

# WHY THAILAND.



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Senior Investment Advisor

Thailand Board of Investment





# Introducing BOI

# Thailand Board of Investment



The government agency under  
the Office of the Prime Minister

Provides comprehensive information  
and advice on establishing operations  
in Thailand.

Grant “**Tax-based incentives**”  
and “**Non-Tax incentives**”

Coordinates between the foreign  
business community and other  
public agencies

Provide **Business Support**  
**Services** for Investors

# Attractive Investment Incentives

## Investment Incentives

### Tax Incentives

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

Corporate income tax exemption

#### Activity-based Incentives

**Up to 8-year tax holiday**  
for targeted industries in the BOI list

#### Technology-based Incentives

**10 to 13-year tax holiday**  
for core technologies development projects

#### Competitiveness 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



100% foreign ownership



No local content requirements



No export requirements



No restriction on foreign currency





# BOI Services

# One Start One Stop Investment Center



**Consolidating staff** from numerous investment-related agencies



**Provides comprehensive information and advice** on establishing operations in Thailand.



**1-Stop for visas & work permits** in 3 hours



**Easing & speeding procedures** for new investors



**Provides useful contacts** with key public and private organizations



**Assist investors** with various applications

# Supply Chain Development Service

- Help identify potential part and component makers
- Arrange one-to-one meetings with potential suppliers
- Organize the annual subcontracting fair (Subcon Thailand) and business matching
- Focus on electronics, automotive, machinery, automation, medical device and aviation



