

# BOI's Investment Promotion Measures

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Minister (Economic and Investment)

Royal Thai Embassy, Tokyo

28 February 2023





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**Introduction to  
Thailand Board of Investment**

2

**Incentive for Energy related  
Activities**

3

**BOI Supporting Services**



# Thailand Board Of Investment - an Introduction

## About the BOI



**BOI** is a government agency responsible for investment promotion and works under the Office of the Prime Minister



**Information and advice** on establishing operations in Thailand

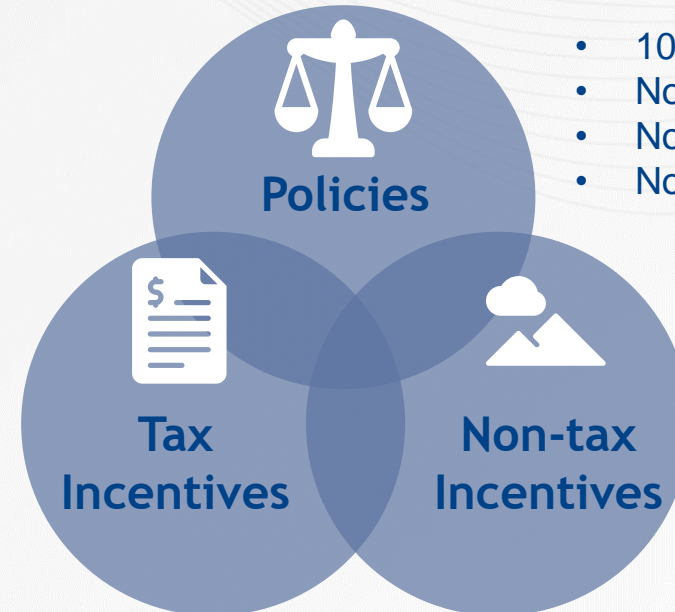


**Coordinating** between the foreign business community and other public agencies



**Business Support Services for Investors:** incentives, sourcing, and competitive development of SMEs

## BOI's Investment Promotion Measures



- 100% foreign ownership
- No local content requirements
- No export requirements
- No restrictions on foreign currencies

- Land ownership
- Work permit & visa facilitation

- Exemption of import duties on machinery
- Exemption of import duties on raw or essential materials imported for export
- Exemption of import duties on goods imported for R&D
- Corporate income tax exemption / reduction





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# Investment Promotion Strategy for the New Economy (2023-2027)



Start Jan 3, 2023

## New Economy

Promote investment leading to a new economy and secures a better future for the next generations.

**Innovative** ← **Competitive** → **Inclusive**

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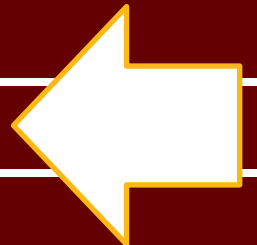
Pillars  
X

<p>1</p> <p>Restructure industries and strengthen supply chains</p>	<p>2</p> <p>Accelerate transitions to smart &amp; sustainable industries</p>	<p>3</p> <p>Promote Thailand as an “Intl Business Hub” and a “Regional Trade and Investment Gateway”</p>	<p>4</p> <p>Strengthen Competitiveness of SMEs and Startups and connect them to the World</p>	<p>5</p> <p>Promote investment based on the potential of each area to generate inclusive growth.</p>	<p>6</p> <p>Promote Development of Community and Society</p>	<p>7</p> <p>Promote Thai Overseas Investment to Expand Business Opportunities</p>
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Drivers

1	Whole Package Incentives (Tax + Non-tax + Financial Incentives)
2	One-Stop Services for Pre- and Post- Investment
3	Ecosystem & Ease of Investment



# Seven Pillars of “Investment Promotion Strategy for the New Economy”

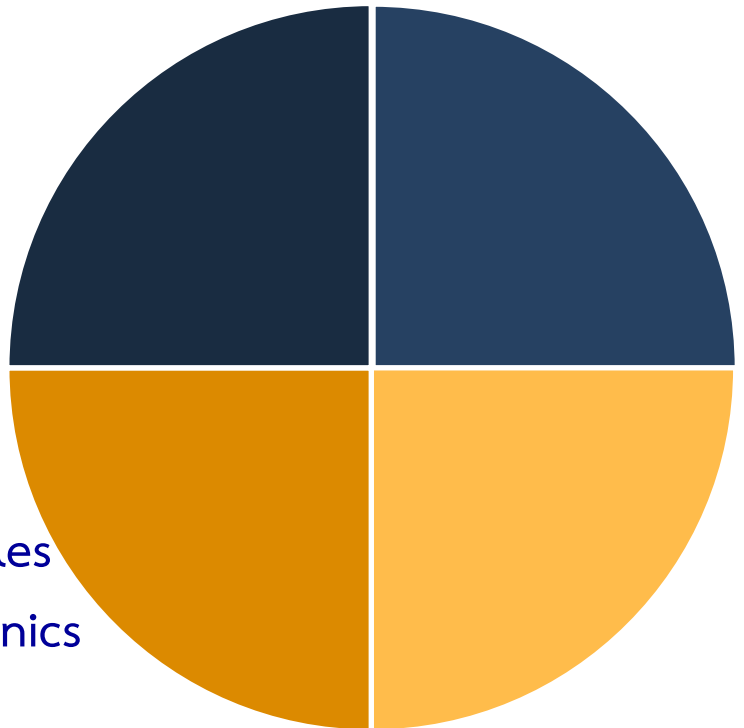
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Restructure the industries by upgrading the “Conventional Industries in which Thailand excels”, Developing new industries in which Thailand has potential, and strengthening the supply chains

