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THAILAND INVESTMENT REVIEW

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ADVANCING SMART ELECTRONICS

CONTENT

BOI Net Application	02
Cover Story	03
Booming Digital Industry Boosts Thailand's Smart Electronics	
Industry Focus	05
Promising Smart Electronics Supply Chain	
Short Article	07
Accelerating Thailand's Smart E&E Hub	
Company Interview	08
Sony Device Technology (SDT) : a global supplier of semiconductor parts and accessories	
BOI's Missions and Events	10
Thai Economy At-A-Glance	11
About BOI	12

BOI NET APPLICATION

January - June 2020



Total Investment
754 Projects
US\$ 5,016.99 Million



Total Foreign Investment
459 Projects
US\$ 2,396.65 Million

FOREIGN INVESTMENT BY TARGET SECTORS

First S-Curve		New S-Curve	
	Electronics 63 Projects 719.86 M		Biotechnology 3 Projects 8.49 M
	Agriculture & Food Processing 18 Projects 121.85 M		Digital 51 Projects 11.84 M
	Automotive 40 Projects 402.46 M		Aerospace 2 Projects 7.70 M
	Petrochemicals & Chemicals 26 Projects 109.54 M		Medical 18 Project 45.88 M
	Tourism 4 Projects 58.92 M		Automation & Robotics 2 Projects 3.50 M

FOREIGN INVESTMENT BY MAJOR ECONOMIES



Unit: US\$ (US\$=31.67 as of 15 July 2020)

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

BOOMING DIGITAL INDUSTRY BOOSTS THAILAND'S SMART ELECTRONICS

As digital technology becomes firmly entrenched in the battle against the COVID-19 pandemic, it is not only in healthcare where it takes a prominent role but also increasingly in business operations and even people's daily lives. In this changing environment, Thailand has shown itself to be one of the world's most resilient and thriving smart electronics manufacturing hubs.

To alleviate the impact of the pandemic on their operations, businesses are adopting technologies such as videoconferencing, e-commerce, augmented reality (AR) and virtual reality (VR) to reach out to consumers and foster connections in keeping with social distancing practices. In this digital marketplace, speed and data can give businesses a competitive edge, resulting in the demand for cloud and quantum computing, machine learning and artificial intelligence being driven at an accelerated pace.

AI and other modern technological innovations such as blockchain, robotics and automation also benefit healthcare practitioners, researchers and policy makers across the globe, not only in the race for a vaccine against the disease, but also in tracking infections and treating patients.

With working practices and people's lifestyles demanding greater mobility and connectivity, the so-called "Internet of Things" continues to in leaps and bounds, as the system of connected computing devices answers the needs of both corporations and individuals.

Backed by the breadth and depth of its ecosystem, comprising global manufacturers and local business and skilled human resources, Thailand's vibrant electronics and electrical (E&E) industry has underpinned the country's exports for decades.

The Ministry of Commerce's data show that exports of E&E products accelerated in the period from January to April this year, as the pandemic forced people to work remotely and become more accustomed to e-commerce and digital platforms. Thailand's exports increased by 4.2% year-on-year in March against 1% growth during January to March during the same period in 2019. Besides processed food, exports of computers and parts also accelerated sharply, with an 18% year-on-year increase during January to April 2020, compared with 9% year-on-year growth for the same period last year. The outbound shipments of air conditioners also held up during the period, despite the dim global economic outlook¹.

E&E products have driven Thailand's export sector for decades, accounting for one-fourth of the country's total

export revenue each year. The Thailand Board of Investment also reported a promising trend of investment in the industry, which had the highest value of new investment projects in the first half of 2020.

Thailand's vibrant E&E industry ecosystem is the result of ongoing development and technological transfer by multinational companies over the past five decades. Spearheaded by multinational companies, Thailand's E&E industry supply chain is currently comprised of more than 2,500 enterprises, employing around 753,000 workers². Given its prominence in Thailand's economic development, the E&E industry is one of the 12 targeted industries identified by the Thai government as the new engines of growth, with priority given to efforts aimed at further developing the skills of workers and promoting investment in these industries. Thailand's Ministry of Industry has designed a development plan intended to help these industries increase their innovations and strengthen their competitiveness through the adoption of more new technologies by 2029.

