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# Economic Report 2022

## Thailand

June 2023

A754 -TAP, GERAR, RSC

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### Executive Summary

- 2022 verzeichnete Thailand ein BIP-Wachstum von 2,6% (USD 536 Mia.). Für das Gesamtjahr 2023 ist ein Wachstum von rund 3,5% zu erwarten.
- Strukturelle Schwächen gefährden langfristig ein nachhaltiges Wachstum der thailändischen Wirtschaft: schwaches Bildungssystem und bescheidene Innovationskraft, hoher Monopolisierungsgrad und entsprechend beschränkter Wettbewerb, markante Ungleichheit in der Verteilung von Vermögen und Einkommen, Alterung der Gesellschaft, unsichere politische Verhältnisse, hohe Gefährdung durch negative Effekte des Klimawandels.
- Mit der aktiven Förderung ausländischer Investitionen versucht die Regierung, Innovationskraft zu stärken und technologischen Fortschritt zu beschleunigen. Dies schafft Opportunitäten für Schweizer Unternehmen.
- Im Juni 2023 fand die 5. Verhandlungsrunde zwischen der EFTA und Thailand für ein Freihandelsabkommen statt. Weitere Verhandlungsrunden sind für 2023 geplant. Ziel ist weiterhin ein Abschluss im 2024. Ein umfassendes FTA mit Thailand dürfte die bilateralen Wirtschafts- und Handelsbeziehungen namhaft stärken und weitere Chancen für Schweizer Unternehmen eröffnen.
- Der Prozess der Regierungsbildung nach den von den Oppositionsparteien gewonnenen Unterhauswahlen vom 14. Mai 2023 ist mit grossen Unsicherheiten behaftet. Die politische Unsicherheit wird sich dämpfend auf das Wirtschafts- und Investitionsklima auswirken. Sollte es im weiteren Prozessverlauf zu ernsthaften politischen Turbulenzen oder gar zu einem erneuten Eingreifen der Armee in die Regierungsbildung kommen, dürften sich wachstumshemmende Effekte verstärken.
- Thailand ist der 18. Handelspartner der Schweiz und ihr zweitgrösster Partner in Südostasien (nach Singapur).
- Die Schweiz ist 11. ausländischer Investor in Thailand, Thailands 21. Handelspartner weltweit und zweitgrösster europäischer Handelspartner (nach Deutschland) mit einem bilateralen Handelsvolumen von CHF 9,7 Milliarden im Jahr 2021 (+73,2%).

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## 1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

### Slow exports, recovering tourism and post-election uncertainty

In 2022, the Thai economy expanded by 2.6% (USD 536 bn) amid rebounds in tourism and domestic consumption and somewhat disappointing exports of goods<sup>1</sup>. Exports of goods momentum faltered in Q2 2022 due to weakening demand from major trading partners. Services exports (namely tourism), on the other hand, grew strongly. Exports of goods continued to drag in the first half of 2023. According to the Commerce Ministry the value of exports contracted for the seventh consecutive month in April 2023 (-7.3% year-on-year)<sup>2</sup>. For 2023 the Bank of Thailand (BoT) forecasts a GDP growth of 3.6% (IMF: 3.4%).

Recovery in tourism continued to gain traction after the full reopening of international travel towards the end of 2022. The country received 11 million foreign tourists in 2022 (2021: 428,000<sup>3</sup>). This was still dramatically below the record of 40 million in 2019. The growth in 2022 has been driven by arrivals from the Association of Southeast Asian Nations (ASEAN) (41%) and European (23%) countries. The Ministry of Finance (optimistically) forecasts 29.5 million arrivals in 2023<sup>4</sup>.

Private consumption has benefited from the robust tourism recovery. By the end of February 2023, the unemployment rate fell to below 1.0% for the first time in four years<sup>5</sup>, and consumer confidence reached a post-pandemic high. In 2022, average headline inflation hit a 24-year high of 6.1%<sup>6</sup>. However, inflationary pressure softened in March 2023 when headline inflation returned to the BoT's target range of 1-3% for the first time in 15 months. This is consistent with falling global energy and commodity prices. More than half of Thailand's energy supply relies on imported fossil fuels. This dependence exposes Thailand to uncertainties in global fuel prices. Thailand's State Oil Fund, which subsidizes domestic prices, was reported to be CHF 2 billion in deficit as of May 2023<sup>7</sup>. The BoT on 31 May raised its benchmark interest rate by 0.25 percentage point to 2%, signaling that it is still worried about inflation. Although, forecasters said the increase was potentially the last for 2023<sup>8</sup>.

Public spending for fiscal year 2022 decreased to 23.4% of GDP, primarily due to lower spending on Covid-19 related measures<sup>9</sup>. Nevertheless, it remained above pre-pandemic levels due to measures to address the impact of rising energy prices, such as subsidies on diesel and cooking gas prices. The government also extended the cap on electricity prices from May to August 2023 to support households and business operators. Thailand's public debt stood at a record high of 61.2% of GDP<sup>10</sup>, compared to a pre-pandemic level of 41.2% in 2019. The increased debt ceiling during the Covid-era, from 60% to 70% of GDP, has made this possible. According to the Ministry of Finance, the fight against Covid-19 has seen Thailand register budget deficits of 6.1% in 2020, 9.1% in 2021 and 4.9% in 2022. The government has spent nearly THB 2.5 trillion (CHF 65.70 billion) to address the crisis<sup>11</sup>.

The government's economic priorities for 2023 include fostering the export sector, stimulating private investment and the recovery in the tourism sector, supporting agricultural production and farmers' income<sup>12</sup>. The May 14 2023 election saw the opposition Move Forward Party (MFP) and Pheu Thai Party win a majority in the House of Representatives. However, it remains unclear how long the process of forming a new government will take and whether it will unfold in an orderly manner. Amid this post-election uncertainty, the Thai baht as well

<sup>1</sup> Nikkei Asia, Thai GDP grew 2.6% in 2022 as slow exports outweighed tourism gain, February 2023, [link](#)

<sup>2</sup> The Nation, Thai export decline in April makes it 7<sup>th</sup> consecutive month of contraction, May 2023, [link](#)

<sup>3</sup> Tourism Authority of Thailand, [International tourist arrivals to Thailand 2022-2023](#)

<sup>4</sup> Reuters, Thai economy to grow 3.8% this year, inflation to ebb, February 2023, [link](#)

<sup>5</sup> The Nation, Thailand's unemployment rate drops below 1% for first time in 4 years, April 2023, [link](#)

<sup>6</sup> The last time Thailand's inflation was this high was in 1998, when it rose to 8.1%.

