

# Taiwan-Asean-India Investment Strategic Partnership Forum 2024

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Executive Director

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Office of the Board of Investment

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# Thailand's Beyond and Better

## Beyond

Being the Heart of the Regional Economy

The heart of the ASEAN Economic Community and the **second largest economy** in Southeast Asia.



RCEP (15 nations)

2.3 Bn. Population



ASEAN (10 nations)

670 Mn. Population



CLMV



300 Mn. Population



Thailand

- 66 M. Population
- GDP of USD 515 Billion
- 68 Industrial Estates
- 28 M. Tourists in 2023

## Better with

World Class Business Ecosystem



Trade Network

15 FTAs with 19 nations



Infrastructure Connectivity

Well-established Rail, Water, and Air Infrastructures which are connected to ASEAN and China



Robust Supply Chain

Home to world leading Multinational Corporations and high-quality workforces



Government Support

Comprehensive government supporting measures aligning with BOI investment incentives



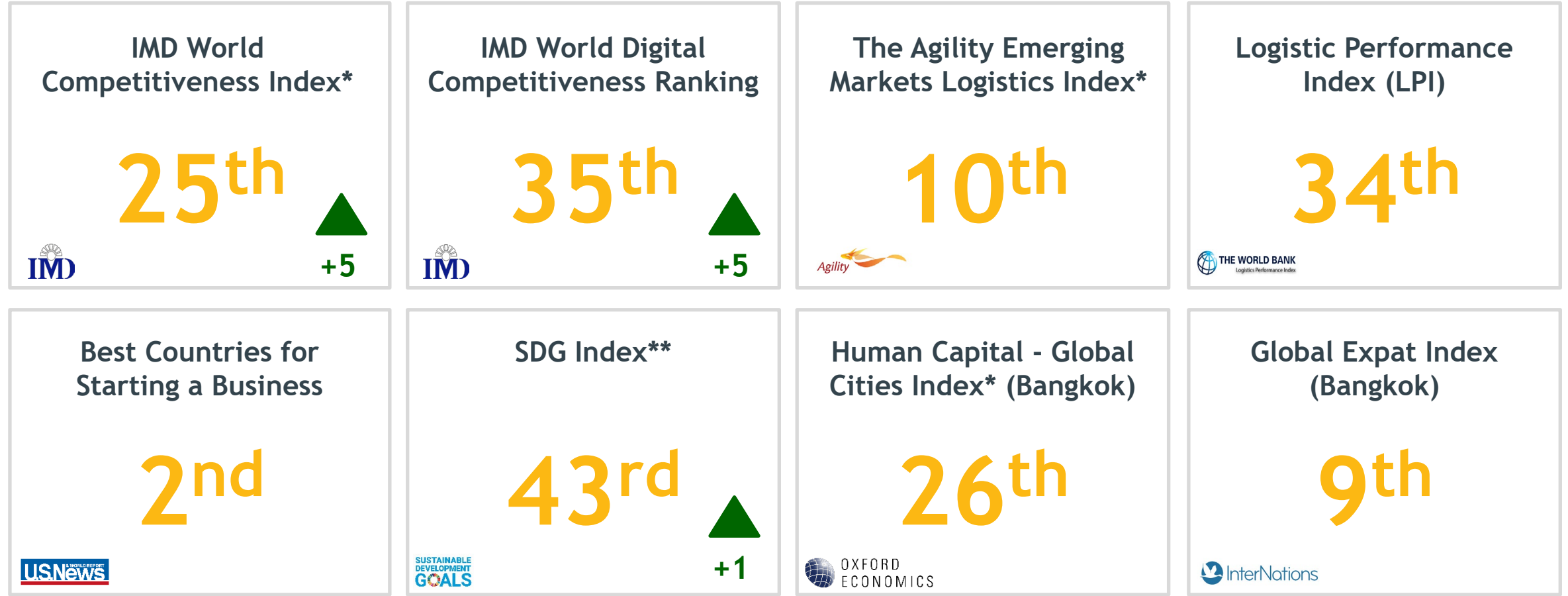
Green Transition Policy

Incentives on green transition activities / Renewable Energy

# Thailand's Prominent Status as a Regional Leader



## Thailand Global Ranking in 2023



\* Report Conducted in 2024, \*\* Ranked 1<sup>st</sup> in ASEAN  
Source: IMD, Agility, The World Bank, US News & World Report, Oxford Economics, Inter Nations