# Key Foreign Investors in Thailand



## Success Stories of US Companies



## Examples of UK Investments in Thailand



## Success Stories of Canadian Companies





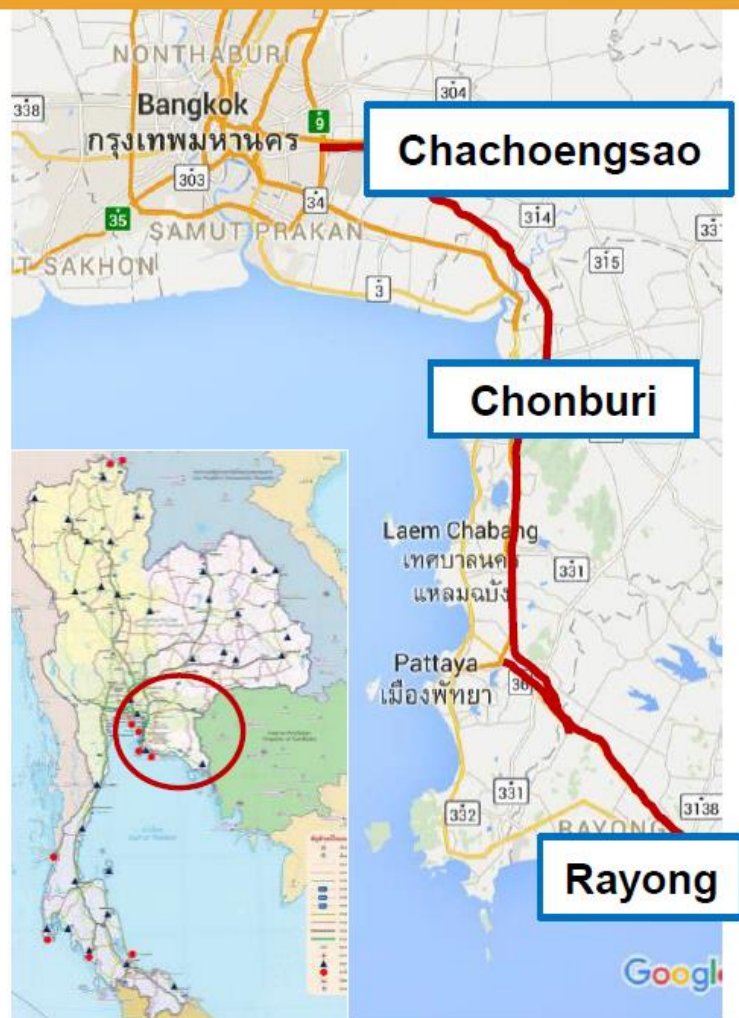


# EEC Overview

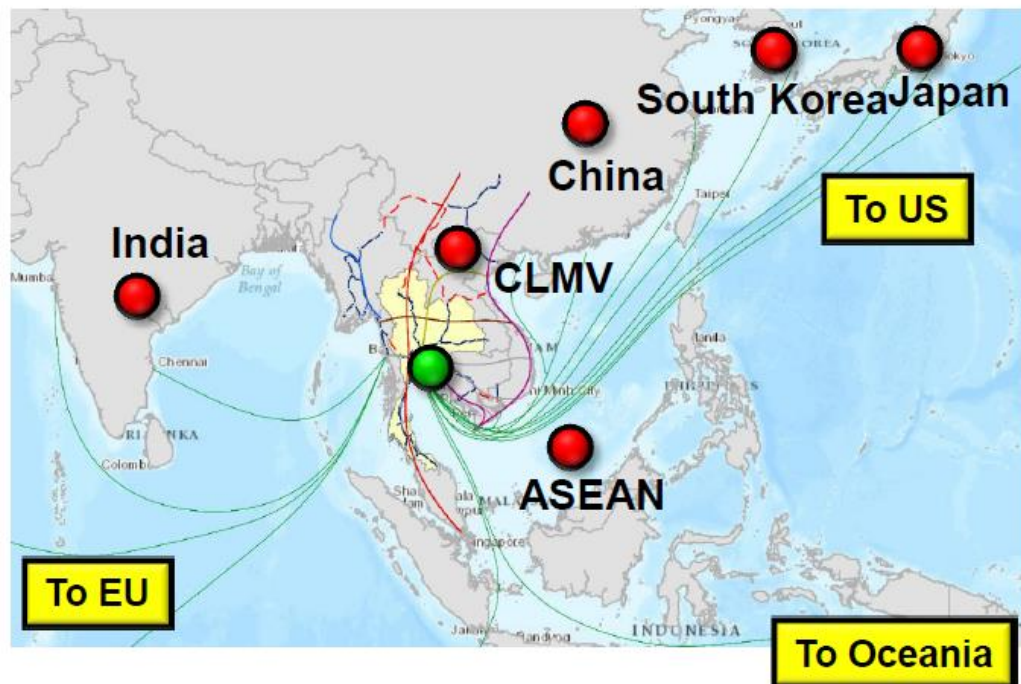


# Thailand's Eastern Economic Corridor (EEC)

New Growth Hub for Thailand and the AEC



- 1 Strategic Location
- 2 Infrastructure Links
- 3 Investment Zone



# Existing infrastructure and industrial estates in the EEC



## 2 Deep sea ports

Laem Chabang and  
Map Ta Phut ports



## U-Tapao airport

3 million passengers  
per year



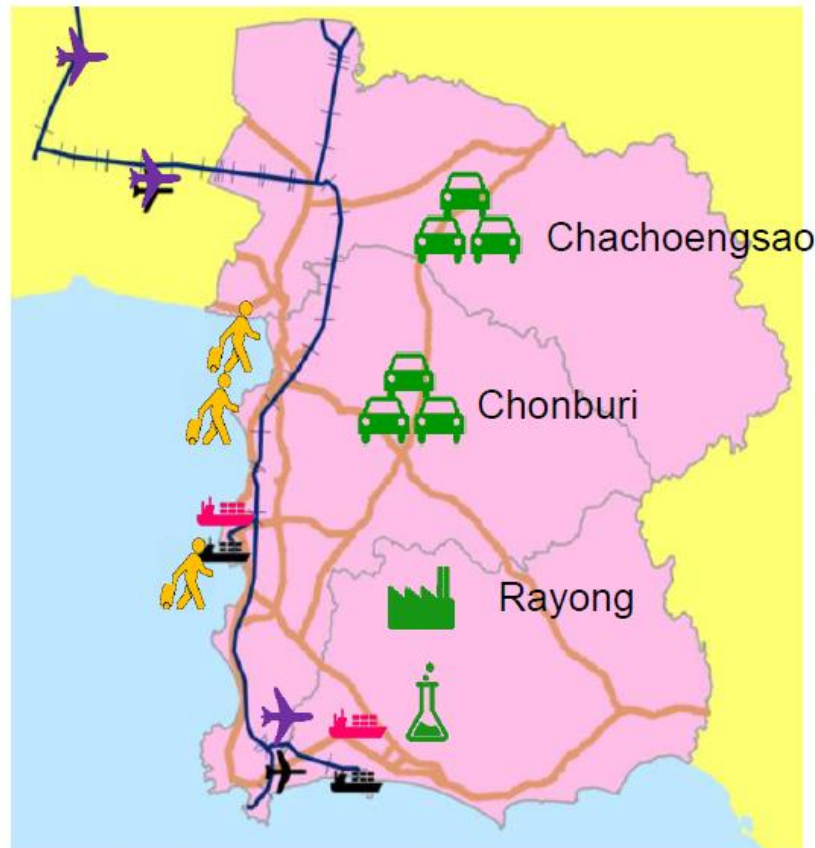
## 1 Motorway

8 Highways



## Double-track railway

Ladkrabang (BKK) –  
Laem Chabang



## Industrial estates

more than 160 sq.km.



