

Vol. 05



DISCOVERING THE POTENTIAL OF

# Thailand



THAILAND COUNTRY GUIDE

MAY 2025

# Thailand: A Strategic Gateway for Business and Innovation



Welcome to Thailand, one of Southeast Asia's most open and business-friendly economies. With robust infrastructure, a skilled workforce, and strong support for high-value industries, Thailand continues to attract global investors and regional headquarters.

Centrally located in ASEAN, Thailand offers direct access to major Asian markets including China, India, and the Indo-Pacific. Its diverse economy spans manufacturing, tourism, digital services, and green tech, backed by initiatives like Thailand 4.0 and the Eastern Economic Corridor (EEC).

This Thailand Country Guide offers essential insights into business regulations, cultural practices, emerging industries, and investment incentives. It is designed to help companies enter and expand confidently in one of Asia's most dynamic markets.



# Table of Contents

## About Thailand

04

Geography & Climate	05
Currency	08
Population	09
Infrastructure	10
Regional Opportunities	13

## Why Thailand?

15

Economic Indicators & Outlook	16
Strategic Advantages	17
Major Industries Driving Growth	20

## Legal Essentials

22

Business Registration Process & Requirements	23
Taxation Overview	24
Labor Laws	25
Visas for Foreign Nationals	26

## Cultural Tips

28

Professional Culture Insights	29
Social & Cultural Norms	31

## Opportunities

33

High-Growth Industries & Sectors	34
Government Initiatives & Incentives	35
Emerging Trends & Business-Friendly Regions	37

## Resources

40

Official Government Websites & Investment Agencies	41
Industry Associations & Chambers of Commerce	42
EOS's Service Offerings in Thailand	43

## Expert Tips

44

Overcoming Common Challenges	45
Avoiding Potential Cultural Misunderstanding	46
Additional Tips	47





# About Thailand



## Geography & Climate

### Location

Strategically located in the heart of Southeast Asia, Thailand shares land borders with Myanmar, Laos, Cambodia, and Malaysia. With coastlines along both the Gulf of Thailand and the Andaman Sea, the country serves as a natural gateway between South Asia, East Asia, and the ASEAN region. Its central position and robust infrastructure make it a pivotal hub for regional trade, manufacturing, and tourism.

### Geographical Regions

Thailand's diverse geography supports a wide range of economic activities across its four main regions:

#### Northern Region

Characterised by forested mountains and cooler climates, the north is known for its agriculture, handicrafts, and cultural tourism.

- **Key Provinces:** Chiang Mai, Chiang Rai, Lampang.
- **Economic Strengths:** Fruit and vegetable farming, coffee cultivation, traditional crafts, and eco-tourism. The region is also part of the Northern Economic Corridor, which promotes creative industries and export-orientated development.

#### Northeastern Region (Isan)

This elevated plateau is agriculturally focused, bordered by the Mekong River, and is seeing growing industrial activity.

- **Key Provinces:** Nakhon Ratchasima (Korat), Khon Kaen, Udon Thani.
- **Economic Strengths:** Rice (particularly glutinous rice), sugarcane, cassava, silk weaving, and emerging food processing industries.

#### Central Region

Dominated by the fertile Chao Phraya River basin, the central region is Thailand's agricultural and economic heartland.

- **Key Provinces:** Bangkok, Ayutthaya, Samut Prakan.
- **Economic Strengths:** High-quality rice production, finance, commerce, logistics, and manufacturing. Bangkok also serves as the nation's administrative and investment hub.



## Geography & Climate

### Southern Region

Stretching down the Malay Peninsula, the south boasts tropical beaches and coastal economies.

- **Key Provinces:** Phuket, Krabi, Surat Thani, Songkhla.
- **Economic Strengths:** Tourism, rubber and palm oil plantations, fisheries, and seafood processing. The region plays a vital role in Thailand's hospitality and export sectors.

### Major Cities

Thailand's leading cities anchor regional economies and provide diverse business opportunities:

- **Bangkok:** A global city and Thailand's capital, Bangkok is the political, financial, and transport centre of the country.
- **Chiang Mai:** The cultural and economic hub of the north, known for its creative industries and digital nomad community.
- **Phuket:** A world-renowned island destination that fuels Thailand's tourism and hospitality economy.
- **Pattaya:** Located on the eastern seaboard, this coastal city combines tourism, industrial development, and logistics.



## Geography & Climate

### Terrain & Climate

Thailand's terrain ranges from mountainous highlands in the north to low-lying river deltas and tropical coasts in the south. This diversity supports multiple industries, from agriculture and aquaculture to tourism and renewable energy.

The country experiences a tropical monsoon climate, with three distinct seasons:

- **Hot Season (March–May):** High temperatures and humidity dominate, marking the peak of the dry heat.
- **Rainy Season (May/June–October):** The southwest monsoon brings heavy rainfall, particularly from August to September.
- **Cool Season (November–February):** Lower humidity and milder temperatures make this the most favourable period for travel and outdoor activities.

### Regional Climate Variations:

- Northern and northeastern regions experience more pronounced seasonal temperature shifts.
- Southern provinces have more consistent rainfall, with variations between the east and west coasts based on prevailing winds.

### Natural Disaster Preparedness

While Thailand is less prone to severe natural disasters compared to some regional neighbours, seasonal flooding, droughts, and occasional tropical storms can disrupt operations. The government has invested in early warning systems, improved drainage infrastructure, and disaster mitigation programmes to support climate resilience and safeguard economic activity.

## Currency

### Thai Baht (฿ / THB)

The Thai baht (THB) is the official currency of Thailand, symbolised by “฿” and regulated by the Bank of Thailand. It is the primary unit used for domestic transactions, while international trade is often conducted in U.S. dollars (USD), Chinese yuan (CNY), or other major currencies depending on trading partners and agreements.

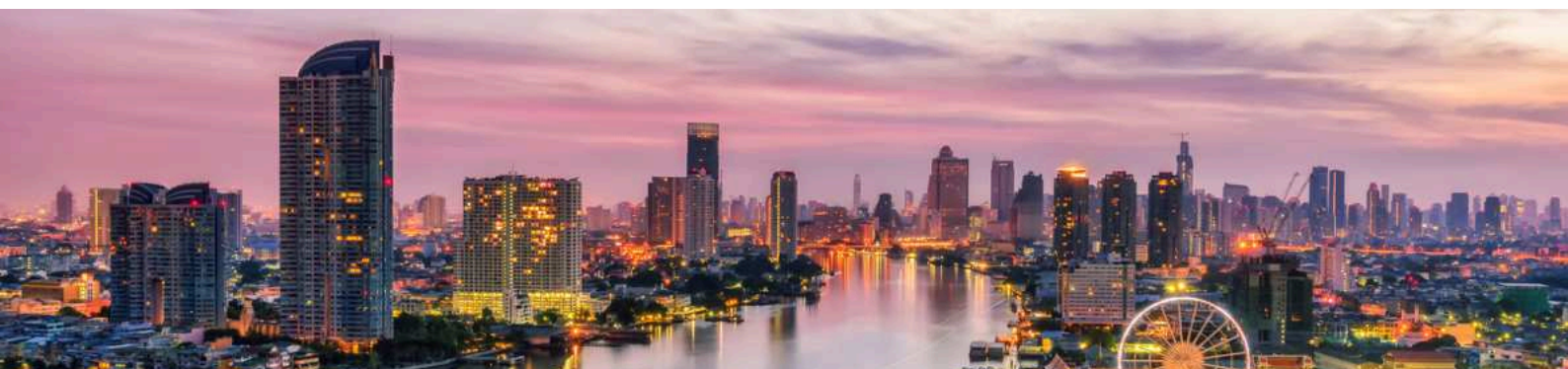
### Denominations

**Banknotes:** ฿20, ฿50, ฿100, ฿500, ฿1,000

**Coins:** ฿1, ฿2, ฿5, ฿10, and smaller units of 25 and 50 satang

### Key Features for Businesses

- **Exchange Rate & Stability:** The baht follows a managed-float exchange rate system, with the Bank of Thailand intervening to maintain stability. As of early 2025, it trades around 34–34.5 per USD. Businesses with foreign currency exposure should monitor fluctuations and consider hedging strategies.
- **Foreign Exchange & Conversion:** The baht is not freely convertible abroad. Currency exchange is typically done within Thailand, and large transactions are regulated by the Bank of Thailand to ensure stability.
- **Cash and Digital Payments:** Cash remains common, especially in rural areas. In cities, digital payments are growing rapidly through e-wallets like TrueMoney, Rabbit LINE Pay, ShopeePay, and GrabPay. PromptPay enables fast QR-based transfers and is widely accepted.
- **Future Outlook:** The Bank of Thailand is piloting a Central Bank Digital Currency (CBDC), or "digital baht", though full rollout is yet to be confirmed. Businesses should stay informed as it may affect future payment systems and financial operations.





