

Thailand

Investment Cooperation Guide -- Thailand (2026 Edition)

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Introduction

Thailand is one of the most attractive investment destinations in Southeast Asia and one of China's most important trading partners within ASEAN. AERI's longstanding research on the evolving economic landscape of Southeast Asia reveals that Thailand -- leveraging its strategic location, mature industrial base, well-established legal framework, and continuously optimising investment policies -- is fast becoming a strategic pivot for international capital deployment in the region.

In 2024, Thailand's GDP reached THB 18.58 trillion (approximately USD 526.5 billion), growing 2.5% year-on-year, making it the second-largest economy in Southeast Asia. Bilateral trade between China and Thailand reached USD 133.98 billion in 2024, up 6.1% year-on-year, with China maintaining its position as Thailand's largest trading partner for the 12th consecutive year. In 2024, Thailand attracted FDI of USD 24.1 billion, up 25% year-on-year and a ten-year high, with China ranking as the second-largest source of investment. In January 2024, China and Thailand signed a mutual visa exemption agreement, which entered into force in March of the same year, greatly facilitating people-to-people exchanges.

AERI believes that Thailand's core investment value manifests at three levels: first, outstanding strategic position -- as the geographical centre of ASEAN, it provides access to the ASEAN market of 670 million people and the broader Asia-Pacific region; second, robust industrial foundation -- mature and well-developed supply chains in automotive manufacturing, electronics and semiconductors, and data centres, making Thailand a key manufacturing base in Southeast Asia; third, a business-friendly policy environment -- BOI investment promotion policies covering ten major industry categories, providing corporate income tax exemptions of up to 13 years for qualifying foreign investors.

This guide provides a systematic introduction to Thailand's political and economic overview, investment policies and regulations, China-Thailand economic and trade cooperation, corporate financing channels, compliance and dispute resolution, and essential information on living and working in Thailand, serving as a decision-making reference for Chinese enterprises investing in the country.

Preface

The Asian Economic Research Institute (AERI) is a professional institution dedicated to economic research across the Asian region, committed to providing authoritative and professional investment environment information and advisory services for Chinese and foreign enterprises. To assist Chinese enterprises in better understanding Thailand's investment environment and opportunities, we have compiled this guide.

This guide adopts a six-part structure, systematically covering Thailand's political and economic overview, investment policies and regulations, China-Thailand economic and trade cooperation, corporate financing channels, compliance and dispute resolution, and essential information on living and working in

Thailand. Content is primarily sourced from official Thai statistical data, publicly available information from China's Ministry of Commerce, and data from international institutions including the World Bank and the IMF, ensuring authority, accuracy and practical relevance.

This guide will be updated in a timely manner in line with changes in Thailand's political and economic landscape and adjustments to policies and regulations. We welcome feedback and suggestions from all sectors.

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Part I: Thailand Overview

AERI Assessment

Thailand is one of the most economically dynamic countries in Southeast Asia and a pivotal destination for Chinese enterprises expanding overseas. AERI notes that against the backdrop of global supply chain restructuring and digital transformation, Thailand is actively pursuing economic structural upgrading -- transitioning from a traditional manufacturing base towards a regional innovation centre characterised by higher value-added and technology-intensive activities. In the electronics and semiconductor and digital economy sectors in particular, Thailand has explicitly set the goal of building an "ASEAN Digital Hub," with rapid growth in data centre and cloud services investment forming new industrial clusters.

For Chinese enterprises, the appeal of the Thai market lies not merely in its own economic scale, but in its strategic position as the gateway to ASEAN and its mature industrial support capabilities. Thailand has signed a mutual visa exemption agreement with China, greatly facilitating personnel exchanges and providing favourable conditions for enterprise investment and operations. Moreover, friendly political relations and well-established mechanisms for economic and trade cooperation provide a sound institutional framework for Chinese enterprise investment.

1 Country Profile

Thailand is situated in the central part of the Indochina Peninsula in Southeast Asia, with a land area of 513,000 square kilometres, making it the second-largest country in Southeast Asia (after Indonesia). It

borders Laos and Cambodia to the east, Malaysia to the south, Myanmar and the Andaman Sea to the west, and faces the Gulf of Thailand to the southeast and the Andaman Sea to the southwest. Thailand occupies a strategic position between mainland Asia and the Southeast Asian archipelago, serving as a vital bridge connecting East Asia with Southeast and South Asia.

Thailand has a tropical monsoon climate with high temperatures year-round, divided into three seasons: the rainy season (May-October), the cool season (November-February), and the hot season (March-April). The average annual temperature is approximately 27degC, with Bangkok temperatures often exceeding 40degC during the hot season. Rainfall during the monsoon is abundant, with annual precipitation ranging from 1,000 to 1,500 mm.

According to data from Thailand's National Economic and Social Development Council, the population in 2025 is approximately 70.36 million. The population is relatively concentrated, primarily in the central plain region, with the Bangkok metropolitan area home to over 10 million people. Thailand is a major country in Southeast Asia with an abundant labour force of approximately 40 million.

Bangkok is Thailand's political, economic, and cultural centre and an important international city in Southeast Asia. Bangkok has a population of approximately 10 million and an area of 1,568 square kilometres. It is a globally popular tourist destination, renowned for its distinctive Buddhist culture, cuisine, and shopping.