Leading  
petrochemical  
complex in AEC



Leading automotive  
manufacturing base



## Tourism

Pattaya – more than  
10 million visitors



# Eastern Economic Corridor (EEC)



1

**Chachoengsao**

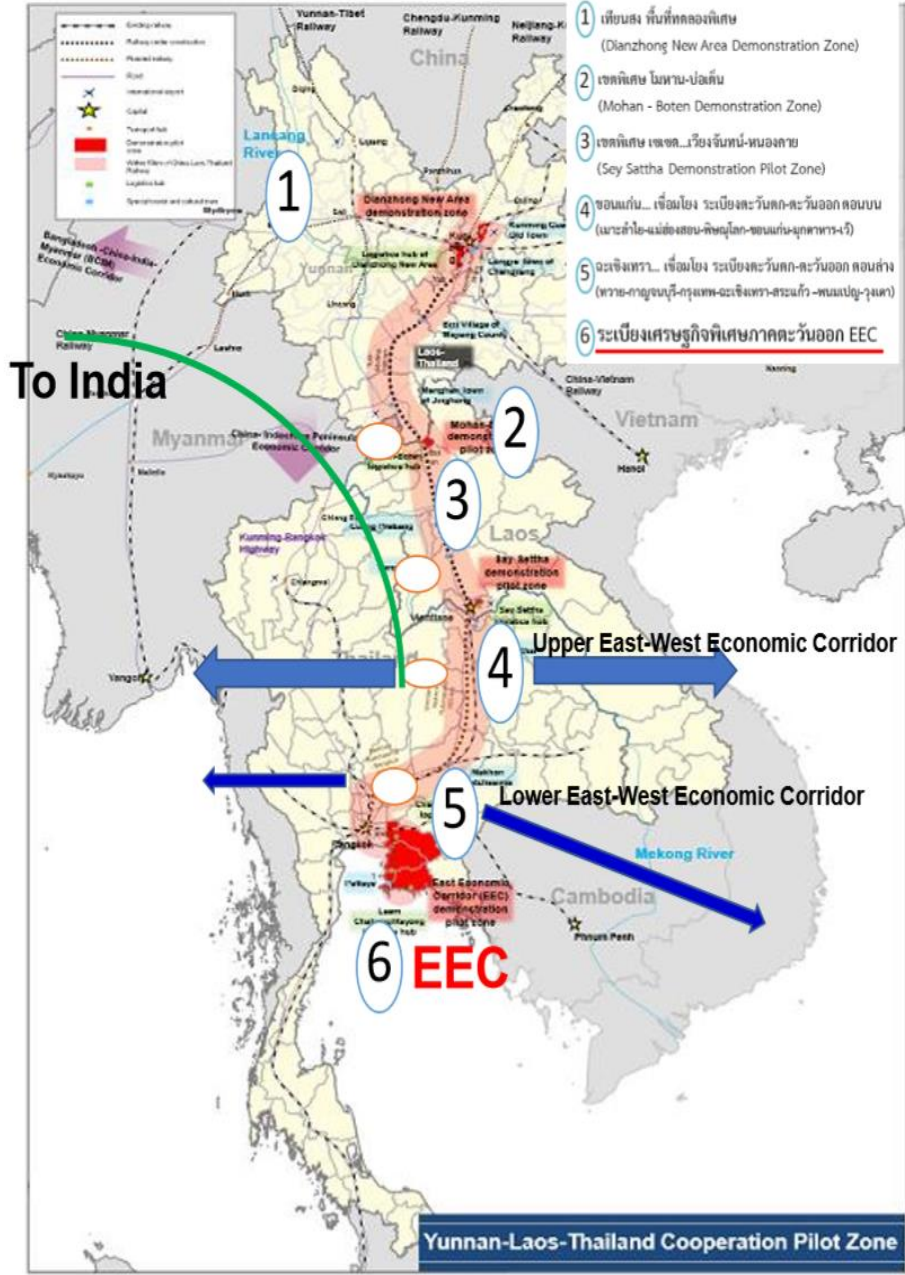
2

**Chonburi**

3

**Rayong**





# Connectivity between EEC and other provinces of Thailand and other