¹ <https://www.bangkokpost.com/business/1904620/state-upbeat-on-full-year-exports>

² <https://www.eeco.or.th/en/intelligent-electronics>

Moving Towards Smart Electronics

As technology continues to move the world towards greater internet connectivity and self-ordering functions, Thailand's E&E supply chain and workforce are more than ready to adapt to the smart electronics industry. The country is moving towards the production of high-value and sophisticated electronics and electrical appliances, leveraging its high competency in modern technologies and complete supply chain for E&E manufacturing.

Thailand's prominence in the global supply chain of the E&E industry is proven by the fact that the country's exports of important components such as Hard Disk Drives (HDDs) and Integrated Circuits (ICs) account for one-third of the global demand each year.

Changing consumer behavior towards greater connectivity has driven Thailand's production of more sophisticated HDDs and ICs, such as sensor-equipped HDDs, solid state drives (SSD), smaller IC units, semiconductors, microelectronics and embedded system design. These products serve digital service providers and smart electronics manufacturers of high-growth segments such as data centers and cloud computing providers, as well as providing the Electronic Control Units (ECU) and LED Chips used in the automotive sector and Touch Screen Controllers and LCD drivers in smartphones.

The country is also a prime investment location for embedded software testing and development thanks to its reliable electricity supply, stable internet connectivity as well as the readiness of its skilled and affordable workforce. Thailand is currently the largest desktop/personal 3D printer producer in the world, accounting for one-fourth of global market share, placing the country ready to serve growth in aerospace, electronics, automotive, jewelry, education and healthcare industries.

Thailand also has a solid reputation as one of the largest electrical appliance producers in the region, with over 1,060

electrical appliance factories across the country contributing to its position as the world's largest exporter of air conditioners and washing machines and one of the top manufacturers of many other electrical household appliances.

In light of the disruptive pace of technological changes, Thailand is rapidly becoming a hub for the manufacturing of smart appliances. With functions that include self-ordering, sensor systems, and multiple connections with internet devices, products such as remotely controlled electrical devices, refilling refrigerators, and smart TVs with digital connections will continue to make the lives of consumers easier while also offering energy optimization for modern home use.

A Resilient Smart E&E Manufacturing Base

A cost-effective work force that is adaptive to the relentless changes in technology, a robust supply chain, and an excellent logistics network have all attracted key global manufacturers in the E&E industry to Thailand. The country's lucrative market for smart electronics is further underpinned by demand from its automobile production base, which is the largest in Southeast Asia.

Thailand has gained an international reputation for the responsive action of its people and the strengths of its medical sector in curtailing the COVID-19 pandemic, with the country ranking number one in the world on the Global Covid-19 index, calculated from a combination of big data analysis and scores derived from the Global Health Security Index³.

To avoid the disruption of the operations of investors during these unprecedented times, Thailand's Board of Investment has rolled out measures to facilitate the online submission of documents for investors and made better use of its digital channels in reaching out to them.

The Thai government has identified Smart Electronics as one of the targeted industries serving as a key source of

economic growth in the coming decades and contributing to an important foundation for automation and robotics, digital, next generation vehicles and the bioeconomy in Thailand.

Thailand's human resources are the cornerstone of the government's ongoing efforts to further enhance the agility and resilience of Thailand's E&E industry supply chain. In this respect, the country has more than 60 public and private engineering academies and institutes which are accredited by the Council of Engineers. Joining forces, these institutions produce a skilled workforce and match these human resources with the demand from the E&E industry.

Thailand's location at the center of the Southeast Asia region, its highly-productive logistics network, and its ease of doing business environment have underpinned its attractiveness to global manufacturers and their strategy of using the country as a gateway not only to the ten-membered Association of Southeast Asian Nations (ASEAN), but also to Asia and the Pacific region beyond.