# Population

## Size & Demographics

- **Total Population:** Approximately 71.6 million (2025)
- **Population Growth:** Slight decline at -0.07%
- **Median Age:** 40.6 years, reflecting an ageing population
- **Elderly (65+):** Around 14% of the total population
- **Ethnic Composition:** Predominantly ethnic Thai, with Chinese, Malay, Lao, and minority hill tribe communities.
- **Business Insight:** The ageing demographic is reshaping demand for healthcare, eldercare services, and skilled labour.

## Urbanisation

- **Urban Population:** Approximately 53.5% (over 38 million people)
- **Key Cities:** Bangkok, Chiang Mai, Pattaya, Khon Kaen
- **Urban Growth Drivers:**
  - Infrastructure and housing development
  - Expansion of digital and public services
  - Rising interest in second-tier cities due to lower costs
- **Business Insight:** Urban centres continue to drive demand for real estate, e-commerce, fintech, and smart city solutions.

## Workforce

- **Labour Force Size:** Approximately 40.8 million
- **Participation Rate:** 67.4%
- **Workforce Profile:**
  - Cost-effective but gradually ageing
  - Labour shortages anticipated in key sectors such as manufacturing, healthcare, and logistics
- **Government Response:**
  - Investment in vocational education and STEM training
  - National reskilling programmes to support digital transformation
- **Business Insight:** Automation and workforce development are key strategies to offset demographic pressures.

## Population

### Foreign Workforce & Migration

- **Work Eligibility:**
  - Requires a non-immigrant visa "B" and a valid Thai work permit.
- **Recent Policy Updates:**
  - Streamlined procedures for work permits and visa renewals
  - New visa schemes for high-skilled professionals, remote workers, and digital entrepreneurs
- **Business Insight:** Thailand is becoming more accessible to foreign talent, especially in tech, finance, and innovation-driven sectors.

## Infrastructure

### Transportation

- **Eastern Economic Corridor (EEC) High-Speed Rail:** A major project connecting Don Mueang, Suvarnabhumi, and U-Tapao airports to support regional integration and investor access across Thailand's key industrial zones.
- **Suvarnabhumi Airport (Bangkok):** Undergoing a USD 5 billion expansion, including a new South Terminal and fourth runway by 2035, to increase annual passenger capacity to 150 million.
- **Laem Chabang Port:** Thailand's primary deep-sea port is being expanded to double container capacity, reinforcing its role as a logistics and trade hub in ASEAN.
- **Southern Economic Corridor (SEC):** Infrastructure upgrades are improving connectivity between the Gulf of Thailand and the Andaman Sea, supporting regional trade and logistics.

### Digital Infrastructure

- **Network Expansion:** Thailand continues to roll out 4G and 5G networks while upgrading broadband infrastructure in urban and rural areas.
- **E-Government Initiatives:** Ongoing digitalisation of public services is improving transparency, reducing bureaucracy, and enhancing the ease of doing business.



## Infrastructure

- **Urban Transit – Bangkok Mass Transit**

- **MRT System:** Includes the Blue and Purple Lines, with recent additions of the Yellow (2023) and Pink (2024) monorail lines, expanding urban rail connectivity.
- **BTS Skytrain:** Continues to serve as a vital part of Bangkok's public transport network, linking key business and residential districts.

- **Airports**

- **Suvarnabhumi Airport (Bangkok)**
  - **Expansion Plans:** A USD 5 billion masterplan includes a new South Terminal and fourth runway by 2035, increasing capacity to handle up to 150 million passengers annually.
- **Andaman International Airport**
  - **New Development:** A USD 215 million project planned to begin in 2027, aimed at alleviating congestion at Phuket's airport. Operations expected by 2032.

- **Ports & Maritime Transport**

- **Laem Chabang Port:** Undergoing expansion to double container capacity, enhancing its position as a regional logistics hub.
- **Map Ta Phut & Songkhla Ports:** Targeted upgrades to support petrochemicals, manufacturing, and coastal trade.
- **Southern Economic Corridor (SEC):** Infrastructure plans include linking the Gulf of Thailand and Andaman Sea through improved road and port systems to strengthen interregional trade.



## Infrastructure

### Digital Infrastructure

- **Telecommunications**

- Network Expansion: Continued roll-out of 4G/5G and improved broadband infrastructure across urban and rural regions.
- E-Government Initiatives: Development of digital public services to increase transparency, reduce bureaucracy, and improve ease of doing business.

### Energy

- **Renewable Energy Goals:** Thailand targets nearly 30,000 MW of renewable capacity by 2037 under its national energy plan, creating opportunities in solar, wind, and bioenergy sectors.

### Special Economic Zones

- **Eastern Economic Corridor (EEC):** A flagship investment zone focused on smart manufacturing, advanced logistics, and digital innovation. Infrastructure investments include high-speed rail, expanded ports, upgraded airports, and smart industrial estates.



Quick Insights: Bangkok is one of the most visited cities in the world, consistently drawing over 30 million international tourists annually..



## Regional Opportunities

### Northern Region (Chiang Mai, Chiang Rai, Lampang, Lamphun)

- **Creative Economy Hub:** Designated as the Northern Economic Corridor (NEC), focusing on creative industries, digital innovation, and cultural tourism.
- **Agriculture & Biotechnology:** Known for organic farming, high-value crops, and emerging biotechnology ventures.
- **Education & Skilled Workforce:** Home to leading universities, providing a talented labour pool for research and development.

### Northeastern Region (Nakhon Ratchasima, Khon Kaen, Udon Thani, Nong Khai)

- **Agriculture & Agro-Industry:** Major producer of rice, cassava, and sugarcane, supporting food processing and bioenergy industries.
- **Cross-Border Trade:** Proximity to Laos and Vietnam enhances opportunities in logistics and export-oriented businesses.
- **Special Economic Zones (SEZs):** Nong Khai and Nakhon Phanom SEZs offer investment incentives and access to Mekong sub-region markets.

### Central Region (Bangkok, Ayutthaya, Nakhon Pathom, Suphanburi, Kanchanaburi)

- **Industrial & Manufacturing Base:** Key industries include automotive, electronics, and textiles, with Ayutthaya and Nakhon Pathom hosting major industrial estates.
- **Central-Western Economic Corridor (CWEC):** Initiatives to promote agro-tourism, high-tech industries, and heritage tourism in provinces like Kanchanaburi.
- **Logistics & Connectivity:** Well-developed infrastructure supports domestic distribution and export activities.

### Eastern Region (Chonburi, Rayong, Chachoengsao)

- **Eastern Economic Corridor (EEC):** A flagship project under Thailand 4.0, focusing on advanced industries such as next-generation automotive, smart electronics, and robotics.
- **Deep-Sea Ports:** Hosts Laem Chabang Port, facilitating international trade and positioning the region as a logistics hub.
- **Tourism & Hospitality:** Coastal areas like Pattaya are renowned for beach resorts and entertainment industries.

## Regional Opportunities

### **Southern Region (Chumphon, Ranong, Surat Thani, Nakhon Si Thammarat)**

- **Southern Economic Corridor (SEC):** Aims to connect the Gulf of Thailand with the Andaman Sea, enhancing transportation and trade routes.
- **Tourism & Ecotourism:** Destinations like Koh Samui and Khao Sok National Park attract international visitors, offering opportunities in hospitality and sustainable tourism.
- **Agriculture & Fisheries:** Major producer of rubber, palm oil, and seafood, supporting agro-processing and export businesses.

### **Western Region (Phetchaburi, Prachuap Khiri Khan)**

- **Agriculture & Food Processing:** Known for pineapple and coconut plantations, with growing food processing industries.
- **Tourism:** Resort towns like Hua Hin offer opportunities in luxury tourism and real estate development.

### **Special Economic Zones (SEZs)**

- **Border SEZs:** Established in provinces such as Tak, Sa Kaeo, Mukdahan, Trat, Songkhla, Nong Khai, Nakhon Phanom, Kanchanaburi, Narathiwat, and Chiang Rai, these zones offer tax incentives, infrastructure support, and access to neighbouring markets.







# Why Thailand?



## Economic Indicators & Outlook

### GDP Growth

Thailand's economy grew by **2.5% in 2024**, with stronger performance in Q4. For 2025, growth is projected at **2.8%**, driven by tourism, export recovery, and targeted fiscal stimulus. Global trade tensions remain a downside risk.

### Inflation

As of **March 2025**, inflation eased to **0.84%**, well below the Bank of Thailand's 1–3% target range. Stable prices continue to support business confidence and consumer spending.