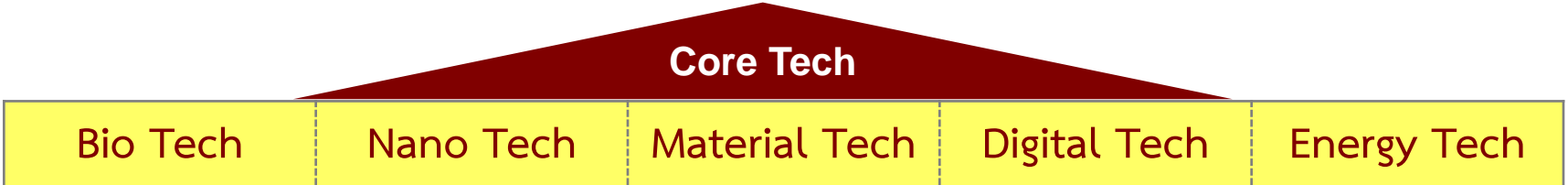
## 10 New Categories of Promoted Industries

- 1. Agriculture, Food, and Biotechnology
- 2. Medical

- 3. Machinery and Vehicles
- 4. Electrical and Electronics



- 5. Metals and Materials
- 6. Chemicals and Petrochemicals
- 7. Public Utilities such as
  - Renewable Energy Power Plant
  - Energy Service Company (ESCO)
- 8. Digital
- 9. Creative Industries
- 10. High-Value Services



# Investment Promotion Strategy for the New Economy (Standard)

Group	Activities	Exemption CIT	Incentives
<b>NEW</b> A1+	Technology and Innovation Development includes targeted core technology development	10 – 13 Years (with no cap)	<ul style="list-style-type: none"> <li>❖ Exemption Import duties on machinery</li> <li>❖ Exemption Import duties on raw materials</li> <li>❖ Non-tax incentives (Land Ownership/ Bringing in foreign experts/ Foreign shareholding)</li> </ul>
A1	Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness	8 Years (with no cap)	
A2	Infrastructure activities for the country's development, activities using technology to create value-added, with no or very existing investments in Thailand	8 Years	
A3	High technology activities which are important to the development of the country, with a few investments already existing in Thailand	5 Years	
A4	Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain	3 Years	
B	Supporting industry that does not use high technology, but is still important to the value chain	-	

# Seven Pillars of “Investment Promotion Strategy for the New Economy”

2

## Smart & Sustainable Industrial Upgrade Programs

### Smart

1



Automation and Robotics

2



Digital Technology

3



Industry 4.0

### Sustainable

4



Energy Conservation, Alternative Energy,  
Environmental Impact Reduction

5



International Standards of  
Sustainability such as GAP, FSC,  
PEFCs, ISO 22000

### Efficiency Improvement for Existing Projects

3-year CIT exemption for the revenue of the existing activities with a maximum exemption of 50% or 100% (depending on the conditions) of the investment value in efficiency enhancement.

### New Investment of Group B With upgraded Operations

3-year CIT exemption with a maximum exemption of 50% or 100% (depending on the conditions) of the investment in automation and robotics systems or Industry 4.0 manufacturing standards.



## Example of Investment Incentives for **Production of electricity or electricity and steam**

Activities	CIT Exemption	Exemption of import duties on M/C, Non-tax
Production of electricity or electricity and steam from <b>garbage or refuse derived fuel</b>	<b>A1</b> 8 years (no cap)	✓
Production of electricity or electricity and steam from <b>renewable energy</b> , such as solar energy, wind energy, biomass or biogas, etc. except from garbage or refuse derived fuel	<b>A2</b> 8 years	✓
<b>Production of electricity or electricity and steam from hydrogen</b>	<b>A2</b> 8 years	✓
Production of electricity or electricity and steam from other energy sources 1) In case of <b>cogeneration</b> . 2) If the project uses coal, it must only use <b>clean coal technology</b> .	<b>A4</b> 3 years	✓