Thailand is competitively ranked 21st out of 190 economies in the World Bank's 2020 Ease of Doing Business Index⁴, and 32nd out of 160 countries in its biennial Logistics Performance Index, placing it second only to Singapore among ASEAN countries⁵. The Eastern Economic Corridor (EEC)⁶, the country's prominent new Eastern Seaboard Special Development Zone, has enhanced the competitiveness of the country's E&E industry even further, with ASEAN's forefront facilities for research and development, human resource training and business development. The EEC, situated in the country's three Eastern provinces, houses development areas for the targeted industries, connected to the regional supply chain via modern rail, air and sea transportation networks. ■

3 <https://www.bangkokpost.com/thailand/general/1959567/more-praise-for-virus-response>

4 <https://www.doingbusiness.org/en/rankings>

5 <https://lpi.worldbank.org/international/scorecard/radar/254/C/THA/2018#chartarea>

6 <https://www.eeco.or.th/en/home>

production stood at around 20,000 tons in the first quarter of this year, compared with 13,000 tons in the same period of 2019.

At present, Thailand's E&E industry has a total investment value of around USD76 billion, comprised of electronics worth USD 48 billion and electrical products worth USD 28 billion. Thailand is a key manufacturing base in the Asian supply chain for leading global manufacturers. Industry giants such as Seagate, HGST, Thai Samsung Electronics, NMB-Minibea, CAL-COMP, Celestica, Western Digital, Sony Technology, Microchip Technology and Daikin Industries, produce E&E products in Thailand and distribute them across the globe.

EV Growth to Drive Smart Electronics Industry

The upward trend of Thailand's E&E Industry is also attributed to the prominent automotive supply chain and its evolution towards electric vehicles (EV), responding to people's desires for more eco-friendly and cost-effective mobility. The trend has resulted in the ongoing growth of foreign direct investment in Thailand's EV industry. In June, Thailand's Board of Investment reported a total of 24 approved incentives requests for EV-making projects with a combined capacity of 500,000 units per year. The investment made by top automotive brands such as BMW, Mitsubishi Motors, Audi, Toyota and Honda covers all types of EV in the market, including five hybrid electric vehicle projects, six plug-in hybrid electrical vehicle projects, and 13 battery-electric vehicle projects.

To ensure comprehensive coverage of all major aspects of the EV supply



chain, the BOI has also approved 10 battery production projects with a total capacity of half a million units per year as well as two charging station production projects that will produce more than 4,400 outlets per year. These significant investments will not only pave the way towards more demand for the Smart Electronics Industry but also strengthen the whole supply chain as electronics products made in Thailand can now be used as final products.

A study by Kasikorn Research Center highlights the promising effects of the country's EV market trends on Thailand's E&E industry. The prediction is based on the premise that evolution towards EV and Internet of Things electrical appliances will create enough demand to drive Thailand's electronic exports to grow slightly by 0.2% in 2022, despite the gloomy global economic outlook. The forecast foresees that exports of E&E products will increase by USD 1.3 billion more than earlier expectations which is based on a contraction of the item shipments.

Favorable Tax Incentives and Trade Agreements

Thailand's robust E&E ecosystem also benefits from the country's favorable tax incentives provided by the BOI and the country's free trade agreements (FTAs). Currently, Thailand has 13 FTAs in force with 18 economies. As of 2019, Thailand's active FTAs cover more than 62% of the country's total export value. This enables businesses investing in Thailand to benefit from almost tariff-free trade through both bilateral and multilateral agreements. Through these FTAs, almost all of the E&E parts produced in Thailand can be traded tariff-free into FTA partner countries.