### Unemployment

Thailand recorded a low **0.88% unemployment rate in Q4 2024**, though youth unemployment (ages 20–24) remains high. Government efforts focus on upskilling and improving education-to-employment alignment.

### Trade & Reserves

As of **January 2025**, Thailand posted a **USD 1.88 billion trade deficit**, narrowing from the previous year. **Exports rose 13.6%**, led by electronics, automotive parts, and food products. Foreign exchange reserves stood at **USD 244.8 billion**, equal to 7.9 months of imports.

### Ease of Doing Business & Investment Climate

In 2024, investment applications reached **THB 1.14 trillion** (USD 32.8 billion), the highest in a decade. Key drivers include:

- **Cloud Services & Data Centres** – Rapid expansion in digital infrastructure
- **Semiconductors & Electronics** – Increased high-tech exports and component manufacturing
- **Electric Vehicles (EVs)** – Strong growth in EV assembly and battery production

Government support includes **tax incentives, streamlined regulations**, and major infrastructure investment through the **Eastern Economic Corridor (EEC)**.



## Economic Indicators & Outlook

### Foreign Direct Investment (FDI) Statistics

Thailand continues to attract strong FDI in strategic sectors. In **Q4 2024**, net inflows reached **THB 161.6 billion**, with capital flowing into:

- **Electronics** – Semiconductor and power electronics manufacturing
- **Automotive** – EV production and parts supply chains
- **Petrochemicals** – Growth in chemical processing and materials
- **Digital Infrastructure** – Expansion of data centres, led by firms like AWS and TikTok

These investments align with **Thailand 4.0**, the national roadmap toward an innovation-driven economy.

### Outlook Summary

GDP is expected to grow **between 2.2% and 2.9% in 2025**, supported by tourism, infrastructure, and private investment. While challenges remain around regulation and workforce readiness, Thailand's **stable economy**, **growing FDI**, and **strategic location** make it an attractive base for regional expansion.

## Strategic Advantages

### Economic Stability

Thailand is projected to grow between 2.2% and 2.9% in 2025, supported by tourism, exports, and infrastructure investment. While the outlook is positive, global trade risks and labour mismatches persist.

- **Diversified Economy:** Balanced growth across manufacturing, agriculture, services, tourism, and digital sectors.
- **Strong Investment Momentum:**
  - THB 1.14 trillion in investment applications in 2024 — a 10-year high.
  - In Q1 2025, 724 projects were submitted (+94% YoY), with foreign investment totalling THB 169.3 billion (+16%).
- **Government Support:** Includes tax incentives, regulatory streamlining, and infrastructure development.
- **Rising Consumer Demand:** Driven by tourism recovery and a growing middle class.



## Strategic Advantages

### Strategic Location & Regional Trade Hub

Thailand offers excellent regional connectivity and market access through:

- **Gateway to ASEAN and Beyond:** Centrally located in mainland Southeast Asia, Thailand provides access to over 600 million consumers across ASEAN, as well as key markets like China and India.
- **Eastern Economic Corridor (EEC):** A high-priority economic zone focused on high-tech manufacturing, logistics, aviation, and digital sectors, offering advanced infrastructure and investor incentives.
- **Free Trade Agreements:** Thailand is a member of RCEP and the ASEAN Economic Community (AEC), expanding its reach to major partners like China, Japan, South Korea, and Australia.
- **Growing Transport Infrastructure:** Continued investments in seaports, high-speed rail, and airports strengthen Thailand's role as a regional logistics hub.

### Sectoral Strengths & Key Industries

Thailand's sectoral growth is aligned with its Thailand 4.0 strategy, offering strong potential in:

- **Electric Vehicles (EVs):** The country is leading the EV transition in ASEAN, with major manufacturers like BYD and Great Wall Motors investing in local production.
- **Semiconductors & Electronics:** Government-backed initiatives are attracting global chipmakers and electronics companies to strengthen local supply chains.
- **Digital Economy:** With significant growth in e-commerce, fintech, and data centres, Thailand is becoming a key digital economy player in the region.
- **Healthcare & Wellness:** Thailand remains a regional leader in medical tourism, supported by world-class healthcare services and investment in biotech and wellness sectors.



## Strategic Advantages

### Trade & Investment Climate

Thailand is committed to improving its business environment, offering:

- **Attractive Incentives:** Tax holidays, duty exemptions, and non-tax benefits such as land ownership rights in promoted zones.
- **Improving Regulatory Framework:** Ongoing reforms to streamline procedures and reduce red tape.
- **Investor Confidence:** Major projects by global firms such as Amazon Web Services, TikTok, and Mazda reflect rising trust in Thailand's long-term potential.
- **Sector Diversification:** Growth is shifting from traditional sectors to high-value manufacturing, green industries, and innovation-led services.

### Innovation & Technology Development

Thailand is advancing its innovation and tech capabilities through:

- **Thailand 4.0 Vision:** A national strategy focused on transforming the economy toward innovation, digitalisation, and sustainability.
- **Semiconductor and EV Incentives:** New investment promotion packages are targeting the development of core technologies, including power electronics and battery systems.
- **Digital Infrastructure Growth:** Ongoing expansion of fibre-optic, 5G, and cloud infrastructure supports the rise of a connected economy.
- **Smart City & Green Tech Initiatives:** Pilot smart cities and renewable energy projects reflect Thailand's shift toward sustainable urban and industrial development.

### Supply Chain & Manufacturing Competitiveness

Thailand remains a competitive regional manufacturing base due to:

- **Well-Established Industrial Ecosystems:** Strong supplier networks in automotive, electronics, and packaging sectors.
- **Logistics & Transport Connectivity:** Efficient access to key shipping routes and cross-border trade corridors.
- **Special Economic Zones (SEZs) & EEC:** Zones offer tailored benefits and infrastructure for export-orientated businesses and advanced manufacturing.
- **China+1 Strategy Destination:** Thailand is increasingly favoured by firms looking to diversify supply chains and reduce overdependence on China.

## Major Industries Driving Growth

### Manufacturing

- Contributes approximately 35% of Thailand's GDP, making it a core economic pillar.
- Major production hub for automotive, with brands like Toyota, Honda, and BMW operating local assembly plants.
- Electronics and semiconductors are key growth areas, with increased investment in circuit boards, power chips, and smart devices.
- Supported by government incentives and Special Economic Zones (SEZs) like the Eastern Economic Corridor (EEC).
- Thailand is strengthening its position in global supply chains through infrastructure upgrades and trade integration.

### Energy & Resources

- Ongoing investment in both traditional and renewable energy sources.
- PTTEP plans to invest USD 5.3 billion in 2025 for energy exploration and production.
- Renewable energy focus includes solar, wind, and biomass, with policies aimed at long-term energy security.
- Part of Thailand's broader shift toward green growth and sustainability under national energy transition goals.

### Technology & Digital Economy

- Fast-growing digital sector driven by e-commerce, fintech, and startups.
- Central to the Thailand 4.0 strategy, which aims to build a value-based, innovation-led economy.
- Government investment in 5G, AI, and cloud computing supports transformation.
- Thailand is positioning itself as a regional digital services hub in ASEAN.





## Major Industries Driving Growth

### Agriculture & Agribusiness

- A key sector for employment and exports, despite a declining share of GDP.
- Thailand remains a top global exporter of rice, rubber, and seafood.
- Government initiatives promote sustainable farming, agri-tech, and value-added processing.
- Emphasis on building a bioeconomy through biotechnology and clean energy in agriculture.

### Tourism & Hospitality

- A key service sector with a target of 40 million arrivals in 2025, though outcomes may vary with market conditions.
- Diversification beyond traditional hotspots like Bangkok and Phuket, promoting lesser-known destinations.
- Investment in infrastructure, digital platforms, and ecotourism to enhance competitiveness.
- Strong recovery post-pandemic, with a focus on high-value, sustainable tourism.

### Financial Services & Fintech

- Rapid growth in digital banking, mobile wallets, and insurance tech.
- Government-backed initiatives supporting fintech innovation and regulation.
- Focus on financial inclusion, particularly in rural and underserved regions.
- Thailand is becoming a leading fintech player in Southeast Asia.



Quick insights: Thailand ranks among ASEAN's top car exporters, with over 1 million vehicles shipped globally each year.



# Legal Essentials



# Business Registration Process and Requirements

Setting up a business in Thailand requires choosing the right structure and completing standard registration steps. Foreign investors should ensure compliance with the Foreign Business Act and relevant sector regulations.

## Common Business Structures

- **Thai Majority Company:** At least 51% Thai ownership. Not restricted under the Foreign Business Act.
- **Foreign Majority Company:** Up to 49% foreign ownership by default. Over 50% requires a Foreign Business Licence (FBL) or BOI promotion.
- **Representative Office:** For non-commercial activities like market research. Cannot generate revenue.
- **Branch Office:** Can engage in business activities but must obtain an FBL.
- **Regional Office:** Supports overseas branches but cannot earn income in Thailand.