<sup>7</sup> The Nation, Treasury may not extend diesel fuel tax exemption after July 20, May 2023, [link](#)

<sup>8</sup> Bangkok Post, BoT raises key rate another quarter-point, May 2023, [link](#)

<sup>9</sup> World Bank Thailand Monthly Economic Monitor, December 2022, [link](#)

<sup>10</sup> Ministry of Finance's Fiscal Policy Office, March 2023, [link](#)

<sup>11</sup> The Nation, Thailand's bill for tackling Covid adds up to THB2.5 trillion, October 2022, [link](#)

<sup>12</sup> NESDC, [Thai Economic Performance in Q1 of 2023 and the Outlook for 2023](#), May 2023

**as share prices on the Thai stock exchange have come under pressure** - a trend which could continue in the coming months. In terms of policy direction, a government led by the opposition parties would likely usher in a shift toward more left-leaning economic policies (i.e. raise of the minimum daily wage, increase of monthly allowances for elderly). The MFP also vowed to challenge business monopolies and promote growth outside of the capital Bangkok<sup>13</sup>. All relevant political parties in Thailand have a positive stance on international free trade in principle.

### **Structure of the economy**

**Thailand is the second largest economy in Southeast Asia behind Indonesia** and a typical middle-income country. **The economic model is largely based on the attraction of foreign investment into labor-intensive production and the subsequent export of the produced goods.** The degree of monopolization is high, with a handful of large conglomerates dominating the majority of the economy and thus strongly limiting competition. **Tourism is a key sector of the economy**, accounting for approximately one-fifth of economic output (before the pandemic).

**Structural challenges** tend to hinder Thailand's economic development: a large informal economy occupying more than 54% of the workforce<sup>14</sup>, high levels of inequality<sup>15</sup>, the persistence of pockets of poverty (poverty rate of 6.4% in 2021<sup>16</sup>), the domination of entire sectors of the economy by a handful of powerful groups, key sectors of the economy closed to foreign competition, accelerated ageing of the population and a social security system that needs to adapt to this trend (the share of the population over 65 years of age will rise from 13% to 30% by 2050) and rising level of household debt. In the final quarter of 2022, Thailand's household debt surpassed THB 15 trillion (CHF 393 billion), equivalent to 86.9% of GDP.

The ambitious objective of developing Thailand into a highly developed manufacturing and technology hub will therefore **require significant structural reforms**. This includes further **opening up the economy for foreign investment, foreign and domestic competition and labor and modernizing the education system**.

The industrial production mainly consists of automotive, electronics, textile and construction. In services, tourism dominates along with telecommunications and finance. In 2022, **agriculture generated 6.2% of GDP while industry and services dominated with 30.8% and 61.5% respectively**.<sup>17</sup> From a social and political point of view, the agricultural sector is much more important, employing 30.4% of the workforce.<sup>18</sup>

The **official unemployment rate remains traditionally very low (1.05% in Q1 of 2023<sup>19</sup>)** but it does not fully reflect the informal economy and the precarious or seasonal nature of many activities. According to the International Labor Organization database (ILOSTAT), **the informal economy in Thailand absorbed nearly two-thirds of the labor force<sup>20</sup>**. Migration is integral to the Thai economy, with the country hosting **between 4 and 5 million migrant workers** (2.9 million registered) from Cambodia, Lao PDR, Myanmar and Vietnam, who mainly work in manufacturing (36% of migrant workers), agriculture, forestry, and fisheries (24%), wholesale

<sup>13</sup> Bloomberg, Baht gains as Move Forward leads vote, tycoon-linked stocks drop, May 2023, [link](#)

<sup>14</sup> Sectors mainly concerned: agriculture, forestry and fishing; restaurants and hotels; wholesale and retail trade. Source: ILO Brief, COVID-19 employment and labour market impact in Thailand, June 2020, [link](#).

<sup>15</sup> According to [World Bank's Thailand Rural Income Diagnostic 2022](#), Thailand has the highest income inequality rate in the East Asia and Pacific region with an income Gini coefficient of 43.3 percent in 2019.

<sup>16</sup> Thailand's progress in poverty reduction has slowed from 2015 onwards, mirroring a slowing economy and stagnating farm, business, and wage incomes. Poverty is estimated to stagnate in 2021 amid slow labor market recovery and gradual phasing out of the government's relief measures. Between 1988 and 2018, the poverty rate had fallen drastically from 65.2% to 9.85%. (Source: [World Bank Report 2021](#) and NESDC).

<sup>17</sup> Annex 1

<sup>18</sup> Annex 1

<sup>19</sup> NESDC, [Thai Economic Performance in Q1 of 2023 and the Outlook for 2023](#), May 2023

<sup>20</sup> United Nations, Social protection and the informal economy: what do we know, October 2022, [link](#)

and retail (12%), and construction (8%)<sup>21</sup> and constituting over 10% of the total labor force. Their work is estimated to contribute between 4.3% and 6.6% of Thailand's GDP<sup>22</sup>.

## 2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

Thailand pursues a **20-year national economic strategy** (2017 – 2036) divided into 5-year action plans. The 13th National Economic and Social Development Plan (2023 - 2027) **combines the United Nations' Sustainable Development Goals with the government's Bio-, Circular, and Green (BCG) economic model**<sup>23</sup> and focuses on 8 areas: climate change, digital technology, health and wellness, promotion of SMEs, promotion of affluent and medical tourism, strengthening of social safety, managing the challenges related to an ageing society and fiscal sustainability<sup>24</sup>. **The key objective of the 13<sup>th</sup> Plan is to achieve developed country status by 2037**, which will require the achievement of specific performance indicators, such as increasing the average annual income and reducing the income gap between the wealthy and the poor to less than five times (presently six times) by 2027<sup>25</sup>.

The "**Thailand 4.0**" policy remains the **economic blueprint for the country's transformation into a sophisticated manufacturing and innovation-based technology hub**<sup>26</sup>. Under this policy, **foreign companies** specializing in advanced technologies or the so-called *S-curve industries*<sup>27</sup> are **incentivised to invest in Thailand**. The government has identified a total of **12 S-curve industries**, including the next generation automotive industry, medical and wellness tourism, smart electronics, digital, food, agriculture and biotechnology, robotics, logistics and aviation, biofuels and biochemicals, medical services, defence and education development.

**Thailand** is currently Southeast Asia's biggest and **the world's 11th largest automotive production base. The Government subsidizes and incentivizes the manufacturing of EVs including batteries as well as consumption and the import of electrical components.** By 2030, 1/3 of the production is targeted to be EVs (the 30/30 policy)<sup>28</sup>.

The Board of Investments (BOI) **incentivizes investment in the medical industry including in clinical research** (both tax and non-tax incentives). **Medical biotechnologies** including vaccine development, genomics and biopharmaceuticals is set as **a priority sector**. The government launched the Genomics Thailand Initiative to sequence the genomes of 50,000 individuals and create a genomic database enabling precision medicine<sup>29</sup>. The government also wants to make the country a global hub for **medical tourism and medical device manufacturing**. Before the pandemic, Thailand ranked first among medical tourism destinations worldwide<sup>30</sup>.

