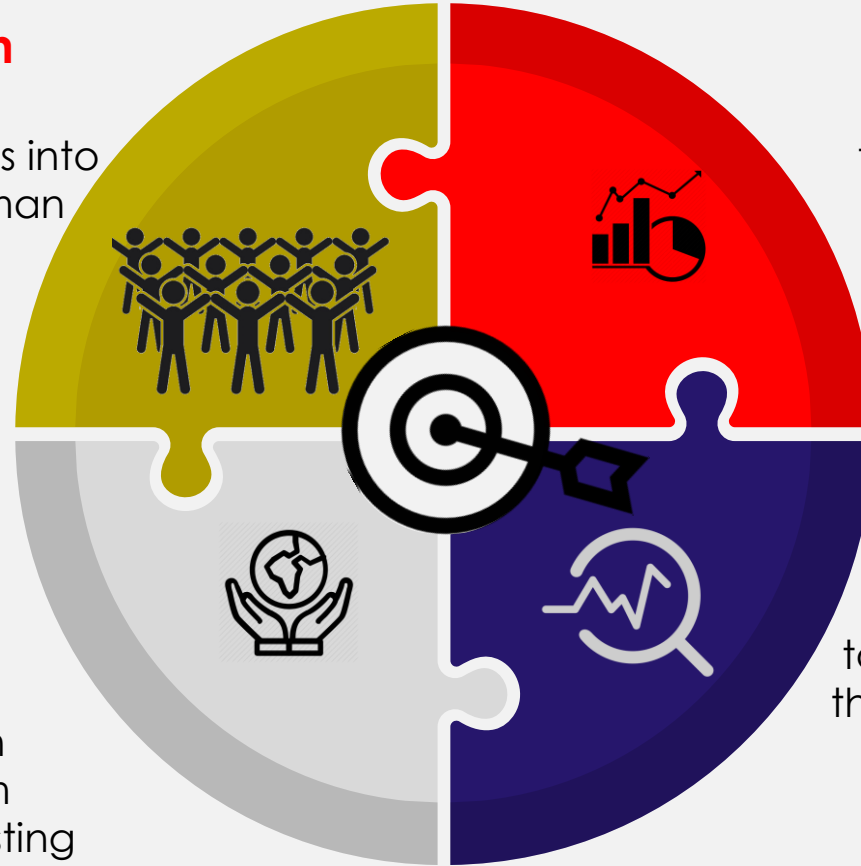


Raising Human Values

to transform Thais into “Competent human beings in the 21st Century” and “Thais 4.0 in the first world.”

Environmental Protection

to become a livable society that possesses an economic system capable of adjusting to climate change and low carbon society.



Economic Prosperity

to create a value-based economy that is driven by innovation, technology and creativity.

Social Well-being

to create a society that moves forward without leaving anyone behind.

OBJECTIVES

PROSPERITY

SECURITY

SUSTAINABILITY



BOI's Support to Investors



**100% Foreign Ownership
for Manufacturing and Selected Services**



Tax and Non-Tax Incentives



Investment-Related Services

such as visa and work permit, right to own land



**Enhancing
Investment
Ecosystem**



BOI Tax Incentive Scheme

Agenda-based • Productivity Enhancement 提高生产力

Area-based

- Eastern Economic Corridor (EEC) 3 provinces
- Special Economic Zone (SEZ) 10 provinces
- Southern Border (4 provinces, 4 districts)
- 20 Provinces with the Lowest per Capita Income
- Industrial Estates/Zones
- Science and Technology Parks (Science Park, Food Innopolis, Space Krenovation Park: SKP)

Merit-based

- Research & Development (R&D)
- Support academic/research institutes, or technology and human resource development funds
- IP licensing fee
- Advanced technology training
- Development of Local suppliers
- Product and packaging design

ADDITIONAL INCENTIVE

Product-based

- Bio Industries
- Creative & Digital Industries
- High Value Business & Service
- Advanced Manufacturing
- Basic & Supporting Industries



Technology-based 以科技为基础

- Biotechnology
- Nanotechnology
- Advanced Material Technology
- Digital Technology