regions globally

## Upper East-West Economic Corridor



- 1) Bangkok – Phitsanulok - Chiangmai
- 2) Tak – Phitsanulok – Phetchaburi – Khon Kaen – Rio Et – Mukdahan

## Lower East-West Economic Corridor

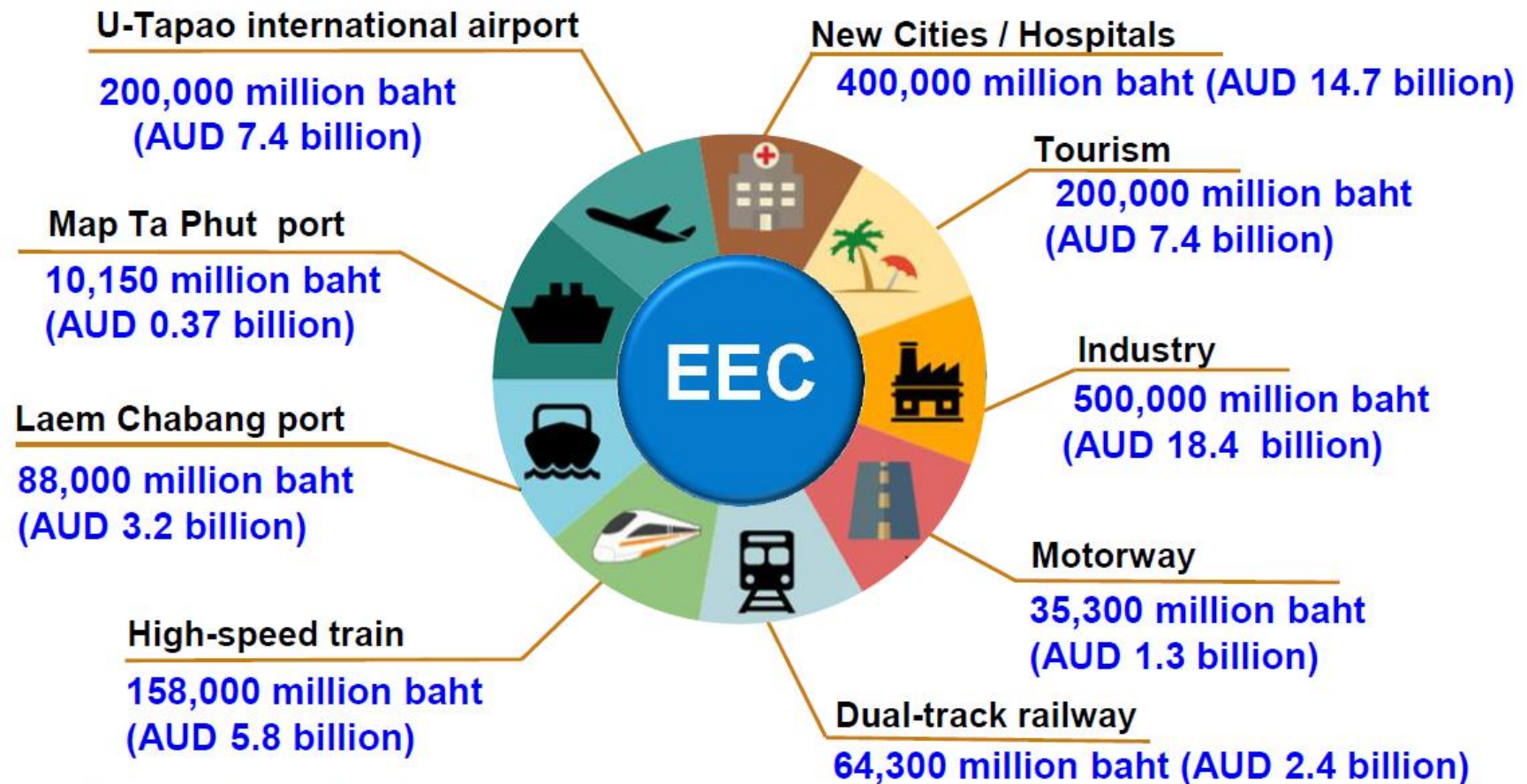
- 1) Bangkok – Kanchanaburi
- 2) Bangkok – Chachoengsao
- 3) Bangkok – Chachoengsao – Laem Chabang **EEC**



