

TIR

THAILAND INVESTMENT REVIEW

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SILVER LINING IN THE SILVER ECONOMY



BOI NET APPLICATION

January – September 2021













Total Investment
1,273 Projects
US\$ 15,500.95 Million

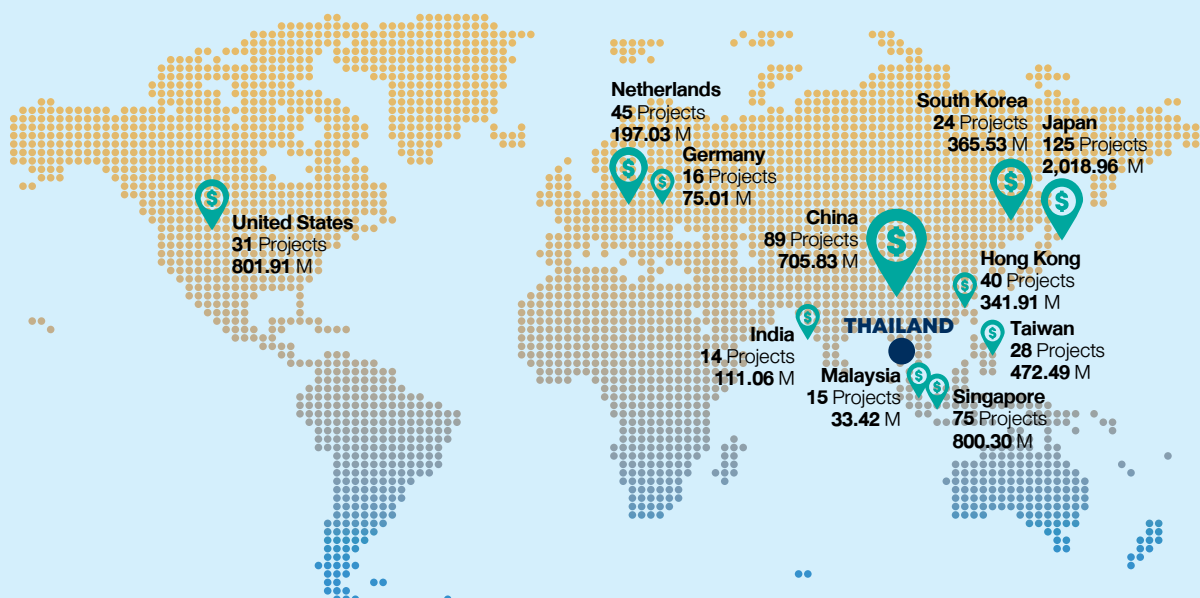


Total Foreign Investment
587 Projects
US\$ 11,076.75 Million

FOREIGN INVESTMENT BY TARGET SECTORS

First S-Curve		New S-Curve	
	Electronics 81 Projects 2,176.39 M		Biotechnology 3 Projects 587.82 M
	Agriculture & Food Processing 54 Projects 457.52 M		Digital 76 Projects 156.02 M
	Automotive 56 Projects 473.68 M		Aerospace 2 Projects 3.10 M
	Petrochemicals & Chemicals 39 Projects 1,024.38 M		Medical 27 Project 939.50 M
	Tourism 8 Projects 360.11 M		Automation & Robotics 3 Projects 7.32 M

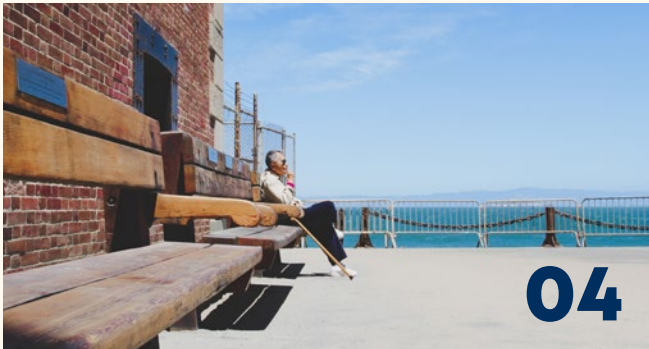
FOREIGN INVESTMENT BY MAJOR ECONOMIES



Unit: US\$ (US\$ = 33.59 as of 20 October 2021)

Note: Investment projects with foreign equity participation from more than one country are reported in the figures for both countries. Statistics on net applications are adjusted whenever applications are returned to applicants due to insufficient information. For more details, please visit www.boi.go.th

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Thai Economy At A Glance



A photograph of an elderly man with grey hair and sunglasses, wearing a light-colored jacket and dark trousers, sitting on a wooden bench. He is leaning on a cane and looking out towards the sea. The bench is made of thick wooden planks and is situated on a paved walkway next to a brick wall. In the background, there is a metal railing and a view of the ocean under a clear blue sky.

SILVER LINING IN THE SILVER ECONOMY

Boosted by Thailand's solid global reputation for the standard and cost-effectiveness of its medical and healthcare services, the Thai government envisions the rapid growth of elderly populations worldwide will bring about new business and investment opportunities for the country. To support this vision, the expected relaxation of long-stay visa requirements for targeted groups is intended to complement the country's famed hospitality and further strengthen the healthcare sector's ability to attract visitors from around the world to take advantage of long-term care services.

