



Economic Report 2021

Thailand

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TAP, KUM, RSC

Executive Summary

- Die stark vom Tourismus und dem internationalen Handel abhängige Wirtschaft Thailands hat unter der COVID-19 Krise stark gelitten.
- Priorität haben kurz- und mittelfristig die Erholung vom massiven Schock der Krise und die Eindämmung der Folgen der Ukraine Krise (Inflation).
- Längerfristig tut das Land gut daran, die in diversen Strategien postulierten Anstrengungen im Hinblick auf wirtschaftliche Öffnung, Nachhaltigkeit und Innovationsförderung weiter voranzutreiben und die zahlreichen strukturellen Schwachstellen anzugehen.
- In Thailand finden spätestens im ersten Halbjahr 2023 nationale Wahlen statt (Unterhaus). Auch aus Perspektive der Wirtschaft ist zu hoffen, dass dieser Prozess geordnet ablaufen und es nicht zu grossen politischen Turbulenzen oder gar zu einem erneuten Eingreifen der Armee in die Regierungsbildung kommen wird.
- Aus Sicht der Schweiz gilt der im Juni 2022 erfolgte Wiederaufnahme der Verhandlungen zwischen der EFTA und Thailand für ein FTA ein besonderes Augenmerk. Ein umfassendes FTA mit Thailand dürfte die bilateralen Wirtschafts- und Handelsbeziehungen namhaft stärken und weitere Opportunitäten für Schweizer Unternehmen eröffnen.
- Thailand ist der 19. Handelspartner der Schweiz und ihr zweitgrösster Partner in Südostasien (nach Singapur).
- Die Schweiz ist Thailands 22. Handelspartner, 11. ausländischer Investor und zweitgrösster europäischer Partner (nach Deutschland) mit einem bilateralen Handelsvolumen von CHF 5,6 Milliarden im Jahr 2021 (-58,3%).

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

Slow recovery, high inflation and structural challenges: The economy grew by only 1.6% in 2021, mainly due to the negative impacts of the COVID-19 pandemic. In 2022 the pace of economic growth is expected to accelerate moderately in the range of 2.0 - 3.5%, a rate which lags behind other countries in the region. Even before COVID-19, Thailand's economic growth was slowing from 4.2% in 2018 to 2.4% in 2019. The pandemic has exacerbated the country's existing vulnerabilities and put its economy in severe recession, with a GDP contraction of 6.2% in 2020.

The Ukraine-crisis has triggered a surge in energy and commodity prices and the inflation rate hit a 14-year high at 7.66% in June 2022, which clearly breached the top end of the central bank's target headline inflation range (1% - 3%)¹. The average consumer price inflation for 2022 is expected to reach 6.2%, up from 1.2% in 2021. The Government's economic policy for 2022 focuses on controlling the pandemic, reviving the tourist sector, which was hardest hit by the pandemic, reducing the worryingly high private household debt levels², moderating inflationary tendencies and provide assistance to those most vulnerable to rising inflation.³ It will also refocus on the mid- to long-term objective of improving economic competitiveness and transforming the country into a sophisticated manufacturing and technology hub. To contain rising prices, the Bank of Thailand (BOT) is expected to raise its interest rate from a record low of 0.5% at the next policy meeting in August. It has kept the rate unchanged since May 2020⁴.

Export and tourism remain the two main engines of Thailand's economic growth for 2022. Export is anticipated to expand by 7.3%⁵, supported by recovery in global demand and combined with greater regionalization through the *Regional Comprehensive Economic Partnership* (RCEP) which is implemented since the start of 2022⁶. Since November 2021, the Thai government has gradually reopened the country's borders to international visitors. However, pre-COVID visitor levels are not expected before 2024 and visitor numbers from China and Russia, two of Thailand's major sources of tourists, are expected to remain subdued.

Structure of the economy: Thailand is the second largest economy in South-East Asia behind Indonesia and a typical middle-income country. The economic model is export-oriented and based on labor-intensive production and foreign investment. Tourism is a key sector of the economy, accounting for about one-fifth of economic output (pre-Covid-19 pandemic). The ambitious industrial policy goal of developing Thailand into a highly developed manufacturing and technology hub will require significant structural reforms. This includes further opening up the economy for investment, competition and labor and modernizing the education system.

Structural challenges have tended to hinder Thailand's development for several years: a large informal economy that occupies more than 54% of the workforce⁷, high levels of inequality⁸ and the persistence of pockets of poverty (the poverty rate was 7.4% in 2020 before declining to 6.4% in 2021⁹), 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

¹ Nikkei Asia, Thai inflation hits 14-year high in June as rate hike looms, [link](#).

² <https://tradingeconomics.com/thailand/households-debt-to-gdp>

³ Bangkok Post, Growth cut due to inflation, slowdown, May 2022, [link](#).

⁴ Reuters, Thai June inflation hits 14-year high as rate hike looms, July 2022 [link](#)

⁵ NESDC Thai Economic performance in Q1 of 2022 and the outlook for 2022, May 2022.

⁶ Krungsri Research "2022-2024 Thailand industry outlook", January 2022, [link](#).

⁷ 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](#).

⁸ According to a study by Credit Suisse ("Global Wealth Report 2019"), Thailand has the highest inequality among ASEAN countries and is the fourth most unequal country in the world.

⁹ 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).

population over 65 years of age will rise from 13% to 30% by 2050) and rising level of household debts (89.3% of GDP at the end of 2021)¹⁰.