# BOI's Role in driving the investment to Thailand



BOI is a government agency under the Office of the Prime Minister

## BOI's Role



**Promoter** drives and promotes investment in private sector in alignment with the country's development strategy & the changing world context



**Integrator** integrates Government support tools such as tax, finance, and non-tax incentives in a whole package



**Facilitator** coordinates with agencies to develop the ecosystem & facilitate ease of investment & eliminates problems/ obstacles



**Connector** links large-scale with small-scale enterprises, Thais with foreigners, across industries & locations to expand business opportunities

## Policies and Incentives

### Tax Incentives

- Corporate income tax exemption up to 15 years
- Exemption of import duties on machinery
- Exemption of import duties on raw or essential materials imported for exports
- Exemption of import duties on goods imported for R&D



### Non-Tax Incentives

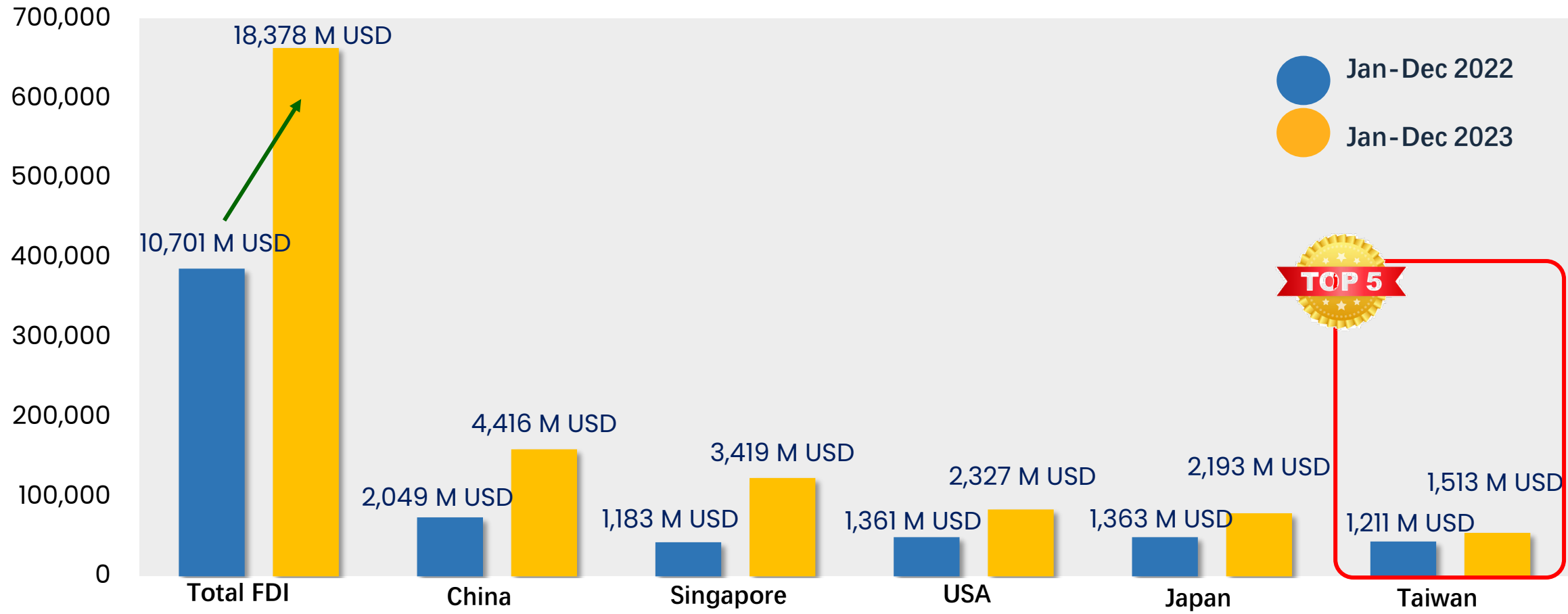
- 100% foreign ownership
- Land ownership
- Work permit & visa facilitation