The Thai government expects that growing demand for the country's care services from long-stay visitors will add impetus to the ongoing development of the healthcare ecosystem in Thailand. In addition to driving new innovations and raising the standard of care for the elderly in Thailand, this will in turn benefit the overall economy.

According to Thailand's Ministry of Social Development and Human Security, as of December 2020, Thailand had a total of 11.6 million citizens aged over 60 years old,

or 17.57% of the total population. Taken together with the totals of 16.73% at the end of 2019 and 16.73% from the end of 2018, this shows a rising trend in Thailand's aging population.

Under the definitions set by the United Nations, Thailand has transitioned from an "aging society" where persons aged over 65 years old account for more than 7% of the total population, to an "aged society" where people in the 65+ age group account for at least 15% of the population. The country

is predicted to have 20 million citizens aged over 65 years old, or 30% of the total population, and become a "hyper-aging" nation by 2040.

A study by the World Health Organization¹ showed that the number of elderly, defined as people aged over 65-year old, will reach 15% of the global population, or 1.5 billion people, over the next three decades. Although developed countries have the largest profile of aging population at present, less-developed countries have

¹ https://www.who.int/ageing/publications/global_health.pdf

the most rapid rates of aging populations.

Asian countries are expected to see some of the fastest growth of their senior populations. By 2035, the top five countries with the largest senior populations in Asia are predicted to be Japan (40%), South Korea (36%), Hong Kong (35%), Singapore (34%) and Taipei (33%). Thailand will rank sixth in Asia with 30% of its population over 65 years old.

Boosting Thailand's Ecosystem for the Medical Hub

Leveraging the global growth demand and Thailand's rising competitiveness in the international medical care sector, the Thai government is supporting the development of an ecosystem for elderly care on both the demand and supply sides.

On the demand side, the Thai government is considering relaxing immigration rules for long-term stay visitors who seek medical and elderly care services in the country. The policy, which is currently in the process of service agreement drafting by related agencies, will include the granting of ten-year visas and automatic work permits, along with incentives related to personal income tax payment in the country.

The long-term residence visa program is targeted at people who are at least 50 years old and seeking long-term care in Thailand. To qualify for the program, candidates will be required to invest a minimum of US\$ 250,000 in Thai treasury bonds or otherwise derive an income of at least US\$ 80,000 per year from a pension.

The program also aims to attract wealthy foreigners with the requirement that they invest a minimum of US\$ 500,000 in Thailand's treasury bonds, through foreign direct investment or in properties; derive an income from a salary or pension of at least US\$ 80,000 per year; and have at least US\$ 1 million in assets.

As part of the policy towards developing Thailand as the international medical hub, the Thai government is aiming to provide more options and better convenience to the elderly who are seeking long-term care facilities. These policies target growth in the elderly care businesses and related industries, such as medical foods, medical devices and digital medical services.

In line with this vision, the Thailand Board of Investment (BOI) introduced two new incentives in 2020 especially focused on elderly care services. Senior care hospitals can claim 5-year Corporate

Income Tax (CIT) exemption, while facilities providing long-term care for seniors or people who need long-term assistance can receive 3-year CIT exemption.

Recognizing that digital healthcare and medical technology are integral to quality health rehabilitation services and care for the elderly, the BOI also provides incentives for activities related to the development of medical devices and software. The development of enterprise software and/or digital content and providers of digital services are eligible for 5-year CIT exemption. Additionally, the BOI also provides non-tax incentives to e-commerce businesses, including facilitating the immigration of programmers and professionals into the country to support the overall digital ecosystem's ability to better cater to senior care.

The BOI's incentive program for medical services also aims to strengthen the ecosystem for medical device manufacturing. The incentives in this area include 8-year CIT exemption for the manufacture of high-risk or high-technology medical devices, for example x-ray machines, MRI machines, CT scan machines and implants, or medical devices that are commercialized from public sector research or collaborative public-private sector research. In addition, the manufacture of all other medical devices (except for medical devices made of fabrics or fibers) will be eligible for 5-year CIT exemption.

Other BOI incentives designed to support this sector include 8-year CIT exemption on the manufacture of medical foods and food supplements, which will benefit from rising demand driven by the growth of the elderly population. ■



EMBRACING THE AGING POPULATION AS AN OPPORTUNITY

Foreseeing a growing need among the rising elderly population for health and wellbeing goods and services, many Thai businesses have been adapting their operations to capture the opportunities arising from this new demand. Both medical and non-medical businesses are expanding or converting their business models to focus on catering to the elderly and people looking for wellness tourism services.



Attracting 40 million tourists in 2019, Thailand is already the largest tourist destination in ASEAN. Recently, however, the Tourism Authority of Thailand has been turning its efforts towards a focus on promoting healthcare, wellness, and long-stay tourism services aimed at attracting affluent elderly visitors and responding to the growing health and wellbeing consciousness after the COVID-19 pandemic.

