



Thailand's Healthcare & Life Sciences

**Opportunities for
U.S. Exporters & Investors**



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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



ASEAN Economic Community 2015

- ❑ 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
- ❑ [Thailand Science Park](#), with world-class facilities, only 12 miles away from Bangkok: <http://www.sciencepark.or.th/index.php/en/>
- ❑ 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>

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/

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- ❑ American Chamber of Commerce in Thailand

www.amchamthailand.com

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

http://www.boi.go.th/tir/issue_content.php?issueid=108;page=42