The industrial production is mainly automotive, electronics, textile and construction. In services, tourism dominates, as well as telecommunications and finance. In 2021, agriculture generated 6.1% of GDP¹¹ while industry and services dominated with 31.7% and 60.8% respectively.¹² From a social and political point of view, however, the agricultural sector is much more important, employing 31.9% of the workforce.¹³ Usually an easy sector to access during an employment crisis, the agricultural sector is now having great difficulty absorbing the labor surplus associated with the crisis COVID-19.¹⁴

The official unemployment rate remained very low in 2021 (about 1.5%¹⁵) but this does not capture the detail of the informal economy or the precarious or seasonal nature of some activities. In 2019, two-thirds of jobs in rural areas were informal compared to 40% in urban areas.¹⁶ Since 2014, about one-third of jobs are self-employed.¹⁷ 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 work mainly in manufacturing (36% of migrant workers), agriculture, forestry, and fisheries (24%), wholesale and retail (12%), and construction (8%).¹⁸ Constituting over 10% of the total labor, their work is thought to contribute between 4.3 and 6.6% of Thailand's GDP.¹⁹

The COVID-19 Crisis: On 26 March 2020 the government declared a state of national emergency and has since launched a series of economic stimulus programs amounting to at least 9.6% of GDP (CHF 42 billion)²⁰. Half of the budget was earmarked for measures to support large, small and medium-sized enterprises (low-interest loans, longer debt repayment periods and lower tax rates). The other half was earmarked for direct financial support to workers, farmers, and entrepreneurs affected by the pandemic.

Faced with the third and worst wave of COVID-19, the government introduced additional support measures in May 2021 for a total of CHF 6.5 billion and resumed a cash distribution program for the vulnerable population alongside consumption subsidies for middle- and high-income households, reduced mortgage costs for new homeowners, reduced electricity and water costs, postponement of the deadline for paying taxes. These measures no longer targeted just the poorest, but also higher income households. On 25 May 2021, the King approved a second emergency decree allowing the Ministry of Finance to take out a new loan of CHF 14 billion to support lockdown relief schemes, economic revival, and the purchase of medical equipment. To allow for more fiscal space, Thailand has raised its public debt ceiling from 60% to 70% of debt-to-GDP ratio in September 2021.²¹ The public debt-to-GDP ratio is expected to reach 62% at the end of fiscal 2022, (the March's figure stood at 59.9%)²². That said, expensive relief measures have already been phased out since late 2021, and further withdrawal of stimulus will continue in 2022 amid concern over the surging debt stock.²³ As of May 2022, the government had around 40 billion baht (CHF 1.1 billion) left under the second loan decree²⁴.

¹⁰ NESDC Thailand Social's Outlook of Q4/2021 and overview of 2021 [link](#)

¹¹ Reuters, Thai Q1 jobless rate at 12-year high amid virus outbreaks, May 2021, [link](#).

¹² Annex 1

¹³ Annex 1

¹⁴ Financial Times, Thailand's Covid crisis exposes the reality of 2% unemployment, August 2021, [link](#)

¹⁵ Annex 4

¹⁶ Labor market data during the COVID-19 outbreak, Thailand Economic Monitor, January 2021, World Bank: [link](#)

¹⁷ Labor market data during the COVID-19 outbreak, Thailand Economic Monitor, January 2021, World Bank: [link](#)

¹⁸ Table 5.A1.1. Employment by sector, origin and sex (12th line), How Immigrants Contribute to Thailand's Economy, OECD, 2017, [link](#)

¹⁹ United Nations Thailand, Migrants key to pandemic rebuild, December 2021, [link](#)

²⁰ IMF Policy responses to COVID-19, [link](#)

²¹ Bloomberg, Thailand Lifts Debt-to-GDP Cap to 70% to Aid Economy Rebuild, September 2021, [link](#)

²² Bangkok Post, Debt ceiling deemed ample, March 2022, [link](#)

²³ Economist Intelligence Unit May 2022

²⁴ Bangkok Post, Shift in economic structure urged, May 2022, [link](#)

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

Thailand pursues a **20-year national economic strategy** prepared by the National Economic and Social Development Council (NESDC). It is divided into five-year action plans. The 13th National Economic and Social Development Plan, to be implemented from 2023 to 2027 combines the United Nations' *Sustainable Development Goals* and the *Bio-, Circular, and Green* (BCG) economic model²⁵ and **focuses on eight areas**: climate change, digital technology, health and wellness, promotion of SME, promotion of affluent and medical tourism, strengthening of social safety, managing the challenges related to an ageing society and fiscal sustainability²⁶.

The **“Thailand 4.0” policy** remains the **economic blueprint for the country's transformation into a sophisticated manufacturing and innovation-based technology hub**²⁷. Under this policy, **foreign companies specializing in advanced technologies** or the so-called *S-curve industries*²⁸ are **incentivised to invest in Thailand**.

The Thai 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.

In terms of the **automotive sector**, Prime Minister Prayut Chan-o-cha appointed the National Electric Vehicle Policy Committee in 2020 to set a direction for the **shift towards zero-emission mobility**²⁹. Thailand is known as the *“Detroit of Asia”* due to its high concentration of automotive industries. It's currently Southeast Asia's biggest and the world's 11th largest auto production base³⁰. To maintain its stronghold in the industry, the government embraces the global shift towards EV, and announced a **target to transform 30% of the total production to EVs by 2030 (the 30/30 policy)**³¹. In February 2022, the cabinet approved two rounds of incentive packages to encourage EV production and purchases, which include price subsidies ranging from CHF 2'000 to 4'000 for buying an EV in Thailand, as well as exemption or reduction of import duties and excise tax on electrical parts. The programs are expected to use CHF 8.4 million from the central budget in the first year and CHF 1.1 billion over the period between 2023 and 2025.³² The Board of Investment (BOI) also announced a promotion package in late 2020 with a focus on battery electric vehicles (BEVs), local production of critical parts, and inclusion of all commercial vehicles and ships³³.

