Thailand's Economic Factsheet

Economic Figures

- **GDP per capita**: USD 6,035.1
- **Nominal GDP**: 407.1 bil. USD
- **GDP Growth Q1/2017**: 3.3%
- **2017 GDP Growth Forecast**:
  - NESDB: 3.3-3.8
  - Bank of Thailand: 3.4
  - Fiscal Policy Office: 3.6
  - ADB: 3.5
  - JME: 3.0
  - Siam Commercial Bank: 3.3
  - Kasikorn Bank: 3.3
- **2016 GDP**: 3.2
- **2017 GDP Growth Forecast**: 3.3%

Trade & Tourism

- **Trade Statistics (Jan-May 2017: bil. USD)**:
  - Export Value: 93.26
  - Import Value: 88.21
  - Trade Balance: +5.05

Top 10 Exports (Jan-May 2017)
1. Auto Parts & Accessories
2. Computer, Equipment, & Parts
3. Precious Stones & Accessories
4. Rubber Products
5. Plastic Pellets
6. Electronic Integrated Circuits
7. Chemical Products
8. Machinery and Parts
9. Rubber
10. Refined Fuels

Top 10 Import Origins (as of May 2017)
- China
- Japan
- USA
- Korea
- Malaysia
- Singapore
- Thailand
- Russia
- Indonesia
- Vietnam

Top 10 Export Destinations (as of May 2017)
- China
- USA
- Japan
- Korea
- Malaysia
- Singapore
- Thailand
- Russia
- Indonesia
- Vietnam

Trade Statistics

- **Foreign Reserves (as of May 2017)**: 184.1 bil. USD
- **Policy Interest Rate (as of May 2017)**: 1.5%
- **Unemployment Rate (as of April 2017)**: 1.09%
- **Inflation (as of Q1/2017)**: 1.3%

Tourism

- **Jan-May 2017**
- **Foreign tourists**: 14.6 million

Top Tourists (Ranking by Number)
1. China
2. Malaysia
3. South Korea
4. Russia
5. Indonesia
6. Thailand

Department of International Economic Affairs
Economic Policies

**Value Based Economy**
- Sufficiency Economy Philosophy
  - moderation
  - reasonableness
  - prudence
- knowledge and ethics and virtues

**Thailand 4.0**
- Innovation
- Technology
- Service Sector

**Eastern Economic Corridor Development Project**
- **Inter-city rail network**
- **Highway network link with neighbouring countries**
- **Public transportation network**
- **Air transport capacity enhancement**
- **Maritime Transport development**

**Infrastructure Plan**
- **U-Tapao international airport**
  - 200,000 million baht ($5.7 Bill USD)
- **Map Ta Phut port**
  - 10150 million baht ($0.3 Bill USD)
- **Laem Chabang port**
  - 35,300 million baht ($1 Bill USD)
- **High-speed train**
  - 158,000 million baht ($4.5 Bill USD)

**Digital Thailand**
- **Digital Economy Plan**
- **Digital Society**
- **Hard Infrastructure**
- **Soft Infrastructure**
- **Service Infrastructure**
- **Digital Workforce**

**New Engine of Growth**
- **First S-Curve**
  - Next - Generation Automotive
  - Smart Electronics
  - Affluent, Medical and Wellness Tourism
  - Agriculture and Biotechnology
  - Food for the Future