Thailand is divided into 77 provinces, with districts, sub-districts, and villages under each province. Bangkok is a special administered city with provincial-level administrative status. Key economic regions include: the Central Region (Bangkok and six surrounding provinces), the Eastern Region (Chonburi, Rayong and other provinces -- the core industrial zone), the Northern Region (Chiang Mai and other provinces), the Northeastern Region (Nakhon Ratchasima and other provinces), and the Southern Region (Phuket, Songkhla and other provinces).

Thailand operates a constitutional monarchy. The King serves as Head of State and Supreme Commander of the Armed Forces. The King exercises executive authority through the National Assembly and the Government. The National Assembly consists of the House of Representatives (500 seats) and the Senate (250 seats).

The Government is headed by the Prime Minister, with the Cabinet serving as the highest executive body. The Prime Minister is typically the leader of the majority party in the House of Representatives. In August 2023, Srettha Thavisin became Prime Minister; in August 2024, Paetongtarn Shinawatra assumed the premiership.

Thailand's judicial system includes the Supreme Court, Court of Appeal, Civil Courts, Criminal Courts, and Administrative Courts. The Constitutional Court adjudicates cases involving constitutional interpretation. Thailand's legal system is rooted in the civil law tradition, with a relatively well-established legal framework.

Major Thai political parties include Pheu Thai, Palang Pracharath, United Thai Nation, and the Democrat Party. Pheu Thai has performed prominently in recent elections.

Thailand is an important ASEAN member, pursuing an independent foreign policy that places importance on developing relations with major powers and playing an active role in international affairs. Thailand

actively participates in multilateral cooperation mechanisms including ASEAN, APEC, and ASEM, and is a key advocate of the Lancang-Mekong Cooperation mechanism.

Thailand is a founding member of ASEAN, actively participating in ASEAN integration. Thailand is committed to advancing the ASEAN Community, playing an important role in trade and investment facilitation, infrastructure connectivity, and people-to-people exchanges.

China and Thailand formally established diplomatic relations on 1 July 1975. Over the 50 years since, bilateral relations have continued to develop healthily, with deepening cooperation across all fields.

In April 2012, the two countries established a comprehensive strategic cooperative partnership. In November 2022, President Xi Jinping paid a historic visit to Thailand, and the two nations reached important consensus on building a more stable, more prosperous, and more sustainable China-Thailand community with a shared future, signing the Action Plan on Strategic Cooperation between China and Thailand (2022-2026).

In January 2024, China and Thailand signed a mutual visa exemption agreement, which entered into force on 1 March 2024. Under the agreement, Chinese nationals holding ordinary passports may enter Thailand visa-free for single stays of up to 30 days, with cumulative stays not exceeding 90 days per 180-day period.

In October 2024, Premier Li Qiang met with Thai Prime Minister Paetongtarn Shinawatra on the sidelines of the East Asia Cooperation Leaders' Meetings in Vientiane. In February 2025, Prime Minister Paetongtarn paid an official visit to China.

Key cooperation documents:- September 2017: Signed the Memorandum of Understanding on Jointly Promoting the Belt and Road Initiative- November 2022: Signed the Action Plan on Strategic Cooperation between China and Thailand (2022-2026) and the Cooperation Plan on Jointly Building the Belt and Road- January 2024: Signed the Agreement on Mutual Visa Exemption for Holders of Ordinary Passports

Thais constitute the majority ethnic group, accounting for approximately 75% of the population. Ethnic Chinese are an important component of Thai society, comprising roughly 14% of the population and wielding significant influence in business. Other ethnic groups include Malays, Lao, and various hill tribes.

Thai is the official language, with English widely used in business and tourism. Chinese (Mandarin and Cantonese) is commonly spoken in the ethnic Chinese community, with some also speaking Teochew, Hokkien and other dialects.

Buddhism is Thailand's state religion, practised by approximately 95% of the population. Thai law protects freedom of religious belief; other religions include Islam (predominantly in the southern provinces), Christianity, and Hinduism. Thai Buddhist men are generally expected to ordain as monks at least once, for varying durations.

The Thai Baht (THB) is the national currency. Recent exchange rates have been approximately 32-34 THB to 1 USD. RMB can be freely exchanged in major Thai tourist cities and shopping centres, and some merchants accept Alipay and WeChat Pay.

Thailand is a nation of courtesy and propriety. When visiting Thai homes or temples, modest dress is expected and shoes must be removed. In Buddhist culture, the head is the most sacred part of the body and should not be touched; the feet are considered the lowest and should never be pointed at people or

Buddha images. Items should be passed with the right hand or both hands.

2 Economic Overview

Thailand is the second-largest economy in Southeast Asia, after Indonesia. According to data from the National Economic and Social Development Council, Thailand's GDP in 2024 reached THB 18.58 trillion (approximately USD 526.5 billion), representing year-on-year growth of 2.5%. Per capita GDP stood at approximately THB 265,000 (roughly USD 7,500). Thailand's GDP is projected to grow by 2.4% in 2025, maintaining a moderate growth trajectory.

Thailand's economic structure is relatively balanced:- Services: approximately 59% of GDP, the primary growth driver, encompassing wholesale and retail, finance and insurance, tourism and hospitality, and transportation- Manufacturing: approximately 35% of GDP, including automotive, electronics and electrical appliances, food processing, and petrochemicals- Agriculture: approximately 8% of GDP, dominated by rice, natural rubber, tropical fruits, and seafood

Thailand is a key manufacturing base in Southeast Asia. The automotive industry is a pillar sector -- Thailand is the largest automobile producer and exporter in Southeast Asia, with annual production of approximately 1.5 million vehicles. Thailand is also a major global base for the electronics and IT industry, producing over 40% of the world's hard disk drives. In recent years, Thailand has actively promoted the digital economy, with rapid growth in data centre and cloud services investment.