Similarly, the BOI approved the roll out of tax and non-tax incentives to **boost Thailand's competitiveness in healthcare. Exemption or reduction of corporate income tax is being granted to investment activities in the medical industry including clinical research. Medical biotechnologies such as vaccines, genomics, and biopharmaceuticals is set as a priority sector** to promote a post-COVID-19 recovery and tackle the rise of Thailand's aging population. The government launched the Genomics Thailand Initiative to sequence the genomes of 50,000 individuals and create a genomic database enabling **precision medicine**³⁴. In 2021, the BOI approved additional incentives for investors in the new genomics special

²⁵ 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.

²⁶ Bangkok Post, PM pushes five economic goals, September 2021 [link](#)

²⁷ Economist Intelligence Unit May 2022

²⁸ The S-curve industries are defined by Thailand as the industries with intensive innovation and technology.

²⁹ The Nation, Plugging into the future with EV mobility, May 2022 [link](#)

³⁰ Reuters, Toyota's Thai unit agrees to boost EV incentives, April 2022 [link](#)

³¹ Bloomberg, Thailand targets 30% electric-car production to tackle pollution [link](#)

³² Bangkok Post, Bid to shift EVs into overdrive, February 2022 [link](#)

³³ Thailand Board of Investment [link](#)

³⁴ Thailand Board of Investment, Biopharmaceutical Industry [link](#)

promotion zone, located in the Eastern Economic Corridor (EEC) area³⁵. The **EEC** plays an important role as a **regulatory sandbox** for **targeted industries** such as **pharmaceuticals and medical devices**. 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 processes, FDA approval, and other licensing processes³⁶.

Opportunities for Swiss companies

The incentivisation policies for companies in the aforementioned sectors targeted under Thailand 4.0 and the so called S-curve industries provide **opportunities for Swiss companies interested in operating in Thailand:**

- next generation automotive industry
- medical and wellness tourism
- smart electronics
- digital solutions
- food
- agriculture and biotechnology
- robotics
- logistics and aviation
- biofuels and biochemical
- medical services

The policies have already attracted foreign direct investment (FDI), especially greenfield investment. However, the overall growth of both greenfield FDI and cross-border M&A stocks in most target sectors is still relatively modest and there is still a high potential for further FDI expansion in those sectors³⁷.

Many foreign companies have also contributed to local skills development and continued to establish R&D centres, including centres of excellence for the development and application of Industry 4.0 technologies.

Schaeffler EMC, for instance, expanded their manufacturing facility in Thailand to apply industry 4.0 solutions to the auto-part production. In 2019, chemicals company Clariant AG started an engineering service centre in Thailand³⁸. In June 2022, two Swiss companies ABB and Roche signed their respective MoU with the office of the Eastern Economic Corridor (EEC) to establish an ABB training centre to improve local skills in electrification, automation, and EV. The EEC will cooperate with Roche to employ high-level technologies to support the precision and personalized healthcare domain³⁹. Thailand is also a platform for Swiss companies to develop sales and distribution activities in the Mekong sub-region.

³⁵ Bangkok Post, BOI adds Genomics Thailand Project, January 2021 [link](#)

³⁶ According to the government's economic taskforce under Deputy Prime Minister Supattanapong Punmechaow

³⁷ OECD "Investment Policy Reviews: Thailand" 2021.

³⁸ According to ASEAN Investment Report 2020-2021: Investing in Industry 4.0

³⁹ Bangkok Post, Bid to help HR flourish in EEC, June 2021 [link](#)

3 FOREIGN ECONOMIC POLICY

3.1 Host country's policy and priorities

EFTA-Thailand Free Trade Agreement

Switzerland is seeking to conclude a free trade agreement (FTA) with Thailand through the European Free Trade Association (EFTA). The project and negotiations were suspended after the military coup in 2006, after two rounds of negotiations had already taken place. After the Thai parliament renewed the negotiating mandate in October 2013, the military coup in May 2014 led to a further suspension of negotiations.

Following the general elections in Thailand in 2019, EFTA formally proposed to Thailand that negotiations be resumed. Exploratory talks were initiated in 2020 and completed in spring 2022. On 7 June 2022, Thailand's cabinet approved the negotiation framework for a potential free trade deal. Both sides announced the re-launch of FTA talks on 20 June at the EFTA Ministerial Conference in Iceland. The first round of negotiations took place in Bangkok in the last week of June 2022 in a positive atmosphere.

Previously, the Thai Ministry of Commerce had studied the FTA and found that Thailand's GDP could grow at an annual rate of 0.179 percent. However, it needs to consider support measures for those who will face negative impacts from increased protection of intellectual property and labor rights under a future FTA.

A visit of the EFTA Parliamentary Committee to Thailand is planned for 5-9 September 2022.

Other free trade agreements

Thailand has signed and implemented bilateral FTAs with China (2003), India (2004 – Early Harvest Scheme), Australia and New Zealand (2005), Japan (2007), Peru (2011), and Chile (2015). Other FTAs still under discussion include FTAs with China and India (more comprehensive agreements), and the Eurasian Economic Union (EAEU)⁴⁰. Negotiations have been initiated with Pakistan and Turkey since 2015 and 2018 with Sri Lanka. Exploratory talks with Canada and the United Kingdom have taken place in 2019. Negotiations on an FTA with the EU were put on hold after the 2014 coup. At the end of 2017, the Council of the EU decided to resume political contacts at all levels and to explore with Thailand the possibilities of pursuing negotiations on an FTA.⁴¹ At a virtual meeting between Thailand and the EU in October 2020, both parties confirmed their willingness to resume talks on an FTA.⁴² The Trade Negotiations Department of Thailand targets concluding the negotiation framework on an FTA with the EU and wrapping up FTA negotiations with Turkey and Pakistan within 2022⁴³.