With its tropical climate and diversity of natural and cultural attractions, Thailand has a long-

established reputation as a popular destination for elderly visitors from all over the world. Thanks to the country's standardized healthcare, unique hospitality and attentive care services at affordable prices, it has also become increasingly attractive to people who want to spend their golden years in a safe and comfortable environment.

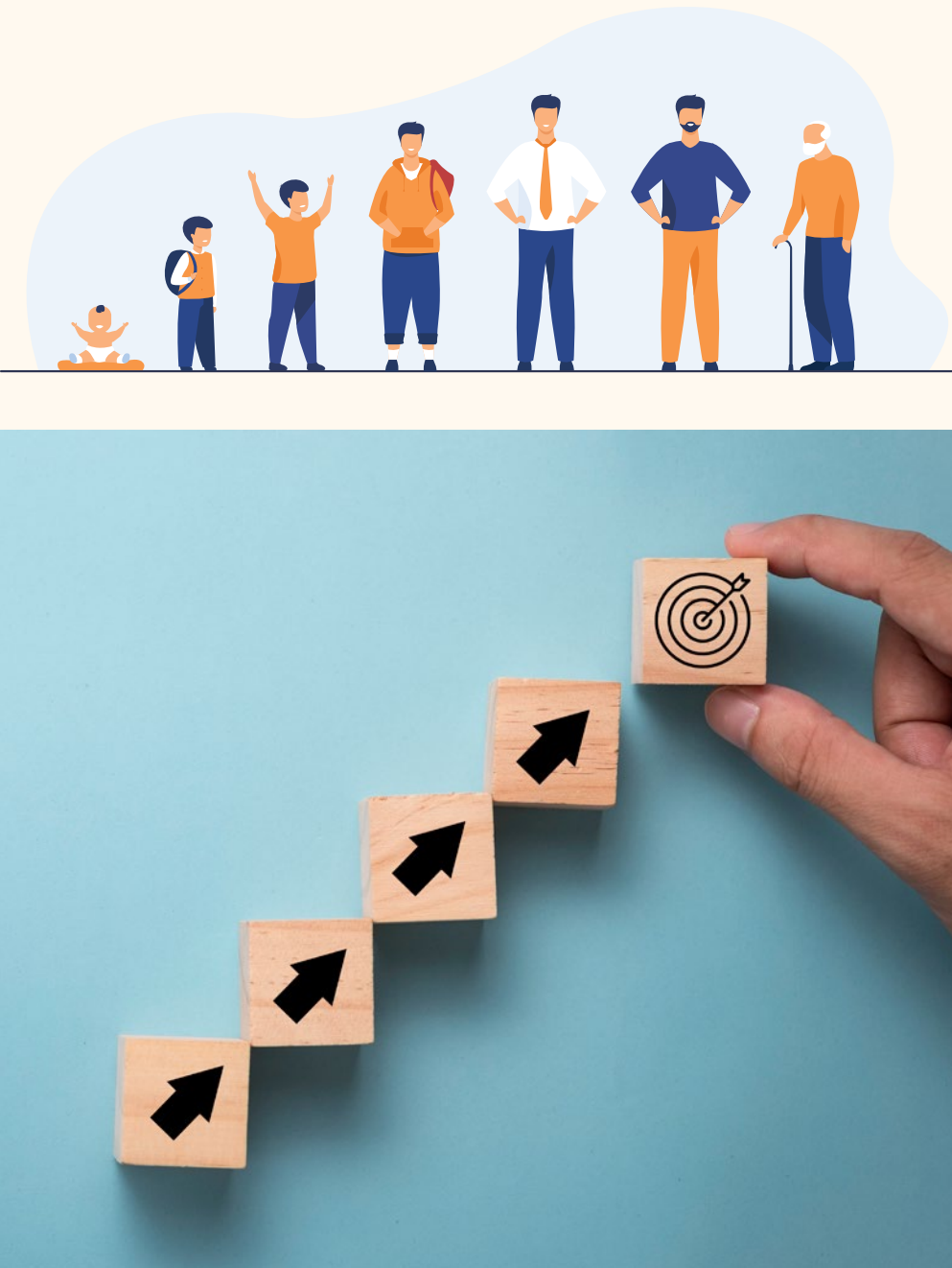
Thailand's potential as a long-term care destination of choice for the elderly is underscored by the country's strong medical tourism industry, which handled 3.4 million visits by foreigners in 2019 including

2.9 million medical tourists and 920,00 expats working in the country.

The Public Health Ministry reported that the approximately US\$ 14 billion generated by health and wellness tourism in 2019 represented 15.6% of all tourism income brought into the country. Of that amount, US\$ 13 billion was derived from health and wellness tourism and US\$ 1 million from medical services.

The Ministry of Commerce has defined elderly care into three categories: day-care, long-stay and nursing services. Figures from the Ministry of Commerce's Department of Business Development database showed that there were around 500 elderly care companies registered in March 2021, with almost half of these in Bangkok. Development of the elderly care business has accelerated since 2019, with the number of incorporated elderly care businesses rising by more than 80% from January-March 2021 from the same period of 2020, or an extra 52 companies.