To ensure Thailand's competitiveness, the country is currently negotiating six additional FTAs, including the Thailand-European Free Trade Association and the Regional Comprehensive Economic Partnership (RCEP) as well as Thailand-European Union, Pakistan-Thailand, Thailand-Turkey, and Thailand-Sri Lanka FTAs. As products in the smart electronics

industry are usually assembled from various electrical parts from different countries, one obvious benefit from the expansion of Thailand's FTAs is the increased ability of businesses and exporters in Thailand to claim tariff benefits throughout the supply chain under the Rules of Origin.

In addition to tax benefits from existing FTAs, enterprises in Thailand are also eligible for Corporate Income Tax (CIT) exemption for up to eight years. The BOI's general list of activities eligible for promotion includes various tax incentives for activities in the E&E industry. Microelectronics design and embedded system design projects are eligible for an eight-year tax holiday with no cap. An additional 50% reduction of CIT for five years is also offered for investment activities located in the science and technology park.

Apart from the incentives based on industry eligibility, the BOI is also offering additional incentives for activities involving the integration of high technology to enhance research and development and production efficiency. This includes five to eight years of CIT exemption, depending on the ability to prove ownership of eligible products. The manufacturing of electrical products and parts used for industry (i.e., power inverters, distribution transformers, main circuit-breakers) can benefit from three to five years of CIT exemption, while the manufacturing of telecommunication products including emission, transmission and reception devices used in fiber-optic and wireless communication systems will be granted an 8-year CIT exemption. As part of the non-tax privileges, the BOI grants promoted non-Thai companies permission to own land and for their non-Thai shareholders to hold unlimited sharing holdings. Finally, the BOI grants so-called smart visas that enable high-skilled professionals, investors, executives, and entrepreneurs in startups in Thailand's 13 targeted industries and their families to stay in the country to up to four years without having to obtain a work permit. ■

ACCELERATING THAILAND'S SMART E&E HUB

Given the rapid evolution of E&E technology, Thailand is aiming to maintain the global competitiveness of its supply chain. To this end, the Thai government has committed its full support to the Ministry of Industry's development plan which aims to establish the country as ASEAN's foremost hub of smart E&E users and manufacturers with the ultimate goal of patenting its own technologies by 2029.

The development framework focuses on upgrading the E&E supply chain to accommodate more innovations and facilitate the design of smart electronics ranging from electronic engineering to software, as well as promoting the local market adoption of smart electronics devices such as sensors and machinery for upgrading manufacturing and farming processes, by leveraging the country's strong E&E ecosystem and position as gateway to ASEAN, especially the CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) group of countries. It also calls for better management of electronic waste under the circular economy concept of reuse, recycle and refurbish as well as encouraging electronic waste reduction.

With the goals of enhancing Thailand's competitiveness as a provider of Electronics Manufacturing Services (EMS) and upgrading the country from its role as a base for Original Equipment Manufacturers (OEM), the 10-year framework includes four action plans. The first step is to upgrade the E&E supply chain to support high value added manufacturing with the objective of attracting 100 new smart electronic manufacturing companies, ten new IC design houses and electronic manufacturing service providers, and one smart electronics standard. The second action plan aims to promote more systems developers (SD) for the creation of an Internet of Things platform and Center of Smart EE (CoSEE) through the enhancement of investment incentives to cover all types of SD, standard development for smart E&E, and support for laboratories. The third action plan is to stimulate the market by offering more incentives for smart E&E factories to upgrade

to the 4.0 platform with a target of USD 1.6 billion for the domestic smart electronics market. Under this approach, the Ministry of Industry will promote the use of smart E&E to monitor machinery for standardization. Step four is to introduce measures for managing electronics waste in a comprehensive manner.

The Ministry of Industry's Electrical and Electronics Institute (EEI) has established a framework for the development of the industry in three areas, with its proposed E&E development referred to as a "national agenda". The first step requires the creation of a collaborative platform among designers, programmers and marketers. Second, a data science center is to be established to ensure that industrial and behavioral data are analyzed and made use of more efficiently. Lastly, an innovation lab will be set up for researching and testing product standards and user designs.