# Investment Plan in the Eastern Economic Corridor

## Target

Combined Public and Private Investments at least  
**1.5 Trillion baht (AUD 55 Billion) in the next 5 years**



Source: Ministry of Industry of Thailand

# 10 Targeted S-curve Industries

## 5 New S-Curve



**Biofuels and  
Biochemical**



**Digital Economy**



**Medical Hub**



**Automation  
and Robotics**



**Aviation  
and Logistics**

## 5 First S-Curve



**Agricultural  
and Biotechnology**



**Smart  
Electronics**



**Affluent Medical  
& Wellness Tourism**



**Next-Generation  
Automotive**



**Food for The  
Future**



# EEC MAJOR INFRASTRUCTURE PROJECTS

The high speed trains will link the 3 main airports (Don Muang, Suvarnabhumi and U-Tapao) for greater convenience, reduced travel time and saving costs.

## High Speed Rail Linked 3 Airports



An international airport to accommodate 15-30-60 million passengers every year.

## U-Tapao International Airport



The double-track rail lines will connect industrial zones nationwide to the 3 main ports

## Double-Track Railway



The expansion will lift its capacity to handle 18 million TEU containers per year and 3 million cars per year.

## Laem Chabang Port Phase 3



Increase the capacity to handle more liquid materials and natural gas.

## Map Ta Phut Port Phase 3



## TG MRO Campus



The state-of-the-art hub for aircraft maintenance, repair and overhaul. This is set to become the most advanced MRO centre in the region.

# MASTER TIMELINE OF MAJOR INFRASTRUCTURE PROJECTS





# EEC Incentive Scheme

# Enhancing Investment in the EEC (Eastern Economic Corridor)

**APPROVED**

- Application deadline for 30<sup>th</sup> December 2019.
- Must collaborate with education and research institutions to develop technology or personnel.

## Area

1. **Area to encourage specialist businesses such as** area of innovation for specialist economy (Eastern Economic Corridor of Innovation: EECi), area to encourage industry growth and digital innovation (Digital Park Thailand: EECd), Cities for Eastern Thailand Flights (EEC Aerotropolis: EEC-A)
2. **Area to enhance business industry targets** Currently 21 estates.
3. **Estates/industrial area within EEC** including areas which the EEC committee has not announced as enhanced areas, according to provision 2.

**Please note:** Businesses which benefit from this measure cannot receive further benefits from project 3, in which a business is established in a development area.

# Investment Promotion Scheme for the EEC

## Targeted Industries in the EEC

**S-Curve  
Industries**



**Activities Supporting  
S&T**



**Basic  
Infrastructure**

**116**

**Industries in Total**

### Promoted Zones for Specific Industries

#### Targeted Industries:

**Additional 2 years of CIT exemption** (could be more than 8 years) + **50% CIT reduction for 5 years**

#### Other Industries:

**Additional 3 years of 50% CIT reduction**

### Promoted Zones for Targeted Industries

#### Targeted Industries:

**Additional 5 years of 50% CIT reduction**

#### Other Industries:

**Additional 3 years of 50% CIT reduction**

### Other Industrial Estates / Industrial Parks

#### Targeted Industries in the EEC:

**Additional 5 years of 50% CIT reduction**

# New Services





# SMART VISA

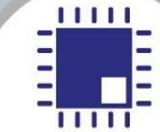
Launched on Feb.1, 2018



The **Smart Visa** Program is intended to attract experts, senior managers, and investors to work or invest in technology companies to help develop the 10 targeted industries which will, in turn, drive technology and innovation in Thailand.