The rapid increase of registered businesses for the elderly during the past couple of years also resulted from their compliance with the enforcement of the Health Establishment Act 2016. To ensure standardized care and services to the elderly, existing projects



are required to resubmit and new projects to submit an application for license of the Ministry of Public Health's Department of Health Service Support between January to July 2021.

The law also requires elderly care providers to receive at least 420 hours of training and pass qualifications set by courses certified by the department.

At the end of October 2021, a total of 663 senior care projects applied for the licenses, including 621 nursing homes, 28 residential homes and 14 daycare centers.

Meanwhile, a total of 5661 filed an application for certification, out of which 3,110 have received the license. List of certified facilities and service providers can be checked at <http://www.esta.hss.moph.go.th/index.php>.

Businesses Adapting to Senior Population

Overall, Thailand's solid healthcare system and growing healthcare businesses form part of an increasingly robust ecosystem for elderly care services. The country's leading hospital groups are expanding

their facilities and services to attract medical tourists and branching out to provide services in long-term senior care and wellness. However, Thailand's new pattern of tourism will see the borders between different types of activities blurring. Many hotels, property developers, and food and consumer goods producers have reoriented their products and services or diversified their investment to cater to the growing demand from the senior population.

The increasing demand for elderly care, both from within the country and among foreigners, will create many new and diverse business opportunities. Top of this list is housing or condominium units for seniors who are able to live on their own and assisted living and nursing homes for those who are not. However, there is also expected to be increased demand for products as diverse as furniture, foods and financial products.

High Readiness for Medical and Health Tech

Thailand has developed a strong ecosystem for creating solutions and innovations in medical and health tech. High-technology industries such as digital content, robotics, precision medicine and biotechnology are listed by the Thai government as targeted areas for accelerated investment aimed at further evolving this ecosystem.

Thailand's readiness in high technology is critical to this evolution. The country is also well-positioned to leverage an integrated digital platform among government agencies, cloud services, big data analytics and the IoT to create medical solutions such as robotics surgery, augmented reality simulations, A.I chatbots, cloud-based data sharing, nano-based drugs and 3D printing. ■



THE ASIAN CAPITAL OF RETIREES

Thailand is expected to welcome an influx of new retirees into its long-stay and elderly care service facilities over the coming years after the government completes the process of amending visa rules and easing restrictions on property ownership.

The new visa and property incentives will complement the government's plan to develop Thailand as a medical and wellness hub while also supporting tourism to less-visited cities and benefiting the economy across several industries.

Under the new long-term residence measures approved by the cabinet in September, qualified pensioners and retirees will be granted a 10-year visa and the right to own property. To obtain a long-term Thai visa, applicants are required to fit into one of two target groups.

The first group is wealthy global citizens. They would be required to invest at least US\$500,000 (16.5 million baht) in Thai government bonds in the form of foreign direct investment (FDI) or in real estate. The minimum income required for this group is US\$ 80,000 per year over the previous two years, while requirements for the minimum value of assets owned is US\$1 million and the minimum health insurance coverage is US\$100,000.

The second target group is wealthy pensioners who are at least 50 years of age and with sufficient income from pensions to cover their costs of living in Thailand. The people in this group are required to invest at least US\$250,000 in Thai government bonds, either in the FDI format or in real estate, while the minimum income required for the group is US\$ 40,000 per person per year or have income of at least US\$ 80,000 per year. Applicants from this group must also have a health insurance package with a minimum coverage of US\$100,000 per person.

The move is expected to boost Thailand's already solid attractiveness to retirees from around the world who are looking for quality long-term care and accommodation. The approximately 90,000 foreign retirees recorded as long-term residents in Thailand in 2020 represented an increase of 9% compared to 2019. The relaxation of rules is expected to attract an additional 80,000 retirees and pensioners over the next few years.

While Thailand has long been considered a cost-effective destination for both short- and long-term



tourists, it has over recent decades become increasingly renowned for the highly-competitive pricing of its international standard medical care. The new visa and property ownership measures will make it easier for retirees to take advantage of these cost-effective healthcare services together with the country's well-established hospitality sector, year-round tropical climate, diverse range of tourist attractions, and rich cultural heritage.

The International Living Magazine¹ has recognized Thailand as one of the world's top destinations for expats and retirees due to its good standard of living, diversity of leisure activities and tourist attractions, quality healthcare and general affordability. The magazine listed destinations such as Koh Samui, Bangkok, Hua Hin and Phuket among the most popular destinations for long-stay retirees.

However, Chiang Mai is currently the top destination for elderly long-term residents from overseas, with 42,400 visitors from countries such as Japan, the US, and Singapore as well as Europe. The largest city of Thailand's Northern region, Chiang Mai is famed for its historical charm and laid-back urban lifestyle as well as the mountain scenery in the surrounding areas.

