

CASE ANALYSIS #1

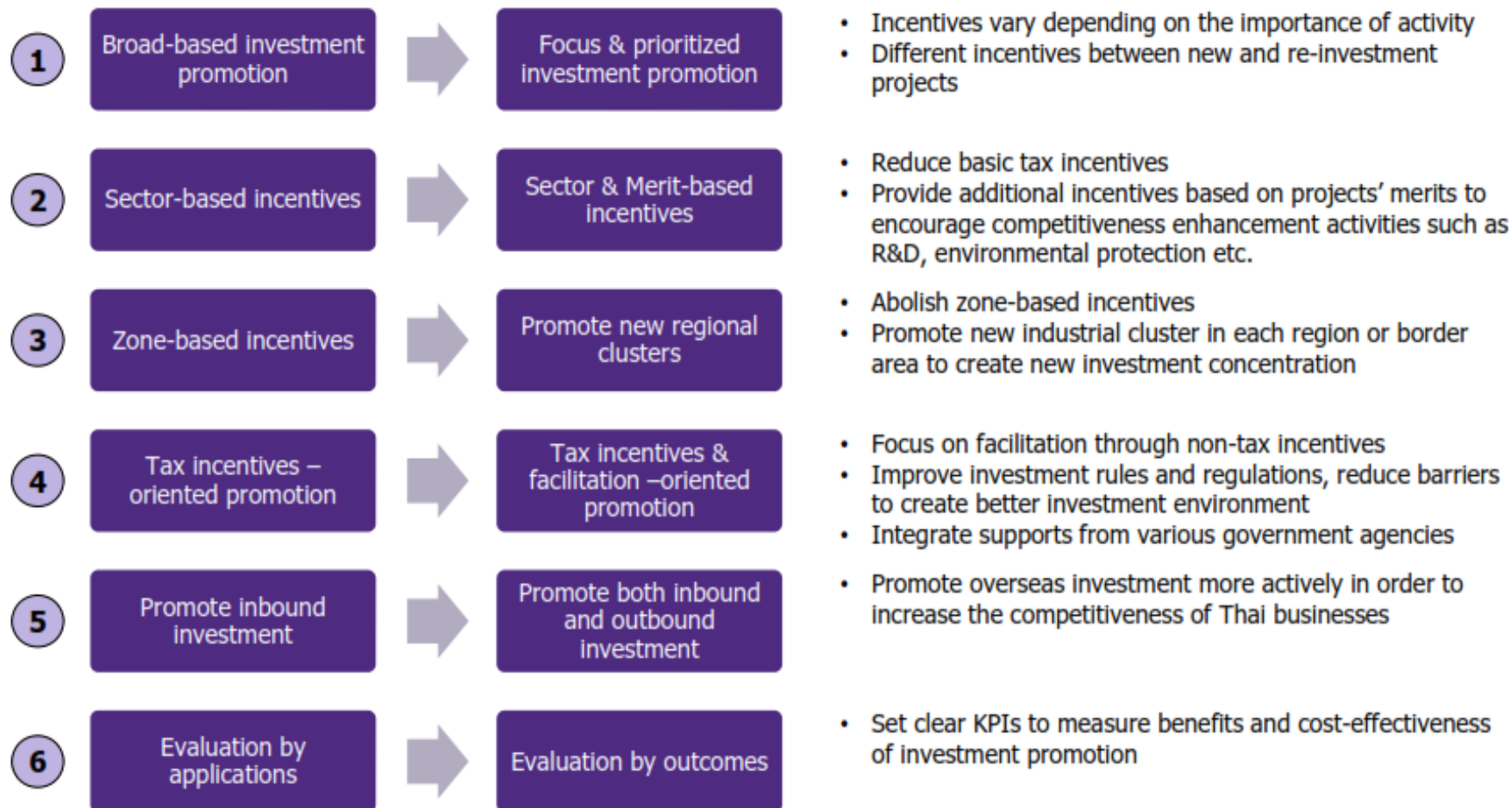


BOI'S NEW INVESTMENT PROMOTION STRATEGY (2013-2017)

EE 459 - Semester 1 / 2015

Focused and prioritized promotion instead of broad-based; reduce basic tax incentives

New investment promotion direction for Thai Economy restructuring



Section of activities under the new strategy

Section of activities	A1* (8 yrs, no cap)	A1 (8 yrs)	A2 (5yrs)	A3 (3 yrs)	B1	B2	B3	B4	Total	C
1. Agriculture and agro-industries	-	3	3	5	-	2	-	-	13	12
2. Mining, ceramics and basic metals	-	3	5	4	1	2	1	-	16	9
3. Light industry	-	2	3	2	2	1	-	-	10	21
4. Metal products, machinery and transport equipment	-	7	4	6	1	-	1	-	19	11
5. Electronic industry and electrical appliances	2	1	11	11	1	-	-	-	26	1
6. Chemicals, paper and plastics	-	4	1	4	2	-	-	-	11	7
7. Services and public utilities	8	2	8	2	1	4	-	4	29	17
รวม	10	22	35	34	8	9	2	4	124	78

- 1) Electronic design: micro electronics design and embedded system design
- 2) Manufacture of embedded software

- 1) Biotechnology
- 2) Energy service company
- 3) Research and development
- 4) Scientific laboratories
- 5) Calibration services
- 6) Engineering design
- 7) Technological industrial estate/zones
- 8) Vocational training centers

Source: SCB EIC based on data from Board of Investment (BOI) Thailand

Research Questions



Task#1: Use analytical techniques to identify export sectors that have high impacts on Thai economy. These techniques include:

- (1) Historical trends (flows of trade)
- (2) Quadrant analysis from TradeMap
- (3) Global Backward and Forward Multipliers
- (4) Local Backward and Forward Multipliers
- (5) Ratio of value added per total production
- (6) Sectors' share on Thailand's GDP
- (7) Other combinations of indicators or tools (e.g. quadrant analyses using combinations of other key variables) .

Task#2: Based on results obtained from Task #1, provide policy recommendations to BOI. Should they include or exclude other targeted export sectors? Why?