



HIGH-VALUE
AND MEDICAL TOURISM





The Expansion of Health & Wellness Tourism

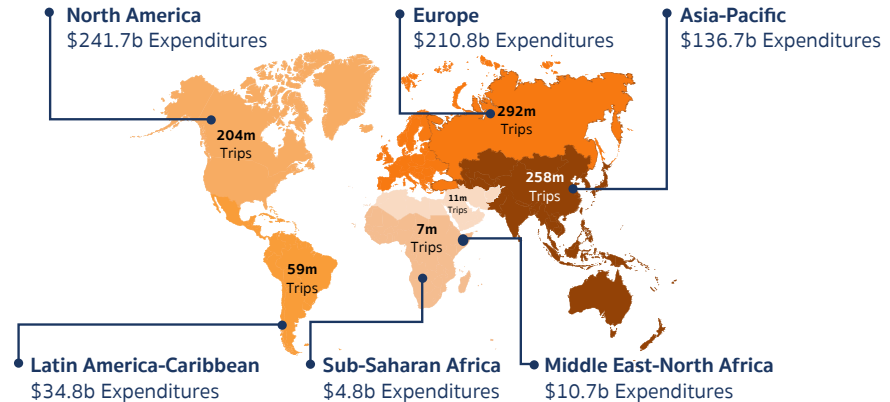
The wellness tourism category plays a critical role as it has a spill-over effect on other tourism categories, such as cultural tourism, culinary tourism, eco tourism, and sport tourism.

The growth in the wellness tourism category could be explained by growing health concern and aging population in many countries. Tourists in this category are considered to have very high potential and targeted by many countries due to their middle to high income level.

The wellness tourism category's average spending per trip is estimated to be 53% higher than other tourism activities. In 2017, the value of wellness tourism was valued at 640 billion USD, with a growth rate of 6.5% between 2015-2017.

Wellness Tourism by Region, 2017

Number of wellness tourism trips and expenditures (inbound and domestic)

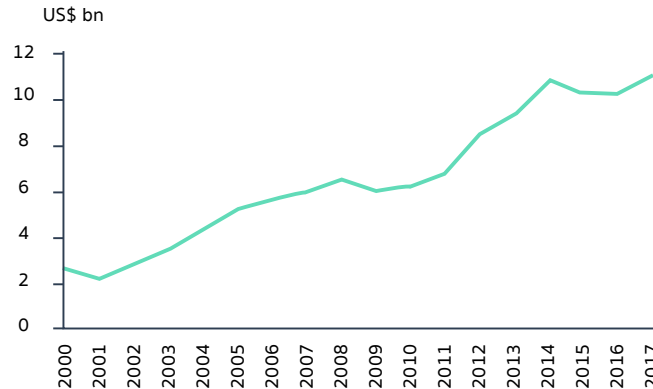


Medical Tourism Across the World

Medical tourism, referred to as 'health-related personal travel' by the International Monetary Fund (IMF), is defined as the products and services bought by people who travel abroad primarily for medical and health-related reasons. This includes spending on food, accommodation, and local transport – either by individuals, or, at times, funded or even prompted by governments.

In 2017, international spending on medical tourism services totaled nearly US\$11 billion, up from US\$2.4 billion in 2000; amounting to an average annual growth of around 9% in nominal terms and a total growth of 358% between 2000 and 2017. Spending on medical tourism has grown as a share of total international visitor spending from 0.6% in 2000 to 1.2% by 2017.

International spending on medical tourism services, 2000 - 17



OF EVERY US\$100 SPENT BY INTERNATIONAL VISITORS ON MEDICAL TOURISM GLOBALLY, US\$36 IS SPENT WITHIN THE USA

Source: World Travel & Tourism Council





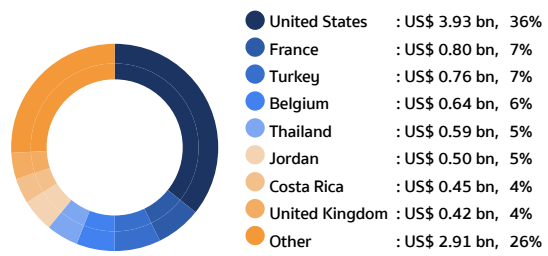
Inbound Medical Tourism Spending

The United States is the largest destination market for inbound medical tourism spending, bringing in almost US\$4bn in 2017. The USA accounts for 36% of global medical tourism spending and 1.9% of total inbound tourism spending in the country.