To further support these objectives, the Ministry of Commerce has defined elderly care into three categories: day-care, long-stay and nursing services. Of the total 500 registered facilities in Thailand, nearly half are located in Bangkok. ■

¹ <https://internationalliving.com/the-5-best-places-for-expats-to-live-in-thailand>

BOI's Tax Incentives to Promote Long-Term Care Ecosystem

Activities

1 Senior care hospitals



**5-year
CIT
Exemption**

2 Senior/dependent care centers



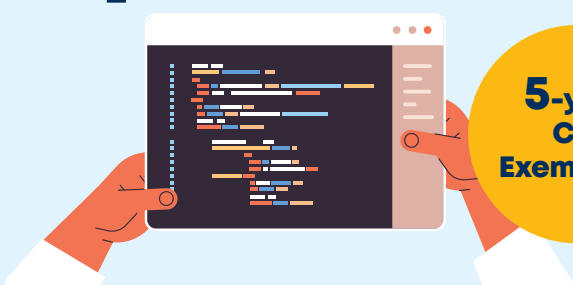
**3-year
CIT
Exemption**

3 Development of enterprise software and/or digital content



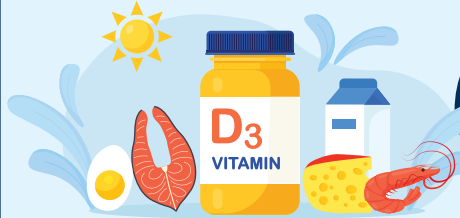
**5-year
CIT
Exemption**

4 Digital Services



**5-year
CIT
Exemption**

5 Manufacture of medical food and food supplement



**8-year
CIT
Exemption**

6 Manufacture of high-risk or high-technology medical devices for example x-ray machines, MRI machines, CT scan machines and implants or medical devices that are commercialized from public sector research or collaborative public-private sector research



**8-year
CIT
Exemption**

7 Manufacture of other medical devices (except for medical devices made of fabrics or fibers)



**5-year
CIT
Exemption**

GOLDEN OPPORTUNITY FOR THAILAND'S SILVER ECONOMY



Over recent years, the elderly care sector has become an increasingly important area of focus for the Thai-Swedish Chamber of Commerce. With Sweden moving towards an aging society, demand for elderly care services is rising at a significant rate. While Thailand is established as a popular tourist destination for Swedes, it is now becoming an increasingly attractive destination for retirement and elderly care services, not only for Swedes but Scandinavians and Northern Europeans in general.

Having moved to Thailand in the aftermath of the 1997 Asian economic crisis to help Thai-based Swedish companies recover after the crisis, Swedish national Peter Bjork has lived in Thailand for more than 20 years. As the president and a longtime member of Thai-Swedish Chamber of Commerce, Peter is very close to the Swedish community in Thailand and especially to the companies operating here. He has extensive experience of supporting Swedish and international companies in areas ranging from change management projects to cultural advice. Peter talked to us about what makes Thailand such an attractive destination for Swedes seeking elderly care services and how much potential there is for growth in this sector.

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I would say that Thailand already has something that no other country can compete with, and that is the hospitality which is built into your culture. There is no country that can offer that.

Then of course, the country has a very good healthcare system, both for the locals with clinics and volunteer health care workers even in the villages, and also in the state-of-the-art private hospitals

”

Peter Bjork
President and Member of
Thai-Swedish Chamber of Commerce

Q: Why has the elderly care sector been in the focus of the Thai-Swedish Chamber of Commerce over recent years?

A: I think it's fair to say that Sweden is very close to Thailand, even though we are geographically far apart. Scandinavians in general, but Swedes in particular, have always loved Thailand and enjoyed coming here. I think this peaked about 10 years ago when there were 450,000 Swedes visiting Thailand every year, which at that time was almost 5% of the population. From that peak of 450,000 a year, it had already declined a bit before the Covid pandemic to around 350,000 a year but still high numbers.

Why? First of all because we are a very cold country up in the north of Europe. We have very cold and dark winters, so many Swedes like to travel to warmer climates. Spain and Southern Europe are also popular, but around 20 years ago, Swedes started coming to Thailand in larger numbers.

There were many reasons for this, but apart from the climate, the culture with the wonderful friendliness of the Thai people and of course the food were big attractions. Also, the cultures of Sweden and Thailand fit very well with each other. The Thais call us the Asians of the Nordic countries because we are similar in that we are consensus-seeking and non-confrontational in our culture.

As we all know, Thailand's hospitality is world class, not only in tourism but also in healthcare and medical services. Thailand also has very high class medical facilities. Many Swedes have invested in a second home in Thailand for semi-retirement or retirement, especially in the Hua Hin area but also in Phuket, Chonburi and

lesser numbers in Bangkok and Chiang Mai. The Swedish people who came here on vacation and then later on bought a second home have been using the healthcare system and many of them plan to or have already retired or semi-retired in Thailand, maybe spending six months or more each year in Thailand. This is the background to why this elderly care sector has come into focus also for the Thai-Swedish Chamber of Commerce.

From all these activities—tourism, buying second homes, retirement and so on—there are always questions about services, such as healthcare. This is also of interest to Swedish companies looking to invest in different ways, so this is the background for why we as a chamber have focused also on this area.