Thailand is also an important agricultural exporter -- the world's largest rubber exporter and the second-largest rice exporter, with Thai jasmine rice enjoying global renown.

Thailand maintains sound sovereign credit ratings: S&P A- (stable), Moody's Baa1 (stable), Fitch A- (stable).

In 2024, Thailand's total foreign trade reached approximately USD 640 billion, with exports of approximately USD 330 billion and imports of approximately USD 310 billion. Thailand's trade partners are diversified, primarily including ASEAN, China, the United States, Japan, and the EU.

Thailand's export structure is diverse, principally including:- Automobiles and parts: approximately 15% of total exports, the largest export category- Electronics: including integrated circuits, computer components, and hard disk drives- Agricultural products: including rice, rubber, sugar, and seafood- Chemical products: including plastics, rubber products, and petrochemicals

Thailand's top five trade partners:1. China: approximately 25% of total trade, the largest trading partner2. Japan: approximately 12%3. United States: approximately 11%4. ASEAN: approximately 17%5. EU: approximately 9%

Thailand's transport infrastructure is relatively well-developed:- Roads: total network of approximately 700,000 km, with extensive highway connections between Bangkok and all provinces- Railways: total length of approximately 4,500 km, with Bangkok as the hub, though modernisation is still needed- Aviation: Bangkok Suvarnabhumi International Airport is a major Southeast Asian aviation hub with routes covering major cities worldwide- Maritime: Laem Chabang Port (Thailand's largest deep-water port) and Bangkok Port are key facilities

Thailand's electricity supply is adequate, with 2025 electricity prices at approximately THB 3.99 per kWh.

Thailand has one of the largest internet user bases in Southeast Asia, with 4G/5G networks covering major cities and digital infrastructure continuously improving.

Thailand has multiple mature industrial parks, primarily including:- Eastern Economic Corridor (EEC): covering Chonburi, Rayong, and Chachoengsao provinces -- the core industrial development zone- Nationwide industrial parks: over 70 IEAT-certified industrial estates across the country

Part II: Thailand Investment Environment and Policies

AERI Assessment

AERI considers Thailand to be one of the most attractive investment destinations in Southeast Asia. In recent years, the Thai Government has continued to advance investment facilitation reforms, and BOI investment promotion policies have been continuously refined, providing a favourable policy environment for foreign-invested enterprises. The fact that Thailand attracted a ten-year high of FDI in 2024 demonstrates the international capital market's growing confidence in the Thai market.

For Chinese enterprises, opportunities in the Thai market primarily manifest in three areas: first, Thailand is accelerating the construction of an "ASEAN Digital Hub," with strong demand for data centre and cloud services investment; second, Thailand's automotive industry is undergoing an electrification transition, providing broad development space for Chinese new energy vehicle manufacturers; third, the Thai Government is actively promoting industrial upgrading, having introduced a series of support policies in semiconductors, electronics, and biomedicine.

Naturally, enterprises should also be attentive to certain risk factors when investing in Thailand, including: the constraining effect of high household debt on consumption, uncertainty arising from political changes, and the impact of international trade frictions on export-oriented enterprises. Enterprises are advised to conduct thorough market research and risk assessment before making investment decisions.

1 Business Environment

According to the World Bank's Doing Business Report, Thailand ranked 21st among 190 economies (among the leading ASEAN nations). Thailand performed particularly well on the "protecting minority investors" indicator, ranking in the global top three.

The Board of Investment (BOI) is the Thai Government agency responsible for investment promotion, with principal duties including:- Providing investment information and advisory services- Reviewing investment promotion applications- Issuing investment promotion certificates- Coordinating the resolution of investment-related issues

BOI headquarters are in Bangkok, with overseas offices in several global cities, including Beijing and Shanghai.

The Thai Government has continued to advance investment facilitation reforms in recent years:- Simplified company registration processes, achievable through an online one-stop system- Established the One-Stop Investment Service Centre (OSOS)- Launched the "Thailand Fast Pass" for expedited approval of key investment projects- Implemented the Long-Term Resident (LTR) Visa policy to attract

high-calibre talent

The EEC is a flagship economic project approved by the Thai Government in 2017, covering Chonburi, Rayong, and Chachoengsao provinces, with planned investment of approximately THB 1.7 trillion. EEC priority industries include:- Smart electronics- High-end medical and wellness tourism- Next-generation automotive (electric vehicles)- Automation and robotics- Aviation and logistics- Digital industries- Biotechnology

Special incentives in the EEC include: preferential land leases, tax incentives, and facilitation of foreign talent residency.

The Industrial Estates Authority of Thailand (IEAT) manages over 70 industrial parks nationwide, primarily concentrated in the eastern region. Parks feature well-developed infrastructure including roads, water supply, electricity, and wastewater treatment. Enterprises in IEAT parks enjoy:- One-stop services- Comprehensive infrastructure support- Bonded zone privileges- Streamlined environmental approval processes

2 Foreign Direct Investment

In 2024, Thailand attracted FDI applications totalling USD 24.1 billion, up 25% year-on-year and a ten-year high. The number of investment applications reached 2,050, an increase of 51% year-on-year.

