

**BOI Announcement**

**No. Sor. 1/2559**

**Re: Additional Amendments of Eligible Activities for Investment Promotion**

**In accordance with the BOI Announcement No. 2/2557**

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By virtue of Section 16 paragraph two 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 BOI Announcement No. 2/2557 dated December 3, 2014 on Policies and Criteria for Investment Promotion as follows:

1. Amend Section 4, 5 and 7, by adding to the attachment of the BOI Announcement No. 2/2557 dated December 3, 2014, the activities, conditions and incentives as follows:

**Section 4: Metal Products, Machinery and Transport Equipment**

<b>Activities</b>	<b>Conditions</b>	<b>Incentives</b>
4.5.4 Assembling of Robots or Automation Equipment and/or Automation Parts		A3
4.8.5.4 Fuel Pipe/Tube		A4
4.8.6.11 Transmission Case		A3
4.8.7.8 Valve		A4
4.8.7.10 Gear		A4
4.8.8.3 Parts for Air Bags, i.e. Initiator and Coolant Filter		A4
4.8.8.4 Parts for Safety Belts, i.e. Interlock and Retractor		A4
4.8.9.7 Brake Set		A4
4.8.13.2 Exhaust Catalyst		A4
4.11.4 Repair of Onboard Devices and Equipment (except disposable and reusable aircraft utilities and supplies)		A4

Activities	Conditions	Incentives
4.11.5 Manufacture of Aerospace Devices and Equipment such as devices or equipment related to rockets/spacecraft/ space vehicles/propulsion units and auxiliary equipment, etc.	Must be approved by related agencies such as Geo-Informatics and the Space Technology Development Agency (Public Organization).	A1
4.11.6 Aerospace Operating Systems such as search, detection, navigation, guidance, aeronautical, nautical systems and instruments, etc.	Must be approved by related agencies such as Geo-Informatics and the Space Technology Development Agency (Public Organization).	A1

### Section 5: Electronics and Electrical Appliances Industry

Activities	Conditions	Incentives
5.7.3 High Value-Added Software - 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"> <li>1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year.</li> <li>2. Projects must include software development processes as specified or approved by the Software Industry Promotion Agency (SIPA).</li> <li>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.</li> <li>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.</li> </ol>	A1

<b>Activities</b>	<b>Conditions</b>	<b>Incentives</b>
<p>5.9 Digital Services</p> <ul style="list-style-type: none"> <li>- Software platform</li> <li>- Managed service</li> <li>- Digital architecture design service</li> <li>- Digital services such as FinTech, DigiTech, MedTech, AgriTech, etc.</li> </ul>	<ol style="list-style-type: none"> <li>1. Projects must hire digital specialists and have capital investment (excluding cost of land and working capital) not less than 1,000,000 baht.</li> <li>2. Projects must include digital service processes as approved by the Board.</li> <li>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 full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year.</li> <li>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.</li> <li>5. Projects must gain approval from the Ministry of Information and Communication Technology before applying for investment promotion.</li> </ol>	A3

### Section 7: Service and Public Utilities

Activities	Conditions	Incentives
7.9.1.7 Aircraft or Aerospace Industrial Zones or Industrial Estates	<ol style="list-style-type: none"> <li>1. The total area must not be less than 100 rai.</li> <li>2. Projects must allocate some or all of its area for bonded warehouses or free zones.</li> <li>3. Projects must have an area for aircraft and parts maintenance and repair centers.</li> <li>4. Projects must have sufficient public utilities and facilities such as roads, rainwater drainage and flood prevention systems, waterworks, wastewater treatment system, telecommunications and electricity systems, fire protection system, industrial waste management system and an appropriate security system as approved by the Board.</li> <li>5. Projects must be approved by related agencies.</li> </ol>	A3
7.9.2.4 Innovation Incubation Center	<ol style="list-style-type: none"> <li>1. Projects must have high-speed fiber optic (FTTX) main communications systems.</li> <li>2. Continuous back-up of an electricity supply must be installed.</li> <li>3. Projects must have mentors to provide business consultation.</li> <li>4. Projects must have plans to establish a technology ecosystem or technology community.</li> <li>5. The total service area must not be less than 300 square meters.</li> <li>6. Projects must have technical or technology development training sessions as approved by the Board.</li> </ol>	A1