Q: What trend do you expect to see for Swedish visitors to Thailand in the future and what can the Thai government and Thai people do to make sure Thailand remains attractive to Swedish people?

A: Visitor numbers peaked at around 450,000 a few years before the Covid pandemic, and then it went down a little bit. However, the interest is still very much there and I think it will continue. Of course, with Covid, now the restrictions make traveling very difficult, but I know there are many Swedes now just waiting for the restrictions to be eased and the vaccination rate to increase so that they can return.

I know that the BOI is discussing and planning to introduce long-stay visas for retirees and so on. This is helpful, of course, because long-stay visas have always been

an issue in the past, also for the non-working people.

Apart from this, Thailand is still attractive and many Swedes are looking forward to coming back to visit and travel here. Also, some of the people who invested in a second home e.g. houses or condos in the past are now in the elderly group but they still want to come to Thailand and stay here during the winter months. These people will need access to these kind of care facilities. Whether they stay in their own housing or move into dedicated projects, this is something that is attractive and will become the norm for older Swedish people in Thailand as well as for other international travelers of course. Swedish people are very close to nature and the environment. Therefore it is important that Thailand continue to strive for a clean and sustainable environment and society.

Q: What competitive advantages do you think Thailand offers international visitors in terms of healthcare for the elderly?

A: I would say that Thailand already has something that no other country can compete with, and that is the hospitality which is built into your culture. There is no country that can offer that.

Then of course, the country has a very good healthcare system, both for the locals with clinics and volunteer health care workers even in the villages, and also in the state-of-the-art private hospitals.

In Thailand, there is also a good base for the production of medical devices and software with strong research and innovation in this area. As one example, I read in the TIR about a Norwegian company in Chiang Mai that produces

infra-red medical devices to support the healing process. Now, the BOI offers many incentives, and in this area, it has been shown how useful and effective they can be.

Now there has also been further investment in nursing homes and retirement communities. One example of this is Thonburi Wellbeing, an elderly care facility under the Thonburi Hospital Group, in Pathum Thani in the northern part of Bangkok. They have a Swedish general manager, Bjorn Richardson. This is just one example that we know about in our community, but there are others and many more in the pipeline.

Finally, there is very good cost effectiveness in this sector in Thailand, which is also very attractive.

Overall, I think the culture, the hospitality, the medical facilities, the production and innovation in the local medical industry, the elderly care facilities, and the cost effectiveness give Thailand a very competitive edge in this sector.

Q: How much of a challenge do you think Thailand's quickly aging society will be to this sector, and what other challenges do you think Thailand will need to overcome to maintain its attractiveness and competitive advantage?

A: In Sweden, we class the elderly as 65 plus, while I think in Thailand it's 60 plus. We already have 20% over 65 in Sweden now, and it will be 23% by 2040, but Thailand is aging even more quickly. I read in some research conducted by K-Bank that Thailand is predicted to officially become an aging society in 2030 and a super-aging society in 2050. This is a big challenge for Thailand to be able to handle this. How can the younger generation bear the burden of this increasing elderly population?

We also have urbanization, which means that people are moving from villages into cities, not only

Bangkok but also the other cities in Thailand. That creates a situation where the average household will have fewer people. It's now around 3 today in Thailand. This means there will be more lonely elderly. It's almost 900,000 now in Thailand and this number will increase.

Of course, this is a challenge for Thailand, but at the same time, it creates opportunities for organizations that can offer care services, both public and private sector organizations.

We already talked about the Norwegian company in Chiang Mai as an example, but in Sweden and Scandinavia, our economies and organizations are very efficient and sustainable. If we compare it to Thailand where you have this wonderful hospitality, we are missing on that a little bit in Sweden because we place so much emphasis on efficiency in our organizations. People are very expensive to employ in Sweden, so we have to find ways to improve the productivity all the time. That experience could be helpful. We could transfer some knowledge to help with the efficiency of the elderly care in Thailand. I also believe that Thailand should move to a greener and more sustainable society, the BCG economy. This will improve the efficiency and make Thailand even more attractive for investment in "the Silver Economy".

In summary, I think Thailand would just need to be open to receiving foreign investment and knowhow to ensure it stays competitive in this sector in the long-term ■



AGING SOCIETIES CREATE GROWING DEMAND FOR ELDERLY CARE SERVICES IN THAILAND

Positioning itself as a leading long-stay care facility and provider of assisted living services for the elderly, Vivo Bene is a 100% Swiss-owned company based in Chiang Mai, Northern Thailand. As a BOI-registered company, Vivo Bene enjoys a variety of privileges but it also benefits from a fast-growing target market from Switzerland's aging society.

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Europe is a very important market now. However, other markets are coming up. We have more demand coming from Asia where families can not take care of their elderly members anymore, so this care has to be sourced out and given to someone else who can do it professionally and efficiently. This is happening in Singapore, Hong Kong, Taiwan, Japan and now also in China, and of course it is also happening in Thailand. This whole situation has fundamentally changed in the last five years and we are very surprised just how strong the demand is becoming, even now during the pandemic.