### Financial Incentives

- Grants for R&D, Advanced Training, Investment in advanced technology industries
- Startup Matching Fund

# Foreign Investment Promotion Application 2023

Million USDt **+72%**



**TOP 5**

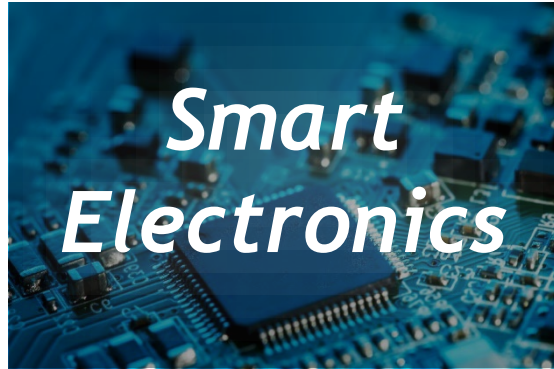
Red box highlighting the top 5 countries: China, Singapore, USA, Japan, and Taiwan.

Source : BOI  
 Note: Exchange Rate from Bank of Thailand as of February 29, 2024 (1 USD = 36.0892 Baht)

# 5 Strategic Industries for Investment Promotion

## 5 Strategic Industries under The New Investment Promotion Strategies (2023-2027)

## Other Sectors of Investment Opportunities

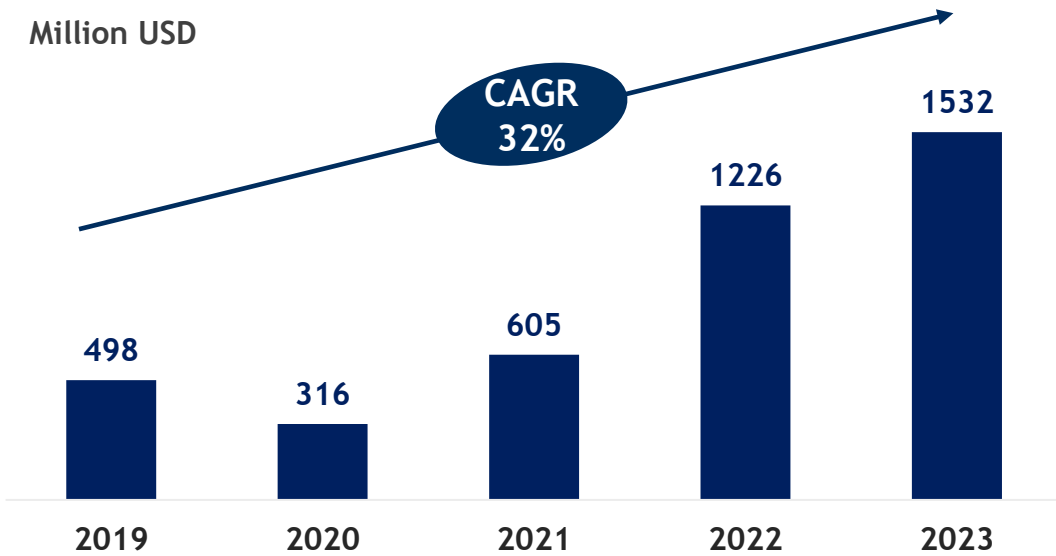


- ❖ Infrastructure
- ❖ Energy / Renewable Energy / Hydrogen
- ❖ R&D Center
- ❖ Advanced Materials
- ❖ Aerospace
- ❖ Automation & Robotics
- ❖ Biotechnology
- ❖ Defense Industry
- ❖ Healthcare & Medical
- ❖ Petrochem./Chemicals
- ❖ Supporting Industries and Services Tourism

# New Spotlight on “Smart Electronics” and “Electric Vehicle”

Taiwanese Applications over 5 years

Million USD



Accumulated applications from Taiwan by target sectors over 5 years (2019-2023)

