

Announcement of the Board of Investment No. 7/2559

Additional Amendments of Eligible Activities for Investment Promotion

In accordance with Cluster Investment Promotion Incentives and Privileges in the Special Economic Development Zones

To promote investment in the Automotive and Parts Cluster, Digital Cluster, Aerospace Industrial Cluster, and Automation and Robotics Industrial Cluster, by virtue of Section 16 paragraph 2, 18, 31 and 35 of the Investment Promotion Act B.E. 2520, the Board of Investment hereby issues this announcement, in which the Board of Investment deems appropriate to additionally amend the BOI Announcement No. 10/2558 dated October 27, 2015 on Cluster Investment Promotion Incentives and Privileges in the Special Economic Development Zones, as follows:

1. Add to the list of eligible activities for investment promotion in Activity no. 4.1.1 Automotive and Parts Cluster and Activity no. 4.1.4. Digital Cluster, in accordance with the BOI Announcement No. 10/2558 dated October 27, 2015 as follows:

4.1.1 Automotive and Parts Cluster

Activities	Conditions
4.8.6.11 Transmission Case	
4.8.8.2 Airbag Inflator, Gas Generator, Gas Generant	

4.1.4 Digital Cluster

Activities	Conditions
5.6.2 Embedded System Design	<ol style="list-style-type: none">1. Projects must have expenses for salaries for electronics design personnel of at least 1,500,000 baht per year.2. Revenue derived from sales or the provision of services that are directly related to a promoted business or which are from downstream production for commercial purposes, either carried by the promoted companies of subcontractors, shall be regarded as revenue of such promoted businesses.3. If projects are located in the promoted Science and Technology

Activities	Conditions
	Parks, or are approved by the Board, they shall be granted a 50 percent corporate income tax reduction on net profit for a period of 5 years, beginning from when the corporate income tax exemption period expires.
<p>5.7.3 High Value-Added Software</p> <ul style="list-style-type: none"> - Develop and provide analysis and data management software services, including big data, data analytics and predictive analytics software - Develop information security and cyber security software - Develop system software for advanced-technology devices, including business process management - Develop industrial software used to support manufacturing 	<ol style="list-style-type: none"> 1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year. 2. Projects must include software development processes as specified or approved by the Ministry of Information and Communication Technology. 3. Projects with an investment of 10 million baht or more (excluding cost of land and working capital) must obtain a quality standard certificate from SIPA or receive a Capability Maturity Model Integration (CMMI) quality standard certificate or any equivalent standard within two years from the full operation startup date. If the project fails to meet such conditions, one-year corporate income tax exemption shall be withdrawn. 4. Revenue derived from sales or the provision of services that are directly related to a promoted software business shall be regarded as revenue of such promoted businesses.
<p>5.9 Digital Services</p> <ul style="list-style-type: none"> - Software platform - Managed service - Digital architecture design service - Digital services such as FinTech, DigiTech, MedTech, AgriTech, etc. 	<ol style="list-style-type: none"> 1. Projects must hire digital specialists and have capital investment (excluding cost of land and working capital) not less than 1,000,000 baht. 2. Projects must include digital service processes as approved by the Board. 3. Projects with an investment of 10 million baht or more (excluding cost of land and working capital) must be certified with ISO 20000 or other quality standard certificate as approved by the Ministry of Information and Communication Technology within 2 years from the

Activities	Conditions
	<p>full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year.</p> <p>4. Revenue derived from sales or the provision of services that are directly related to a promoted digital service business shall be regarded as revenue of such promoted businesses.</p> <p>5. Projects must gain approval from the Ministry of Information and Communication Technology before applying for investment promotion.</p>
7.9.2.1 Science and Technology Park	<p>1. Projects must have an Entrepreneurship Incubation Center.</p> <p>2. Projects must have domestic and international communications and telecommunication systems.</p> <p>3. Continuous back-up of electricity supply must be installed.</p> <p>4. Projects must have other facilities as approved by the Board.</p>
7.9.2.4 Innovation Incubation Center	<p>1. Projects must have high-speed fiber optic (FTTX) main communications systems.</p> <p>2. Continuous back-up of electricity supply must be installed.</p> <p>3. Projects must have mentors to provide business consultation.</p> <p>4. Projects must have plans to establish a technology ecosystem or technology community.</p> <p>5. The total service area must not be less than 300 square meters.</p> <p>6. Projects must have technical or technology development training sessions as approved by the Board.</p>

2. Add Clusters no. 4.1.5. and 4.1.6 to the list no. 4.1 Super Cluster, in accordance with the BOI Announcement No. 10/2558 dated October 27, 2015, as follows:

2.1 **4.1.5 Aerospace Industrial Cluster**

Projects must be located in Bangkok, Samut Prakan, Nakhon Pathom, Pathum Thani, Chacheongsao, Chonburi, Rayong, Chiang Rai,

Phitsanulok, Nakhon Sawan, Lopburi, Nakhon Ratchasima, Surat Thani and Songkhla.