STANDARD INCENTIVE



Investment Incentives

Tax Incentives

Exemption of import duties on machinery / raw or essential materials imported for use in production for export and for R&D

Corporate income tax exemption

Product-based Incentives

Up to 9-year tax holiday

For eligible activities in the BOI list

Technology-based Incentives

10 to 13-year tax holiday

For core technologies development projects

Competitive Enhancement Measures

15-year tax holiday

For new technologies and high-impact investment

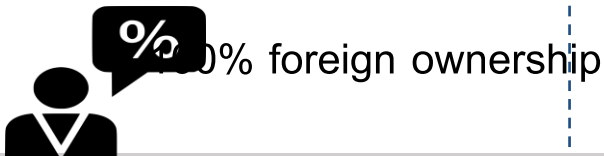
+ Grants for R&D, Innovation and human resources development

Non-tax Incentives

Land ownership rights

Work permit
&
visa facilitation

Investment Policies



No local content requirement



No export requirements



No restriction on foreign currency

Standard Packages of BOI Product-Based Incentives

Incentives are largely based on several key factors

i.e. level of technology, role in supply chain



8 years



CIT exemption

0 year

0 year

0 year

		8+ 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	-	✓	✓



Thailand's Targeted Industry: Eligible for maximum incentives

5 New Industries



Biofuels and Biochemical



Digital Economy



Medical Hub



Automation and Robotics



Aviation & Logistics



Circular Economy

5 Existing Industries



Agricultural & Biotechnology



Smart Electronics



Affluent Medical & Wellness Tourism



Next-Generation Automotive



Food for The Future



Investment Facilitation

- OSOS
- ILDD
- SMART Visa



One Start One Stop Investment Center (OSOS)



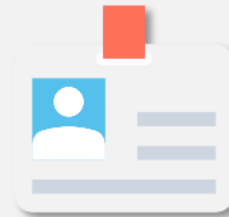
Consolidating staff from numerous investment-related agencies



Easing & speeding procedures for new investors



Provides comprehensive information and advice on establishing operation in Thailand



Provides useful contacts with key public and private organizations



1-Stop for visas & work permits In 3 hours



Assist investors with various applications

More Convenience
Less Time
More Efficiency!



18th Floor, Chamchuri Square
Building, 319 Phayathai Road,
Pathumwan
Bangkok 10330, Thailand

Tel: 66(0)2 209 1100
Fax: 66(0)2 209 1199
Email: osos@boi.go.th



Industrial Linkage Development Division (ILDD)