According to the Prime Minister's Office, **the digital economy** accounts for 14% of GDP<sup>31</sup>. The country has made **substantial investments in digital infrastructure** and in creating a **business environment conducive to the growth of e-commerce and payment services**. Thailand **promotes tech-startups and nurtures its respective ecosystem via the Startup**

<sup>21</sup> Table 5.A1.1. Employment by sector, origin and sex (12<sup>th</sup> line), How Immigrants Contribute to Thailand's Economy, OECD, 2017, [link](#)

<sup>22</sup> United Nations Thailand, Migrants key to pandemic rebuild, December 2021, [link](#)

<sup>23</sup> The Bio-Circular-Green Economy (BCG), was adopted in January 2021 and put in place to support a sustainable economic recovery. It calls for investments in four main areas: (i) agriculture and food, (ii) health and well-being, (iii) energy, materials and biochemistry and (iv) tourism and creative economy. At present, these four industries have a combined economic value of CHF 94.8 billion (21% of GDP) which are expected to grow to CHF 122.8 billion (24% of GDP) in the next five years.

<sup>24</sup> Bangkok Post, PM pushes five economic goals, September 2021, [link](#)

<sup>25</sup> Bangkok Post NESDC calls for quicker development, September 2022, [link](#)

<sup>26</sup> Economist Intelligence Unit May 2022

<sup>27</sup> The S-curve industries are defined by Thailand as the industries with intensive innovation and technology.

<sup>28</sup> The Nation, Plugging into the future with EV mobility, May 2022 [link](#). Reuters, Toyota's Thai unit agrees to boost EV incentives, April 2022 [link](#). Bloomberg, Thailand targets 30% electric-car production to tackle pollution [link](#). National News Bureau of Thailand, 24 billion baht allocated to boost EV battery production, February 2023 [link](#)

<sup>29</sup> Thailand Board of Investment, Biopharmaceutical Industry [link](#)

<sup>30</sup> ASEAN Briefing, Thailand, UK Form Joint Trade and Economic Committee, [link](#)

<sup>31</sup> <https://www.thaigov.go.th/news/contents/details/61721>

**Thailand platform**<sup>32</sup>. Thailand became the **first country in Southeast Asia to regulate the trading of cryptocurrencies** (2018) and is currently among the world's leading markets for crypto adoption<sup>33</sup>. The BoT also implements its own regulatory sandbox, testing the application of **blockchain technology for the financial sector** such as the Central Bank Digital Currency (CBDC) and Digital IDs. Both public and private sectors in Thailand are looking at use cases of **blockchain** to maximize efficiency and transparency.

The Thai government has long been in support of the country's **electrical and electronics (E&E) industry including semiconductors**, which accounts for **approximately 10% of Thailand's GDP and 24% of its total exports**. Thailand was the **world's 13th largest exporter** of E&E products in 2020<sup>34</sup>. Global shortages of semiconductors and supply chain disruptions have led multinationals to increase production capacity in Thailand. Smart electronics will be important in the digital transformation of sectors such as automotive and medical industries.

In 2021, **Thailand committed to reaching carbon neutrality by 2050 and net zero greenhouse gas (GHG) emissions by 2065**. Achieving these targets and being able to cope with the developing international regulatory framework (such as the EU's Carbon Border Adjustment Mechanism CBAM<sup>35</sup>) will **require significant investment in clean technologies and respective know-how**<sup>36</sup>. As a net oil importing country, Thailand is also **seeking ways to become more self-reliant in terms of energy supply** and is expected to step up its efforts to advance technology development and increase investment in the fields of **electric mobility, renewable energy, energy efficiency and carbon capture and storage**. To this end, the BOI approved a series of **incentives**<sup>37</sup>.

#### Opportunities for Swiss companies

The **incentivization policies** for companies in the aforementioned sectors targeted under the so-called S-curve industries provide **opportunities for Swiss companies interested in investing in Thailand, particularly in the following sectors**: (1) next generation automotive industry, (2) medical and wellness tourism, (3) smart electronics, (4) digital solutions, (4) food, (5) agriculture and biotechnology, (6) robotics, (7) logistics and aviation, (8) biofuels and biochemical and (9) medical services.

The **Eastern Economic Corridor (EEC)** merits a special focus in this regard. The EEC is a large economic zone that straddles three eastern provinces of Thailand. The highlights of the EEC's strategy are the construction of logistics infrastructure to link the EEC-region with markets in Southeast Asia and Asia Pacific as well as the establishment of industrial clusters within the EEC (such as "EECi" to promote innovation).

The project is expected to play a key role in modernizing the country out of the "middle-income trap" by 2029. The EEC phase II strategy (2022-2026) aims at **attracting CHF 56 billion of investments** (especially foreign investments) **in targeted S-curve industries and projects related to the Bio-Circular-Green (BCG) economy model**<sup>38</sup>. The EEC's **priority investment areas, such as robotics, food, agriculture, biotechnology and healthcare**, align with the structure of Swiss economic presence in Thailand. In June 2022, ABB and Roche signed respective Memorandum of Understandings with the office of the EEC.

<sup>32</sup> Thailand Startup Guide, published September 2022 by National Innovation Agency Thailand

<sup>33</sup> Chainalysis, The 2022 Geography of Cryptocurrency Report [14 September 2022] ([link](#))

<sup>34</sup> Bangkok Post, Why Thailand's smart electronics sector still remains a magnet for investors, January 2021, [link](#)

<sup>35</sup> Krungsri Research, [Thailand Industry Outlook 2023-2025](#)

<sup>36</sup> Thailand's Mid-century, long-term low greenhouse gas emission development strategy (submitted under the Paris Agreement), October 2021, [link](#)

<sup>37</sup> [https://www.boi.go.th/index.php?page=press\\_releases\\_detail&topic\\_id=129254&language=fr](https://www.boi.go.th/index.php?page=press_releases_detail&topic_id=129254&language=fr)

<sup>38</sup> The BCG model aims at transforming Thailand into a sustainable, innovation-driven economy. The concept is associated with the late King's (Rama IX) Sufficiency Economy Philosophy (SEP) which is also the key principle of Thailand's social and economic development. BCG calls for investments in four main areas: (i) agriculture and food, (ii) health and well-being, (iii) energy, materials and biochemistry and (iv) tourism and creative economy. The Government has invested considerable political capital in promoting the model, but so far, the BCG model remains largely a theory and there are no apparent concrete applications in the real Thai economy.