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 (2004), Japan (2009), South Korea (2010), India (2010), and Australia and New Zealand (2010). In the view of Thailand's Department of Trade Negotiations, Thailand has proven itself to be a dynamic force for regional multilateralism through the construction of ASEAN and more recently through the negotiation of RCEP⁴⁴, which combines the 5 FTAs ASEAN has with its trading partners (all above except India) into one unified agreement. The RCEP entered into force in January 2022, becoming the world's largest trading and investment market with a combined size of 30% of global GDP.

⁴⁰ Member states of the EAEU include Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia.

⁴¹ Text of the decision of the Council, Consilium Europa, [link](#)

⁴² Bangkok Post, EU set to Resume FTA talks with Thailand, October 2020, [link](#)

⁴³ Bangkok Post, Department upbeat on negotiations, February 2022, [link](#)

⁴⁴ European Association for Business & Commerce (EABC) 2022 Position Paper, January 2022, [link](#)

Assuming the chairmanships of the Asia-Pacific Economic Cooperation (APEC) and the Bay of Bengal Initiative of Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)⁴⁵ in 2022, Thailand is currently in the driver's seat in two economic cooperation frameworks. In May 2022, Commerce Minister and Deputy Prime Minister Jurin Laksanawisit announced a plan to transition APEC into what he called the *Free Trade Area of the Asia-Pacific* (FTAAP) by 2040⁴⁶. In addition, Thailand has announced its intention to join the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP), but the consultative process and analysis of the terms necessary for accession have been extensive and drawn out. 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.

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

Switzerland and Thailand have bilateral agreements on the mutual protection of investment (1990)⁴⁷ and the Avoidance of Double Taxation (1996)⁴⁸ completed. There is little potential for discrimination, as both agreements aim to eliminate such a practice.

However, pending a free trade agreement with Thailand (within the EFTA framework), Switzerland risks disadvantages vis-à-vis competitors that have concluded or are in the process of concluding a free trade regime with Thailand. At the same time, Thailand risks being at a disadvantage in the EFTA, as other ASEAN countries and countries in the region have already concluded agreements or started negotiations with EFTA or its members.⁴⁹

At the multilateral level, rules and exceptions of the WTO regime have occasionally been used by Thailand to justify discriminatory practices (compulsory licensing on pharmaceuticals and "antidumping" duties on imports). In general, Thailand is interested in the further development of the world trade regime.

4 FOREIGN TRADE

4.1 Developments and general outlook

The trade in goods balance continued to show a large surplus of 7.0% of GDP in the third quarter of 2021, while the trade in services deficit widened from 3.1% of GDP in 2020 to 7.2% of GDP in the first half of 2021, largely reflecting the collapse of tourism receipts and rising freight costs.⁵⁰

4.1.1 Trade in goods

Thai exports increased by 17% in 2021 compared to 2020 (about 271 billion CHF)⁵¹. The main products exported in 2021 were machinery (especially computers and electrical machinery and equipment) (31.8%), automobiles (11.9%), rubber and rubber articles (7.4%), plastics (5.8%); gems and precious metal (3.7%), mineral fuels (3.6%), various food products (4.5%) and organic chemicals (2.1%)⁵². **The majority of these products were exported to the United**

⁴⁵ Bay of Bengal Initiative of Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) has a total of seven member countries- five from South Asia (Bangladesh, Bhutan, India, Nepal, and Sri Lanka), and two from Southeast Asia (Myanmar and Thailand).

⁴⁶ APEC Ministers Responsible for Trade Statement of Chair, [link](#)

⁴⁷ Agreement between the Swiss Confederation and the Kingdom of Thailand on the Promotion and Reciprocal Protection of Investments, [link](#)

⁴⁸ Abkommen zwischen der Schweizerischen Eidgenossenschaft und dem Königreich Thailand zur Vermeidung der Doppelbesteuerung auf dem Gebiet der Steuern vom Einkommen, [link](#)

⁴⁹ EFTA, Free Trade Agreements and Trade Relations by Partners, [link](#)

⁵⁰ World Bank Group, Thailand Economic Monitor Living with Covid in a digital world, December 2021

⁵¹ Annex 3

⁵² World's top exports <https://www.worldstopexports.com/thailands-top-10-exports/>

States (15.4%), China (13.7%) and Japan (9.2%). Switzerland is the 31st largest destination (it was the 10th in 2020), receiving 0.52% of Thai exports.⁵³

Thai imports increased by 29.8% in 2021 and accounted for about 267 billion USD. The majority of Thailand's imports came from China (24.8%), ASEAN (17.11%), Japan (13.3%), EU (7.6%) and United States (5.4%). **Switzerland is the source of 1.9% of Thai imports, and is the 15th largest country of origin (it was 20th in 2020).**

Import legislation: In the 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 – especially food processing and agriculture (especially rice cultivation and pig, poultry and, to a slightly lesser extent, cattle farming) and the service sector in general – are strongly protected by protectionist measures.

4.1.2 Trade in services

After a growth in 2019, imports of services have decreased by 61% in 2020 while exports of services have decreased by 18%⁵⁴. There is no data available to assess the development of trade in services in 2021.

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.**

Tourism: According to the World Travel & Tourism Council, **tourism has directly and indirectly generated 5.8% of Thailand's GDP in 2020⁵⁵. In 2019, this figure was 20.3%.** Following the closure of Thailand's borders in March 2020, as a response to the COVID-19 pandemic, the tourism sector has suffered greatly. Since early May 2022, tourists from all countries are allowed to visit Thailand without a quarantine (unvaccinated tourists have to present a PCR at arrival). **A gradual recovery of the tourism sector can now be observed:** 1.3 million international tourists visited Thailand during the period of January to May 2022⁵⁶, compared to 34'753 for the same period in 2021⁵⁷. The Thailand Monthly Economic Monitor from the World Bank (May 2022) states that: **"Tourist arrivals are projected to increase to around 6 million in 2022 or 16% of arrivals in 2019. However, the recovery is likely to be gradual due remaining COVID concerns, continued travel restrictions by China, and the Ukraine–Russia war impact on travel sentiments"** (p.2)⁵⁸.