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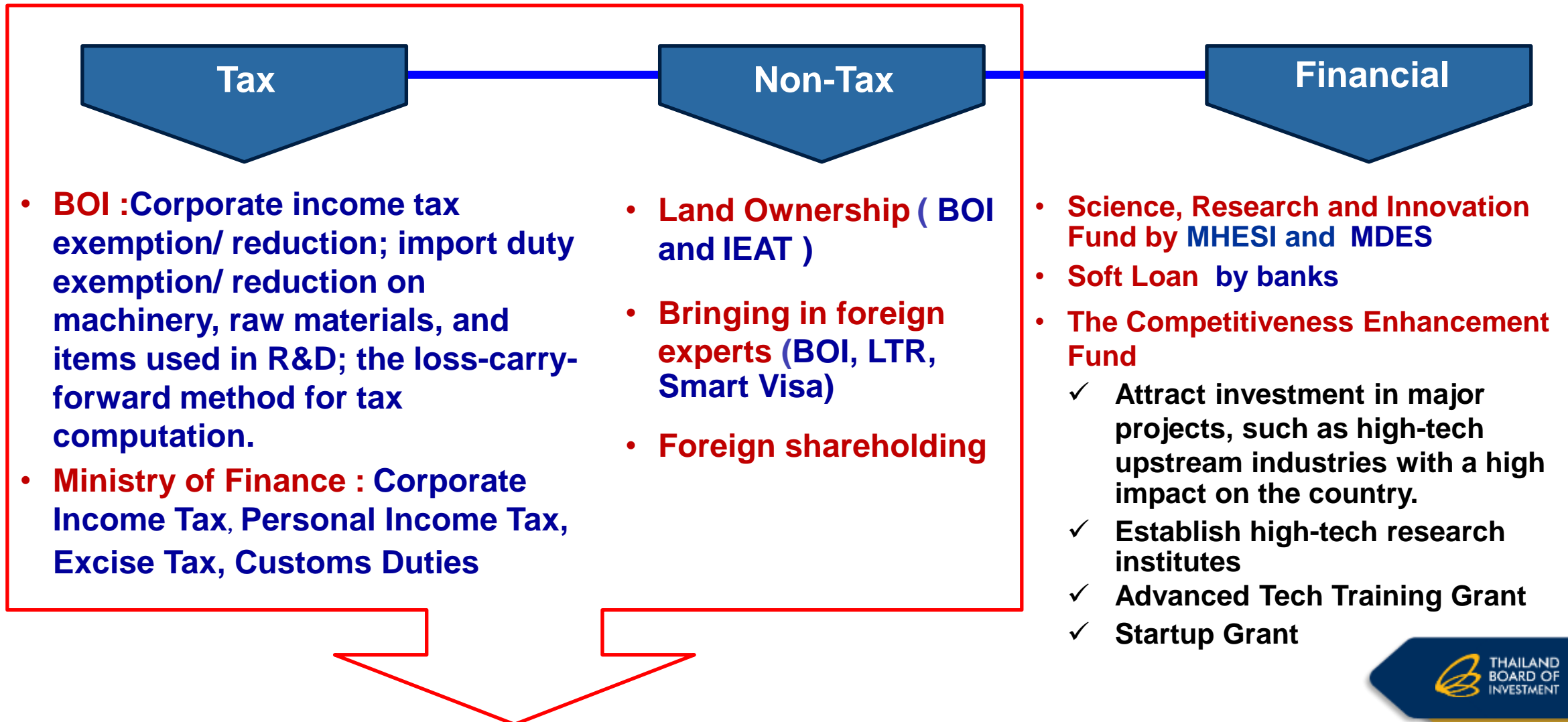
**Incentive for Energy related  
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**BOI Supporting Services**

# Government Support to Drive the “Investment Promotion Strategy for the New Economy”

## ① Whole Package Incentives (Tax + Non-tax + Financial)





# Government Support to Drive the “Investment Promotion Strategy for the New Economy”

## 2 One-Stop Services for Pre- and Post- investment

One Start One Stop Investment Center **OSOS**



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- e-Investment Promotion (BOI Application)
- eMT (Machinery Import)
- RMTS (Raw Material Import)
- e-Tax (Income Tax Exemption)
- e-Land (Land Permission)
- Single Window + Smart Visa & LTR (Visa & Work Permit)
- e-Extend (Extension of Starting Operation)
- e-Monitoring (Progress Report)
- e-Submission (Document Submission)

# Government Support to Drive the “Investment Promotion Strategy for the New Economy”

- 3 **Develop an Investment Ecosystem**, focusing on human resources, R&D, technology, infrastructure, and regulatory frameworks that facilitate investment.