<p>1<sup>st</sup></p> <p><b>Electrical Appliance &amp; Electronic</b></p> <p>USD 2,288 Mn.</p>	<p>2<sup>nd</sup></p> <p><b>Machinery &amp; Vehicles</b></p> <p>USD 1,200 Mn.</p>	<p>3<sup>rd</sup></p> <p><b>Metal &amp; Materials</b></p> <p>USD 207 Mn.</p>
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**5,000 +**      **150,000+**

Taiwanese companies operating in Thailand

Taiwanese residing in Thailand

Spotlighting Taiwanese Companies in Thailand

**廣達電腦** Quanta Computer    **Inventec**    **DELTA** 競國集團 APCB GROUP  
**臻鼎科技集團** Zhen Ding Tech. Group    **Unimicron** 欣興電子    **COMPEQ**    **WUS Printed Circuit**  
**ITEQ** INNOVATION · TEAMWORK · EXCELLENCE · QUALITY    **FOXCONN**    **APEX** APEX CIRCUIT    **GCE** 金像電子股份有限公司 Gold Circuit Electronics Ltd.  
**NAMCHOW (THAILAND) LTD.**    **加高電子** Harmony Electronics Corp.    **ECO INFINIC**    **敬鵬** CHIN POON **LITEON**  
**DEPO** AUTO LAMP    **DURO**    **ROYALTEC** Single Source For Your Needs    **dynamic**    **泰金寶科技** CAL-COMP ELECTRONICS (THAILAND)

# Thailand as a regional hub of the automotive industry

## Strategic Location

- Thailand is positioned at the **heart of ASEAN**, offering convenient access to **regional markets** and a robust trade network with the **global automotive market**

## Automotive Leading Status

- **1<sup>st</sup>** Automotive Producer in ASEAN 2023
- **10<sup>th</sup>** Automotive Producer in the World 2023
- **9<sup>th</sup>** Exporter of Automotive Products to the World

## Fast Growing Market

- **1,103 Mn USD** in Thailand's EV market revenue 2024 and expected to reach **1,344 Mn USD** in 2028 (**5% CAGR**)
- The accumulated registrations of BEV are 131,856 units in 2023 (**+311% YoY**)
- **115%** Growth of EV charging station in 2023



## Robust Supply Chain

- A pool of **OEM suppliers** for common auto parts such as interior parts, AC systems, steering systems, tires etc.
- **Strong capability in producing BEV key parts** such as traction motors, BMS, on-board chargers etc.

## EV-Driven Policy

- **Ignite Thailand:** Future Mobility Hub
- **BOI Target Industry:** Automotive and EV
- **30@30 Policy:** 30% of total car production will be Zero Emission Vehicle in 2030
- **Green transition:** Carbon Neutrality by 2050 and Net Zero Carbon Emissions by 2065

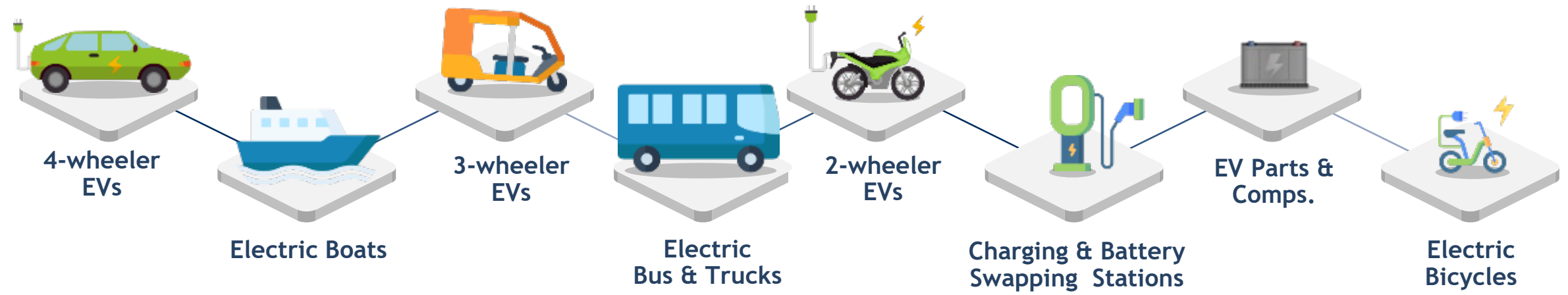
## Government Support

- Promote EV adoption (**EV3.5/Deductible Expenses**)
- **BOI's Investment Incentives** : ICE and EV
- **Infrastructure development** such as charging stations, electric costs, workforces, etc.