Thailand ranked no. 5 among the largest countries in terms of total inbound medical tourism spending; evidence that medical tourism brings benefits not only to developed countries but also to emerging and developing economies across continents.

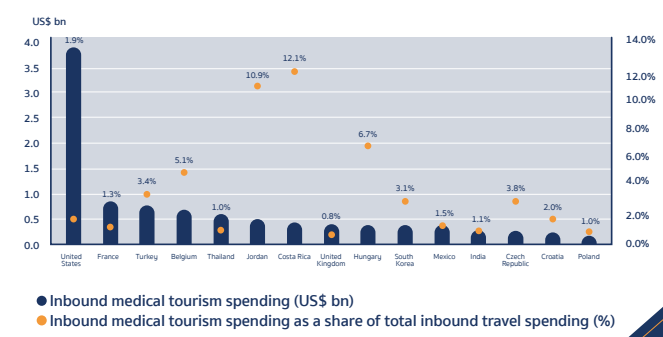
Thai government has aimed to make the country a global center for medical tourism through investment initiatives including tax exemptions for investment into new health facilities.

Where do international medical tourists spend the most?
Inbound medical tourism spending, 2017, in US\$ bn and % of world's total



Source: World Travel & Tourism Council

Top 15 largest countries – inbound medical tourism spending, 2017 data
(Source: IMF)



Global Market

Industry in Thailand

Investment Incentives in EEC

Related Agencies

Origin Markets for Medical Tourism

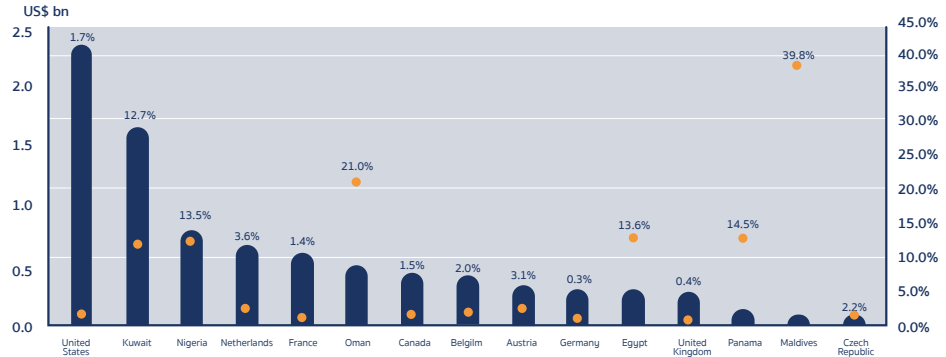
In addition to being the world's top inbound medical tourism destination, the United States is also the world's leading outbound medical tourism market. US citizens spent around US\$2.3bn in 2017 on medical services abroad. While the USA accounts for 20% of global outbound spending on medical tourism, this amounts to 1.7% of the total US outbound Travel & Tourism expenditure.

Kuwait is the second largest origin market for outbound medical tourism, largely due to its government policies which support medical procedures abroad. While the share of outbound medical tourism spend as a proportion of overall outbound spending is 12.7% for the country; the government is in the process of implementing new regulations to significantly reduce outbound medical tourism and privatize healthcare.

The strong outbound medical tourism spending in Nigeria, the third highest spending origin market for medical tourism, is driven by a booming population and a domestic health system which is under pressure as a result of rising demand. Nigeria's outbound medical tourism spending represents a 13.5% of residents' total tourism spending abroad.