Supply Promotion Measure for Comprehensive HRD Demand

Human Resources

BUILD

- Vocational Training Institute: 8-year CIT exemption
- Corporate Academy in the Target Disciplines: 5-year CIT exemption for the parent company.

STEM OSS Platform By MHESI

- BOI : incentives in cases of accepting students for internship under the Dual Vocational Education or Cooperative and WiL
- BOI : Advanced technology training grant
- Revenue Department : Tax deduction for expenses on hiring technology personnel (1.5 times) and for conducting training in the target curriculum (2.5 times)



BUY

- **Attract high potential foreigners through LTR, Smart Visa and Sections 24-26 of the Investment Promotion Act.**

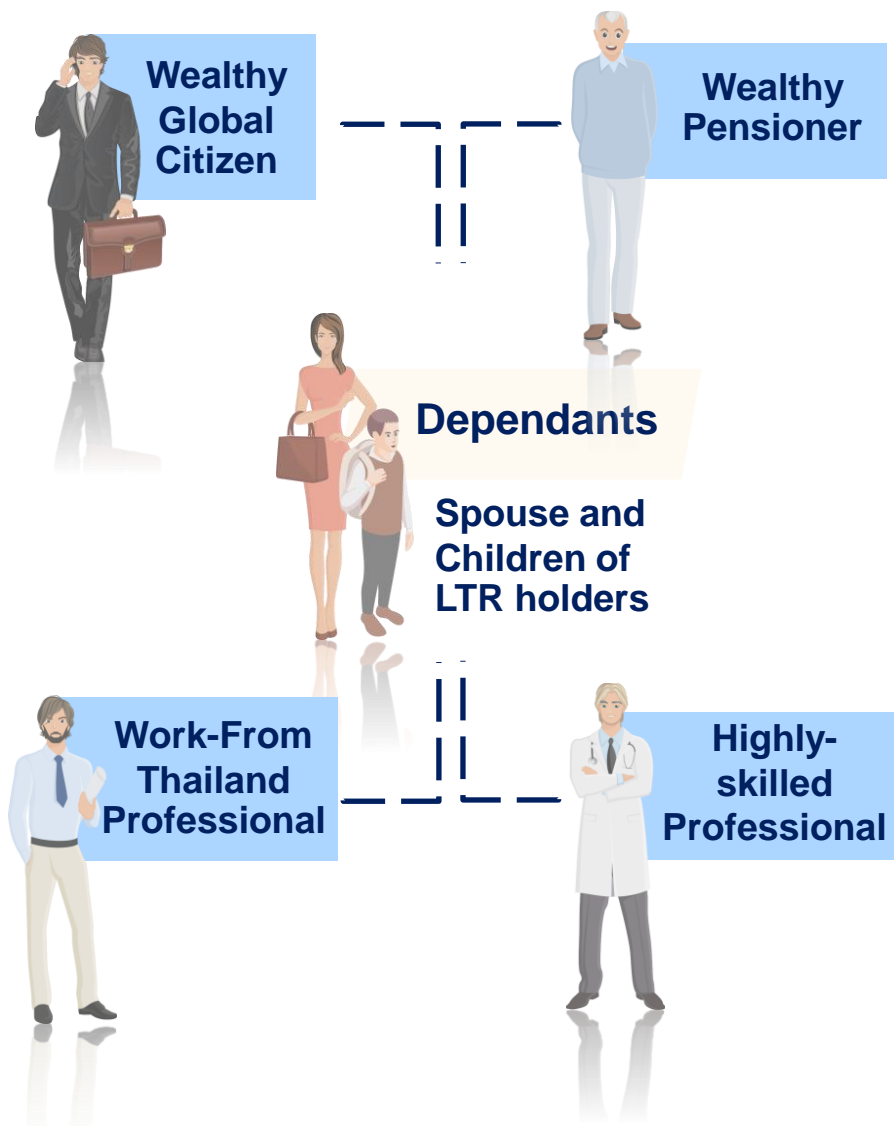
Research and Technology Development

- **Promote R&D** including in-house, outsourced or collaborative research with organizations in other countries.
- **Promote the development of core technologies** in collaboration with educational and research institutes.
- **R&D Grant:** supporting R&D and commercialization of R&D results.

# Long-Term Resident Visa (LTR): Launched on September 1<sup>st</sup>, 2022



## Long – Term Resident Visa Privileges



10\* years renewable visa for applicant and maximum 4 dependants including spouse and children (under 20 years old)



Exemption from 4:1 employment ratio



Access to immigration and work permit services at One Stop Service Center for Visa and Work Permit



90-day report extended to 1-year report and exemption of re-entry permit



Permission to work in Thailand  
*(Digital Work permits will be granted to the visa holder and spouse)*



Other benefits i.e. 17% Personal income tax for High-skilled professionals



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THAILAND

Wed.-Sat.

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