## Key Steps to Register

1. **Reserve a company name** with the Department of Business Development (DBD).
2. **Submit incorporation documents**, including the memorandum and articles of association.
3. **Register the company** and obtain the Certificate of Incorporation.
4. **Register for tax** and obtain a Tax Identification Number.
5. **Register for VAT** if annual revenue exceeds THB 1.8 million.
6. **Open a corporate bank account** for business transactions.
7. **Apply for industry-specific licences** if required.

Note: Steps and requirements may vary by industry. Partnering with local experts or **EOS Global Expansion** helps ensure compliance and a smooth setup.



## Taxation Overview

Thailand maintains a competitive and investor-friendly tax system, supported by targeted incentives and alignment with evolving international tax standards.

### Corporate Income Tax (CIT)

- The standard corporate income tax rate is 20% on net profits.
- For qualifying SMEs (companies with paid-in capital not exceeding THB 5 million and annual income below THB 30 million), progressive rates apply:
  - 0% on the first THB 300,000
  - 15% on THB 300,001–3 million
  - 20% above THB 3 million

These thresholds are subject to review and should be confirmed with the Revenue Department.

- Companies operating in designated Special Economic Zones (SEZs) may be eligible for a reduced CIT rate of 10% for up to 10 years, depending on zone-specific criteria and industry type.

### Value-Added Tax (VAT)

- The VAT rate is 7%, applicable to most goods and services.
- Exemptions apply to specific sectors, including healthcare, education, and financial services, as outlined by the Revenue Department's official guidelines.

### Personal Income Tax (PIT)

- Residents are taxed at progressive rates ranging from 5% to 35%, depending on income level.
- Non-residents are taxed at a flat rate of 15% on Thailand-sourced income.

### Withholding Tax (WHT)

- Dividends are subject to 10% WHT.
- Interest and royalties are taxed at 15%, though reduced rates may apply under tax treaties.
- Service fees are subject to WHT ranging from 5% to 15%, depending on the service type and the residency status of the recipient.

## Taxation Overview

### Tax Incentives

The Thailand Board of Investment (BOI) offers tax incentives to businesses in high-value sectors, including:

- CIT exemptions of up to 13 years for promoted activities in advanced industries.
- Import duty exemptions on approved machinery and raw materials used in export production.
- Additional deductions for expenses related to R&D, workforce training, and infrastructure development.

### Global Minimum Tax

From January 2025, Thailand has implemented a 15% global minimum corporate tax for multinational enterprises with annual revenues exceeding EUR 750 million, in alignment with OECD guidelines.

## Labour Laws

Thailand's labour regulations provide clear employment standards and protections, supporting a fair and stable working environment for both employers and employees.

### Working Hours & Overtime

- Standard working hours are up to 8 hours per day, capped at 48 hours per week.
- Overtime is permitted and must be compensated, with higher rates applying for work on weekends and public holidays.

### Minimum Wage

- Minimum wages are set by province and reviewed regularly.
- As of 2025, rates range from THB 337 to THB 400 per day, depending on location.

### Employment Contracts

- Both fixed-term and indefinite-term contracts are recognised.
- Written contracts are recommended and should outline job duties, compensation, hours, and termination terms.

# Labour Laws

## Termination & Severance Pay

- Termination must follow legal procedures and may require severance, calculated based on length of service:
  - 120 days to 1 year: 30 days' pay
  - 1–3 years: 90 days' pay
  - 3–6 years: 180 days' pay
  - 6–10 years: 240 days' pay
  - 10–20 years: 300 days' pay
  - Over 20 years: 400 days' pay
- Severance is not required in cases of serious misconduct.

## Leave Entitlements

- Annual leave: Minimum of 6 paid days after one year of service
- Sick leave: Up to 30 paid days per year
- Maternity leave: 98 days per pregnancy, with 45 days paid by the employer
- Personal business leave: Minimum of 3 paid days per year

## Social Security & Benefits

- Employers and employees each contribute 5% of monthly salary (up to THB 750) to the Social Security Fund.
- The fund covers healthcare, unemployment, disability, and retirement benefits.

# Visas for Foreign Nationals

Thailand offers multiple visa options for tourism, business, work, and long-term stays. Choosing the right type ensures compliance and smooth entry.

## Tourist & Short-Stay Visas

- **Visa Exemption:** Citizens from 93 countries can enter visa-free for up to 60 days, with an optional 30-day extension.
- **Visa on Arrival:** 15-day stay for eligible nationalities.
- **e-Visa:** 60-day tourist visa available online for selected countries.



# Visas for Foreign Nationals

## Non-Immigrant Visas

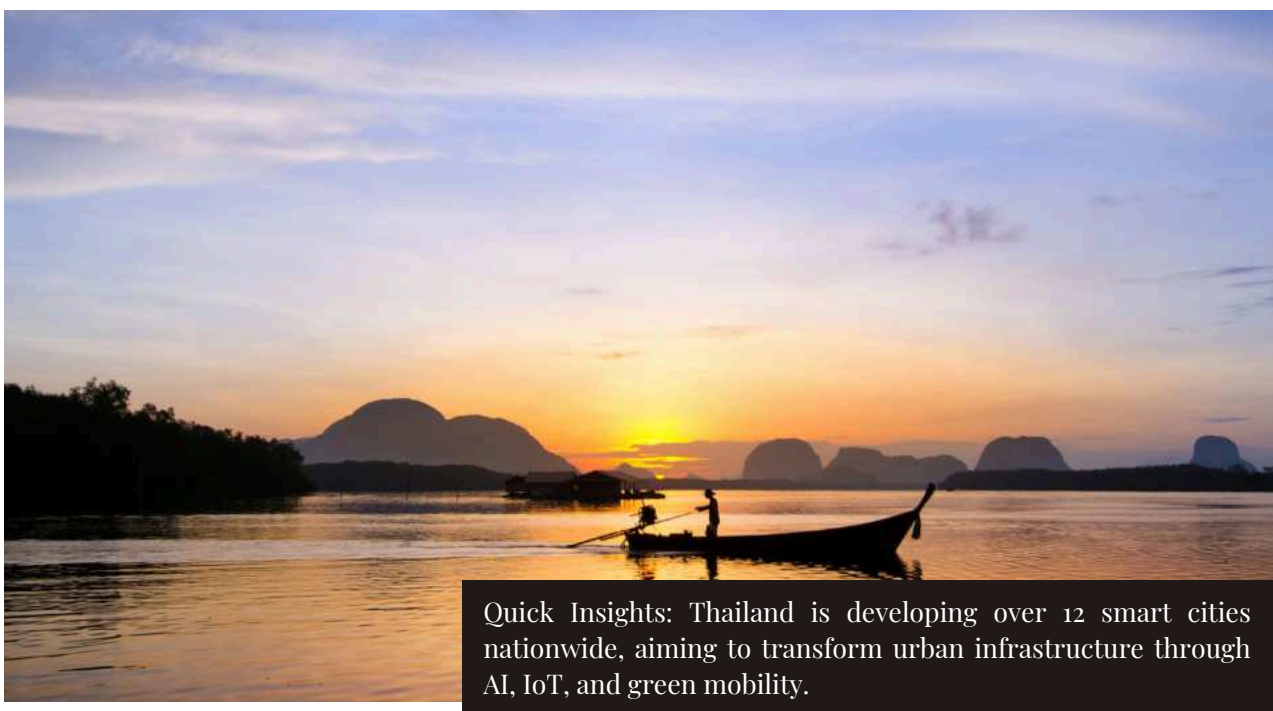
- **B (Business & Work):** For employment or business activities; requires sponsorship by a Thai company and is needed for work permits.
- **O (Others):** For family visits, volunteering, or medical treatment.
- **ED (Education):** For study or training.
- **O-A / O-X (Retirement):** For those aged 50+, with stays of 1 year (O-A) or 5 years (O-X); subject to financial and insurance requirements.

## Long-Term Resident (LTR) Visa

10-year visa available to Wealthy Global Citizens, Pensioners, Remote or Highly Skilled Professionals. Eligibility is based on income, assets, or qualifications, and includes multiple-entry privileges and streamlined work permits.

## Work Permits

- Required for foreign nationals intending to work in Thailand. Applicants must:
- Hold a valid non-immigrant B visa
- Be employed by a Thai-registered company
- Meet capital and staffing ratios (e.g. THB 2 million capital and four Thai employees per foreign worker)



Quick Insights: Thailand is developing over 12 smart cities nationwide, aiming to transform urban infrastructure through AI, IoT, and green mobility.