”

Marc Henri Dumur
Co-Founder of Vivo Ben



While Vivo Bene's concept is based on Swiss methods and standards of providing care for senior citizens, the company's owners see a perfect synergy in combining its business practice with Thailand's culture of hospitality.

We spoke to Marc Henri Dumur, a co-founder of Vivo Bene, to discuss the advantages of basing their operations in Thailand and the challenges that exist in this sector.



Could you elaborate on what you mean by the Swiss way of providing care for the elderly?

We have brought in experts from Switzerland to help with this. For example, we have a head of nursing from Switzerland who provides training for all of our Thai staff. The way of taking care of senior citizens in the Western world and here in the East is quite different. In Europe, we focus on the capabilities of the elderly. We compare them to a glass half full of water and half empty as they have lost some of their capabilities with age. We focus on the water that is still in the glass, the capabilities that they still have. We want them to preserve their self-confidence, dignity and independence as much as possible.

That is a fundamental difference from Thai culture, where guests would maybe perceive that they should get 100% care because that's what they've paid for. But with Western people, we would

rather try to give them their personal time, their privacy.

As an aging society, we have gained a lot of experience and developed the systems, the technology and the research to support the care we provide for the elderly. However, we try to balance the best of both worlds. We also try to take the strong points of the Thai system and incorporate those as well where possible. The Thai culture is based on respecting the elderly and Thai nature is to be humble and caring, so having Thai care providers with the Swiss system is a perfect match

What advantages does Chiang Mai offer as an operational base for your elderly care business?

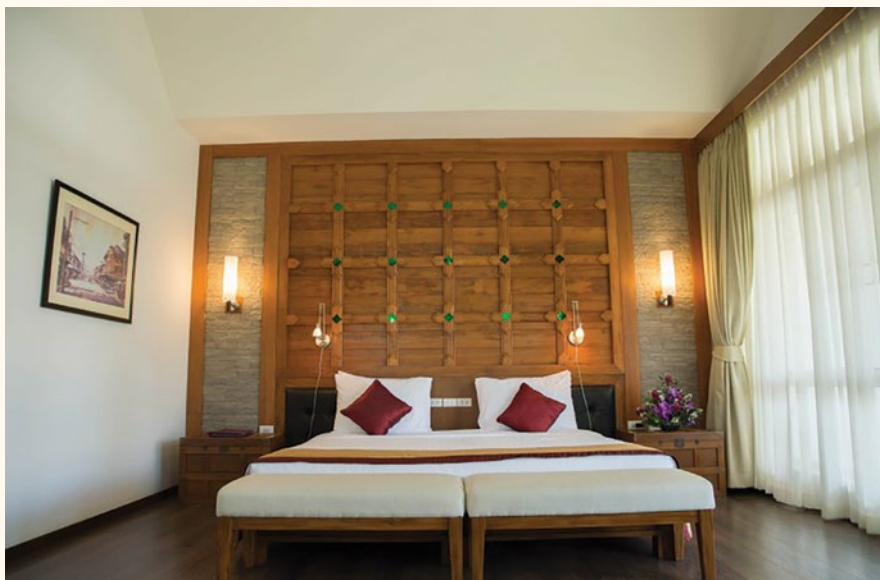
First of all, it was important to have enough space to build the facility we wanted. We have 21 rai here in Doi Saket and it's very quiet and peaceful, but we are only 20 km away from Chiang Mai city.

The city of Chiang Mai is big enough to provide our guests with everything they need but without being too crowded like Bangkok. This also links to the next reason, which is the local culture. Our guests don't only stay within our facility but they like to travel around to visit the sights, integrate into the local community and experience the culture as much as possible.

Second, and I think most important, is the excellent medical facilities we have in Chiang Mai. As we take care of the elderly, this is very important because all of our guests have medical requirements. Chiang Mai University produces many professionals and experts in all areas of medicine, including doctors, nurses, physical therapists, dentists and pharmacists. The local human resources in Chiang Mai are another important factor. People from this province are very calm, kind and empathetic, so they make very good caregivers.

Of course, another thing is the cost. Prices in Northern Thailand are very reasonable, especially





compared to Phuket, Koh Samui or Hua Hin. Then there is also the climate. You have three seasons in Chiang Mai. The cold season is good for European people because we like to eat some heavy food and it digests more easily when it's cooler

What are top concerns of European customers for long-stay services in Thailand ?

Thailand was of course always considered a wonderful tourist destination, but the idea of bringing your parents here and leaving them in care was difficult to sell.

Now, we are 6 or 7 years down the road, and the situation has

changed. Our property has become fairly well-known in Switzerland and across the German-speaking market of Germany and Austria. The demand has gone up enormously. Now you have a lot of people in their 50s and 60s so there are a lot of people preparing for retirement.

What you also have in Europe are couples where one of them needs care but they reach a point where the other partner can no longer give that care anymore. In Europe, you would have a situation where the couple is separated: the one who needs care goes into a home and the other partner stays in their home.

For example, we have had couples where the husband had Parkinson's disease and the wife didn't have any conditions, and they lived there together which they can't do in Europe.

