

Report on 2020 Investment Promotion in Thailand

2020 was a challenging year for investors in most of the industries worldwide, while a few of them saw it a good year. The COVID-19 pandemic sent transport and tourism industries down south, but health care, IT and e-commerce industries enjoyed growth.

In Thailand the Board of Investment (“BOI”) worked very hard to provide tax and non-tax incentives to local and foreign investors to encourage them to invest in the targeted industries. Below is a summary of the 2020 investment promotion statistics based on the figures released by the BOI on 10th February 2021. They cover only the investments which were promoted by the BOI.

1. The total investment value decreased from THB691,390 million in 2019 to THB481,150 million in 2020. The number of investment projects increased from 1,523 to 1,717 projects.
2. The targeted industries accounted for 48% of the total investment value. The top 5 targeted industries were (1) electronic and electronic appliances, (2) agriculture and food processing, (3) automotive and parts, (4) petrochemical and chemical products, and (5) biotechnology.
3. The medical industry (manufacturing of hygienic masks and medical rubber gloves, etc.) accounted for THB22,290 million (165% increase) under 83 projects (177% increase).
4. The value of the foreign direct investment (“FDI”) was THB213,162 million (54% decrease) under 907 projects. The top 3 home countries of the FDI were Japan, China and the USA.
5. The BOI applications for investment projects in the EEC (Easter Economic Corridor) area were mainly for public utilities, basic services and transportation (THB67,190 million in Chonburi, THB115,870 million in Rayong, and THB25,660 million in Chachoengsao).
6. The BOI applications for investment projects in the SEZ (Special Economic Zones) were mainly for manufacturing of medical rubber gloves and food products under 17 projects with the investment value of THB12,340 million.
7. 67 SME projects with the total investment value of THB2,490 million were promoted mainly to manufacture medical devices. This was a 20% increase from 2019.

For 2021, the BOI will promote investment projects in BCG (Bio-Circular-Green), medical, high technology, and digital industries. Projects of high value added services and infrastructures will also be promoted.



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