**Digital Economy Acceleration**
- Robotics
- Aviation and Logistics
- Biofuels and Biochemicals
- Medical Hub
- Digital

**EEC**

**High Income Country**
- 4.0 Value-based Economy
- 3.0 Heavy industry
- 2.0 Light Industry
- 1.0 Agriculture

**New Cities / Hospitals**
- 400,000 million baht ($11.5 Bill USD)

**Combined Public and Private Investments at least 1.5 Trillion baht ($43 Billion USD) in the first 5 years**

**200,000 million baht ($5.7 Bill USD)**
- Tourism
- Industry
- Motorway
- Dual-track railway

**500,000 million baht ($14 Billion USD)**
- New Cities / Hospitals

**10,150 million baht ($0.3 Bill USD)**
- Map Ta Phut port

**35,300 million baht ($1 Billion USD)**
- Maritime Transport development

**158,000 million baht ($4.5 Billion USD)**
- High-speed train

**64,300 million baht ($1.8 Billion USD)**
- Dual-track railway

**383,000 million baht ($11.5 Billion USD)**
- New Cities / Hospitals

**1.0 Middle Income Trap**
- Agriculture

**2.0 Light Industry**
- Heavy Industry

**3.0 Heavy industry**
- Light Industry

**1.0 Agriculture**
- Food for the Future

**2.0 Light Industry**
- Smart Electronics

**3.0 Heavy industry**
- Affluent, Medical and Wellness Tourism

**4.0 Value-based Economy**
- Next - Generation Automotive

**Department of International Economic Affairs**
**Investment**

**WHY Thailand?**

**1.** Strategic Location & Connectivity

**2.** Strong Economic Fundamentals

**3.** Excellent Infrastructure

**4.** Business-friendly Environment

**5.** Attractive Incentives

**Investment Promotion Strategy**

- **Sustainable Development**
- **More Competitive Economy**
  - National Competitiveness
  - Thai Overseas Investment
  - Clusters
  - Environmental-Friendly
  - SEZs

**BOI’s eligible activities**

1. Agriculture & Agricultural Products
2. Mineral, Ceramics & Basic Metals
3. Light Industry
4. Metal Products, Machinery & Transport Equipment
5. Electronics & Electrical Appliances Industry
6. Chemicals, Paper & Plastics
7. Service & Public Utilities
8. Automotive, machinery, and parts
9. Electrical appliances and electronics
10. Plastics
11. Medicine
12. Logistics
13. Industrial estates/ zones
14. Tourism related industry

**Incentives**

- **Activity-based**
- **Merit-based**
  - Grant additional incentives to encourage investment that benefit the country or overall industry
  - Including...
    - 0 - 8 years of CIT Exemption
    - 50% reduction for further 5 years
    - Exemption of import duties on raw materials for use in production for export
    - Exemption of import duties on machinery
    - 300% tax deduction on R&D investment

**Special Economic Zones (SEZ)**

- **Super Clusters**
  - Food Innopolis
  - Digital
  - Automotive and Parts
  - Medical
  - Electrical Appliances, Electronics and Telecommunication Equipment
  - Eco-friendly Petrochemicals and Chemicals

- **Other Clusters**
  - Agro-processing Products
  - Textiles and Garment

**BOI approved 293 projects in 2017 (as of March)**

**TOTAL bil. USD 1.8**

**Targeted Industries**

- Agriculture, fishery and targeted industries
- Ceramic products
- Textile, garment, and leather industries
- Manufacture of furniture
- Gems and jewelry
- Medical equipment
- Tourism related industry

**Department of International Economic Affairs**
THAILAND'S EASTERN ECONOMIC CORRIDOR

STRATEGIC LOCATION
- Thailand’s flagship special economic zone, located in Rayong, Chachengsao and Chonburi
- Facilitate and attract investment in 10 targeted industries
- Excellent infrastructure linkage (200 kms from Bangkok through highway linkages, Laem Chabang commercial port, Map Ta Phut industrial port, U-Tapao international airport)
- Connect Indian Ocean with Pacific Ocean, CLMV, South China: via multi-modal linkages and Free Trade Areas (FTAs)

CORE AREAS-INVESTMENT PROJECT

10 TARGETED INDUSTRIES

- Next – Generation Automotive
- Smart Electronics
- Affluent, Medical and Wellness Tourism
- Agriculture and Biotechnology
- Food for the Future

Business, Industrial clusters and Innovation hub
- Next-generation automotive (EV/AV)
- Aviation industry
- Robotics, Smart electronics
- Advanced petrochemical and Bioeconomy
- Medical hub

New cities and communities
- Global Business Hub / Free Economic Zone
- New Cities, Inclusive growth
- Public Utilities