Of course cost wise, it is much more efficient than in Europe as well. It can be a half or even a third of the cost here, depending on the severity of the person who needs care. Also the care is much better, not only because of the Northern Thai culture, but also because the lower cost means we can have more staff while still maintaining a high standard of training and qualification. We can have one member of staff per person, around the clock. That's three members of staff per day for each guest. In Europe, this would be too expensive.

Once the people realize what level of care they can receive here, then they don't mind the big distance, because that was one of the things that people used to be concerned about. But now, with the possibility to make video calls so easily, as we have all learned during the pandemic, then the distance is not really a problem anymore. For someone with dementia, it's not so important whether he's living in Thailand or Switzerland. The important point is that we want him to be well. We want him to be living the way he is.

Do you see opportunities to expand into other markets?

Europe is a very important market now. However, other markets are coming up. We have more demand coming from Asia where families can not take care of their elderly members anymore, so this care has to be sourced out and given to someone else who can do it professionally and efficiently. This is happening in Singapore, Hong



going through quarantine first. The demand is rising in Europe but also in Asian countries, and that's not only for us but right across the market.

What support have you received from the Thai government and the BOI?

What is important is to say that the BOI has been in place for many years and they surpass all the other departments, ministries and agencies in the support they give. We have received support in various ways. Our shareholders, who are all foreigners, are allowed to buy land in Thailand in the name of the company and we are allowed to bring in foreign experts as we need. We also benefit from support with import tax if we need to import materials to build something here. We get a lot of support from the BOI. ■

Kong, Taiwan, Japan and now also in China, and of course it is also happening in Thailand.

This whole situation has fundamentally changed in the last five years and we are very surprised just how strong the demand is becoming, even now during the pandemic when people know they can't come without

THAI ECONOMY At A Glance

Key Economic Figures



GDP (2020*)
US\$ 506.4 Billion



GDP per Capita (2020*)
US\$ 7,328.2 / Year

GDP Growth



Note: *Estimated value | Source: NESDC
(Data as of March 2021)

Unemployment

Dec 2020*



Headline Inflation

Average 2020*



Source: National Statistical Office,
Ministry of Commerce

Investment Growth

2020
-4.8%



2021*f
5.7%

Export Value of Goods Growth

2020
-6.6%



2021*f
5.8%

Note: *Estimated value
Source: NESDC

Market Profile (2019)

Population
66.56
Million



Minimum Wage
THB 313 - 336

US\$ Approximate
US\$ 9.98-10.71

Source: Ministry of Labour



Export Figures

Export value (USD million)

Jan - Dec 2019 : 246,268.8

Jan - Dec 2020 : 231,468.4

Jan - August 2021 : 176,961.7

Source: Ministry of Commerce

Top 10 Export Markets (January-June 2021)

Rank	Value (US\$ million)	Share
United States	26,883.92	15.19%
China	25,169.40	14.22%
Japan	16,560.27	9.36%
Vietnam	8,504.96	4.81%
Hong Kong	7,621.75	4.31%
Malaysia	7,513.39	4.25%
Australia	7,182.71	4.06%
Singapore	5,806.76	3.28%
Indonesia	5,697.72	3.22%
India	5,168.06	2.92%

International Competitiveness

Global Competitiveness

2018 : 38th 2019 : 40th

Source: World Economic Forum

World Competitiveness Ranking

2020 : 29th 2021 : 28th

Source: IMD

Logistics Performance Index

2016 : 32nd 2018 : 28th

Source: World Bank

Top 10 Exports

Goods / Products	Value (US\$ million)	Share
1. Vehicles and Parts	19,166.80	10.83%
2. Computers and Parts	13,999.86	7.91%
3. Rubber Products	9,961.55	5.63%
4. Plastic Pellets	7,337.20	4.15%
5. Jewelry Products	6,428.47	3.63%
6. Chemical Products	6,218.77	3.51%
7. Integrated Circuits	5,427.70	3.07%
8. Refined Fuel	5,392.99	3.05%
9. Machinery and Parts	5,191.52	2.93%
10. Fresh, frozen, and dried fruit	4,834.14	2.73%

Source: Ministry of Commerce

Exchange Rates (As of 20 October 2021)

\$ THB 33.59

£ THB 46.61

€ THB 39.30

¥ THB 29.58
(100 Yen)

¥ THB 5.31

Source: Bank of Thailand

Tax Rate

Corporate Income Tax: 0 - 20%

Personal Income Tax: 5 - 35%

VAT: 7%

Withholding Tax: 1 - 15%

Source: the Revenue Department
(As of May 2021)

ABOUT BOI

The Office of the Board of Investment (BOI) is the principle government agency that operates under the Prime Minister's Office for the purpose of encouraging investment in Thailand. We at the BOI serve as the professional contact points for investors, providing them with useful investment information and services. We offer business support and investment incentive to foreign investors in Thailand, including tax and non-tax incentives. A few non-tax incentives include granting land ownership to foreigners and facilitating visas and work permits. Besides serving the needs of overseas investors, we also offer consultation services to Thai investors who are interested in investment opportunities abroad.



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