# BOI's Promotion on Battery Electric Vehicles (BEV)

BOI promotes every various types of **battery electric vehicles (BEV)**, including **BEV platforms** and **Development of Software & Digital Platform** with an aim of developing the country as Asia's manufacture hub of EVs.



### Incentives

CIT Exemption 	Exemption Import Duties on Raw Material Used in R&D 	Exemption Import Duties on Machinery 	Exemption Import Duties on Raw Materials 	Non-tax Incentives 
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**CIT Exemption: 3-13 years**

# A Wide Range of EV Supporting Measures

## EV3.5 Package

To increase the production and adoption of EV

Encompassing support for electric cars, electric pickup trucks, and electric motorcycles

Subsidies of up to 100,000 baht

Reduction of import duties up to 40%

Lowering excise taxes from 8% to 2%

## Import Duty Exemption

Duty exemption on 9 EV parts and components during 2022-2025



Battery



Traction Motor



Compressor



BMS



Driving Control System



On-board Charger



DC/DC Converter



Inverter / PCU Inverter



Reduction Gear

## Special Tax Deduction Grant

The adoption of **electric powered buses and trucks** will be granted special tax deduction



**2 time deduct expenses** from actual price when companies buying vehicles manufactured domestically



**1.5 time deduct expenses** from actual price when companies buying imported vehicles

*The policy will be effective until December 31, 2025*

# Thailand as a Smart Electronics Hub

## Strategic Location

- Located at the **center of ASEAN**, connectivity hub for CLMV
- Home to **world-leading E&E MNCs**

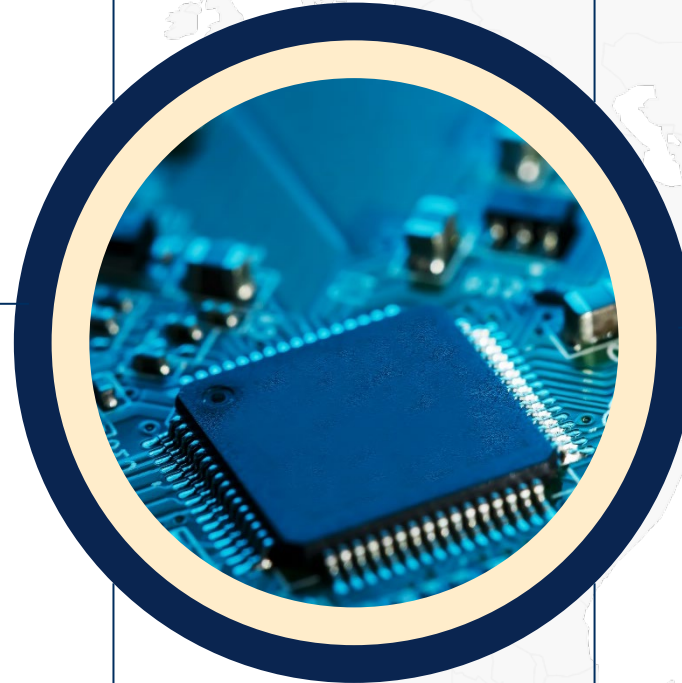


## Growing Market

- **Rank 10<sup>th</sup>** of global electronics export 2023 (**Approximately 3%**)
- Semiconductor industry's sales is expected to reach USD 10 billion by 2024 (**12% CAGR 2024-2029**)
- **265%** investment application growth submitted to BOI 2023 (YoY)