Activities	Conditions
<p>4.11 Manufacture or Repair of Aircraft or Aerospace Devices and Equipment</p> <p>4.11.1 Manufacture of Aircraft or Aircraft Parts such as airframe, critical parts (e.g. Engine and parts, Propeller), appliance (e.g. Flight recorder, Radar), equipment and other components</p> <p>4.11.2 Manufacture of Onboard Devices and Equipment (except disposable and reusable aircraft utilities and supplies) such as seats, life vests, trolley, galley, etc.</p> <p>4.11.3 Repair of Aircraft or Aircraft Parts</p> <p>4.11.5 Manufacture of Aerospace Devices and Equipment such as devices or equipment of rocket/spacecraft/ space vehicle/propulsion unit and auxiliary equipment, etc.</p>	<p>Projects must be approved by related agencies such as Geo-Informatics and Space Technology Development Agency (Public Organization).</p>
<p>4.11.6 Aerospace Operating Systems such as search, detection, navigation, guidance, aeronautical, nautical system and instrument, etc.</p>	<p>Projects must be approved by related agencies such as Geo-Informatics and Space Technology Development Agency (Public Organization).</p>
<p>7.9.1.7 Aircraft or Aerospace Industrial Zones or Industrial Estates</p>	<ol style="list-style-type: none"> 1. The total area must not be less than 100 rai. 2. Projects must allocate some or all area for bonded warehouses or free zones. 3. Projects must have an area for aircraft and parts maintenance and repair centers. 4. Projects must have sufficient public utilities and facilities such as roads, rainwater drainage and flood prevention systems, waterworks, wastewater treatment systems, telecommunications and electricity

Activities	Conditions
	systems, fire protection systems, industrial waste management systems and appropriate security systems as approved by the Board. 5. Projects must be approved by related agencies.

2.2 **4.1.6 Automation and Robotics Industrial Cluster**

Activities	Conditions
4.5.1 Manufacture of Automation Machinery and/or Automation Equipment with Engineering Design 4.5.4 Assembling of Robots or Automation Equipment and/or Automation Parts	Must have design operation control systems using embedded systems.

3. Terminate the conditions in Activity no. 5.1.1 in Electrical Appliances, Electronics and Telecommunication Equipment Cluster as stipulated in the BOI Announcement No. 10/2558 dated October 27, 2015, and replace with following conditions:

Activities	Conditions
5.1.1 Manufacture of advanced technology electrical products	1. Must be able to connect to Internet of Things; or 2. Must have circuits or operation control systems, processing systems, embedded systems or embedded software to allow for more complex or a variety of functions.

4. Add to the list of eligible activities for investment promotion in Activity no. 4.3 Activities Supporting Cluster Development as stipulated in the BOI Announcement No. 10/2558 dated October 27, 2015, as follows:

Activities	Conditions
5.6.1 Microelectronics Design 5.6.2 Embedded System Design	1. Must have expenses for salaries for electronics design personnel of at least 1,500,000 baht per year. 2. Revenue derived from sales or the provision of services that are directly

Activities	Conditions
	<p>related to a promoted business or which are from downstream production for commercial purposes, either carried by the promoted companies of subcontractors, shall be regarded as revenue of such promoted businesses.</p> <p>3. Projects located in the science and technology park promoted by BOI or one that is approved by the Board will receive an additional 50 percent reduction in corporate income tax for 5 years after the end of its corporate income tax exemption period.</p>
5.7.1 Embedded Software	<ol style="list-style-type: none"> 1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year. 2. Projects must include software development processes specified by the Software Industry Promotion Agency (SIPA). 3. Projects with an investment of 10 million baht or more (excluding cost of land and working capital) must obtain a quality standard certificate from SIPA or receive a Capability Maturity Model Integration (CMMI) quality standard certificate or any equivalent standard within two years from the full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year. 4. Revenue derived from sales or the provision of services that are directly related to a promoted software business shall be regarded as revenue of such promoted businesses.
5.7.3 High Value-Added Software	<ol style="list-style-type: none"> 1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year. 2. Projects must include software development processes as specified or approved by the Software Industry Promotion Agency (SIPA). 3. Projects with an investment of 10

Activities	Conditions
	<p>million baht or more (excluding cost of land and working capital) must obtain a quality standard certificate from SIPA or receive a Capability Maturity Model Integration (CMMI) quality standard certificate or any equivalent standard within two years from the full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year.</p> <p>4. Revenue derived from sales or the provision of services that are directly related to a promoted software business shall be regarded as revenue of such promoted businesses.</p>
7.9.2.4 Innovation Incubation Center	<ol style="list-style-type: none"> 1. Projects must have high-speed fiber optic (FTTX) main communications systems. 2. Continuous back-up of electricity supply must be installed. 3. Projects must have mentors to provide business consultation. 4. Projects must have plans to establish a technology ecosystem or technology community. 5. The total service area must not be less than 300 square meters. 6. Projects must have technical or technology development training sessions as approved by the Board.

5. Space Krenovation Park (SKP) shall be designated as a Science and Technology Park that is approved by the Board, in accordance with Sub-section 8.3 of the BOI Announcement No. 2/2557 dated December 3, 2014, on Policies and Criteria for Investment Promotion.

This announcement shall be effective from February 29, 2016 onwards.

Announced on April 11, 2016

(General Prayut Chan-o-cha)
Chairman of the Board of Investment