www.build.boi.go.th

Email: build@boi.go.th

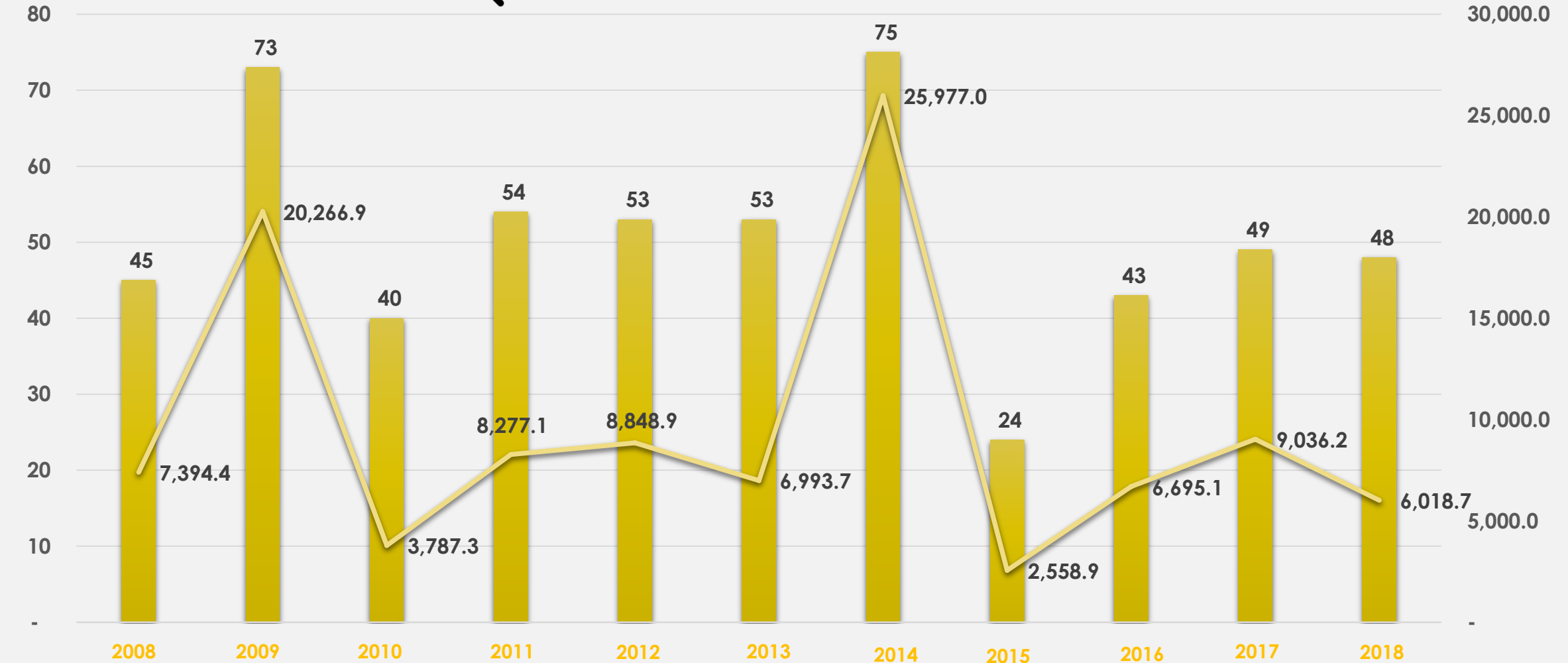
Taiwanese Investors: 10 Years Trend by Project No./ Value



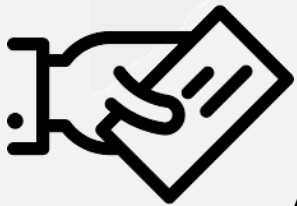
Steady No. of Investors from Taiwan

No. of Project

Investment Value
(Million THB)



