

Thailand Investment Year 2008-2009

The government has designated 2008-2009 as “ Thailand investment Year 2008-2009 ” to restore the investor’s confidence, to promote investment in target industries and to stimulate the entrepreneurs’ development to enhance Thailand’s overall competitiveness.

As government agency directly responsible for investment promotion, the Thailand Board of Investment (BOI) sets up new investment competitiveness enhancement policies to stimulate the economy in various sectors as follows:

1.Strengthen already competitive sectors.

To stimulate continuous investment to strengthen already competitive sectors such as automotive and parts, hard disk drive, electronic and electrical products.

2.Promote industries for the future

To promote investment in knowledge based industry and hi-tech industries such as life science, biotechnology, bio-degradable materials, RFID, LED and LCD panels;

To promote investment in alternative energy such as ethanol, bio-fuels, biogas, solar and wind energy;

To revise the activities eligible for promotion which currently exceed 140 activities to gear the entrepreneurs towards higher value-added and more advanced technology development.

3.Promote the country’s infrastructure to accommodate the future industrial expansion.

To coordinate with the Office of National Economic and Social Development Board (NESDB), Ministry of Industry and other related agencies to find the location to develop suitable locations such as Southern Seaboard to accommodate the expansion of fundamental industries such as petrochemicals, steels, energy crops, shipbuilding and tourism;

To push forward the high-quality upstream steel industry to accommodate the rising demand of automotive, electronics and electrical products, food packaging and other related industries in collaboration with the Office of National Economic and Social Development Board.

4.Promote industrial competitiveness

To offer tax incentives to induce companies to change or upgrade their machinery and to develop technology and IT systems in order to improve efficiency and reduce environmental impacts;

To promote R&D activities among local industry and to upgrade the industrial workforce in collaborate with educational institution and research centers.

5.Promote Thai Overseas investment

To promote Thai overseas investment in highly potential sectors such as food, automotive and parts, mining, energy, construction and construction materials;

To establish Investment Support Center in target countries to coordinate business linkages and provide information, consultancy services and other related services to Thai investors who wish to set up business in those countries;

To support the development of Thai investors in terms of knowledge and understanding of investment in target countries;

To support the conduct of feasibility studies for Thai investors who wish to invest in major projects in target countries.

6. Conduct proactive investment marketing activities to build Thailand's image and enhance investor's confidence

To systematically and continually promote Thailand's image as investment location through domestics and foreign media as well as a series of investment road shows in target countries such as Japan, EU and the US;

To closely cooperate with public and private sectors in the form of Public-Private Partnership (PPP) through regular meetings between top executives of the Ministry of Industry and private sector.

7. Improve investment-related services and measures.

To propose the amendment of the Investment Promotion Act to respond to changing situations, to increase flexibility and add new investment promotion tools such as the investment tax allowance;

To swiftly and efficiently solve problems and obstacles to investment by setting up meetings with related agencies and proposing policy recommendations as well as improvement of services provided by investment-related agencies.

8. Set up "Competitiveness and Investment Enhancement Fund"

To set up a fund that supports the implementation of the aforementioned policies as follows:

Replacement by more modern machinery and IT systems to increase efficiency and productivity, save energy and reduce environmental impacts;

The R&D and human resources development in the industrial sector by collaborating with other agencies such as National Science and Technology Development Agency (NSTDA), National Innovation Agency, Thailand Automotive Institute, Electrical and Electronics Institute, educational institutes to support private investment projects in target industries, research centers and independent institutions in R&D activities and the human resources development to accommodate the industrial expansion;

The establishment of "incubation center" for product and process development as well as research and development cooperation among private sector, research centers and educational institutions;

The investment in target countries by collaborating with related agencies such as financial institutions, educational institutions, business organizations etc., to develop Thai investors' potential for investment and support the feasibility study conducted in target countries.