## Robust Supply Chain

- Contain a network of over **2,942 companies** in E&E industries with **756,929 workforces**
- Robust in industry's **midstream and downstream**
- Strong **supporting factors** from being a top-tier producer and exporter of several **home appliances and EV**



## Thailand's Goal

- Thailand aims to become a **central hub for smart electronics** manufacturing in ASEAN and have its own technology by 2027
- Launched **Thailand Smart Electronic Industry Phase 1 (2023-2027)**

## Government Support

- Government promotes the manufacture of **wafer, electronic design**, or test of semiconductors and integrated circuits (IC) granting up to **13 years CIT exemption** with no limit on the income tax exempted

## Operating Business in Thailand

- Conflict free zones for international investment
- No major power outage, disaster, and significant operational shutdowns during COVID-19
- LTR Visa , PIT Reduction ,etc.



# BOI's Investment Incentive: Smart Electronics and Upstream Electronics

		CIT Exemption	Other Exemption	Non-tax incentive
<b>Group A1+</b>	<ul style="list-style-type: none"> <li>Manufacture of wafer</li> </ul>	<b>10-13 Years (no cap)</b>	<p>Exemption of import duties on raw materials used in R&amp;D</p> <p>Exemption of import duties on raw materials used in production for export</p> <p>Exemption of import duties on machinery</p>	<ul style="list-style-type: none"> <li>Permit to own land</li> <li>Permit to bring into the Kingdom skilled workers and experts to work in investment promoted activities</li> <li>Permit for foreign nationals to enter the Kingdom for the purpose of studying investment opportunities</li> <li>Permit to take out or remit money abroad in foreign currency</li> </ul>
<b>Group A1</b>	<ul style="list-style-type: none"> <li>Electronic design</li> <li>Manufacture of energy storage</li> </ul>	<b>8 Years (no cap)</b>		
<b>Group A2</b>	<ul style="list-style-type: none"> <li>Manufacture or test of semiconductors and integrated circuits (IC)</li> <li>Manufacture of circuit board and/or parts</li> <li>Newly expanded eligible activities to support PCB manufacturing <b>(New)</b></li> </ul>	<b>8 Years</b>		
<b>Group A3</b>	<ul style="list-style-type: none"> <li>Manufacture of electrical appliances, devices and parts</li> </ul>	<b>5 Years</b>		

\*BOI provide comprehensive incentives for E&E sectors, For further information please refer to the "Investment Promotion Guide 2023"



## Having strong local talent pool

# 68,891

## STEM graduated in 2023\*

Engineering, manufacturing and construction

### 42,243

Natural sciences, mathematics and statistics

### 13,681

Information and Communication Technologies (ICTs)

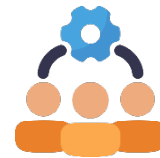
### 12,967

## Build + Buy support mechanism to attract highly skilled talent



Global Sourcing Talent

**End to end long term residence support**  
BOI provide a Long-term resident visa program allowing up to 10 years visa, preferential income tax rate 17%, and eligible for work permit



Domestic Talent Development

**Market driven talent development**  
Tailored program to upskill and reskill workforces which collaborate between private, public, and Thai education institute to supply a competency workforces



Training and R&D

**Tailored incentive package**  
Thai government provide incentives for research and development activities (R&D) and Training Grants

# Industry Opportunities: BCG Economy, Digital & Creative, and IBC

## BCG Economy



- **Top 10<sup>th</sup>** producers and exporters of **sugarcane, cassava, oil palm**, a key source of bio-related activities
- **Rank 2<sup>nd</sup>** bioplastic producer globally in 2022
- **Rank 9<sup>th</sup>** Largest biofuel production worldwide 2022

## Digital and Creative



- **Rank 1<sup>st</sup>** in terms of **creative goods export (per % total trade)** worldwide 2023 (GII Index)
- **USD 27 bn** of Thailand's IT spending forecasted in 2024
- Internet penetration: **85%** of population
- **2<sup>nd</sup> Fastest** Broadband internet speed (ASEAN)
- **36 Smart Cities** in Thailand 2023