Leading FDI sources in 2024:1. Singapore: USD 10.3 billion (43% share) -- the largest investing country2. Mainland China: USD 5.1 billion (21% share) -- the second-largest investing country3. Hong Kong, China: USD 2.4 billion4. Japan: USD 1.4 billion5. Taiwan, China: USD 1.4 billion

FDI in Thailand in 2024 was primarily directed towards:1. Digital industries (data centres, cloud services): approximately USD 7.0 billion, becoming the largest FDI-attracting sector for the first time2. Electronics and electrical: approximately USD 6.7 billion3. Automotive and parts: approximately USD 2.9 billion4. Agriculture and food processing: approximately USD 2.5 billion5. Petrochemicals: approximately USD 1.4 billion

3 Factors of Production

Effective 1 January 2025, Thailand raised minimum daily wage standards, varying by province:- THB 400/day: Chonburi, Chachoengsao, Phuket, Rayong, Ko Samui- THB 380/day: Chiang Mai city, Hat Yai (Songkhla)- THB 372/day: Bangkok, Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Samut Sakhon- Other provinces: THB 337-359/day

According to Thailand's National Statistical Office, the average monthly wage is approximately THB 15,000-20,000. Skilled workers and professionals earn significantly more -- engineers and IT professionals can command monthly salaries of THB 30,000-50,000 or above.

Thailand's labour force is generally well-educated. Approximately 500,000-600,000 higher education graduates enter the workforce annually, including around 100,000 in STEM fields. English proficiency is relatively strong compared to other Southeast Asian nations.

Industrial land prices in Thailand vary by region:- Greater Bangkok: approximately THB 200-500/sqm- EEC region: approximately THB 150-400/sqm- Other regions: approximately THB 50-150/sqm

Under Thai law, foreigners cannot directly own land (except for BOI-promoted projects). Common approaches include:- Leasing land (most common; lease terms up to 50 years, renewable)- Holding through a Thai-registered company- BOI-promoted projects may apply to purchase land

Thailand's electricity prices are regulated by the Energy Regulatory Commission (ERC) under a cost-plus pricing mechanism. In 2025, the rate was approximately THB 3.99/kWh (including VAT). Industrial users can apply for time-of-use rates (peak/off-peak) to reduce electricity costs.

Thai water tariffs are tiered by consumption:- Residential: THB 15-20/cubic metre- Industrial: THB 20-24/cubic metre- Agricultural: THB 0.5/cubic metre

Thailand's logistics costs are at a moderate level among Southeast Asian countries:- Container shipping: Laem Chabang to major Chinese ports approximately USD 500-1,500/FEU- Land transport: Bangkok to border cities approximately THB 2-5/tonne-km- Air freight: Bangkok to major Chinese cities approximately USD 3-8/kg

4 Investment Policies and Regulations

Thailand's Foreign Business Act is the fundamental law governing foreign investment, prescribing categories of businesses restricted to foreigners (List 1), businesses requiring approval (List 2), and businesses unrestricted for Thai-majority enterprises (List 3).

Thailand's Investment Promotion Act authorises the BOI to provide investment incentives to qualifying projects. The BOI categorises investment incentives at different tiers based on the project's technological level and value addition.

The BOI classifies investment incentives into five tiers: A1+, A1, A2, A3, and A4, differing primarily in the duration of corporate income tax exemption:

Tier | Eligibility Criteria | Tax Holiday

A1+ | Upstream industries using advanced technology in partnership with Thai academic institutions | 10-13 years

A1 | Knowledge-intensive businesses centred on R&D and design | 8 years

A2 | Infrastructure or advanced technology businesses | 8 years

A3 | High-tech businesses | 5 years

A4 | Traditional businesses that enhance supply chains | 3 years

Key tax incentives for BOI-promoted projects:- Corporate income tax exemption (3-13 years, depending on project category)- Import duty exemption on machinery and equipment- Import duty exemption on raw materials used for export production- Import duty exemption on raw materials for R&D

- Land ownership: BOI-promoted projects may purchase land
- Relaxed foreign employee quotas: ability to bring in more foreign specialists
- Foreign exchange freedom: capital and profits may be freely remitted
- The investment project falls within BOI-promoted industry categories
- Investment amount not less than THB 1 million (excluding land and working capital)
- Adoption of advanced production processes
- Product value-added not less than 20% of revenue
- Compliance with environmental requirements

- Prepare application materials
- Submit application through the BOI online system
- BOI review (typically 30-60 working days)
- Receive BOI approval letter
- Commence the project within the stipulated period and apply for incentive privileges

The Thai Government has designated ten strategic industry clusters:1. Agriculture and food processing2. Medical and wellness services3. Automotive and parts4. Electronics and electrical5. Metals and materials6. Chemicals and petrochemicals7. Utilities8. Digital industries9. Creative industries10. High-value services

Under Thailand's Foreign Business Act:- List 1 businesses: Thai shareholders must hold at least 51%- List 2 and 3 businesses: no foreign equity restrictions- BOI-promoted projects: may receive foreign equity concessions depending on project circumstances

In 2025, the BOI adjusted foreign employee regulations:- Enterprises with over 100 employees: Thai employees must comprise at least 70% of workforce- Minimum monthly salary for foreign managers: THB 150,000- Minimum monthly salary for foreign professionals: THB 50,000

Part III: Chinese Enterprise Investment in Thailand

AERI Assessment

AERI observes that Chinese enterprise investment in Thailand has been growing rapidly in recent years. In 2024, Chinese investment in Thailand reached USD 5.1 billion, making China the second-largest source of FDI. Investment has also expanded from traditional manufacturing into high-tech fields, with data centres, electronics and semiconductors, and new energy vehicles emerging as new investment hotspots.