The tourism sector accounted for 18.1% of employment in 2021 of the country against 21.8% in 2019 (-15%)⁵⁹. Revenue generated by international visitor spending fell by -93.73% in 2021 to CHF 3.4 billion, compared to CHF 54.25 billion in 2019 (-74.2% compared to 2020)⁶⁰. The decline in revenue generated by domestic tourism is less significant (-26.64% compared to 2019), with CHF 17.39 billion in revenue (+8.5% compared to 2020), making domestic tourism more lucrative than international tourism in 2021⁶¹. **Between 2019 and 2021, the number of foreign tourists decreased by 98.9% from 39.9 million to 427'869** (2021 was worse than 2020 which saw 6.7 million of tourists)⁶². Tourists in 2021 came mainly from Germany, the United Kingdom, the United States, Russia and France (China, Malaysia, Russia, Laos and Japan in 2019).

⁵³ Annex 3

⁵⁴ World Trade Organisation Statistics, [link](#)

⁵⁵ World Travel & Tourism Council, Thailand Report, [link](#)

⁵⁶ Ministry of Tourism and Sport, International Tourist Arrival, [link](#)

⁵⁷ Ministry of Tourism and Sport, International Tourist Arrivals, [link](#)

⁵⁸ World Bank, Thailand Monthly Economic Monitor, [link](#)

⁵⁹ World Travel & Tourism Council, Thailand Report, [lien](#)

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Ministry of Tourism and Sport, International Tourist Arrivals (2021), [link](#)

4.2 Bilateral trade

4.2.1 Trade in goods

In 2021, Thailand was Switzerland's 2nd largest trading partner in Southeast Asia (behind Singapore⁶³) and 19th largest partner worldwide⁶⁴. Switzerland is Thailand's 22nd largest partner worldwide and its 2nd European trading partner⁶⁵.

According to Swiss customs figures, the **bilateral trade volume in 2021** amounted to CHF 5.7 billion, representing a **decrease of 41% between 2020 and 2021**. In 2021, Switzerland's exports to Thailand were CHF 3.9 billion. This represents an increase from 2020 (CHF 1.9 billion) and 2019 (CHF 2.1 billion).⁶⁶ Switzerland has thus climbed from 20th (2020) to 15th (2021) place among Thailand's import sources⁶⁷. Swiss imports from Thailand, decreased from 10th to 31st place among Thai export destination⁶⁸.

Gold and precious metals are both the first products exported from Switzerland to Thailand (76.4%) and the first source of Swiss imports from Thailand (33.6%) in 2021. Machinery is no longer a major Swiss export (yet second largest Swiss export in 2019).

If gold and precious metals are excluded from bilateral trade in 2021⁶⁹:

- 1) Swiss exports amount to CHF 834.2 million (+5.3%) and imports CHF 1'053 million (+18.3%), which would represent an increase in trade (+12.2%) compared to 2020⁷⁰ for a total business volume of 1.9 billion CHF.
- 2) The main Swiss exports to Thailand are products of the chemical and pharmaceutical products (CHF 203.7 million, +7.4%), watches (CHF 192.9 million, +37.2%) and precious stones and semi-precious stones (CHF 34.4 million, +13.6%).
- 3) The main imports from Thailand to Switzerland are watches (CHF 189.6 million, +30.6%), machines (CHF 169.3 million, +24.5%) and precious stones and gemstones (CHF 104.0 million, +216.1%).

4.2.2 Trade in services

Swiss tourists represented 2.7% of international tourists in Thailand in 2021 (0.5% in 2020). If the share has increased, the volume has decreased from 51'500 in 2020 to 11'500 in 2021. Prospects are more positive for 2022, as 16'270 Swiss tourists visited Thailand from January to May 2022, compared to 856 for the same period in 2021⁷¹. **Apart from tourism, no statistics are available on trade in services.**

5 DIRECT INVESTMENT

5.1 Developments and general outlook

The **cumulative stock of foreign direct investments (FDI)** amounted to USD 280.8 billion in 2021, a **3.4% reduction** from USD 290.8 billion in 2020. **Japan maintains its traditional 1st place as the largest source of investment** (32.4% of the total FDI stock), followed by Singapore, Hong Kong, and the United States. **Switzerland is in the 11th position in this ranking.** Overall, investment from most of the top countries fell. Exceptions were the Netherlands (+2.9%), China (+2.8%), Mauritius (+2.8%), and Switzerland (+15.4%), from which FDI stock rose⁷².

⁶³ Federal Office for Customs and Border Security, [link](#)

⁶⁴ Federal Office for Customs and Border Security, [link](#)

⁶⁵ Annex 3

⁶⁶ Annex 4

⁶⁷ Annex 3

⁶⁸ Annex 3

⁶⁹ Annexe 4

⁷⁰ Federal Office for Customs and Border Security, [link](#)

⁷¹ Ministry of Tourism and Sport, International Tourist Arrivals (2021), [link](#); Ministry of Tourism and Sport, International Tourist Arrival, [link](#)

⁷² Annex 5

Thailand reported a USD 11.42 billion in net inflow in 2021⁷³. The largest portion of FDI went to manufacturing (47.6%), followed by financial and insurance activities (23.9%), real estate business (10.7%) and wholesale and retail trade (9.2%)⁷⁴.