## International Business Center



- Located at the **center of ASEAN**, connectivity hub for CLMV and two major economies : China and India
- Home to **world-leading multinational corporations >400 IBC projects** applied for BOI promotion



## BOI Incentives

- Promote biotechnology-derived products and biotechnology development
- Promote the circular industry: recycle, reuse, recovery
- Promote the green industry: renewable energy, environmental-friendly products

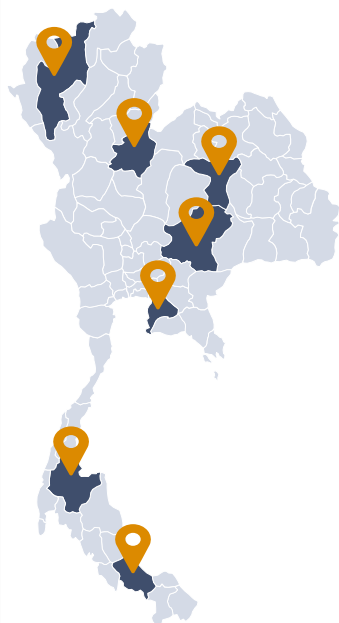
- Promote the development of software, digital platform, digital content
- Promote digital infrastructure and ecosystem: data center, cloud service
- Promote the creative product design and development

- Promote the development of trade and investment office (TISO), International Business Center (IBC), International Procurement Office (IPO)

# BOI's first-class services to facilitate all investors



To facilitate investors along the investment application process, provide insight information, advice, and useful agency contact's channel



We have in total **7 regional offices** covering areas throughout the country to serve investors in the area after being promoted



Offering **VISA and Work Permit** services as a **one-stop service** to facilitate foreigners working in Thailand with the collaboration between the Ministry of Labor and the Immigration Bureau

The LTR VISA for foreigners targets **four high-potential** groups while offering many privileges. So far, **7,322 applications** have been received



**HQ BIZ PORTAL** is set up in collaboration of Thailand's key government agencies



This aims to support the **approval and submission processes**, **reduce process and time** for obtaining license of regional office operation

The major services consist of **Information Center and Consultancy Service**

# BOI Build : The Co-Creation of Industrial Linkage



BUILD has played a vital role in developing the industrial linkage, acting as an intermediary between all size manufacturers. The unit will provide free sourcing services, customized business matching ,local and international sourcing exhibit and the biggest subcontract exhibition in ASEAN “SUBCON THAILAND”



## The Successful of SUBCON Thailand 2024



### Sample of Companies joining BUILD



Business Matching



7,062 Pairs

Total Visitors



44,773 Visitors

Expected Industrial Linkage Value



614 Mn. USD





# BOI Oversea Offices 17 Oversea Offices from 12 Countries



<b>Ms. Kanokporn Chotipal</b> Tokyo Minister (Investment Promotion)		<b>Mr. Nanthapol Sudbanthad</b> New York Consul (Investment Promotion)		<b>Ms. Sanlaya Aksharamat</b> Frankfurt Consul (Investment Promotion)	
<b>Miss Nunantart Krisnachinda</b> Paris Minister Counsellor (Investment)		<b>Ms. Donlaporn Ajavarakula</b> Shanghai Consul (Investment Promotion)		<b>Mr. Ittichot Damrongraktam</b> Los Angeles Director	
<b>Ms. Siriporn Narkjure</b> Osaka Director		<b>Miss Sasirataon Chantchupongs</b> Taipei Director		<b>Ms. Wantana Tatan</b> Beijing Director	
<b>Ms. Sithee Tanboontek</b> Sydney Director		<b>Ms. Chanokporn Noohom</b> Guangzhou Director		<b>Miss Kritsana Saeheng</b> Seoul Director	
<b>Mrs. Subhada Krueanate</b> Stockholm Director		<b>Miss Nakrisorn Klaikeow</b> Mumbai Director		<b>Mr. Amnat Chulajata</b> Hanoi Director	
<b>Miss Chatchadaporn Krungkasem</b> Jakarta Director		<b>Mr. Kritawit Madhayamankura</b> Riyadh Director			

# BOI Office in Taipei



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## For More Information



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BOI NEWS



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