# Cultural Tips





## Professional Culture Insights

Understanding Thailand's workplace culture helps build trust and navigate business relationships more effectively.

### Workplace Norms and Practices

- **Hierarchy & Respect for Authority:** Thai businesses are hierarchical. Age and title influence interactions, and decisions are typically made at senior levels.
- **Harmony & Consideration (Kreng Jai):** Avoiding confrontation is key. Thais value politeness and group harmony, often choosing indirect approaches to disagreement.
- **Time Perception:** Punctuality is appreciated, but flexibility is common. Meetings may begin with small talk before moving to business.

### Communication Preferences

- **Indirect Style:** Feedback is often subtle. Phrases like "we will try" may signal hesitation. Non-verbal cues matter.
- **Politeness & Titles:** Formal language is used in early meetings. "Khun" followed by the first name is a respectful way to address someone. English is widely used in business, but learning simple Thai greetings is appreciated.

### Networking & Relationship-Building

- **Trust First, Business Later:** Relationship-building often precedes formal deals. Repeated interactions help establish credibility.
- **Social Etiquette:** Shared meals and informal settings play a big role in building rapport.
- **Gift-Giving:** Modest gifts are appropriate for holidays or after successful deals. Gifts should be offered with both hands and not opened immediately.

### Meetings & Negotiations

- **Respect & Protocol:** Senior participants are greeted and addressed first. Seating and introductions often reflect rank.
- **Consensus-Driven Decisions:** Decisions may take time as internal agreement is prioritised. A collaborative, patient approach is more effective than direct pressure.



# Professional Culture Insights

## Work-Life Norms and Holiday Practices

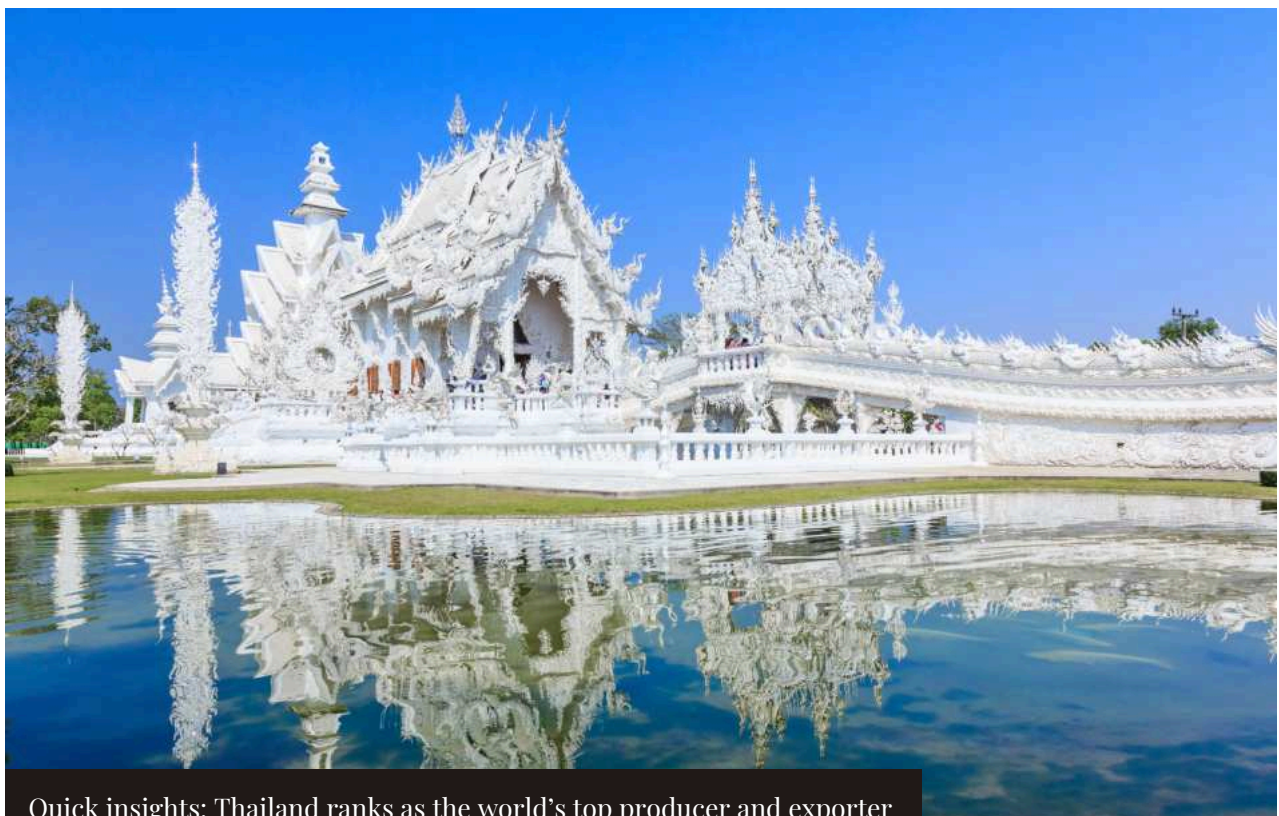
- **Work Culture:** Professionalism and friendliness often go hand in hand. Overtime may be expected, especially in corporate roles.
- **Holidays:** Key observances include Songkran (Thai New Year) and royal anniversaries. Businesses may close or operate on reduced hours during major holidays.

## Religious and Cultural Sensitivity

- **Buddhist Values:** Respect for temples, monks, and customs is important. Avoid touching the head, raising your voice, or pointing your feet at others.

## Business Attire

- **Formal & Presentable:** Men usually wear long-sleeved shirts with ties; women wear modest professional attire. Appearance should be neat and conservative, especially in formal settings.



Quick insights: Thailand ranks as the world's top producer and exporter of natural rubber, supplying more than one-third of global demand.

## Social and Cultural Norms

Thai society is shaped by values of respect, modesty, and social harmony. Being aware of local customs can help build trust and avoid cultural misunderstandings.

### Greetings and Respect

- The wai (palms pressed together with a slight bow) is a traditional greeting and a sign of respect. It's polite to return a wai, especially to seniors or elders.
- Use "Khun" + first name in formal settings. Hierarchy matters in both social and business interactions.

### Gift-Giving

- Small gifts are appropriate for business meetings or during Thai holidays. Popular options include snacks, fruit baskets, or company souvenirs.
- Present gifts with both hands. It's polite not to open gifts immediately upon receiving them.

### Dining Etiquette

- Meals are shared, and it's respectful to wait for the host or senior person to begin.
- Use a spoon and fork—the fork is for guiding food onto the spoon.
- Tipping is not mandatory but appreciated (5–10%) in restaurants or hotels.

### Public Behaviour

- Stay calm and composed—public displays of anger are frowned upon.
- Avoid touching anyone's head or pointing your feet at people or objects.
- Public displays of affection should be minimal. Always remove shoes when entering homes, temples, and some offices.

### Religious & Royal Sensitivities

- When visiting temples, cover shoulders and knees, and remove shoes before entering.
- Women should not touch monks or hand items to them directly.
- The monarchy is deeply respected. Any criticism of the royal family is considered both illegal and highly offensive.

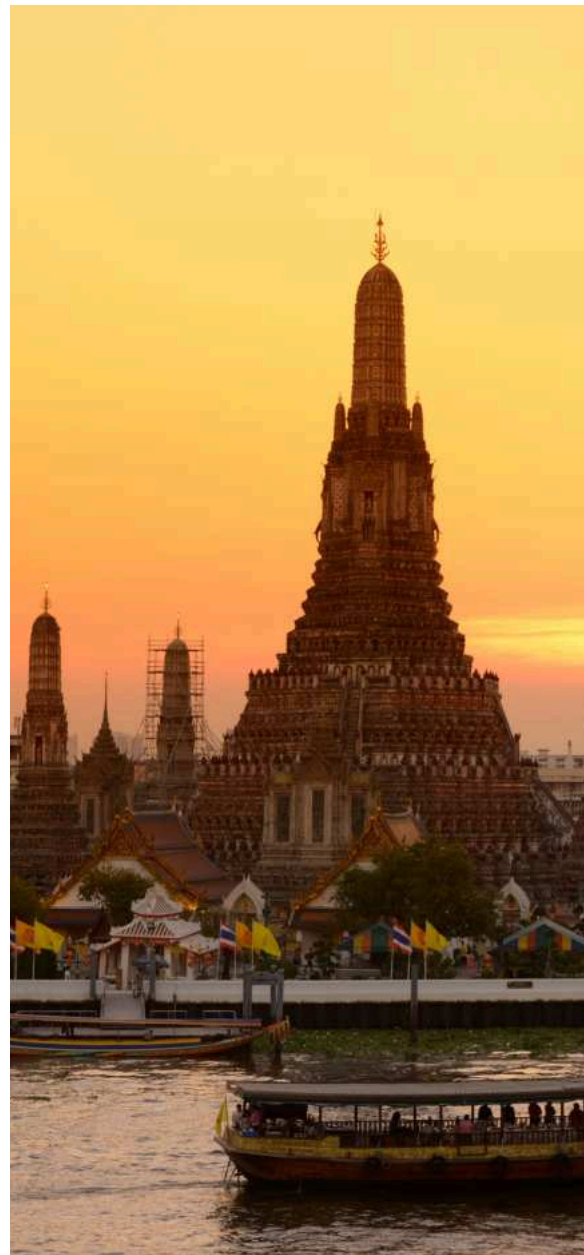
# Social and Cultural Norms

### Practical Tips

- Ride-hailing apps like Grab are commonly used in major cities.
- Cash and mobile wallets (PromptPay, Rabbit LINE Pay) are widely accepted.
- On public transport, offering seats to monks, elders, or pregnant women is expected.