Taking Thailand  
to New Heights  
with Foreign  
Talents and  
Technology



Smart  
Electronics



Next-Gen  
Automotive



Affluent, Medical  
& Wellness  
Tourism



Food for the  
Future



Agriculture &  
Biotech



Medical  
Hub



Digital



Aviation &  
Logistics



Biofuels &  
Biochemicals



Automation  
& Robotics

# Targeted Groups and Benefits of SMART Visa

SMART “ T ”



TALENT

SMART “ I ”



INVESTOR

SMART “ E ”



EXECUTIVE

SMART “ S ”



STARTUP

- **Maximum 4-year visa, but not exceeding the employment contract term (1 year for startups renewable for another 2 years)**
- **No work permit required**
- **90-day reporting to the Immigration extended to 1 year**
- **No re-entry permit required**
- **Spouse and children granted permission to stay in Thailand**
- **Spouse granted permission to work with no work permit**

# Eligibility and Benefits of SMART Visa

## Eligibility

## Rights and Benefits

**SMART**  
“T”



- Science and technology experts
- Salary  $\geq$  200,000 baht/month
- Employment contract with remaining validity of  $\geq$  1 year
- Employing companies being in the targeted industries

- Maximum 4-year visa, but not exceeding the employment contract term
- No work permit required for working in the endorsed companies
- 90-day reporting to the Immigration extended to 1 year
- No re-entry permit required
- Spouse and children granted permission to stay and work in Thailand with no work permit required

**SMART**  
“I”



- Minimum direct investment of 20 million baht
- Investing in companies using technology in manufacturing or delivering services and being in the targeted industries

- Maximum 4-year visa
- No work permit required for working in the endorsed companies
- 90-day reporting to the Immigration extended to 1 year
- No re-entry permit required
- Spouse and children granted permission to stay in Thailand
- Spouse granted permission to work with no work permit required

# Eligibility and Benefits of SMART Visa

## SMART “E”



### Eligibility

- Holder of Bachelor's degrees or higher with work experience  $\geq 10$  years
- Salary  $\geq 200,000$  baht/month
- Employment contract with remaining validity of  $\geq 1$  year
- High-levels executives
- Working for companies using technology in manufacturing or delivering services and being in the targeted industries

### Rights and Benefits

- Maximum 4-year visa, but not exceeding the employment contract term
- No work permit required for working in the endorsed companies
- 90-day reporting to the Immigration extended to 1 year
- No re-entry permit required
- Spouse and children granted permission to stay in Thailand
- Spouse granted permission to work with no work permit

## SMART “S”



- Fixed deposit of  $\geq 600,000$  baht with the remaining maturity term of  $\geq 1$  year
- Health insurance
- Participating in an endorsed incubation, accelerator program or a similar program/or obtaining joint venture with or being endorsed by a relevant government agency
- Must set up a company in the targeted industries in Thailand within 1 year with at least 25% ownership or being a board member

- 1-year visa for the first time, renewable for <2-year if requirements are met
- No work permit required for working in the endorsed companies or projects
- 90-day reporting to the Immigration extended to 1 year
- No re-entry permit required
- Spouse and children granted permission to stay in Thailand
- Spouse granted permission to work with no work permit



