INVESTMENT POLICIES

WHY Thailand?


Foreign Direct Investment (FDI)

2017 (Jan.-Dec.)

- Total: 818 projects
- Value: 282.7 bil. baht

Revised Investment Promotion Act (effective as of 25 Jan 2017)

- Exemption of CIT up to 13 years for R&D, advance technology and innovation
- 50% reduction of CIT up to 10 years
- Investment Tax Allowance
- Special packages for targeted core technology
- 100-300% tax deduction for R&D expenses and technology and workforce development

Competitiveness Enhancement Act (effective as of 14 Feb 2017)

- Exemption of CIT up to 15 years
- 10,000 million Baht matching fund for targeted industries
- Import duty exemption
- All other privileges under old and revised IPA

(Draft) EEC Act (approved by the National Legislative Assembly in Feb 2018)

- Expected total investment of 1.5 Trillion Baht ($43 bn USD) in first 5 years
- Cover investment in Chachoengsao, Chonburi, and Rayong
- Smart Visa Issuance for Talents, Foreign Investors, Foreign Executives and Startups
- International university establishment in high technology field

Incentives

Merit-based
- Grant additional incentives to encourage investment that benefit the country or overall industry
- 1. Competitiveness Enhancement
- 2. Decentralization
- 3. Industrial Area Development

Activity-based
- Activity-classified incentives based on importance of activities

- A1
- A2
- A3
- A4
- B1
- B2

Tax and Non-Tax Incentives

- 0-6 years of CIT Exemption
- 300% tax deduction on R&D investment
- Exemption of import duties on machinery
- Smart Visa for investors/experts/startups

Special Economic Zones (SEZ)

SEZ’s border provinces

- Chiang Rai
- Tak
- Kanchanaburi
- Nong Khai
- Nakhon Phanom
- Mukdahan
- Sa Kaeo
- Trat
- Song Khla
- Narathiwat

The Royal Coast/Thailand Riviera

4 provinces: Chumphon, Ranong, Prachuap Khiri Khan and Phetchaburi

Tourism
- Nature
- Culture
- History
- Sport
- Community

Focus on sustainable and eco-friendly tourism as well as attract high-end tourists to the area by rail and car

Vision: World’s Leading Health Tourism Destination

Measures

1. Development of Hua Hin Airport
2. Golf Tourism
3. Community based
4. Infrastructure development (land, rail, air, and water)

Super Clusters

- Food Innominals
- Digital Parks
- Automotive and Parts
- Medical
- Electrical Appliances, Electronics and Telecommunication Equipment
- Eco-friendly Petrochemicals and Chemicals

Targeted Industries

1. Automotive, machinery, and parts
2. Electrical appliances and electronics
3. Plastics
4. Medicine
5. Logistics
6. Industrial estates/zones
7. Tourism related industry
8. Agricultural, fishery and targeted industries
9. Ceramic products
10. Textile, garment, and leather industries
11. Manufacture of furniture
12. Gems and jewelry
13. Medical equipment

Other Clusters

- INCENTIVES - 8 years of CIT Exemption + 50% reduction for further 5 years
- INCENTIVES - 3-6 years of CIT Exemption + 50% reduction for further 5 years

Department of International Economic Affairs