### Festivals and Traditions

- **Songkran (Thai New Year):** Celebrated in April with water splashing, temple visits, and family reunions. Many businesses close for several days.
- **Loy Krathong:** A festival of light held in November, where people float decorated baskets on water to honour the river goddess.
- **Royal Holidays:** The birthdays of the King and Queen, along with Coronation Day, are observed with public ceremonies and national pride.
- **Buddhist Observances:** Major holidays include Makha Bucha, Visakha Bucha, and Asalha Puja. Alcohol sales are restricted, and many locals participate in temple activities.

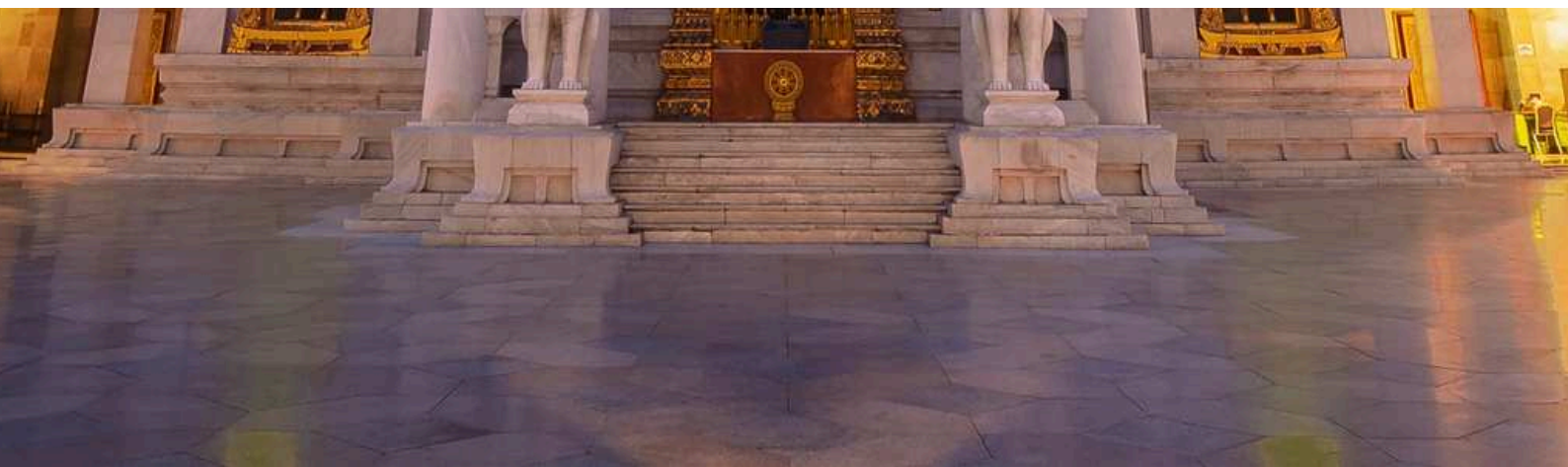


Quick Insights: Bangkok consistently ranks among the world's top shopping destinations, attracting both luxury and mass-market brands across Asia.





# Opportunities



## High-Growth Industries and Sectors

Thailand is emerging as a regional hub for advanced manufacturing, digital services, and sustainable development. Strategic policies and foreign investment are driving growth across these key sectors:

### **Electric Vehicles (EVs)**

- The “30@30” policy targets 30% of vehicle production to be EVs by 2030.
- Strong government incentives for EV makers, battery production, and charging networks.
- Global automakers and parts suppliers are establishing local operations.

### **Smart Electronics & Semiconductors**

- A top ASEAN exporter of electronics, Thailand is shifting toward high-value components.
- Focus on semiconductors and circuit production, supported by a new national board.
- The EEC is becoming a hub for high-tech manufacturing zones.

### **Digital Economy & Cloud Infrastructure**

- Tech giants like Google and AWS are investing in cloud and data centres.
- Growth in e-commerce, fintech, and digital payments is driving transformation.
- National strategies support smart cities, AI, and cybersecurity initiatives.

### **Healthcare & Medical Devices**

- Thailand is a leader in medical tourism and device exports (valued at over USD 6B).
- Key exports include rubber gloves, surgical equipment, and diagnostic tools.
- Rising demand is boosting investment in biopharma and healthtech.

### **Renewable Energy**

- The Alternative Energy Development Plan targets 37% renewables by 2036.
- Solar, wind, and biomass are priority areas for public-private investment.
- ESG trends are encouraging sustainable energy adoption across sectors.

## High-Growth Industries and Sectors

### Food Innovation & Agribusiness

- Thailand exports rice, seafood, and tropical fruits globally.
- New growth in food biotech, plant-based products, and sustainable agriculture.
- Agritech tools are improving supply chains and productivity.

### Logistics & Infrastructure

- Thailand's location supports regional trade with ASEAN and China.
- EEC upgrades are boosting port, airport, and rail connectivity.
- Growth in e-commerce is fuelling smart logistics and cold chain demand.

## Government Initiatives and Incentives

Thailand continues to attract foreign investment through targeted policies, industry-specific support, and streamlined processes aimed at boosting innovation, sustainability, and digital transformation.

### BOI Incentives

The Thailand Board of Investment (BOI) offers a wide range of benefits to companies investing in promoted sectors:

- **Tax incentives:** Up to 13 years of corporate income tax exemption, import duty waivers on machinery and raw materials, and additional deductions for R&D and workforce training.
- **Non-tax incentives:** Fast-track visa and work permit processes for foreign specialists, land ownership rights for approved projects, and support with regulatory processes.



## Government Initiatives and Incentives

### Sector-Specific Support

- **Electric Vehicles (EVs):** The latest incentive phase (commonly referred to as “EV 3.5”) provides tax breaks and production subsidies to support Thailand’s goal of having 30% of domestic vehicle output be electric by 2030.
- **Digital Economy:** Incentives for cloud infrastructure, data centres, and tech innovation are drawing major investments from global tech firms.
- **Medical & Biotech:** Support is available for medical devices, healthtech, and biopharmaceuticals as part of Thailand’s drive to become a regional healthcare hub.

### Strategic Economic Corridors

- **Eastern Economic Corridor (EEC):** A key development zone targeting industries such as smart electronics, next-gen automotive, aerospace, and digital services—supported by modern infrastructure and preferential incentives.
- **Southern Economic Corridor (SEC):** Focuses on logistics, tourism, and sustainable industries, improving trade links between the Gulf of Thailand and the Andaman Sea.

### Financial & Capital Market Reforms

- **ESG Investment Support:** A new ESG-focused long-term equity fund offers tax deductions for eligible investments, encouraging responsible capital market growth.
- **Financial Business Law (proposed):** Aims to create a one-stop regulatory body for digital finance, insurance, and banking, simplifying entry for foreign financial service providers.

### Digital Wallet Scheme

A planned stimulus initiative will distribute 10,000 baht in digital cash to eligible citizens. Designed to boost domestic consumption and promote digital payment adoption, the programme is pending final implementation.

## Emerging Trends and Business-Friendly Regions

### Emerging Trends

#### Digital Transformation and Smart Infrastructure

- Thailand's digital economy is expanding rapidly, supported by cloud services, fintech, and e-commerce adoption.
- Major tech firms like AWS and Google are investing in hyperscale data centres and digital infrastructure.
- Smart city initiatives and 5G expansion are transforming Bangkok, Chiang Mai, and EEC zones into innovation hubs.

#### Green Growth & Renewable Energy

- Thailand targets 37% renewable energy in its power mix by 2036, creating opportunities in solar, wind, and biomass.
- ESG-focused investments are on the rise, particularly in energy, manufacturing, and sustainable transport.
- Incentives support businesses embracing green technology and carbon-neutral practices.