The strategy of the Federation of Thai Industries (FTI) is to develop the E&E industry in line with both organizations. The strategy calls for local business to deliver products that match the demand of each customer segment by designing products and their functions that serve IoT growth and the rapid changes in customer behaviors towards smart and eco-friendly products. The FTI's strategy is also aimed at upgrading the Thai E&E industry to be more competitive as part of the global supply chain and produce innovations for manufacturers of smarter and smaller products. To achieve this, more support will be provided to enable businesses to improve their engineering designs and the development of new products, such as sensors, components of telecommunications devices, smart energy management tools, electronic vehicles, medical devices and micro controllers. In addition, the local E&E industry could also leverage the country's highly efficient electric power system to develop a smart power distribution system, as the country already enjoys competitiveness in terms of product standards. ■



SONY DEVICE TECHNOLOGY (SDT) : A GLOBAL SUPPLIER OF SEMICONDUCTOR PARTS AND ACCESSORIES

Sony Semiconductor Solutions Group Global Footprint

With manufacturing hubs throughout Asia (Japan, Thailand, and China), and design/development bases in the Middle East and Europe, Sony Semiconductor Solutions Group is well known for producing high performance parts and accessories. In Thailand, SDT's 700 employees are responsible for producing a range of electronic components such as image sensor devices for cameras, display devices for projectors, and Integrated Circuits (IC) for consumer products. Thailand was chosen as one of Sony's manufacturing locations primarily due to the country's longstanding reputation for providing high-quality human resources, convenient global supply chain links, well-established hard and soft infrastructure, and supportive foreign investment policies.

Since it was established in December 1988, SDT has developed a reputation for honesty, ethical business practices, and respect for the communities in which they operate. With a commitment to energy and environmental conservation, SDT has initiated a raft of measures to ensure that its operations are efficiently using energy and resources, thereby reducing harmful emissions. This commitment is further evidenced by the company's adoption of the Responsible Business Alliance's Code of Conduct for corporate social responsibility in global supply chains.



Ongoing Growth and Development

Since its first building was constructed in Thailand nearly 30 years ago, SDT has established itself as a pioneer in semiconductor manufacturing. With an original focus on television and radio components, SDT has now shifted its focus to meet the global demand for image sensors and display technology. To meet this need, operations have gradually expanded with the opening of two additional buildings in December 2004 and June 2007. At present, Sony's clean room - an environmentally controlled environment that is required to achieve exacting quality standards - is an impressive 8,200 m².

Prior to the outbreak of COVID-19, the global semiconductor sector's total revenue was projected to reach USD 730.29 billion by 2026. Whilst this

“Having operated in Thailand for more than 30 years, Sony Device Technology (Thailand) is proud to be one of the world's leading semiconductor manufacturers. With the support of the BOI, we have been able to create a company that is synonymous with quality and customer satisfaction.”

Mr. Hirofumi Nagata,
Managing Director of
Sony Device Technology (Thailand) Co., Ltd.



figure is expected to be scaled-back to some extent due to the current global economic uncertainty, overall demand for semiconductor parts remains strong. As such, SDT is continuing to position its Thai operations to meet the ongoing worldwide demand, particularly in relation to image sensor devices and high temperature polysilicon (HTPS) LCD Panels for projectors.

In October 2020, SDT will also proceed with plans to initiate the mass production of the new M-OLED device. Designed to create digital displays in devices such as EVF for Digital camera and AR/VR glasses, this technology offers ultra-low power consumption, high definition, and definitely immediate response time. As the clean room expansion has already been completed, the project only awaits the arrival of overseas engineers to complete the final set-up.

What support has Sony Device Technology (Thailand) received from the BOI?

Thailand continues to offer a supportive and enabling environment for the semiconductor manufacturing sector. In addition to the provision of essential high-quality hard and soft infrastructure, and the availability of an educated and talented workforce, the semiconductor industry also owes its success to the BOI and its generous privileges scheme. These privileges range from tax deductions and offsets, to support with visas for foreign talent.