### 3 FOREIGN ECONOMIC POLICY

#### 3.1 Host country's policy and priorities

Including the *Regional Comprehensive Economic Partnership* (RCEP)<sup>39</sup>, Thailand currently has 14 trade agreements in force with 18 countries, accounting for 60.9% of its total trade worldwide<sup>40</sup>. In 2023, Thailand has announced the start of FTA negotiations with the EU (first round in September 2023) and its intention to join the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP)<sup>41</sup>. The government aims to further expand its FTAs to cover 80% of its trade by 2027 and is currently studying the feasibility of trade negotiations with Israel, Bhutan, South Korea, the Pacific Alliance, the Southern African Customs Union, as well as the Gulf Cooperation Council (GCC)<sup>42</sup>. In general, Thailand is interested in the further development of the world trade regime.

Switzerland and Thailand are seeking to conclude a FTA through the European Free Trade Association (EFTA). Since the launch of negotiations in June 2022 five formal rounds of negotiations were held<sup>43</sup>. EFTA and Thailand share the ambition of concluding negotiations during 2024. A study on the FTA concluded that Thailand's GDP could benefit from the FTA at an annual rate of 0.179%. A visit of the EFTA Parliamentary Committee took place in September 2022, during which the Committee met with representatives of the Thai government, parliament, business, labor unions and civil society.

#### 3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

Pending an EFTA free trade agreement with Thailand, Switzerland risks disadvantages vis-à-vis competitors that have concluded free trade regimes with Thailand and ASEAN.

Switzerland and Thailand have bilateral agreements on the avoidance of double taxation (1996)<sup>44</sup> and the mutual protection of investments (1999)<sup>45</sup>. There is little potential for discrimination, as both agreements aim to eliminate such a practice. *The Agreement on the Promotion and Reciprocal Protection of Investments* entered into force in 1999 and endorses free and equitable treatment and provides foreign investors with international arbitration under *the Convention on the Settlement of Investment Disputes between States and Nationals of Other States* (ICSID). However, as Thailand has not acceded to the ICSID Convention, investor-state dispute settlement is not currently available under the treaty<sup>46</sup>.

<sup>39</sup> RCEP combines the FTAs ASEAN has with its trading partners (except India) into one unified agreement and entered into force in January 2022, creating the world's largest trading and investment market (30% of global GDP).

<sup>40</sup> Thailand has signed and implemented bilateral FTAs with India (2004 – Early Harvest Scheme), Australia (2005), New Zealand (2005 – Closer Economic Partnership), Japan (2007 – Economic Partnership Agreement), Peru (2011), and Chile (2015). Negotiations have been initiated in 2015 with Turkey, 2018 with Sri Lanka and 2023 with the European Union and the United Arab Emirates (UAE). Thailand and the UK are using a Joint Economic and Trade Committee (JETCO), created in 2022, to promote bilateral trade and investment, particularly in the agriculture, food and beverage, technology, healthcare and financial services sectors. As a founding member of ASEAN, Thailand has been a full member of the ASEAN Free-Trade Area (AFTA) since 1992, which covers 98% of tariffs within ASEAN. The country has regional trade agreements with China (2005), Japan (2008), South Korea (2010), India (2010), Australia and New Zealand (2010), and Hong Kong (2019). Finally, Thailand is involved in the Regional Comprehensive Economic Partnership (RCEP), which combines the FTAs ASEAN has with its trading partners (all above except India) into one unified agreement and entered into force in January 2022, creating the world's largest trading and investment market with a combined size of 30% of global GDP.

<sup>41</sup> Opponents of Thailand's accession say that the pact will have unfavorable effects on the country's agricultural and pharmaceutical sectors. Concerns have been raised over the CPTPP's provisions of intellectual property rights, which could potentially limit access of Thais to affordable medicine and right of Thai farmers to collect their seeds for cultivation.

<sup>42</sup> Bangkok Post, Department eager to push free trade negotiations, May 2023, [link](#)

<sup>43</sup> The negotiations cover trade in goods (customs duties, rules of origin, trade facilitation, non-tariff barriers to trade, trade remedies), trade in services, investment, protection and enforcement of intellectual property rights, government procurement, competition as well as trade and sustainable development.

<sup>44</sup> Abkommen zwischen der Schweizerischen Eidgenossenschaft und dem Königreich Thailand zur Vermeidung der Doppelbesteuerung auf dem Gebiet der Steuern vom Einkommen, [link](#)  
Agreement between the Swiss Confederation and the Kingdom of Thailand on the Promotion and Reciprocal Protection of Investments, [link](#)

<sup>46</sup> OECD, Investment Treaty Policy in Thailand, [link](#)

## 4 FOREIGN TRADE

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### 4.1 Developments and general outlook

Thailand's current account remained in deficit (5.9% of GDP) in the third quarter of 2022 (high energy import costs vs weakening goods exports). At the same time, the trade in services deficit narrowed, as tourism recovered (albeit slower than in other ASEAN countries).

#### 4.1.1 Trade in goods

Thai exports increased by 5.5% in 2022 compared to 2021 (about 287 billion USD)<sup>47</sup>. The main products exported in 2022 were machinery (especially computers and electrical machinery and equipment) (31.5%), automobiles (11%), rubber and rubber articles (6.6%), plastics (5.3%), gems and precious metal (5.2%), various food products (4.5%), mineral fuels (3.9%) and organic chemicals (1.8%)<sup>48</sup>.

The main export destinations were the United States (16.6%), China (12.0%), Japan (8.6%), Vietnam (4.6%) and Malaysia (4.4%). In 2022 **Switzerland was the 21<sup>st</sup> largest destination of Thai exports<sup>49</sup> (31<sup>st</sup> in 2021), receiving 1.17% of exports.**

Thai imports increased by 13.6% in 2022 and accounted for about 303 billion USD. The majority of Thailand's imports came from China (23.4%), Japan (11.4%), the United States (6.0%), the United Arab Emirates (5.7%) and Malaysia (4.8%). **Switzerland is the source of 2.3% of Thai imports, and is the 14<sup>th</sup> largest country of origin (15<sup>th</sup> in 2021)<sup>50</sup>.**

Concerning import legislation, past complaints from foreign economic partners have particularly concerned non-tariff trade barriers, namely in the areas of product safety, restricted mobility and labor (language requirements, work permits). Some sectors of the Thai economy, such as food processing and agriculture (especially rice cultivation and pig, poultry and cattle farming), as well as the service sector, are strongly protected by protectionist measures.

