



The Eastern Economic Corridor (“EEC”) has approved a 10-year visa, work permit, and a flat 17% tax rate for foreigners

Under Thailand 4.0, the Thai government has enacted numerous investment programs in order to attract foreign ventures. These include the Eastern Economic Corridor (“EEC”) which provides investors who have invested within the specific industrial areas and economic zones with added-on benefits. The EEC has designated 3 geographical areas covering the Eastern Seaboard of Chacheongsao, Chonburi, and Rayong provinces.

The EEC aims to improve the quality of living of people with advanced industries and high-skilled labor through 12 targeted industries (5 First S-Curve and 7 New S-Curve), which include: next-generation automotive; smart electronics; medical services; wellness tourism; agriculture and biotechnology; food for the future; automation and robotics; innovative technology; biochemical and biofuel; aviation and logistics; digital; and education and human resource development. The EEC has classified 26 Promoted Zones for Targeted Industries as the location of these qualified activities, in which eligible investors will receive both tax and non-tax benefits.

The Board of Investment approved several measures, including a filing extension of the investment package and additional benefits for companies in the Promoted Zones for Targeted Industries and Promoted Zones for Specific Industries, aiming to encourage prospective investors around the world. The Thai cabinet approved the establishment of seven Promoted Zones for Specific Industries, namely:

- EECa, Eastern Airport City
- EECi, Innovation Platform
- EECd, Digital Park
- EECmd, Medical Hub
- EECg, Genomics Thailand
- EECh, High-Speed Rail Ribbon Sprawl
- EECtp, Tech Park Ban Chang

On 24 November 2023, the EEC approved a package of incentives to attract foreign investments, marking the first time such privileges have been offered under the EEC's legislative framework. The incentives include a 10-year visa, simplified work permit procedures, and a flat 17% tax rate for foreigners involved in strategic economic activities in the EEC. The EEC Visa is categorized into four types:

- Specialists: EEC Visa "S"
- Executives: EEC Visa "E"
- Professionals: EEC Visa "P"
- Spouses and dependents: EEC Visa "O"

These visas offer benefits such as automatic work permits, a 17% flat income tax rate, a maximum visa duration of 10 years tied to the employment contract, and a dedicated fast-track channel at international airports in Thailand starting from 1 January 2024.

The initiative aims to stimulate foreign investment, especially from environmentally friendly modern industrial business operators. The EEC emphasizes equitable and transparent guidelines for granting incentives within the special economic promotion zone, focusing on principles like innovation, consideration of benefits, inter-agency collaboration, and rigorous monitoring. The committee will assess factors such as industrial sector, investment plan, commencement date, supply chain importance, investment value, technology, knowledge transfer, and community outreach.

Should you have any question, please do not hesitate to contact us via info@bglballaw.com