Chinese enterprises investing in Thailand possess clear complementary advantages: Chinese companies bring advanced manufacturing technology and ample financial resources, while Thailand offers an advantageous geographical position, mature industrial supply chains, and a business-friendly policy environment. In new energy vehicles, for example, Chinese automakers building factories in Thailand can not only enjoy Thai tax incentives and policy support, but also leverage Thailand as an ASEAN production base to export across the entire Southeast Asian market.

AERI recommends that Chinese enterprises investing in Thailand should emphasise localised operations, respect local culture, fulfil social responsibilities, and achieve mutual benefit. At the same time, they should monitor policy changes, manage risks proactively, and ensure the sustainable development of their investment projects.

1 China-Thailand Economic and Trade Cooperation

China-Thailand trade continues to grow:- 2024: bilateral trade reached USD 133.98 billion, up 6.1% year-on-year- 2025: bilateral trade reached USD 153.26 billion, up 14.4% year-on-year -- a record high

China has remained Thailand's largest trading partner for 12 consecutive years.

Major Thai exports to China:- Mechanical and electrical products: integrated circuits, computer

components- Agricultural products: rubber, rice, tropical fruits- Plastics and rubber products- Chemical products

Major Chinese exports to Thailand:- Mechanical and electrical products: smartphones, electronic components- Machinery and equipment- Iron and steel products- Chemical products

In 2024, China's direct investment in Thailand was approximately USD 5.1 billion, ranking as the second-largest source of FDI. Chinese investment is primarily concentrated in:- Manufacturing: automotive, electronics, machinery- Digital industries: data centres, cloud computing- Real estate: residential, hotels

- China-Thailand Railway: a flagship bilateral infrastructure cooperation project; Phase 1 (Bangkok-Nakhon Ratchasima) under construction
- Rayong Landbridge Industrial Park: a key industrial park for Chinese enterprises in Thailand
- Chinese automaker production bases in Thailand: BYD, Neta, GAC Aion, Changan, Chery, and others have established factories

China and Thailand have established comprehensive mechanisms for economic and trade cooperation:- China-Thailand Joint Committee on Trade: at the Vice-Premier level, responsible for coordinating bilateral economic and trade cooperation- China-ASEAN Free Trade Area: Thailand is a member- RCEP: Regional Comprehensive Economic Partnership, effective 2022

2 Investment Forms

Principal forms for establishing a business in Thailand:

- The most common form of foreign investment
- Minimum registered capital of THB 1 million
- Shareholder count of 2-50
- Board of directors manages daily operations
- Co-established by Chinese and Thai partners
- Equity ratios negotiable
- Benefits from Thai partner's market resources and networks
- A branch of a foreign company in Thailand
- Requires permission from the Department of Business Development
- Does not have independent legal personality
- May only engage in market research and information gathering
- Cannot conduct profit-making activities

Chinese enterprises may also invest in Thailand through M&A:- Equity acquisition: purchasing partial or full equity in a Thai company- Asset acquisition: purchasing assets of a Thai enterprise- Listed company acquisition: acquiring a listed company through the Stock Exchange of Thailand

M&A considerations:- Review target company's legal compliance- Assess financial condition and contingent liabilities- Understand trade union and employee concerns- Complete necessary approval procedures

Applying for BOI investment promotion is an important pathway to obtaining policy incentives:1. Determine whether the investment project qualifies under BOI-promoted industries2. Prepare project application materials3. Submit the application through the BOI online system4. BOI review and site visit5. Commence the project after receiving the BOI certificate

3 Key Investment Sectors

Thailand is a key electronics industry base in Southeast Asia, with the electronics sector contributing approximately 15% of GDP. Thailand accounts for over 40% of global hard disk drive production and is a significant producer of electronic components.

- Semiconductor packaging and testing
- Printed circuit board (PCB) manufacturing
- Electronic component production
- Smart electronics manufacturing

The BOI designates electronics and electrical industries as priority sectors, eligible for corporate income tax exemptions of up to 8 years.

Thailand is the largest automobile producer in Southeast Asia, with annual production of approximately 1.5 million vehicles. The Government is actively promoting the electrification of the automotive industry, targeting electric vehicles to account for 30% of production by 2030.

Seven Chinese automakers have established production facilities in Thailand:- BYD: capacity approximately 150,000 units, operational July 2024- Neta Auto: capacity approximately 20,000 units, scaled production from 2024- GAC Aion: capacity approximately 50,000 units, operational July 2024- Changan Auto: capacity approximately 100,000 units, operational 2024- Chery Auto: capacity approximately 50,000 units, with plans to expand to 80,000- SAIC MG: capacity approximately 200,000 units- Great Wall Motors: capacity approximately 80,000 units

The Thai Government provides purchase subsidies, tax incentives, and other support for electric vehicles. The BOI offers investment incentives for EV and component manufacturing.

Thailand is accelerating the construction of an "ASEAN Digital Hub," with the digital economy growing rapidly. In 2024, digital industries attracted approximately USD 7.0 billion in investment, becoming the top FDI-attracting sector for the first time.

- Data centre construction
- Cloud services operations
- E-commerce platforms
- Digital payments

The BOI provides corporate income tax exemptions of up to 8 years for data centre and cloud services projects, along with import duty exemptions on equipment.