#### 4.1.2 Trade in services

There is no data available to assess the development of trade in services in 2021/2022. While the industrial sector of goods production (automobiles, etc.) was successfully opened to foreign investment in the 1980s and 1990s, **the service sector is still largely protected from foreign competition, especially in the fields of telecommunications, construction, transportation, accounting, consulting and, to a lesser extent, financial services.**

Following the removal of all Covid-19 related restrictions, **the tourism sector is gradually recovering but full recovery is not expected before 2024.** Tourists in 2022 came mainly from Malaysia, India, Singapore, South Korea and Laos (compared to Germany, the United Kingdom, the United States, Russia and France in 2021, and China, Malaysia, Russia, Laos and Japan in 2019)<sup>51</sup>.

### 4.2 Bilateral trade

#### 4.2.1 Trade in goods

**In 2022, Thailand was Switzerland's 2<sup>nd</sup> largest trading partner in Southeast Asia (behind Singapore<sup>52</sup>) and 18<sup>th</sup> largest partner worldwide<sup>53</sup>. Switzerland is Thailand's 16<sup>th</sup> largest partner worldwide and its 2<sup>nd</sup> European trading partner<sup>54</sup>.** According to Swiss customs

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<sup>47</sup> Annex 3

<sup>48</sup> World's top exports, [link](#)

<sup>49</sup> Annex 3

<sup>50</sup> Annex 3

<sup>51</sup> Ibid.

<sup>52</sup> Federal Office for Customs and Border Security, [link](#)

<sup>53</sup> Ibid., [link](#)

<sup>54</sup> Annex 3



figures, the **bilateral trade volume in 2022** amounted to **CHF 9.7 billion**, representing an **increase of 73% compared to 2021 (CHF 5.6 billion)**.

In 2022 **Switzerland exported goods to Thailand valued at CHF 6.1 billion**. This represents a strong increase from 2021 (CHF 3.9 billion) and 2020 (CHF 1.9 billion)<sup>55</sup>. Switzerland climbed from 15<sup>th</sup> (2021) to **14<sup>th</sup> (2022) place among Thailand's import sources**<sup>56</sup>. Swiss imports from Thailand (CHF 3.4 billion) increased from 31<sup>st</sup> to 21<sup>st</sup> place among Thai export destinations<sup>57</sup>.

Gold and precious metals are both the first products exported from Switzerland to Thailand (84.9% of total exports) and the first source of Swiss imports from Thailand (68.9%) in 2022. Major Swiss industries are found in the other main exports, namely watchmaking, pharmaceutical and machinery.

If gold and precious metals are excluded from bilateral trade in 2022<sup>58</sup>

- 1) Swiss exports amount to CHF 944.3 million (+13.2%) and imports CHF 1'238 million (+17.4%), which would represent an increase in trade of +15.5% compared to 2021 for a total business of CHF 2.18 billion.
- 2) The main Swiss exports to Thailand are watches (CHF 280.7 million, +45.5%), pharmaceutical products (CHF 184 million, -9.7%), electrical machinery and equipment (123.8 million, +18.5%) and nuclear related machinery (CHF 79.1 million, -5.5%).
- 3) The main imports from Thailand to Switzerland are watches (CHF 211.6 million, +11.6%), electrical machinery and equipment (CHF 196.5 million, +33.7%), nuclear related machinery (CHF 155.4 million, -8.2%) and leather (CHF 64.3 million, +51.7%).

#### 4.2.2 Trade in services

Swiss tourists represented 0.73% of international tourists in Thailand in 2022 (2.7% in 2020). If the share has decreased, the volume has increased from 11,429 in 2021 to 81,180 in 2022<sup>59</sup>.

Prospects are more positive for 2023, as 62,037 Swiss tourists visited Thailand from January to April 2023, compared to 13,005 for the same period in 2022<sup>60</sup>.

**Apart from tourism, no statistics are available on trade in services**<sup>61</sup>.

## 5 DIRECT INVESTMENTS

### 5.1 Developments and general outlook

**Foreign direct investment (FDI) to Thailand** stood at USD 10.1 billion in 2022, a decline from the 14.6 billion recorded in 2021<sup>62</sup>. The cumulative stock of FDI amounted to USD 308.1 billion in 2022, a 3.4% increase from USD 297.9 billion in 2021. **Japan** maintains its traditional 1<sup>st</sup> place as the **largest source of investment** (30.2% of the total FDI stock), followed by Singapore (20.0%), Hong Kong (8.6%), the Netherlands (6.4%), and the United States (6.3%). **Switzerland is in the 11<sup>th</sup> position in this ranking**<sup>63</sup>. The largest portion of FDI inflows went to manufacturing (40.0%), followed by financial and insurance activities (21.7%), real estate business (17.5%) and electricity, gas, steam and air conditioning supply (13.9%)<sup>64</sup>.

Thailand's **outward direct investment (ODI) stock** reached USD 181.8 bn in 2022, from 178 bn in the previous year (+2.1%)<sup>65</sup>. However, ODI from Thailand experienced a significant

<sup>55</sup> Annex 4

<sup>56</sup> Annex 3

<sup>57</sup> Annex 3

<sup>58</sup> Annex 4

<sup>59</sup> Ministry of Tourism and Sport, [link](#)

<sup>60</sup> Ibid., [link](#)

<sup>61</sup> Bank of Thailand, [link](#)

<sup>62</sup> Bank of Thailand, Foreign Direct Investment (Netflow) Classified by Country/Economic territories, [link](#)

<sup>63</sup> Annex 5

<sup>64</sup> Bank of Thailand, Foreign Direct Investment Classified by Business Sector [link](#)

<sup>65</sup> Bank of Thailand, Thai Direct investment Position Abroad Classified by Country/Economic Territories, [link](#)

decline in 2022, **plummeting by more than twofold** to USD 8.2 billion from 19.2 billion in 2021<sup>66</sup>. Wholesale and retail and financial activities made up for more than 70% of all investment outflows from Thailand in 2022. Investment in manufacturing, mainly in food products, was also substantial<sup>67</sup>. In 2021 (latest available data), Thailand remained the second largest intraregional investor in terms of FDI outward stock in ASEAN after Singapore<sup>68</sup>.

**Foreign investment in Thailand is particularly welcome in higher technology sectors and is promoted and incentivized by the Board of Investment (BOI).** This generally entails the provision of generous tax breaks and more accessible working visas for foreign investors and professionals in target industries and services. The BOI publishes the “Guide to the BOI” which describes all sectors and activities that are eligible for general and special promotion schemes<sup>69</sup>.

In terms of **barriers to market entry**, the **Foreign Business Act (FBA) of 1999, still in force today, reserves categories of economic activity to Thai citizens.** The share of foreign investors in these activities must remain below 50%. Foreign investors subject to FBA restrictions are more likely to enter Thailand under the Investment Promotion Act<sup>70</sup>, whereby the BOI can ease restrictions on foreign shareholding and land ownership. In recent years, a few amendments to the FBA have narrowed the list of restricted activities<sup>71</sup> and the government continues to contemplate further FDI liberalization. This was followed by the new Custom Act (2017), the Competition Enhancement Act (2017), the Procurement Act (2017) and the EEC Act (2018). Under Section 9 of the EEC Act, the EEC Policy Committee can forego certain barriers to market access for companies on a case-by-case basis, connect international players with local manufacturers and facilitate foreign firms in dealing with government project bidding and other licensing processes.