Foreign investment is particularly welcome in higher technology sectors and is promoted by the Board of Investment (BOI) under the Prime Minister's Office. This generally entails the provision of generous **tax breaks and more accessible working visas for foreign investors and professionals in target industries and services.** With the introduction of Thailand 4.0, the country's economic development has moved towards a geographically concentrated strategy, namely the **Eastern Economic Corridor (EEC)**⁷⁵. This 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 the Asia Pacific as well as the establishment of industrial clusters within the EEC (such as "EECi" to promote innovation)⁷⁶. 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 drawing in CHF 56 billion of investments (especially foreign investments) in new targeted S-curve industries and BCG projects.⁷⁷

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 Act⁷⁸. In recent years, a few amendments to the FBA have narrowed the list of restricted activities⁷⁹. This was followed by the new Custom Act (2017), the Competition Enhancement Act (2017), the Procurement Act (2017) and the EEC Act (2018) and the government continues to contemplate further FDI liberalization. **Illustrating this progress, Thailand has climbed well up the World Bank's Ease of Doing Business Ranking from 46th (2016) to 21st (2020)⁸⁰. Before the 2014 military coup, it was ranked 18th (2013).**

In reviving the economy post-COVID-19, the government has set up a special taskforce to accelerate direct investments, under the supervision of Supattanapong Punmeechaow, Deputy Prime Minister in charge of economic affairs and the energy ministry. The team introduced measures to facilitate FDI in strategically relevant sectors. This goes hand in hand with the development of new categories of the new long-term resident (LTR) visa, as incentives to attract foreigners to stay longer term in Thailand and facilitate skill transfer to the local workforce. There are four categories of the LTR visa: (1) high-skilled professionals in specific industries (2) high-income earners or investors through FDI (3) digital nomads and (4) foreign pensioners⁸¹.

5.2 Bilateral investment

According to figures of the Bank of Thailand, **in 2021, Swiss inward investment to Thailand (FDI stock) totals USD 5.7 billion, an increase of 15.4% from 2020** (compared to +6.5% between 2019 and 2020). As a result, **Switzerland** climbs two spots from 13th in 2020, and currently **ranks the 11th biggest foreign investor and the 3rd largest European investor**

⁷³ Annex 5

⁷⁴ EC_XT_059 Foreign Direct Investment Classified by Business Sector [link](#)

⁷⁵ OECD "Investment Policy Reviews: Thailand" 2021.

⁷⁶ Reuters, Thailand's Eastern Economic Corridor. Southeast Asia's New Engine of Growth [link](#)

⁷⁷ The Eastern Economic Corridor Policy Committee's Meeting (1/2022).

⁷⁸ OECD "Investment Policy Reviews: Thailand" 2021.

⁷⁹ 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.

⁸⁰ [World Bank, Doing Business](#)

⁸¹ Thai PBS World, Thailand's long-term 'high potential' resident visa fee to be halved to 50'000 baht, March 2022, [link](#)

in Thailand after the Netherlands and the United Kingdom.⁸² Thai FDI stock in Switzerland amounts to USD 233.3 million in 2021⁸³.

According to the Swiss National Bank, Swiss FDI in Thailand (stock) amounted to CHF 3.3 billion in 2020⁸⁴ with investments of CHF 350 million in 2020⁸⁵.

No figures from the Swiss National Bank are available for direct investment flows and stocks from Thailand to Switzerland

Interesting opportunities for outsourcing production should continue to arise for Swiss investors. However, no significant new Swiss investments have become known since 2009. Most new investments were made in the production expansion of existing plants. 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 2019, private bank Julius Baer launched a joint venture together with Siam Commercial Bank to offer wealth management services to wealthy Thais. Julius Baer is the fourth Swiss private bank to enter the Thai market, after Credit Suisse, Lombard Odier and UBS. 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.⁸⁶

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

The Embassy works closely with the *Swiss-Thai Chamber of Commerce* (STCC, www.swissthai.com) which comprises the Swiss business community in Thailand, whose origins date back to the 19th century. The Chamber currently has over 160 members. In September 2021, the **STCC moved to an office within the embassy compound**. In 2020, S-GE and STCC signed a cooperation agreement on trade promotion for the benefit of Swiss and Liechtenstein companies, strengthening the implementation of S-GE's mandate in Thailand.

The Swiss Embassy in Bangkok provides basic services to S-GE and carries out trade promotion mandates. In 2019, S-GE had organized for the first time a Swiss pavilion with Swiss companies at the ProPak Asia (processing and packaging trade exhibition) in Bangkok. After postponements of the event due to the COVID-19 situation, Switzerland participated again between 15 and 18 June 2022.

The umbrella organization of foreign chambers of commerce in Thailand, *Joint Foreign Chambers of Commerce of Thailand* (JFCCT), is the most important lobby group for foreign investors in Thailand and maintains relations with all relevant government agencies.

Country promotion in Thailand is handled by the Swiss Embassy. 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.

⁸² Annex 5

⁸³ Bank of Thailand, EC_XT_074 Thai Direct Investment Abroad (Outflow), [link](#)

⁸⁴ Swiss National Bank, Swiss direct investment abroad, by country and country group [link](#)

⁸⁵ Swiss National Bank, Swiss direct investment abroad, by country and country group [link](#)

⁸⁶ Bangkok Post, Central in \$1bn venture to buy Swiss mall, February 2020, [link](#)

6.2 The host country's interest in Switzerland

Switzerland is one of the most popular destinations in Europe for Thai tourists. This is due to the good image of our country, as well as the traditional relations of the royal family with Lausanne and other places in Switzerland. However, due to the distance and high travel costs, Switzerland remains out of reach for the majority of Thai consumers, despite annual growth rates. 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 Swiss 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 few 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 to allow 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. In particular large Thai companies are now financially stronger, act more confident 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).