Tourism
- New S-Curve

1. U-Tapao airport and aircraft maintenance
2. Sattahip commercial seaport
3. Laem Chabang port phase #3
4. Map Ta Phut port phase #3
5. High-speed rail – east route
6. Double-track railway
7. Highways and motorway

Department of International Economic Affairs
INVESTMENT INCENTIVES

- Exemption of corporate income tax for up to 15 years
- Exemption of import duties on machinery/raw or essential materials imported for use in production for export/goods for R&D
- Matching Grants for investment/R&D/innovation/human resources development for targeted industries.
- Permission to own land for BOI promoted projects
- Rights to state’s land lease for 50 years renewable upon approval for a further 49 years

15% personal income tax rate, the lowest rate in ASEAN for foreign executives working for regional headquarters or international trading companies, treasury centres, along with regional R&D centres.

One-stop service center to facilitate foreign investors provide useful information, and issue permits for trading, export and import all in one location.

Strategic Target Center (STC) to attract investors, experts and scientists from around the world.

FOREIGN INVESTORS IN EEC*

| AIRBUS OPERATIONS LTD. | DARLIER AG |
| THE BOEING COMPANY | TOYOTA MOTORS CO., LTD. |
| TESLA MOTORS INC. | HON HAI PRECISION INDUSTRY CO., LTD. |
| LAZADA SOUTH EAST ASIA PTE. LTD. | PTT GLOBAL CHEMICAL PUBLIC COMPANY LTD. |
| AIBABA GROUP HOLDING CO., LTD. | SHANGHAI GENERAL MOTORS CO., LTD. |
| INTERNATIONAL BUSINESS MACHINES CORP. | KUKA ROBOTICS CORP. |
| SEAGATE TECHNOLOGY PLC. | RELIANCE INDUSTRIES LTD. |
| FUJIFILM | OTSUKA PHARMACEUTICAL CO., LTD. |
| SAAB ASIA PACIFIC CO., LTD. | MAZDA POWERTRAIN MANUFACTURING (THAILAND) CO., LTD. |
| BAYERISCHES MOTOREN WERKE AG | HITACHI TOCHIGI ELECTRONICS (THAILAND) CO., LTD. |
| SUZUKI MOTOR CORP. | FORD MOTOR COMPANY (THAILAND) LTD. |
| HUAWEI TECHNOLOGIES CO., LTD. | BRIDGESTONE METALPHA (THAILAND) CO., LTD. |
| GOOGLE ASIA PACIFIC PTE. LTD. | GENERAL MOTORS POWERTRAIN (THAILAND) LTD. |

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* Partial listing comprising of global companies that have expressed interests or already undertaken investment in EEC

Combined Public and Private Investments at least 1.5 Trillion baht ($43 Billion USD) in the first 5 years

Investment incentives for qualified investment projects

- Maximum incentives for qualified investment projects
- New Cities / Hospitals
- 400,000 million baht ($11.5 Billion USD)
- Tourism
- 200,000 million baht ($5.7 Billion USD)
- Industry
- 500,000 million baht ($14 Billion USD)
- Motorway
- 35,300 million baht ($1 Billion USD)
- High-speed train
- 58,000 million baht ($1.8 Billion USD)
- Dual-track railway
- 64,300 million baht ($1.8 Billion USD)
- U-Tapao international airport
- 200,000 million baht ($5.7 Billion USD)
- Map Ta Phut port
- 10,500 million baht ($0.3 Billion USD)
- Laem Chabang port
- 55,300 million baht ($1.7 Billion USD)
- Combined Public and Private Investments at least 1.5 Trillion baht ($43 Billion USD) in the first 5 years

Foreign investors in EEC
The 12th Social and Economic Development Plan
(2017-2021)

10 development strategies

6 strategies correspond to the 20 year National Strategy

1. Human capital development
2. Reducing inequality
3. Strengthening the economy
4. Green growth development
5. Enhancing national security
6. Good governance

4 supporting strategies

7. Infrastructure development
8. Promoting research and innovation
9. Development of local economy
10. International development cooperation

Department of International Economic Affairs