The government has set up a special taskforce to accelerate direct investments. This goes hand in hand with the development of a long-term resident (LTR) program aimed at attracting foreigners to the country through a series of incentives for highly skilled workers and new visas, which last for up to 10 years. The program targets four key markets: (1) high-skilled professionals in specific industries (2) high-income earners or investors through FDI (3) digital nomads and (4) foreign pensioners<sup>72</sup>.

## 5.2 Bilateral investment

**According to figures of the Bank of Thailand, Swiss FDI to Thailand (FDI stock) in 2022 has fallen from USD 6.4 billion in 2021 to 5.1 billion**, a decrease of 19.9% (compared to +15.8% between 2020 and 2021). **Switzerland still ranks the 11th largest foreign investor and the 4rd largest European investor in Thailand** after the Netherlands, the UK, and Germany<sup>73</sup>. Thai direct investment into Switzerland (stock) in 2022 was USD 371.8 million, a slight decrease from USD 373 million in 2021<sup>74</sup>.

According to the Swiss National Bank, **Switzerland’s FDI stock in Thailand stood at CHF 1.9 billion** in 2021<sup>75</sup> with an investment flow of CHF 122 million in 2021<sup>76</sup>. No figures from the Swiss National Bank are available for direct investment flows and stocks from Thailand to Switzerland

In 2019, private bank Julius Baer launched a joint venture together with Siam Commercial Bank to offer wealth management services to wealthy Thais. Julius Bär is the fourth Swiss

<sup>66</sup> Bank of Thailand, Thai Direct Investment Abroad (Netflow) Classified by Country/Economic Territories, [link](#)

<sup>67</sup> Bank of Thailand, Thai Direct Investment Abroad (Netflow) Classified by Business Sector, [link](#)

<sup>68</sup> UNCTAD, World Investment Report 2022, June 2022

<sup>69</sup> ASEAN Investment Report 2022 Pandemic Recovery and Investment Facilitation, October 2022

<sup>70</sup> OECD “Investment Policy Reviews: Thailand” 2021.

<sup>71</sup> Thailand’s Ministry of Commerce is proposing to remove the telecommunications, financial services, and software development from the FBA’s List 3 Rules, allowing foreign companies to compete in those sectors.

<sup>72</sup> Thai PBS World, Thailand’s long-term ‘high potential’ resident visa fee to be halved to 50’000 baht, March 2022, [link](#)

<sup>73</sup> Annex 5

<sup>74</sup> Bank of Thailand, Thai Direct investment Position Abroad Classified by Country/Economic Territories, [link](#)

<sup>75</sup> Swiss National Bank, Swiss direct investment abroad, by country and country group [link](#)

<sup>76</sup> Swiss National Bank, Swiss direct investment abroad, by country and country group [link](#)

private bank to enter the Thai market, after Credit Suisse, Lombard Odier and UBS. Also in 2019, chemicals company Clariant AG started a regional packaging center for its Asia Pacific customers in the EEC area. Nestlé, which has a significant presence in Thailand, continued to expand with new manufacturing facilities for pet food, ice cream, and UHT (ultra-high-temperature) beverages opened around the end of 2020. In 2023, Nestlé opened a new pet food factory in the EEC to supply products across Asia, Oceania, and Africa. ABB is partnering with Shell to provide rapid EV charging facilities in Thailand.

On the other hand, Thailand's Central Group has acquired the Globus department store group in a 50:50 joint venture together with Austria's Signa Holding at the beginning of 2020. The purchase price has not been officially disclosed, but is expected to be more than one billion Swiss francs, according to Central Group.<sup>77</sup>

## 6 ECONOMIC AND TOURISM PROMOTION

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### 6.1 Swiss foreign economic promotion instruments

The Embassy of Switzerland in Bangkok works closely with the *Swiss-Thai Chamber of Commerce (STCC)*. The Chamber currently has more than 170 members. In December 2020, the global network Switzerland Global Enterprise (S-GE) and STCC signed a partnership agreement on trade promotion for the benefit of Swiss and Liechtenstein companies, strengthening the implementation of S-GE's mandate in Thailand. Subsequently in 2021, the **STCC moved to an office within the Embassy's compound** to further strengthen already strong partnership.

In the other promotion programs (e.g. culture), the Embassy is supported by Presence Switzerland and the Pro Helvetia Cultural Foundation. In 2016, the Embassy launched the Swiss Cultural Fund Thailand to better coordinate the sponsorship of local Swiss companies for cultural events.

### 6.2 The host country's interest in Switzerland

Switzerland is one of the most popular destinations in Europe for Thai tourists. Since 2012, the Thai market has been handled by Switzerland Tourism from the Embassy in Singapore. **Since 2021, Switzerland Tourism has a dedicated employee integrated in the Embassy in Thailand.** Thailand is one of the largest markets in the ASEAN region for Switzerland Tourism.

For most Thai people, education in Switzerland is synonymous with hotel schools and private boarding schools. These schools are well represented in Thailand and regularly participate in fairs and promotional events. Swiss universities, on the other hand, are still little known in Thailand. Switzerland currently offers a number of federal scholarships per year for Thai researchers and PhD students. ETH Zurich, as Leading House Asia, has renewed its 4-year strategy (2021-2024), which includes the strengthening of its relations with Southeast Asia and in particular with Thailand. An MoU allowing interns from Swiss universities to come to Thailand was signed in August 2021. Swiss universities increasingly see Thailand as a promising market, especially in the hotel industry and for specialized management courses.

In healthcare, Thailand itself is an important provider. Thailand's private hospitals attract numerous foreign patients. The attractive costs combined with the high quality of services allow Thailand to compete with Switzerland in the high and middle class foreign patient sector. A number of Swiss SMEs are implementing business models to outsource care for the elderly, sick and disabled from Switzerland to Thailand.

In Switzerland, traditional Thai offers in the culinary and wellness sector as well as in alternative medicine have become established in recent years. Many of these providers are small family businesses and are based on personal Thai-Swiss relationships. Large Thai companies are

<sup>77</sup> Bangkok Post, Central in \$1bn venture to buy Swiss mall, February 2020, [link](#)

now financially stronger, act more confidently on the international stage than in the past and actively seek investment opportunities abroad. Initially, this was mainly in neighboring countries with lower wage levels. Increasingly, however, such investments are also taking place in industrialized countries. This is demonstrated, for example, by the substantial investment made by the Thai Central Group in Switzerland with the acquisition of the Globus department store group (see 5.2).