Switzerland is traditionally known for its highly regarded financial services, especially in the private banking sector. The professional customer service, global networking and good performance of Swiss financial service providers are crucial for Thai players. The Swiss fintech sector (e.g. Crypto Valley in Zug) is also likely to attract increasing interest in Thailand in the coming years.

ANNEX 1 – Economic structure

Economic structure of the host country

	2016	2021p ⁸⁷
Distribution of GDP		
Primary Sector	6.08%	6.14%
Agriculture, forestry and fishing	6.08%	6.14%
Manufacturing Sector	33.02%	31.69%
Mining and quarrying	2.46%	1.82%
Manufacturing	27.25%	26.80%
Electricity, gas, steam and air conditioning supply	2.86%	2.62%
Water supply; sewerage, waste management and remediation activities	0.47%	0.53%
Services	60.21%	60.81%
Construction	2.89%	2.85%
Wholesale and retail trade; repair of motor vehicles and motorcycles	14.21%	15.57%
Transportation and storage	6.39%	5.19%
Accommodation and food service activities	5.41%	3.51%
Information and communication	4.78%	6.04%
Financial and insurance activities	6.97%	8.21%
Real estate activities	3.68%	4.17%
Professional, scientific and technical activities	1.95%	1.88%
Administrative and support service activities	1.72%	1.31%
Public administration and defence; compulsory social security	5.09%	5.08%
Education	3.23%	3.18%
Human health and social work activities	2.14%	2.44%
Arts, entertainment and recreation	0.81%	1.00%
Other service activities	1.45%	1.38%
Activities of households as employers	0.18%	0.16%

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

	2016	2021
Distribution of Employment		
Primary Sector	31.16%	31.85%
Agriculture, forestry and fishing	31.16%	31.85%
Manufacturing Sector	17.44%	16.39%
Mining and quarrying	0.18%	0.14%
Manufacturing	16.68%	15.68%
Electricity, gas, steam and air conditioning supply	0.32%	0.30%
Water supply; sewerage, waste management and remediation activities	0.25%	0.26%
Services	51.19%	51.62%
Construction	6.24%	5.85%
Wholesale and retail trade; repair of motor vehicles and motorcycles	16.80%	16.57%
Transportation and storage	3.18%	3.61%
Accommodation and food service activities	7.24%	7.37%
Information and communication	0.61%	0.53%
Financial and insurance activities	1.45%	1.32%
Real estate activities	0.49%	0.66%
Professional, scientific and technical activities	0.94%	1.06%
Administrative and support service activities	1.54%	1.45%
Public administration and defence; compulsory social security	4.19%	4.43%
Education	3.14%	3.00%
Human health and social work activities	1.87%	2.02%
Arts, entertainment and recreation	0.67%	0.71%
Other service activities	2.20%	2.42%

⁸⁷ 2021p is the latest available data

Activities of households as employers	0.61%	0.61%
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Source: National Statistical Office (Compiled by the Bank of Thailand), www.bot.or.th

ANNEX 2 – Main economic data

Host country's main economic data

	2020	2021	Projection 2022
GDP (USD bn)*	500.29	513.17	522.01
GDP per capita (USD)*	7'170	7'340	7'450
Growth rate (% of GDP)*	-6.2	1.6	3.3
Inflation rate (%)^{*88}	-0.8	1.2	3.5
Unemployment rate (%)*	2	1.5	1
Fiscal balance (% of GDP)⁸⁹	-4.71	-7.85	-6.06
Current account balance (% of GDP)*	4.2	-2.1	-0.1
Total external debt (% of GDP)**	37.9	36.2 (projection)	36.0
Debt-service ratio (% of exports)**	6.3	7.3 (projection)	7.3
Reserves (months of imports)**	16	15.2 (projection)	14.2

* Source: IMF, World Economic Outlook (indicate the month and year of publication)

- www.imf.org/external/pubs/ft/weo

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

- <https://www.imf.org/en/News/Articles/2021/06/02/pr21154-thailand-imf-executive-board-concludes-2021-article-iv-consultation#:~:text=Washington%2C%20DC%3A%20On%20May%202017%2C%202021%2C%20the%20Executive,policy%20package%20of%20fiscal%2C%20monetary%2C%20and%20financial%20policies>