SDT currently has five active projects with Board of Investment promotion privileges, and a further two that are progressing through the approval processes. These BOI incentives have significantly contributed to SDT's operations in Thailand, including the ability to construct new company buildings, cost reduction as a result of import duty and tax exemptions, and smooth issuance of visas/work permits for Japanese engineers. As SDT's footprint within Thailand continues to grow, it is anticipated that it will further engage with other incentives, particularly support for foreign talent and expedited customs clearances. Mr. Hirofumi Nagata, Managing Director of SDT, notes that: "We are incredibly appreciative and thankful to the BOI for their support over many years, including during trying times such as the 2011 Bangkok floods. This support has meant that we've been able to operate our business efficiently, meeting the needs of customers within Thailand and across the Asia Pacific region."

What does the future look like for the global semiconductor manufacturing industry, especially in the context of COVID-19?

As with the vast majority of manufacturing companies globally, the COVID-19 pandemic has affected the overall demand for semiconductor production in Thailand. This challenging impact has been heightened by a number of other factors such as increased logistics costs, difficulty in mobilizing foreign talent, and the need to adjust production schedules. For SDT, this has resulted in a slight decrease in customer demand, and as such, the decision to delay the launch of one of its new production lines by six months. Thankfully, due to the Thai government's effective handling of the crisis, SDT has been able to maintain 24 hours operation production throughout the lockdown and curfew periods.

Even the business impact has occurred from COVID-19, it has been forecast that our business opportunity may expand in medium and long term. With remote work becoming the norm, and technology required to fill this gap, SDT envisages a jump in demand for components such as image sensors and M-OLED devices in the medium to long-term. As a company with a long history of flexibility, adaptability and resilience, SDT is expected to maintain its position as one of Thailand's leading players in the semiconductor manufacturing industry. ■





29 June 2020:
BOI Strengthens Thailand-Hong Kong Partnership

The BOI, in partnership with Hong Kong's Commerce and Economic Development Bureau, launched a webinar entitled "Resilience Strategy: Thailand-Hong Kong Partnership." The event welcomed many distinguished keynote speakers including Dr. Kobsak Pootrakool, Deputy Secretary General to the Prime Minister for Political Affairs; Ms. Duangjai Asawachintachit, the BOI's Secretary General; and Mr. Edward Yau, Secretary for Commerce and Economic Development, HKSAR. Attended by more than 350 individuals, the webinar featured updates on the COVID-19 and investment climate as well as on government measures and responses to alleviate the situation. The webinar also highlighted the strategic partnership between Thailand and Hong Kong and discussed future cooperation between the two countries.



25 June 2020:
BOI Discusses Investment Trends and Cooperation with JETRO and JCC

The BOI's Secretary General, Ms. Duangjai Asawachintachit, was joined by the BOI's Executive Management at the BOI headquarters to welcome representatives from the Japan External Trade Organization (JETRO) and the Japanese Chamber of Commerce (JCC). During the meeting, all parties discussed the business and investment climate in Thailand as well as trends and future cooperation between Thailand and Japan.



30 June 2020:
BOI's Dialogue with local entrepreneurs from Phuket

Mr. Narit Therdsteerasukdi, the BOI's Deputy Secretary General, together with Mr. Weera Punpisootchai, Director of Investment Promotion Division 4, hosted a meeting with Mr. Thanusak Phungdet, President of the Phuket Chamber

of Commerce, and various entrepreneurs from Phuket. The meeting included a discussion on investment promotions and the direction offered to both local and foreign investment in a variety of business activities, with a specific focus on high-value tourism, medical tourism, and long-stay tourism, which are considered high potential areas for Phuket as one of the world's top tourism destinations.



9 July 2020:
BOI Fosters Investment in Thailand's Innovation District

Mr. Narit Therdsteerasukdi, the BOI's Deputy Secretary General, together with the BOI's Executive Management, Ms. Sudhasinee Smitra, Director, Investment Strategy and Policy Division welcomed Dr. Krithpaka Boonfueng, Deputy Executive Director of the National Innovation Agency, and Associate Professor Panit Pujinda, head of the Department of Urban and Regional Planning at Chulalongkorn University. The meeting was part of the BOI's efforts to develop investment strategies for attracting investment to Thailand's Innovation District. The meeting focused on three main dimensions, namely innovation connecting, innovation co-creation, and knowledge sharing.