The Swiss fintech sector (e.g. Crypto Valley in Zug) has attracted increasing interest from Thai stakeholders (Stock Exchange, BoT) in recent years.

## ANNEX 1 – Economic structure

## Economic structure of the host country

	2017	2022p <sup>78</sup>
<b>Distribution of GDP</b>		
<b>Primary Sector</b>	<b>6.11%</b>	<b>6.20%</b>
Agriculture, forestry and fishing	6.11%	6.20%
<b>Manufacturing Sector</b>	<b>32.33%</b>	<b>30.79%</b>
Mining and quarrying	2.22%	1.53%
Manufacturing	26.89%	26.17%
Electricity, gas, steam and air conditioning supply	2.79%	2.67%
Water supply; sewerage, waste management and remediation activities	0.48%	0.56%
<b>Services</b>	<b>60.74%</b>	<b>61.47%</b>
Construction	2.69%	2.69%
Wholesale and retail trade; repair of motor vehicles and motorcycles	14.49%	15.58%
Transportation and storage	6.62%	5.41%
Accommodation and food service activities	5.75%	4.76%
Information and communication	4.76%	6.21%
Financial and insurance activities	7.13%	8.04%
Real estate activities	3.76%	4.14%
Professional, scientific and technical activities	1.98%	1.85%
Administrative and support service activities	1.70%	1.26%
Public administration and defence; compulsory social security	4.91%	4.88%
Education	3.11%	3.11%
Human health and social work activities	2.14%	2.52%
Arts, entertainment and recreation	0.87%	0.97%
Other service activities	1.45%	1.31%
Activities of households as employers	0.16%	0.15%

Source: National Economic and Social Development Council (NESDC), [www.nesdc.go.th](http://www.nesdc.go.th)

	2017	2022p
<b>Distribution of Employment</b>		
<b>Primary Sector</b>	<b>31.46%</b>	<b>30.39%</b>
Agriculture, forestry and fishing	31.46%	30.39%
<b>Manufacturing Sector</b>	<b>17.08%</b>	<b>16.59%</b>
Mining and quarrying	0.17%	0.12%
Manufacturing	16.30%	16.00%
Electricity, gas, steam and air conditioning supply	0.34%	0.26%
Water supply; sewerage, waste management and remediation activities	0.26%	0.20%
<b>Services</b>	<b>51.22%</b>	<b>52.90%</b>
Construction	5.77%	5.62%
Wholesale and retail trade; repair of motor vehicles and motorcycles	16.87%	17.21%
Transportation and storage	3.29%	3.73%
Accommodation and food service activities	7.42%	7.41%
Information and communication	0.59%	0.61%
Financial and insurance activities	1.40%	1.31%
Real estate activities	0.55%	0.95%
Professional, scientific and technical activities	0.97%	1.09%
Administrative and support service activities	1.57%	1.50%
Public administration and defence; compulsory social security	4.24%	4.68%
Education	3.16%	2.84%
Human health and social work activities	1.92%	2.10%
Arts, entertainment and recreation	0.65%	0.72%
Other service activities	2.25%	2.54%
Activities of households as employers	0.58%	0.58%

Source: National Statistical Office (Compiled by the Bank of Thailand), [www.bot.or.th](http://www.bot.or.th)

<sup>78</sup> 2021p is the latest available data

## ANNEX 2 – Main economic data

## Host country's main economic data

	2021	2022	Projection 2023
<b>GDP (USD bn)*</b>	<b>505.52</b>	<b>536.16</b>	<b>574.23</b>
<b>GDP per capita (USD)*</b>	<b>7'226.84</b>	<b>7'650.88</b>	<b>8'181.93</b>
<b>Growth rate (% of GDP)*</b>	<b>1.57</b>	<b>2.64</b>	<b>3.4</b>
<b>Inflation rate (%)<sup>*79</sup></b>	<b>1.2</b>	<b>6.1</b>	<b>2.8</b>
<b>Unemployment rate (%)*</b>	<b>1.5</b>	<b>1.0</b>	<b>1.0</b>
<b>Fiscal balance (% of GDP)<sup>80</sup></b>	<b>-7.03</b>	<b>-5.52</b>	<b>-3.14</b>
<b>Current account balance (% of GDP)*</b>	<b>-2.11</b>	<b>-3.26</b>	<b>1.16</b>
<b>Total external debt (% of GDP)**</b>	<b>39.0</b>	<b>39.4</b> (projection)	<b>39.0</b>
<b>Debt-service ratio (% of exports)**</b>	<b>7.3</b>	<b>7.3</b> (projection)	<b>7.3</b>
<b>Reserves (months of imports)**</b>	<b>12.3</b>	<b>11.9</b> (projection)	<b>11.2</b>

\* Source: IMF, World Economic Outlook [April, 2023]  
[www.imf.org/external/pubs/ft/weo](http://www.imf.org/external/pubs/ft/weo)

\*\* Source: IMF, 2021 Article IV Consultation [September, 2022] (Latest data for 2022 and 2023 is not available)

<https://www.imf.org/en/Publications/CR/Issues/2022/09/16/Thailand-2022-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-523532>