⁸⁸ Consumer Prices annual percent change

⁸⁹ IMF Fiscal Monitor, April 2022

ANNEX 3 – Trade partners

Trade partners of the host country Year: 2021

Rank	Country	Exports from Thailand (USD million)	Share	Change ⁹⁰	Rank	Country	Imports to Thailand (USD million)	Share	Change
1	United States	41'768.11	15.40%	21.49%	1	China	66'546.31	24.87%	33.63%
2	China	37'203.82	13.72%	24.79%	2	Japan	35'685.28	13.34%	28.89%
3	Japan	24'985.35	9.21%	9.55%	3	United States	14'424.31	5.39%	-2.59%
4	Vietnam	12'538.52	4.62%	12.28%	4	Malaysia	12'018.14	4.49%	18.47%
5	Malaysia	12'058.24	4.45%	38.05%	5	Taiwan	10'509.23	3.93%	27.47%
6	Hong Kong	11'589.4	4.27%	2.63%	6	South Korea	9'918.80	3.71%	29.29%
7	Australia	10'901.86	4.02%	10.89%	7	United Arab Emirates	9'540.53	3.57%	81.20%
8	Singapore	9'009.84	3.32%	-5.28%	8	Indonesia	8'127.04	3.04%	40.31%
9	Indonesia	8'860.53	3.27%	16.16%	9	Singapore	7'365.01	2.75%	-1.60%
10	India	8'534.10	3.15%	55.50%	10	Vietnam	6'939.24	2.59%	27.65%
11	Cambodia	7'079.89	2.61%	16.37%	11	India	6'406.39	2.39%	49.28%
12	Philippines	7'067.88	2.61%	39.79%	12	Australia	6'358.73	2.38%	92.25%
13	South Korea	5882.98	2.17%	38.49%	13	Germany	6'224.86	2.33%	19.41%
14	Netherlands	5'330.66	1.97%	23.34%	14	Saudi Arabia	5'662.69	2.12%	47.26%
15	Germany	4'940.70	1.82%	21.29%	15	Switzerland	5'155.47	1.93%	129.39%
16	Taiwan	4'657.15	1.72%	22.68%	16	Philippines	3'815.07	1.43%	26.30%
17	Myanmar	4'315.41	1.59%	13.60%	17	Brazil	3'379.84	1.26%	44.32%
18	Lao PDR	4'001.51	1.48%	19.11%	18	Qatar	3'353.61	1.25%	67.68%
19	United Kingdom	3'489.72	1.29%	12.92%	19	Lao PDR	3'259.90	1.22%	9.57%
20	South Africa	3'000.89	1.11%	40.96%	20	Hong Kong	2'858.63	1.07%	42.58%
31	Switzerland	1'406.97	0.52%	-81.31%					
1	ASEAN	65'015.12	23.98%	17.24%	1	ASEAN	45'784.01	17.11%	16.89%
2	NAFTA	46'467.11	17.14%	21.33%	2	Middle East	23'112.69	8.64%	72.53%
3	EU ⁹¹	21'652.6	7.98%	22.65%	3	EU	18'219.08	6.81%	17.55%
4	Middle East	8'853.24	3.26%	19.77%	4	NAFTA	16'103.08	6.02%	-1.17%
	Total	271'173.51	100%	17.07%		Total	267'600.34	100%	29.80%

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

<https://www.bot.or.th/English/Statistics/EconomicAndFinancial/ExternalSector/Pages/StatInternationalTrade.aspx>
⁹⁰ Change from the previous year in %⁹¹ 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)
2017	3'564	75.0	4'294	-13.2	-730	7'858
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 (Total 1)*	3'920	98.6	1'751	-77.1	2'168	5'672
	834.2	5.3	1'053	18.3	-218.8	1'887.2
2022 (Jan-Feb-Mar-Apr-May)**	2'012	+2.7%	2'678	+356.8%	-666	4'690

*) 'Economic' total (total 1): not including gold bars and other precious metals, currencies, precious stones and gems, works of art and antiques

***) Change (%) from the previous year

Exports	2020		2021	
	(% of total)	CHF m	(% of total)	CHF m
1. Gold ⁹²	57.8	1,140.1	76.4	2,993.6
2. Pharmaceutical products	9.6	189.6	5.2	203.7
3. Clocks and watches and parts thereof	7.1	140.6	4.9	192.9
5. Silver ⁹³	0	0.012	0.9	37.22
5. Precious Stones and semi-precious stones	1.5	30.4	0.9	34.4

Imports	2020		2021	
	(% of total)	CHF m	(% of total)	CHF m
1. Gold ⁹⁴	87.8	6,724.1	33.6	588.4
3. Clocks and watches and parts thereof	1.8	145.2	10.8	189.6
3. Machines ⁹⁵	1.8	136.0	9.7	169.3
4. Precious stones and semi-precious stones	0.4	32.9	5.9	104.0
5. Jewellery ⁹⁶	0.6	43.8	2.5	44.1

Source: Federal Office for Customs and Border Security

⁹² Incl. gold plated with platinum, unwrought or not further worked than semi-manufactured or in powder form

⁹³ Silver, incl. silver plated with gold or platinum, unwrought or in semi-manufactured forms, or in powder form

⁹⁴ Ibid as 55

⁹⁵ Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof

⁹⁶ Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal (excl. articles > 100 years old)

ANNEX 5 – Main investing countries

Main investing countries in the host country Year: 2021

Rank	Country	Direct investment (USD Mn, stock)	Share	Variation (stock)	Inflows over past year (USD Mn)
1	Japan	90'825.88	32.35%	-4.32%	3'226.60
2	Singapore	52'457.60	18.68%	-2.15%	-201.54
3	Hong Kong	24'184.32	8.61%	-10.50%	1'145.06
4	United States	17'818.23	6.35%	-3.68%	1'052.58
5	Netherlands	14'250.95	5.08%	+2.90%	1'862.61
6	British Virgin Islands	9'786.48	3.49%	-5.11%	651.40
7	China	8'341.03	2.97%	+2.75%	908.57
8	United Kingdom	7'853.44	2.80%	-9.76%	304.45
9	Mauritius	7'034.17	2.51%	+2.78%	-69.16
10	Cayman Islands	6'901.54	2.46%	-15.44%	328.5
11	<i>Switzerland</i>	<i>5'742.69</i>	<i>2.05%</i>	<i>+15.35%</i>	<i>177.79</i>
12	Germany	5'207.97	1.85%	-3.77%	383.50
13	South Korea	4'317.57	1.54%	+5.30%	366.42
14	Malaysia	3'651.92	1.30%	+13.94%	313.55
15	Taiwan	3'464.25	1.23%	+13.72%	375.23
16	Australia	2'598.62	0.93%	-15.71%	52.17
17	France	2'553.56	0.91%	-3.85%	18.85
18	Luxembourg	1'146.32	0.41%	-4.86%	79.49
19	Denmark	843.86	0.30%	-5.73%	1.70
20	Sweden	812.49	0.29%	-13.82%	-60.79
	Total	280'799.22	100%	-3.43%	11'422.39

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