Top 15 largest countries
- outbound medical tourism spending, 2017 data
(Source: IMF)

- Outbound medical tourism spending (US\$ bn)
- Outbound medical tourism spending as a share of total outbound travel spending (%)



Source: World Travel & Tourism Council

Industry Trends in Thailand

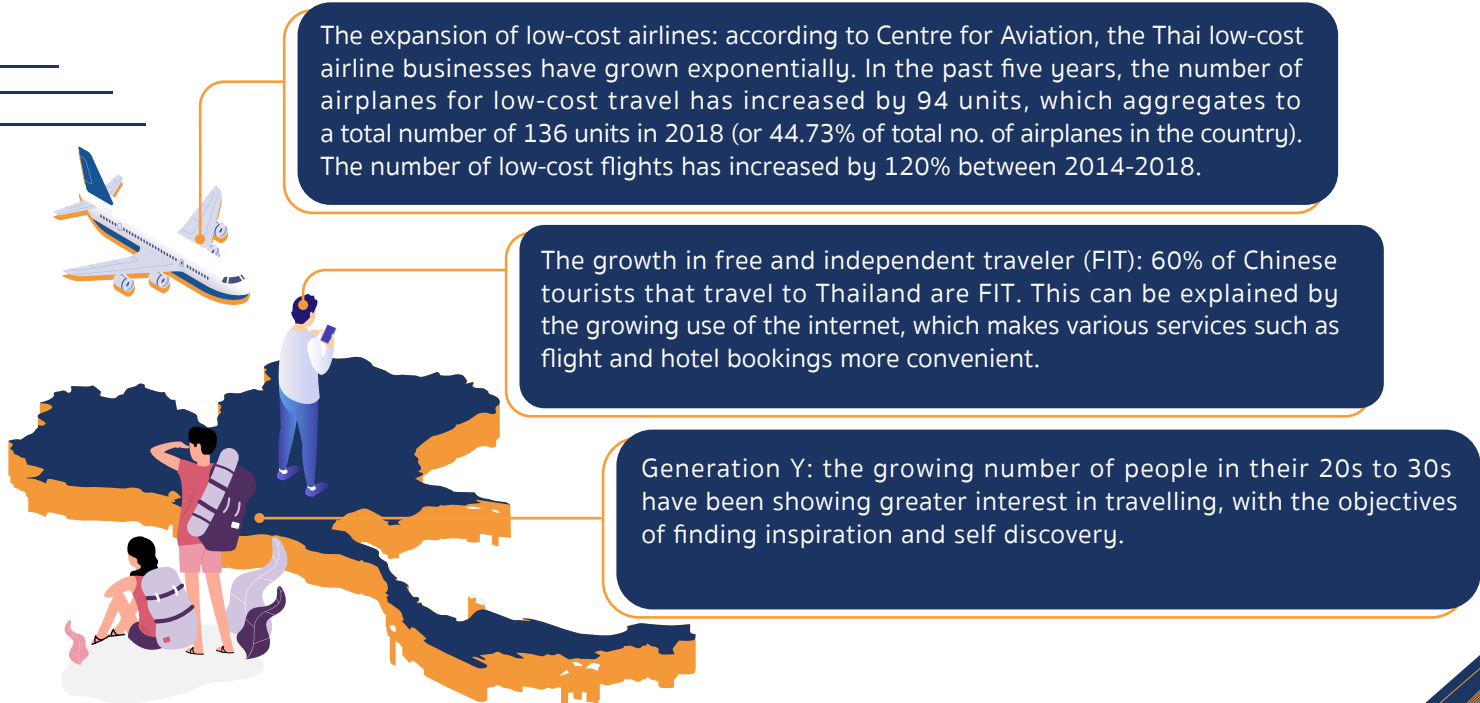
The tourism industry in Thailand will be affected by many factors, including consumer behaviors, business strategies, the advent of technology, and the country image:

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Thailand's Key Highlights

Source: World Travel & Tourism council

GLOBAL DATA 2018



While the global economy grew by 3.2%,

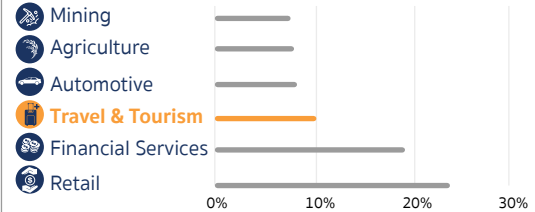
Travel & Tourism grew significantly more at 3.9%

1 in 5 new jobs were created by Travel & Tourism over the last five years



Global GDP impact by sector (2016 data).