The Thai Government has committed to renewable energy accounting for 30% of power generation by 2030 and achieving carbon neutrality by 2050. Solar, wind, and biomass energy projects offer significant development opportunities.

- Large-scale solar power plants
- Distributed solar generation
- Biomass power generation
- Energy storage systems

The BOI provides investment incentives for renewable energy projects. The Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) can enter into power purchase agreements (PPAs).

Thailand is an important agricultural exporter with a well-developed food processing industry. Thai jasmine rice, natural rubber, and tropical fruits enjoy international renown.

- Deep processing of agricultural products
- Functional food development
- Cold chain logistics
- Food packaging

The BOI provides investment incentives for agriculture and food processing, including tax reductions and land use support.

4 Case Studies

BYD was the first Chinese new energy vehicle manufacturer to establish a production base in Thailand. The BYD Thailand factory, located in Rayong Province, was completed and began operations in July 2024, with a capacity of approximately 150,000 units, primarily producing the Dolphin and other pure electric models. BYD also plans to build a charging network in Thailand to promote new energy vehicle adoption.

GAC Aion completed a smart factory in Thailand in July 2024, with Phase I capacity of 50,000 units and plans to expand to 100,000. The factory supports multi-model co-production, with new products introduced and localised each year. GAC Aion plans to use Thailand as a base to serve the ASEAN right-hand-drive market.

China Mobile International has built a data centre in Thailand serving the Southeast Asian market. The project received BOI investment promotion status and enjoys relevant preferential policies. The data centre provides cloud computing and big data services for Thailand and the surrounding region.

Part IV: Corporate Financing

AERI Assessment

AERI notes that Thailand's financial market is well-developed, with numerous financial institutions and diversified financing channels. The Bank of Thailand implements a prudent monetary policy, and the financial system is broadly stable. For Chinese enterprises, when financing in Thailand, several points should be noted: first, Thai banks tend to be cautious in approving loans to foreign-invested enterprises, requiring adequate guarantees or collateral; second, the Thai capital market provides direct financing channels, though IPO procedures are relatively complex; third, the Thai Government provides certain financing support for strategic investment projects, which enterprises should actively pursue.

AERI recommends that Chinese enterprises investing in Thailand should select appropriate financing methods based on project characteristics and their own circumstances, and arrange funding well in advance. For large-scale investment projects, a diversified financing strategy combining bank credit, capital market financing, and government support should be considered.

1 Financial Market Overview

Thailand's commercial banking system is well-developed, principally including:- Kasikorn Bank: Thailand's largest commercial bank- Bangkok Bank: Thailand's oldest commercial bank- Siam Commercial Bank- UOB Thailand- Bank of China (Thai) and other Chinese banks

In 2024, the eight major Thai commercial banks reported aggregate net profit of approximately THB 244.1 billion, with non-performing loan (NPL) ratios controlled between 2.3% and 4.2%.

Thailand permits foreign banks to establish branches or subsidiaries. Bank of China, ICBC, China Construction Bank, and Bank of Communications have established presences in Thailand, providing specialised financial services for Chinese enterprises.

The Stock Exchange of Thailand (SET) is a major Southeast Asian stock market. As of end-2024, approximately 600 companies were listed, with total market capitalisation equivalent to approximately 96% of GDP.

Thailand's corporate bond market is the largest in ASEAN, with outstanding corporate bonds equivalent to approximately 22% of GDP. Enterprises can raise direct financing through corporate bonds, convertible bonds, and other instruments.

Thailand's private equity and venture capital market has developed in recent years, though it still lags behind more mature markets such as Singapore. The Government has established several industry funds to support investment in specific sectors.

The Bank of Thailand is responsible for monetary policy formulation and implementation. The Securities and Exchange Commission (SEC) oversees the capital market. Enterprises must comply with Thai financial regulations including the Commercial Banking Act and the Securities and Exchange Act.

Thailand operates a relatively open foreign exchange management system:- Current account: freely convertible- Capital account: partially controlled- Profit remittance: free, subject to provision of supporting documentation- Cross-border capital flows: require balance of payments reporting

2 Financing Channels

- Working capital loans: for daily operational funding
- Project loans: for investment project construction
- Trade finance: including letters of credit, bank guarantees, and import/export bill discounting
- Equipment loans: for purchasing production equipment

Thai commercial banks typically consider the following when reviewing loan applications:- Enterprise creditworthiness and financial condition- Project feasibility and projected returns- Value of guarantees or collateral- Shareholder background and management team

Chinese banks in Thailand can provide:- Dual-currency (RMB/THB) financial services- Cross-border

settlement facilitation- China-Thailand bilateral trade finance- Investment advisory services

IPO requirements in Thailand:- Company must have been established for at least 3 years- Most recent year's net profit not less than THB 50 million- Registered capital not less than THB 50 million- Free float of at least 30%- Compliance with SEC and SET requirements

The IPO process is relatively complex, typically taking 12-18 months.