# Where to contact – Smart Visa

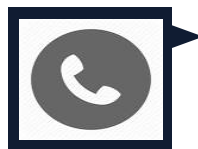
## **SMART Visa Unit**

### **One-Stop Service Center for Visas and Work Permits**

**18th Floor, Chamchuri Square Building,**

**319 Phayathai Road,**

**Pathumwan Bangkok 10330**



**0-2209- 1100 ext. 1109-1110**



**smartvisa@boi.go.th**



## Current Investment Promotion Policy for Southern Provinces of Thailand and SEZ



Map of Southern Thailand



Map of areas under Investment Promotion Policy in Southern Thailand



# Current Investment Promotion Policy for Southern Thailand



1

**Investment Promotion  
Policy for Industrial  
Development in Southern  
Provinces**

2

**Investment Promotion  
Policy for Model City  
Project**

3

**Investment Promotion Policy  
for Special Economic Zone in  
Southern Thailand**





## **Investment Promotion Policy for Industrial Development in Southern Provinces**

**Area : Pattan, Yala, Narathiwat, Satun and 4 districts in Songkhla (Jana, Na Thawee, Saba Yoi, Dhepha)**

**Activities : All activities which are eligible for BOI Promotion. Some conditions are relaxed.**

## Investment Promotion Policy for Model City Project

*Under the Government's project of "Triangle of Stability, Prosperity, and Sustainability,"*

*Betong (Yala Province) is set to become a model sustainable development city*

**Area :** *Su-ngai Kolok (Narathivat Province) - an international border trade city*

*Nong Chik (Pattani Province) - an agricultural industry city.*

**Activities :** All activities which are eligible for BOI Promotion. Some conditions are relaxed in some activities + 6 Activities including

1. Animal feed or animal feed component businesses.
2. Construction materials businesses and reinforced concrete for public consumption businesses
3. Manufacturers of body-care products such as soap, shampoo, and toothpaste
4. Manufacturers of plastic for consumer goods, such as plastic packaging
5. Manufacturers of products that use tissue or paper, such as boxes
6. Building developers for industrial factories and warehouses

## Investment Promotion Policy in Special Economic Zone (SEZ)

**Area :** *5 Subdistricts in 5 Districts in Naratiwat Province*  
*4 Subdistricts in Sa Dao District in Songkhla Province*

**Activities :** All activities which are eligible for BOI Promotion. Some conditions are relaxed in some activities + 6 Activities including

1. Animal feed or animal feed component businesses.
2. Construction materials businesses and reinforced concrete for public consumption businesses
3. Manufacturers of body-care products such as soap, shampoo, and toothpaste
4. Manufacturers of plastic for consumer goods, such as plastic packaging
5. Manufacturers of products that use tissue or paper, such as boxes
6. Building developers for industrial factories and warehouses

# Special Economic Development Zones (SEZ) in Thailand





## Measures to Promote Investment in Special Economic Zone (SEZ)

General Activities eligible for promotion	Target businesses (13 activities)
<ul style="list-style-type: none"><li>• Corporate income tax exemption max. 8 years</li><li>• 50% reduction for another 5 years</li></ul>	<ul style="list-style-type: none"><li>• 8-year corporate income tax exemption + 50% reduction for another 5 years</li></ul>
<ul style="list-style-type: none"><li>• Double deduction of costs of transportation, electricity or water supply for 10 years</li><li>• 25% deduction from net profit of cost of installation or construction of facilities in promoted project</li><li>• Exemption on import duty on machinery</li><li>• Exemption on import duty on raw materials used for export products</li><li>• Permission to use foreign unskilled labour, complying with the Thai law</li><li>• Other non-tax incentives such as permission to own land, etc.</li></ul> <p><b>** Extension of application deadline to 30<sup>th</sup> December 2020 **</b></p>	

# Statistics of Improved Investment in Economic Development Zones (SEZ)

Chiang Rai

**4 projects**

Nong Khai

**1 projects**

Tak

**28 projects**

Nakhon Panom

**No Projects**

Kanchanaburi

**2 projects**

Mukdahan

**4 projects**

Sa Kaeo

**4 projects**

Trat

**1 projects**

Songkla

**6 projects**

Narawatarat

**- no project -**

**There are 50 projects with 8,945.4 million baht  
invested (since March 2561)**



**Agriculture; 15 projects;  
2,847.1M baht**



**Rubber and medical  
gloves; 1 project; 700M baht**



**Ceramics; 1 project;  
117M baht**



**Vehicle and machinery parts;  
3 projects 503.8M baht**



**Construction materials  
3 projects; 477M baht**



**Plastic products  
12 projects 3,479.7M baht**



**Clothing  
12 projects; 731.6M baht**



**Nursing  
1 project 65M baht**



**Furniture manufacture  
1 project; 20M baht**



**Distribution  
1 project 4M baht**