Thursday 9, July 2020, 14:30-16:00 hrs. (Japan Time)	
14:30 - 14:35	Seminar Introduction by BOI Office
14:35 - 15:05	Presentation titled "ECC: The Prime Gateway to Asia" by Mr. Angsutorn Wasusun, Deputy Director, Industries Promotion Office, Investment and International Affairs Group, 4th Floor, Economic Corridor EEC Office
15:05 - 15:55	Presentation titled "Investment Update for Investment in EEC" by Dr. Bonggot Anuroj, Special Advisor, Thailand Board of Investment (BOI)
15:55 - 16:00	Q & A Session Moderated by Mr. Thanusak Phungdet, President of the Chamber of Commerce, Bangkok (JCC)

Free registration
 Zoom Webinar Application

200 participants
 Conducted in Japanese

9 July 2020:
BOI Showcases ECC's Potential to Japanese Investors

The BOI's Osaka and Tokyo Office hosted a webinar entitled "Thailand's Eastern Economic Corridor (EEC) Latest Information." The aim

of the webinar was to provide information and investment incentive details for Japanese investors in Thailand, especially in the EEC area. Pertinent details on both the EEC and BOI investment privileges were presented by Mr. Angsutorn Wasusun, Deputy Director, Industries Promotion Office, Investment and International Affairs Group, EEC Office as well as Dr. Bonggot Anuroj, Special Advisor to the BOI.

THAI ECONOMY AT-A-GLANCE

Key Economic Figures



GDP Growth



Note: *Estimated value | Source: NESDC
(Data as of May 2020)

Unemployment 2020*



Headline Inflation 2020*



Source: National Statistical Office

Investment Growth



Export Value of Goods Growth



Market Profile (2019)



Minimum Wage
THB 313 - 336

US\$ Approximate
US\$ 9.7 - 10.4

Source: Ministry of Labour, BoT



Export Figures

Export value (USD million)

Jan - Dec 2018 : 252,956.98
Jan - Dec 2019 : 246,244.51
Jan - April 2020 : 81,620.30
Year-on-year Growth : 1.19%

Top 10 Export Markets (January - June 2020)

Rank	Value (US\$ million)	Share
United State	16,396.40	14.34%
China	14,595.80	12.76%
Japan	11,173.00	9.77%
Hong Kong	5,819.10	5.09%
Vietnam	5,262.00	4.60%
Singapore	5,172.90	4.52%
Indonesia	4,839.70	4.23%
Australia	4,505.60	3.94%
Switzerland	4,136.20	3.62%
Malaysia	3,837.10	3.36%

International Competitiveness

E-Government Development Index
2018 : 73rd | 2020 : 57th

Global Competitiveness Business
2018 : 38th | 2019 : 40th

World Digital Competitiveness Ranking
2018 : 39th | 2019 : 40th

Time to set up business : 4.5 days

Source: World Bank, WEF and IMD

Top 10 Exports

Goods / Products	Value (US\$ million)	Share
1: Precious Stones and Jewelry	10,077.84	8.81%
2: Motor Cars and Parts	9,312.21	8.14%
3: Computers and Parts	8,806.82	7.70%
4: Rubber Products	5,437.80	4.76%
5: Plastic Beads	3,798.74	3.32%
6: Electronic Integrated Circuits	3,444.05	3.01%
7: Chemical Products	3,276.60	2.87%
8: Machinery and parts	3,075.23	2.69%
9: Refined Fuel	2,855.90	2.50%
10: Air Conditioners and parts	2,841.59	2.49%

Source: Ministry of Commerce

Exchange Rates (Data as of 15 July 2020)



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
(Data as of May 2020)

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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