



The golden age of investment

Against the backdrop of temporary Covid-19 measures being introduced to protect and stabilise the economy of Thailand, the Government has also launched a whole raft of great investor-business incentives to dramatically boost the economy going forward, including years of being able to earn tax-free profits.

The numerous incentives have created an air of excitement and energy and are primarily focussed on attracting investment and business into Thailand from overseas; positioning Thailand as a hub from which all business and commercial activities in Asia can be conducted. Not surprisingly, this is being referred to as the 'golden age of investment' in Thailand.

With most incentives being administered by the Thai Board of Investment, the broad areas where incentives are available include:

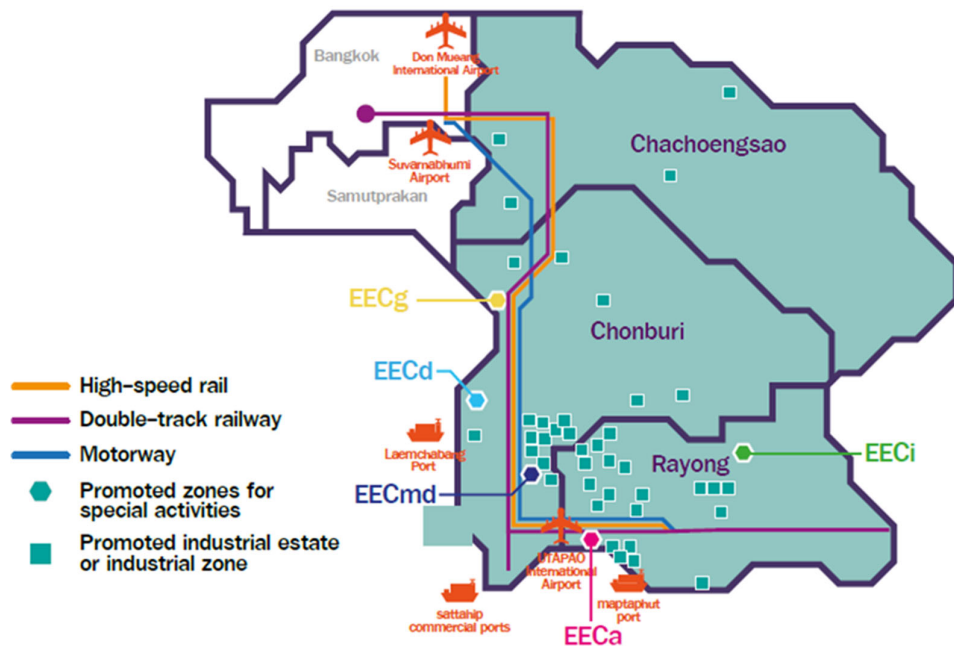
- Incentives to develop new industries;
- Activity-based incentives;
- Merit-based incentives;
- Incentives to boost growth in the Eastern Economic Corridor;
- International Business Centre (IBC) incentives which make Thailand an attractive location for a holding company, regional headquarters or finance centre;
- Corporate income tax 'double deductions';
- General Industrial Zone (GIZ) and IEAT Free Zone (FZ) incentives; and,
- Petroleum industry related investment incentives.

The above list includes 'incentives to boost growth in the Eastern Economic Corridor (EEC)' which is an area of Thailand earmarked for significant development, and as such, has some major projects coming up for tender (interested?)

Large infrastructure projects on the EEC development list include:

- Digital Park Thailand (EECd);
- Double track railway (USD 2.1 billion);
- Eastern Economic Corridor of Innovation (EECi);
- Genomics Thailand (EECg);
- High speed train (USD 2.1 billion);
- Laem Chabang deep sea port (USD 1.1 billion);
- Medical Hub Thammasat University (Pattaya) (EECmd);
- Motorway (USD 1.1 billion);

- The Map ta Phut deep-sea port expansion (USD 330 million);
- U-Tapao airport expansion. (USD 7.1 billion) / Eastern Airport City (EEC-A).



PKF Comment:

Thailand has always recognised the importance of foreign investment and the development, skills and benefits which this can bring into the country. Hand-in-hand with this recognition is the desire to strengthen and significantly boost its economy and the number of incentives and benefits currently on offer send a clear message that *‘Thailand is open for business and, in particular, is very welcoming of business from foreign enterprises, companies and organisations’*.

Notably, described as the ‘golden age of investment’, the current investment climate in Thailand is very attractive for new or expanding foreign business operations, especially if they are to be based in one of the many decentralized industrial areas.

For advice and information on establishing a business in Thailand or applying for one of the many infrastructure projects (and applicable incentives), please contact Philip Bond at philip.bond@pkf.com