Enterprises may issue corporate bonds, convertible bonds, and other instruments:- Corporate bonds: require credit rating; higher ratings yield lower costs- Convertible bonds: suitable for growth-stage enterprises- Asset-backed bonds: secured by specific assets

BOI-promoted projects enjoy the following financing facilitation:- Facilitation for importing foreign specialists- Land lease and purchase support- Priority access to industrial parks

The Thai Government has established the SME Development Bank (SME DBank) and other institutions, providing:- Low-interest loans- Credit guarantees- Training and technical support

Chinese-invested enterprises in Thailand may apply for cross-border guarantee financing:- Domestic parent company provides guarantee- Overseas subsidiary receives loan- Must comply with cross-border guarantee management regulations

Leveraging China-Thailand trade flows for financing:- Export bill discounting- Letter of credit financing- Factoring services

Part V: Compliance and Dispute Resolution

AERI Assessment

AERI considers compliance to be the foundation of sustainable development for Chinese enterprises investing and operating in Thailand. Thailand's legal system is relatively well-established, with stringent requirements regarding labour rights protection, environmental protection, and intellectual property. Chinese enterprises must fully understand and strictly comply with local laws and regulations, operate lawfully, and fulfil social responsibilities to achieve long-term stable development.

AERI specifically notes that in labour management, Thai law provides comprehensive protections for workers' rights -- enterprises should establish sound employment relationships and invest in employee training and career development. In environmental protection, Thai regulations are strict -- enterprises must conduct thorough environmental impact assessments and ensure projects meet environmental requirements. Regarding intellectual property, Thailand has acceded to major international IP conventions -- enterprises should respect and protect IP rights.

For commercial disputes, enterprises are advised to prioritise negotiation, seeking arbitration or judicial remedies when necessary. AERI recommends that enterprises engage professional legal counsel and accounting firms prior to investment, conducting thorough legal and financial due diligence to mitigate operational risks.

1 Domestic Compliance

Under Chinese regulations, enterprises investing overseas must complete the following procedures:

- Overseas investment projects with Chinese investment below USD 300 million: file with the provincial DRC
- Overseas investment projects with Chinese investment of USD 300 million or above: file/apply for approval with the NDRC
- File through the "Overseas Investment Management System"
- Projects involving sensitive countries/regions or industries require approval
- Complete overseas direct investment foreign exchange registration at a local bank
- Capital remittance requires supporting documentation

Chinese employees working in Thailand must obtain work permits:- Non-Immigrant B Visa (business/employment)- Thai Work Permit- BOI projects enjoy simplified procedures

- Comply with Thai labour laws
- Pay wages in full and on time
- Contribute to social insurance for employees
- Respect local culture and customs

2 Compliance in Thailand

- Company name approval
- Prepare company articles of association
- Convene shareholders' meeting
- Complete company registration
- Apply for tax identification number
- Open bank account

The Department of Business Development (DBD) handles company registration. The entire process can be completed through one-stop services.

- Corporate income tax: standard rate 20%; BOI projects may enjoy tax holidays
- Value-added tax: standard rate 7%
- Withholding tax: dividends 10%, interest 15%, royalties 15%
- Withholding income tax: non-resident service providers taxed on contract value
- Monthly advance payment: by the 15th of each month
- Annual filing: by end of March each year
- Audit by a Thai certified public accountant is required

Thailand's Labour Protection Act and Social Security Act provide detailed protections for workers' rights:- Maximum working hours: no more than 8 hours per day, 48 hours per week- Overtime pay: at least 1.5 times the regular wage for regular overtime- Annual leave: at least 6 days of paid leave after one year of employment- Social insurance: employer and employee each contribute 5% of wages

Foreign nationals working in Thailand must hold a work permit:- BOI projects may enjoy work permit exemptions- Managers and professional/technical personnel may apply for expedited approval

Thailand's Environmental Impact Assessment Act and related regulations impose strict environmental requirements on projects:- Projects with potential environmental impact require EIA assessment- Approval from pollution control authorities is required- Emissions must meet national standards

- Must develop environmental protection measures
- Siting restrictions apply to high-pollution projects
- Regular environmental monitoring reports must be submitted

Thailand has acceded to the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and other international conventions, establishing an IP protection framework:

- Patent protection: invention patents 20 years, utility models 10 years
- Trademark protection: registration valid for 10 years, renewable
- Copyright protection: author's lifetime plus 50 years
- Department of Intellectual Property (DIP)
- Intellectual property enforcement units
- Court system

3 Dispute Resolution

Negotiation is the preferred method for resolving commercial disputes:- Direct dialogue between parties- Seeking mutually acceptable solutions- Low cost, high efficiency- Helps maintain commercial relationships

- Thailand Arbitration Centre (THAC)
- Thai Chamber of Commerce Mediation Centre
- Provincial mediation committees
- Submit mediation application
- Appoint mediator
- Mediation hearing
- Reach mediation agreement
- Thailand Arbitration Centre (THAC): the principal commercial arbitration institution
- International Arbitration Centre (IAC): handling international commercial disputes
- Bangkok International Arbitration Centre (BIAC)
- Streamlined procedures
- Final and binding award
- Awards enforceable in over 170 countries (under the New York Convention)
- Strong confidentiality

Thailand's court system includes:- Courts of first instance: established in each province- Court of Appeal: several appellate courts- Supreme Court: the court of final instance

- Civil statute of limitations: 10 years (for general contract disputes)
- Court fees: determined by the amount in dispute

- Legal representation: engaging local counsel is recommended

Both China and Thailand are parties to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID).

- ASEAN investment dispute resolution mechanism
- RCEP investment dispute resolution provisions

Part VI: Living and Working in Thailand -- Essential Information

AERI Assessment

AERI notes that as China-Thailand economic and trade cooperation deepens, a growing number of Chinese enterprise employees need to work and live in Thailand long-term. AERI has compiled practical information on visas, housing, healthcare, bank accounts and other essentials to help enterprises and their employees adapt to life in Thailand.

