Thailand’s Healthcare & Life Sciences

Opportunities for U.S. Exporters & Investors
Thailand at a Glance

- About the size of Texas
- 67 million people
  - Bangkok 8-10 million
  - 95% Buddhist
- Borders: Cambodia, Laos, Myanmar, and Malaysia
- #26 Ease of Doing Business

- Infrastructure
  - Suvarnabhumi Airport
  - Laem Chabang Port-20th in the world
  - Eastern Seaboard – Industrial Zone
Thailand at The Heart of ASEAN

The Association of Southeast Asian Nations is a 10 member countries with 580 million consumers (9% World Population)

ASEAN Hub for World-class Healthcare Service & Medical Tourism

- World-class yet affordable healthcare service (50-75% lower than the U.S.)
- International-certified doctors & modern facilities
- About 3 million medical tourists a year
- $4.31 billion in revenue from medical tourism in 2013, 15% growth a year over the past decade
Liberalization of services sector (investors can take over 70% stake in healthcare business)

Labor Mobility - Professional workers able move freely

Hospital consolidation & diversification

Development of biopharmaceutical products & medical devices

More hospitals have upgraded or refurbished to brace for higher demand

ICT expected to become a bigger part of the change in medical services to improve operations & cost control
Market Overview - Thailand

- Healthcare market of $16.1 billion
- Per-capita spending on healthcare almost $240
- Healthcare expenditure expected to grow 8.4% to $25 billion in 2020.
- Elderly population to reach 17.2% of population, or about 17 million people, within 10 years
- Thailand has over 1,000 public hospitals and 400 private hospitals
- In 2013, pharmaceutical market value of $4.5 billion (2nd largest in Southeast Asia, behind Indonesia)
Market Overview - Thailand

- Thailand has internationally-trained physicians specializing in various disease indications
- Medical device market of over $1 billion; two-thirds imported.
- USA, as market leader, accounts for about 30% of inbound shipments of medical devices.
- U.S. device manufacturers perceived to be superior in terms of technology R&D
Market Overview - Thailand

- Thailand is a pioneer in alternative solutions for emerging diseases (avian flu), re-emerging diseases (HIV & tuberculosis), and topical diseases (malaria & dengue)

- Over 165 biotechnology firms take advantage of Thailand’s position as a world leader in agriculture and a top five food exporter

- Thailand Center of Excellence for Life Sciences (TCELS), a major catalyst for life sciences investment and research


- Recent U.S.-Thai partnership in setting up the “First Medical Equipment Training Center”, to upgrade quality and enhance personnel potential in biomedical engineering: [http://www.thaipr.net/health/575251](http://www.thaipr.net/health/575251)
Medical Devices

Best Prospects:

- Orthopedic & implants
- Cardiology devices
- Rehabilitation equipment
- Respiratory devices
- Neurological & surgical devices
- Dermatological devices
- Clinical diagnostics devices
- High-end dental equipment
Thailand Board of Investment (BOI) Incentives for Medical Device Manufacturers

- A priority activity of special importance & benefit to the country
- Maximum 8-year corporate income tax exemption, regardless of location
- Exemption from import duties on machinery and raw materials
- Land ownership rights for foreign investors
- Permission to bring in foreign experts & technicians
Life Sciences

Best Prospects:

- Drug discovery, biopharmaceutical & vaccines
- Cell & gene therapy
- Diagnostic kits
- Agricultural biotechnology
- Bioenergy, biofuel & bioplastics
Thailand Board of Investment (BOI)
Incentives for Life Sciences Industry

- A priority activity of special importance & benefit to the country
- Maximum 8-year corporate income tax exemption, regardless of location
- If located in Thailand Science Park, the project will receive an additional 50% corporate income tax reduction for 5 years
- Exemption from import duties on machinery and raw materials
- Land ownership rights for foreign investors
- Permission to bring in foreign experts & technicians
Cosmetics

Market of $8.3 billion, No. 1 in ASEAN

Best Prospects:
- Anti-aging facial treatment
- Wrinkle free eye treatment
- High-end make-up & skin care
- Organic cosmetic products
- Whitening facial & body treatment
- Skin care & hair care products for men
- Blemish balm & color controller for skin radiance
Nutritional Supplements

Market over $1 billion

Best Prospects:
- Supplements for sport applications
- Innovative nutritional supplements
- Antioxidant & anti-aging supplements

80% marketed through Direct Sales
U.S.–Thai Treaty of Amity

Signed in 1833 & Amended in 1966

- Allows American citizens & businesses incorporated in the USA or Thailand to engage in business on the same basis as would a Thai national
- Maintain a majority shareholding or to wholly own its company in Thailand
- Exempt from most of the restrictions on foreign investment imposed by the Foreign Business Act of 1999
Major Trade Shows

- **ASEANBeauty**, April 8-10, 2015
- **Medical Fair Thailand**, Sept. 10-12, 2015
- **Thailand LAB**, Sept. 16-18, 2015
- **International Dental Exhibition & Meeting**, April 8-10, 2016
Don’t Overlook Thailand!

- U.S. Commercial Service Thailand
  - [www.export.gov/thailand/](http://www.export.gov/thailand/)
  - Twitter [@PromoteUSA](https://twitter.com/PromoteUSA) – for market intelligence for ASEAN
  - Facebook/[PromoteUSA.Th](https://www.facebook.com/PromoteUSA.Th) – promote your product or service

- American Chamber of Commerce in Thailand
  - [www.amchamthailand.com](http://www.amchamthailand.com)

- Thailand Board of Investment (BOI) – Medical Industry Focus