Taiwan Investors in Thailand



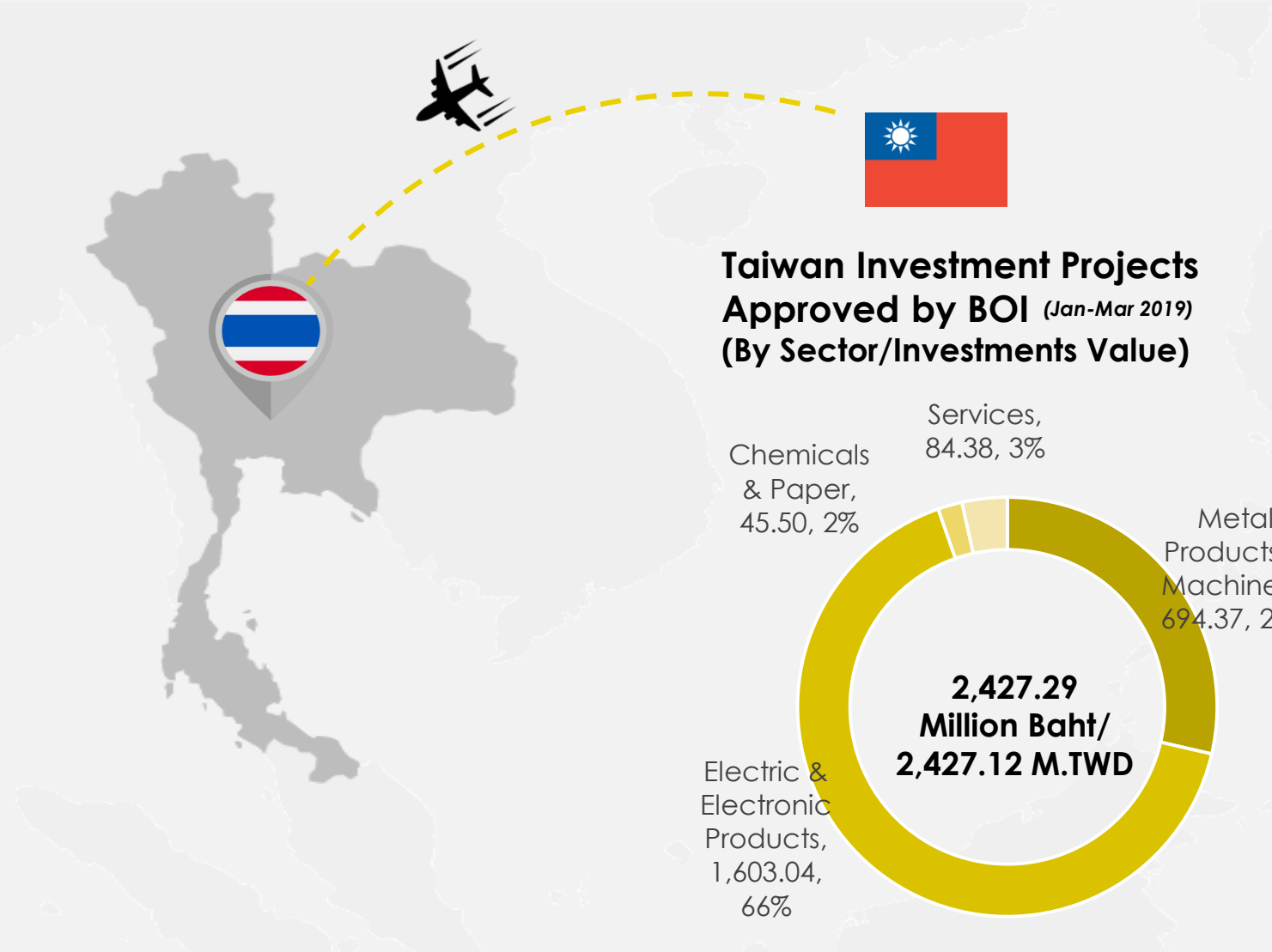
48

Approved Investment Applications (2018)

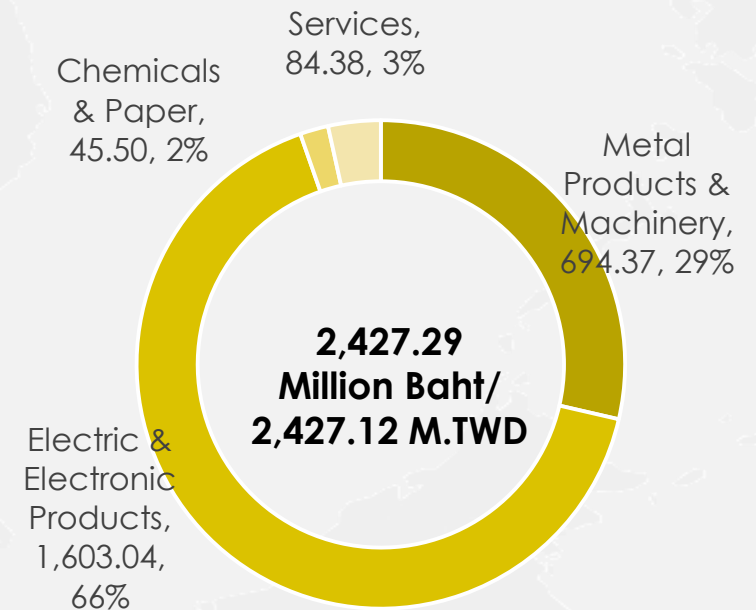


Top 5

Countries apply for BOI Incentives (2019)



Taiwan Investment Projects Approved by BOI (Jan-Mar 2019)
(By Sector/Investments Value)







**THAILAND
BOARD OF
INVESTMENT**

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