Share of total economy GDP



THAILAND 2018 KEY DATA

CONTRIBUTION OF TRAVEL & TOURISM TO GDP

21.6% OF TOTAL ECONOMY
TOTAL T&T GDP = THB3,538.7BN (USD109.5BN)

+6.0%
2018 Travel & Tourism GDP Growth

CONTRIBUTION OF TRAVEL & TOURISM TO EMPLOYMENT

5,990.6 JOBS (000's)
(15.9% of total employment)

8,230.9 JOBS (000's)
Expected in 2029

INTERNATIONAL VISITOR IMPACT

THB2,265.3BN
USD70.1BN in visitor spend
(20.8% of total exports)

40.3 MN
Expected international arrivals for 2019

INBOUND ARRIVALS



- 1. CHINA 27%
- 2. MALAYSIA 10%
- 3. SOUTH KOREA 5%
- 4. JAPAN 4%
- 5. LAOS 4%
- REST OF WORLD 49%

OUTBOUND DEPARTURES



- 1. MALAYSIA 17%
- 2. MYANMAR 16%
- 3. LAOS 16%
- 4. JAPAN 9%
- 5. CHINA 8%
- REST OF WORLD 34%

SECTOR CHARACTERISTICS (2018)



All values are in constant 2018 prices & exchange rates
All forecasts WTTC and Oxford Economics

Note : Data are average shares over the 2015-2017 period
Source : Oxford Economics, national sources and UNWTO

Wellness Tourism in Thailand

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Thailand is one of the countries with the highest growth in Wellness tourism, with most of the demands originating from regions and countries in the Middle East, Northern Africa, Germany, United Kingdom, and USA.

The compound annual growth rate for wellness-related tourism between 2015-2017 was 13.1%.

The 10-year national strategic plan (2016-2025), which aims to transform Thailand into an international Medical Hub, will incorporate a Wellness Hub, with services including Thai massage, spa and hot spring spa, beauty massage, and health rehabilitation center.

Investment incentive package for investment projects in the Eastern Economic Corridor (2020-2021)

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Key features	Investment Incentives	Targeted activities			
		Section 8	A1	A2	A3
1. Standard tax package	Tax holidays	10 Years (no cap)	8 Years (no cap)	8 Years	5 Years


Human resource development programs (additional tax incentives)

2. Investment projects which are engaged in human resource development programs	Tax holidays	2 Years (no cap)	-	-	-	
	50% reduction of CIT	-	3 Years	3 Years	3 Years	

Projects located in the four promoted zones for specific industries (EECi, EECd, EECa and EECmd) OR industrial estates and promoted industrial parks

3. Investments located in EECi, EECd, EECa and EECmd	Tax holidays	1 year (no cap)	-	-	-	
	50% reduction of CIT	-	2 Years	2 Years	2 Years	

OR

3. Investments located in industrial estates and promoted industrial parks.	Tax holidays	1 year (no cap)	-	-	1 Year	
	50% reduction of CIT	-	-	-	-	

Remarks:

- A1 : Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness.
- A2 : Infrastructure activities for the country's development, activities using advanced technology to create value-added, with no or very few existing investments in Thailand.
- A3 : High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
- Section 8 : Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

New investment promotion measure in EEC

- Starting January 2, 2020

According to the announcement of the Board of Investment No.2/2563, announced on January 15th, 2020,

- Applications must be submitted by the last working day of 2021.

- Projects located in the four promoted zones for specific industries (EECi, EECd, EECa and EECmd) are eligible for the incentives without application deadline.

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Governmental agencies



Tourism Authority of Thailand



Ministry of Tourism and Sports



Thailand Convention & Exhibition Bureau

Non-governmental agencies



Thailand Tourism Council



Thailand Privilege Card Co., Ltd.



Association of Thai Travel Agents



Thai Travel Agents Association



The Association of Domestic Travel



Thai Ecotourism and Adventure Travel Association