#### Advanced Manufacturing & Supply Chain Resilience

- The government is prioritising high-value manufacturing, especially in EVs, electronics, and semiconductors.
- Supply chain realignment is attracting multinationals to Thailand's industrial corridors and SEZs.
- Infrastructure upgrades in ports, logistics, and rail are improving regional trade links.

#### Healthcare, Medical Tourism & Wellness

- Thailand remains a top destination for medical tourism, wellness, and cosmetic procedures.
- The country's growing medical device and biopharma sectors are attracting foreign investment.
- Digital health solutions and public-private partnerships are expanding healthcare access.

# Emerging Trends and Business-Friendly Regions

## **Creative Industries & Startup Ecosystems**

- Creative tech, gaming, digital content, and fashion are gaining traction, especially in Chiang Mai and Bangkok.
- Startup hubs benefit from BOI support, accelerator programmes, and government-led digital economy strategies.

## **Business-Friendly Regions**

### **Bangkok (Capital & Commercial Centre)**

Thailand's economic and administrative capital, home to government agencies, MNCs, startups, and financial institutions.

A key gateway for digital infrastructure, fintech, and regional headquarters operations.

### **Eastern Economic Corridor (EEC)**

Spanning Chonburi, Rayong, and Chachoengsao, the EEC is a flagship zone for EVs, smart electronics, biotech, and aviation.

Features modern logistics, international ports, and direct access to Laem Chabang port and U-Tapao airport.

### **Chiang Mai (Innovation & Creative Tech Hub)**

Northern Thailand's largest city, known for creative industries, digital nomads, and sustainable agriculture.

Rising centre for startups in healthtech, agritech, and edtech, supported by the Northern Economic Corridor (NEC).

### **Phuket & Krabi (Tourism & Wellness Economy)**

Major hubs for luxury tourism, wellness retreats, and real estate investment.

The Phuket Smart City programme and upcoming airport expansions support long-term growth.



## Emerging Trends and Business-Friendly Regions

### **Nakhon Ratchasima (Logistics & Manufacturing Growth Zone)**

Located in the Northeast, this province benefits from planned high-speed rail links and industrial parks.

A growing hub for agro-industries, logistics, and labour-intensive manufacturing.

### **Hat Yai (Southern Gateway)**

An emerging logistics and trade centre in the deep south, strategically located near Malaysia.

Focus sectors include halal food production, cross-border trade, and tourism services.

### **Ayutthaya & Nakhon Pathom (Agri-Tech & Industrial Support)**

Part of the Central-Western Economic Corridor (CWEC), these provinces host advanced manufacturing, food processing, and heritage tourism zones.

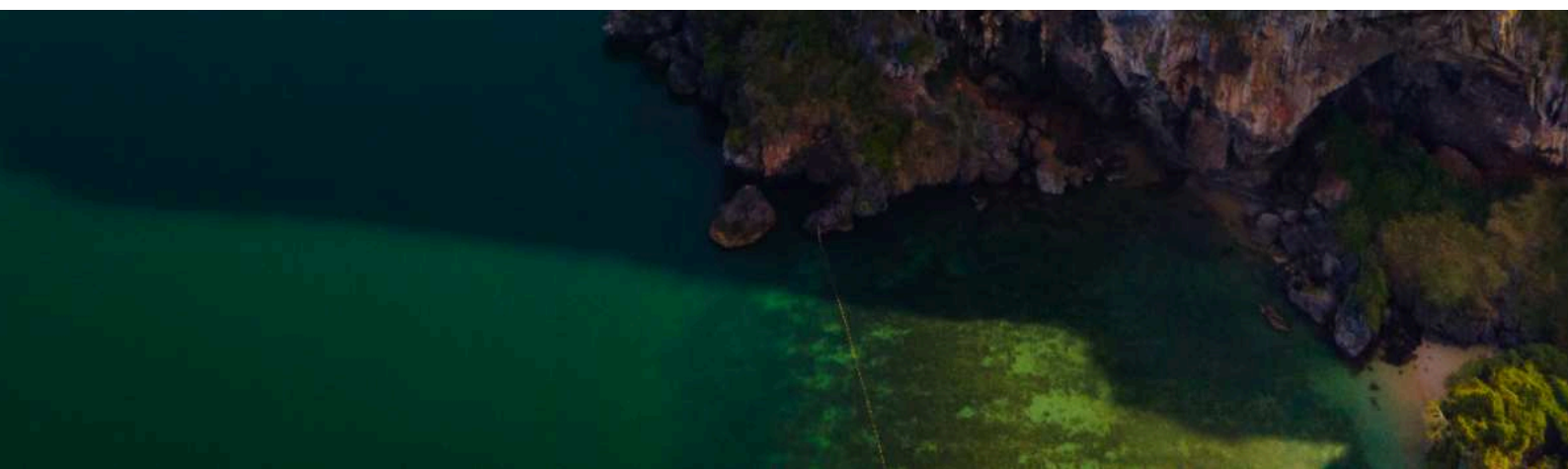
Close proximity to Bangkok and strong logistics infrastructure make them attractive for export businesses.



Quick Insights: Thailand's film industry has become a regional production hub, drawing international shoots with its diverse locations and competitive costs.



# Resources





Thailand offers strong opportunities across sectors like tech, manufacturing, tourism, and green energy. To navigate its evolving business landscape, companies should stay updated on regulations, market trends, and best practices. The resources below provide guidance to support business entry and growth in Thailand.

## Official Government Websites and Investment Agencies

- **Thailand Board of Investment (BOI):** Thailand's primary investment promotion agency offering details on incentives, priority sectors, and application procedures.
  - Website: <https://www.boi.go.th/en/index/>
- **Ministry of Commerce (MOC):** Oversees trade regulations, intellectual property, and company registration. The [Department of Business Development \(DBD\)](#) portal provides business licensing support.
  - Website: <https://www.moc.go.th/en/page/item/index/id/6>
- **Revenue Department:** Provides information on corporate and personal taxation, VAT, and e-filing systems.
  - Website: <https://www.rd.go.th/english/index-eng.html>
- **Ministry of Labour:** Covers employment laws, work permits, and labour regulations for foreign and local workers.
  - Website: <https://www.mol.go.th/en/>
- **Ministry of Foreign Affairs:** Offers guidance on visas, diplomatic relations, and international agreements relevant to business operations.
  - Website: <https://www.mfa.go.th/en/index>
- **Department of Industrial Works (DIW):** Responsible for industrial licensing, environmental standards, and hazardous materials management.
  - Website: <http://www.diw.go.th/>
- **Eastern Economic Corridor Office (EECO):** Provides specific guidance for investors targeting the EEC zones, including infrastructure updates and sector-specific projects.
  - Website: <https://www.eeco.or.th/en>



# Industry Associations and Chambers of Commerce

- **Federation of Thai Industries (FTI):** A leading private-sector organisation representing Thai manufacturers across various sectors, supporting industrial development and policy advocacy.
  - Website: <https://www.fti.or.th>
- **Board of Trade of Thailand (BOT):** The main chamber represents Thai businesses, fostering trade promotion, economic policy engagement, and private-public dialogue.
  - Website: <https://www.thaichamber.org/>
- **American Chamber of Commerce in Thailand (AMCHAM):** Offers support to US-affiliated businesses and promotes investment between the US and Thailand.
  - Website: <https://www.amchamthailand.com>
- **British Chamber of Commerce Thailand (BCCT):** Provides networking, trade services, and market insights for British and international businesses.
  - Website: <https://www.bccthai.com>
- **European Association for Business and Commerce (EABC):** Advocates for European businesses in Thailand and supports EU–Thailand trade relations.
  - Website: <https://www.eabc-thailand.org/>
- **Japanese Chamber of Commerce, Bangkok (JCCB):** Supports Japanese companies in Thailand with business coordination, policy discussions, and information services.
  - Website: <https://www.jcc.or.th>
- **Thai Startup Association:** A hub for startups and entrepreneurs, promoting innovation and collaboration within Thailand’s tech ecosystem.
  - Website: <https://thaistartup.org/>



## EOS's Service Offerings in Thailand

EOS Global Expansion specialises in supporting businesses entering and operating in Thailand with tailored market-entry solutions designed to ensure compliance, efficiency, and ease of operation.

Our Services Include:

- **Global HR Services:** Managing payroll, benefits, and HR administration to ensure compliance with Thai labour laws and statutory requirements.
- **Global PEO and EOR Services:** Enabling companies to hire employees in Thailand without setting up a legal entity, through Professional Employer Organisation (PEO) and Employer of Record (EOR) solutions.
- **Contractor Engagement & Payments:** Onboarding and managing independent contractors, including compliant contracts, local payments in THB, and income tax handling.
- **Visa & Work Permit Support:** Assisting with visa sponsorship, work permit applications, and immigration compliance for foreign talent.
- **Recruitment & Talent Sourcing:** Supporting businesses in identifying, hiring, and onboarding qualified talent across key industries in Thailand.
- **Multi-Country Payroll & Accounting:** Providing consolidated payroll and statutory filing services for businesses operating across Southeast Asia, including salary processing and tax deductions.
- **Ad Hoc Consulting:** Offering customised advisory on regulatory changes, workforce planning, market entry, and ongoing compliance.