Overall, Thailand offers a moderate cost of living and a high quality of life. Bangkok's infrastructure is well-developed and its level of internationalisation is high. The Thai people are warm and hospitable, and public safety is generally good. However, challenges such as language barriers and cultural differences exist, and enterprises and their employees are advised to familiarise themselves with the relevant conditions and prepare accordingly.

1 Visas

Effective 1 March 2024, the China-Thailand mutual visa exemption agreement is in force:- Chinese nationals holding ordinary passports may enter Thailand visa-free- Single stays of up to 30 days- Cumulative stays not exceeding 90 days per 180-day period

Working in Thailand requires the following visas:- Non-Immigrant B Visa: business/employment visa- Work Permit: mandatory for working in Thailand- Non-Immigrant O Visa: for accompanying family members

- Receive a job offer from a Thai employer
- Apply for a Non-Immigrant B Visa
- Enter Thailand
- Obtain a Work Permit
- Complete 90-day reporting (for long-term residents)

BOI-promoted projects enjoy work visa facilitation:- Expedited approval channel- Simplified documentation requirements- No quota restrictions

The Thai Government's LTR Visa targets highly skilled professionals:- Valid for 10 years, renewable- Minimum monthly salary for skilled talent: THB 200,000- Minimum monthly salary for digital nomads: THB 80,000- Enjoy a concessionary 17% tax rate

2 Housing

Rental prices in Bangkok and surrounding areas:- Studio apartment (monthly): THB 10,000-25,000-

One-bedroom (monthly): THB 15,000-40,000- Two-bedroom (monthly): THB 25,000-60,000- Villa (monthly): THB 30,000-100,000

Regional variations:- Central business districts (Sukhumvit, Silom, etc.): higher rents- Suburban areas (Rama IX, Ladprao, etc.): lower rents

- Determine budget and preferred area
- Search for properties through agents or websites
- View properties in person
- Sign the lease agreement (typically one-year term)
- Pay rent and deposit (typically 1-3 months' deposit)
- Move in
- Verify the landlord's authority to lease
- Read contract terms carefully
- Retain payment receipts
- Inspect property conditions before moving in
- Understand property management fees and utility charges

3 Medical Insurance

Thailand's healthcare standards are high, and costs are reasonable:- Public hospitals: lower costs, but longer waiting times- Private hospitals: better service and efficiency, but higher costs- Bangkok Hospital and Bumrungrad Hospital are well-known international hospitals

Workers in Thailand are advised to purchase commercial health insurance:- Covering outpatient, inpatient, and accident benefits- Global health insurance from international insurers is available- Some companies arrange group insurance for employees

- Contact the insurance company or hospital to make an appointment
- Bring passport and insurance card
- Register for consultation
- Pay fees (if required to pay upfront)
- Submit claim for reimbursement afterwards

4 Bank Accounts

Opening a bank account in Thailand requires:- Valid passport- Valid visa- Proof of residential address (lease agreement or hotel booking)- Completed account opening application form

Some banks require a minimum deposit:- Typically THB 10,000-50,000

Major Thai commercial banks include:- Kasikorn Bank- Bangkok Bank- Siam Commercial Bank- UOB Thailand

Chinese banks:- Bank of China (Thai)- ICBC (Thai)- China Construction Bank (Thai)

Electronic payments are widely used in Thailand:- PromptPay: Thailand's equivalent of "Alipay"- Mobile

banking transfers- WeChat Pay and Alipay: available at major shopping centres and tourist attractions

5 Contact Information

Embassy of the People's Republic of China in Thailand- Address: 57 Rachadaphisek Road, Bangkok- Switchboard: +66-2-2457044- Consular Protection: +66-2-2457048

Consulate General in Chiang Mai- Address: 111 Maeliao Road, Chiang Mai- Telephone: +66-53-280464

Consulate General in Songkhla- Address: 9 Sadao Road, Songkhla- Telephone: +66-74-322034

- Address: 160 Vibhavadi Rangsit Road, Bangkok

- Telephone: +66-2-553 8111

- Website: www.boi.go.th

- Email: head@boi.go.th

- Telephone: +66-2-679 1111

- Website: www.dbd.go.th

- Telephone: +66-2-021 9999

- Website: www.mol.go.th

- Police: 191

- Ambulance/Fire: 1669

- Tourist Police: 1155

- Highway Emergency: 1193

Data Sources and Disclaimer

Major Data Sources

Data in this guide is primarily sourced from the following authoritative institutions:

- Thai official data: National Economic and Social Development Council (NESDC), Bank of Thailand, Board of Investment (BOI), Ministry of Commerce

- International institutions: International Monetary Fund (IMF), World Bank, Organisation for Economic Co-operation and Development (OECD)

- Chinese official data: Ministry of Commerce, China Council for the Promotion of International Trade, National Bureau of Statistics

- Other sources: Stock Exchange of Thailand (SET), various diplomatic missions in Thailand

Disclaimer

- This guide is for general reference purposes only and does not constitute investment advice or legal opinion.

- Information in this guide is current as of end-2025; some data and policies may have changed since.

- Enterprises should consult professional advisors and conduct thorough due diligence before making

investment decisions.

- AERI bears no responsibility for any losses arising from the use of information in this guide.
- For Thai laws and regulations referenced in this guide, enterprises should consult the latest official versions published by Thai authorities.

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