<sup>79</sup> Consumer Prices annual percent change

<sup>80</sup> IMF Fiscal Monitor, April 2023

## ANNEX 3 – Trade partners

## Trade partners of the host country Year: 2022

Rank	Country	Exports from Thailand (USD million)	Share	Change <sup>81</sup>	Rank	Country	Imports to Thailand (USD million)	Share	Change
1	United States	47'526.80	16.56%	13.40%	1	China	71'014.37	23.42%	6.70%
2	China	34'389.91	11.98%	-7.72%	2	Japan	34'584.11	11.41%	-3.00%
3	Japan	24'669.06	8.59%	-1.30%	3	United States	18'025.94	5.95%	25.69%
4	Vietnam	13'235.08	4.61%	5.54%	4	United Arab Emirates	17'403.99	5.74%	89.67%
5	Malaysia	12'687.24	4.42%	5.06%	5	Malaysia	14'509.42	4.79%	20.79%
6	Australia	11'154.06	3.89%	1.77%	6	Taiwan	11'847.68	3.91%	12.69%
7	India	10'524.68	3.67%	22.54%	7	South Korea	10'136.61	3.34%	2.16%
8	Indonesia	10'326.43	3.60%	15.79%	8	Indonesia	9'709.20	3.20%	19.67%
9	Singapore	10'272.09	3.58%	13.39%	9	Singapore	8'261.92	2.72%	12.56%
10	Hong Kong	10'083.22	3.51%	-13.01%	10	Vietnam	7'958.72	2.62%	14.47%
11	Cambodia	8'675.30	3.02%	22.58%	11	Australia	7'234.86	2.39%	15.29%
12	Philippines	7'383.27	2.57%	4.35%	12	India	7'178.14	2.37%	12.05%
13	South Korea	6'388.46	2.23%	8.38%	13	Saudi Arabia	7'171.83	2.37%	25.80%
14	Netherlands	5'717.13	1.99%	7.21%	<b>14</b>	<b>Switzerland</b>	<b>7'066.49</b>	<b>2.33%</b>	<b>36.99%</b>
15	Germany	4'769.32	1.66%	-3.52%	15	Germany	6'077.65	2.00%	-2.34%
16	Taiwan	4'708.46	1.64%	0.77%	16	Qatar	4'451.50	1.47%	33.44%
17	Myanmar	4'696.58	1.64%	8.72%	17	Brazil	3'886.69	1.28%	15.00%
18	Lao PDR	4'540.00	1.58%	13.47%	18	Philippines	3'834.16	1.26%	1.05%
19	United Kingdom	4'035.66	1.41%	15.58%	19	Myanmar	3'530.87	1.16%	25.06%
20	United Arab Emirates	3'420.23	1.19%	22.19%	20	Lao PDR	3'339.15	1.10%	2.43%
<b>21</b>	<b>Switzerland</b>	<b>3'355.79</b>	<b>1.17%</b>	<b>138.13%</b>					
1	ASEAN	71'890.19	25.04%	10.35%	1	ASEAN	52'999.82	17.48%	15.93%
2	NAFTA	52'871.49	18.42%	13.41%	2	Middle East	35'946.28	11.86%	58.40%
3	EU <sup>82</sup>	22'794.43	7.94%	5.17%	3	NAFTA	20'107.54	6.63%	25.50%
4	Middle East	10'777.76	3.75%	20.98%	4	EU	18'243.67	6.02%	0.13%
	<b>Total</b>	<b>287'067.86</b>	<b>100%</b>	<b>5.54%</b>		<b>Total</b>	<b>303'190.67</b>	<b>100%</b>	<b>13.60%</b>

Source: Customs Department (Compiled by the Bank of Thailand)

<https://www.bot.or.th/English/Statistics/EconomicAndFinancial/ExternalSector/Pages/StatInternationalTrade.aspx>

<sup>81</sup> Change from the previous year in %<sup>82</sup> From January 2020 onwards, EU comprises 27 countries, and United Kingdom is excluded from the EU.

## ANNEX 4 – Bilateral trade

## Bilateral trade between Switzerland and the host country

	Export (CHF million)	Change (%)	Import (CHF million)	Change (%)	Balance (in million)	Volume (in million)
2018	3,766	5.7	2,598	-39.5	1,168	6,364
2019	2,102	-44.2	5,562	114.1	-3,460	7,664
2020	1,974	-6.1	7,654	37.6	-5,680	9,628
2021	3,920	98.6	1,751	-77.1	2,168	5,672
<b>2022</b>	<b>6,136</b>	<b>56.5</b>	<b>3,609</b>	<b>106.0</b>	<b>2,527</b>	<b>9,745</b>
	944	13.2	1,235	17.4	-291	2,179
<b>2023</b> (Jan-Apr)**	<b>839</b>	<b>-39.9</b>	<b>1,492</b>	<b>-41.8</b>	<b>-653</b>	<b>2,331</b>

\*Line 1: total including gold bars and other precious metals, currencies, precious stones and gems, works of art and antiques, line 2: total not including gold bars, etc.; \*\*Change (%) compared to the same period in 2022

Exports	2022	Value in CHF million	2021	CHF m
	(% of total)		(% of total)	
1. Precious metals, stones (including gold and silver) <sup>96</sup>	84.9	5,209.4	79.2	3,103.2
2. Clocks and watches and parts thereof	4.6	280.7	4.9	192.9
3. Pharmaceutical products	3.0	184.0	5.2	203.7
4. Electrical machinery and equipment <sup>97</sup>	2.0	123.8	2.7	104.5
5. Nuclear reactors, boilers, machinery <sup>98</sup>	1.3	79.1	2.1	83.7

Imports	2022	Value in CHF million	2021	CHF m
	(% of total)		(% of total)	
1. Precious Metals, stones (including gold and silver)	68.9	2,487.1	43.4	760.6
2. Clocks and watches and part thereof	5.9	211.6	10.8	189.6
3. Electrical machinery and equipment <sup>97</sup>	5.4	196.5	8.4	147.0
4. Nuclear reactors, boilers, machinery <sup>98</sup>	4.3	155.4	9.7	169.2
5. Leather <sup>99</sup>	1.8	64.3	2.4	42.4

Source: Federal Office for Customs and Border Security

<sup>96</sup> Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewelry; coin

<sup>97</sup> Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles

<sup>98</sup> Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof

<sup>99</sup> Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)



## ANNEX 5 – Main investing countries

## Main investing countries in the host country

Year: 2022

Rank	Country	Direct investment (USD Mn, stock)	Share	Variation (stock)	Inflows over past year (USD Mn)
1	Japan	93'050.37	30.20%	-1.80%	1'520.04
2	Singapore	61'528.09	19.97%	+12.09%	3'444.58
3	Hong Kong	26'619.18	8.64%	+6.41%	983.07
4	Netherlands	19'776.63	6.42%	+16.95%	942.26
5	United States	19'315.32	6.27%	+5.98%	964.68
6	China	12'162.63	3.95%	+7.33%	790.29
7	British Virgin Islands	9'533.95	3.09%	-0.66%	114.33
8	United Kingdom	8'228.77	2.67%	+2.32%	373.33
9	Mauritius	7'007.71	2.27%	+0.84%	392.30
10	Germany	5'836.18	1.89%	+4.13%	442.69
11	<i>Switzerland</i>	<i>5'101.49</i>	<i>1.66%</i>	<i>-19.88%</i>	<i>-468.13</i>
12	South Korea	5'008.09	1.63%	-0.02%	115.72
13	Cayman Islands	4'290.28	1.39%	-14.93%	472.03
14	Taiwan	4'150.22	1.35%	+2.31%	313.37
15	Malaysia	4'119.84	1.34%	-2.94%	110.29
16	France	2'883.69	0.94%	+2.11%	113.04
17	Australia	1'956.89	0.64%	-31.01%	-532.41
18	Luxembourg	1'066.21	0.35%	+4.98%	54.16
19	India	1'008.83	0.33%	-1.16%	2.75
20	Denmark	930.41	0.30%	+5.75%	30.90
	Total	308'122.30	100%	+3.42%	10'045.53

Source: Bank of Thailand,  
<https://www.bot.or.th/English/Statistics/EconomicAndFinancial/Pages/StatInternationalInvestmentPosition.aspx>