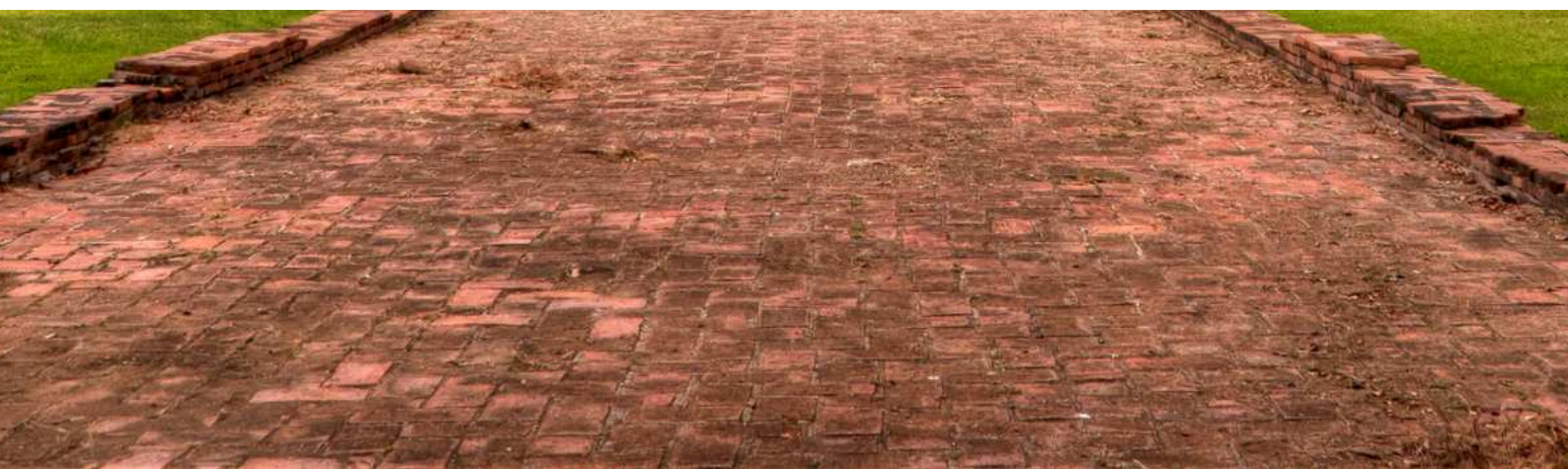
### Partner with EOS for Success in Thailand

Expanding into Thailand can be complex, but [EOS Global Expansion](#) makes it simple. Whether you're hiring your first local contractor or building a regional team, our on-the-ground expertise helps you stay compliant and move quickly. From payroll and HR support to talent acquisition and immigration, EOS is your trusted partner in Southeast Asia. [Contact us](#) today to unlock your business potential in Thailand.





# Expert Tips





# Overcoming Common Challenges

## **Respect Hierarchy and Local Etiquette**

Thai business culture values formality and seniority. Address senior decision-makers respectfully, avoid direct confrontation, and be patient during negotiations, as decisions often take time and group consensus.

## **Plan Ahead for Work Permits and Visas**

Foreign employees must have a valid Non-Immigrant B visa and meet strict requirements for work permits. Planning early and working with a local partner reduces delays and ensures legal compliance.

## **Adapt to Regional Economic Corridors**

Each region has a different focus. For example, the EEC supports high-tech industries, while the Northern Corridor promotes creative and agri-based sectors. Tailor your location strategy to your industry.

## **Account for Regulatory Shifts and Incentives**

While Thailand actively promotes investment, tax rules, sector incentives, and BOI criteria may change. Staying informed and working with experts helps businesses make the most of available benefits.

## **Balance Cost and Talent Quality**

Wages are competitive in Thailand, but so is demand for skilled talent in tech, logistics, and healthcare. Employers who offer career development, stability, and respectful workplace culture stand out.



## Avoiding Potential Cultural Misunderstandings

Cultural sensitivity is essential when doing business in Thailand. Misunderstandings can be avoided by respecting local norms and adapting communication styles to fit Thai values.

### **Preserving Harmony (เกียรติและความกลมเกลียว)**

Thais value harmony and avoid confrontation. Public criticism or disagreement may cause embarrassment or a loss of face. Disagreements should be addressed privately and with tact.

### **The Role of the Wai and Respectful Gestures**

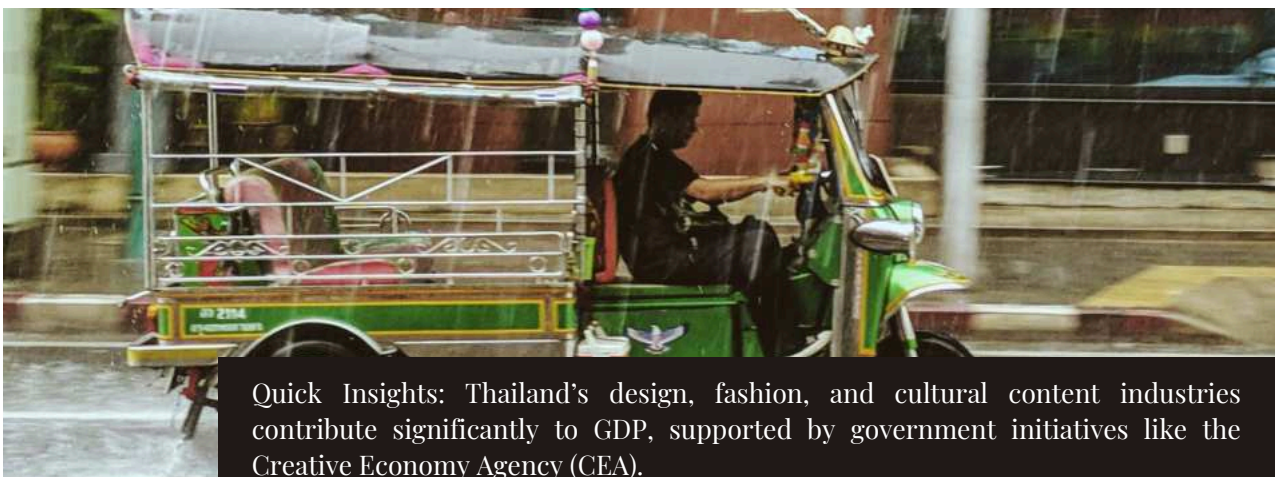
The wai, a gesture where the palms are pressed together with a slight bow, is a traditional greeting and sign of respect. Foreigners are not expected to initiate a wai but should return it, especially when greeting elders or senior professionals.

### **Be Careful with Physical Gestures**

Do not touch someone's head, as it is considered sacred. Avoid pointing with your feet, placing them on furniture, or touching people unnecessarily. When handing something to someone, use your right hand or both hands.

### **Formality in Greetings and Titles**

Professional settings require formality. Use "Khun" before a person's first name as a polite title. Always return a wai if offered, especially by someone more senior or older.



Quick Insights: Thailand's design, fashion, and cultural content industries contribute significantly to GDP, supported by government initiatives like the Creative Economy Agency (CEA).

### *Additional Tips*

#### **Factor in Unofficial Processing Delays**

While official timelines for permits and registrations are published, in practice, approvals may take longer due to additional checks, staffing gaps, or document clarification. Buffer time into your launch plans to avoid last-minute delays.

#### **Prioritise Thai-Speaking Operations Staff**

Beyond legal and government communication, Thai fluency is important for operations roles like HR, procurement, and customer service. Relying solely on English-speaking staff may slow execution and limit relationship-building.

#### **Monitor Local Regulatory Changes**

Thailand's investment incentives and labour regulations can shift year to year. Stay connected with local legal or BOI advisors for updates that may affect compliance, tax benefits, or sector restrictions.





# Thank You for Exploring Thailand!

We hope this guide helps you uncover Thailand's business potential and rich cultural landscape. Whatever your next step, we're here to support you.



+86 1870 1887 560

[inquiries@eosglobalexpansion.com](mailto:inquiries@eosglobalexpansion.com)

[www.eosglobalexpansion.com](http://www.eosglobalexpansion.com)



Ready to expand into Thailand?  
Scan the QR code to connect with our  
experts and unlock tailored guidance for  
your Thailand expansion.