2. Terminate Activities no. 1.2, 3.1.3, 3.9, 3.11.1, 4.8.7.2, 4.8.8.1, 4.8.8.2, 4.8.9.6, 4.11, 4.11.1, 4.11.2, 4.11.3, 5.1.1, 5.7.2, 7.22.1 and 7.22.2 in the attachment of the BOI Announcement No. 2/2557 dated December 3, 2014, and replace with the activities and conditions as follows:

### Section 1: Agriculture and Agricultural Products

Activities	Conditions	Incentives
1.2 Plant or Animal Breeding (only those that are not eligible for biotechnology activity)	<ol style="list-style-type: none"> <li>1. Projects must have research and development activities.</li> <li>2. For breeding of sensitive plants according to the policy of the Ministry of Agriculture and Cooperatives, projects must have Thai nationals holding shares totaling not less than 51 percent of the registered capital.</li> <li>3. Revenue derived from plant propagation after plant breeding in the project shall be regarded as revenue of promoted projects, except for the propagation of cassava.</li> <li>4. 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 tax exemption period.</li> <li>5. Projects must have expenses for salaries for R&amp;D personnel of at least 1,500,000 baht per year.</li> </ol>	A3

### Section 3: Light Industry

Activities	Conditions	Incentives
3.1.3 Bleaching, Dyeing and Finishing, or Printing and Finishing, or Printing	<ol style="list-style-type: none"> <li>1. Projects must be located or expand in industrial estates or promoted industrial zones that have waste treatment and environmental protection and control systems according to Section 30 of the announcement of the Ministry of Industry.</li> <li>2. In case projects are not located in 1., only expansion of existing projects will be permitted. Projects must also have measures to reduce environmental impact.</li> <li>3. As for the textile industry, digital printing businesses can be located in all areas.</li> <li>4. Projects applying for investment promotion under the Measure to Promote Improvement of Production Efficiency by reducing environmental impact are allowed to be located in the existing business area, whether the business is located in industrial estates or promoted industrial zones according to Section 30 of the announcement of the Ministry of Industry or not.</li> <li>5. Environment-friendly technology must be used in all cases.</li> </ol>	A3

<p>3.9 Creative Product Design and Development Center</p>	<ol style="list-style-type: none"> <li>1. Projects must consist of 2 components, as follows:               <ol style="list-style-type: none"> <li>1.1 Information system for design</li> <li>1.2 Conceptual design and creation system</li> </ol> </li> <li>2. Projects must consist of one of the following components:               <ol style="list-style-type: none"> <li>2.1 Engineering design system</li> <li>2.2 Prototype design creation and performance testing system</li> <li>2.3 Prototype standard testing and user acceptance testing system</li> </ol> </li> <li>3. At least 70 percent of total employees in the project must be Thais.</li> <li>4. Projects must have expenses for salaries for creative product design and development personnel of at least 1,500,000 baht per year.</li> <li>5. 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 tax exemption period.</li> </ol>	<p>A1</p>
<p>3.11.1 Manufacture of High-Risk or High-Technology Medical Devices (e.g. x-ray machine, MRI machines, CT scan machines and implants) or medical devices that are commercialized from public sector research or collaborative public-private sector research</p>	<ol style="list-style-type: none"> <li>1. In case projects include R&amp;D and innovation</li> <li>2. In case projects do not include R&amp;D and innovation</li> </ol>	<p>A1 A2</p>

**Section 4: Metal Products, Machinery and Transport Equipment**

Activities	Conditions	Incentives
4.8.7.2 Turbocharger Parts including turbine blades, turbine housing and bearing housing		A4
4.8.8.1 Air Bags/Safety Belts		A4
4.8.8.2 Airbag Inflators, Gas Generators, Gas Generant		A3
4.8.9.6 Brake Pipe/Tube		A4
<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>A1</p> <p>A3</p> <p>A2</p>



**Section 5: Electronics and Electrical Appliances Industry**

Activities	Conditions	Incentives
5.1.1 Manufacture of advanced technology electrical products	<ol style="list-style-type: none"> <li>1. The electrical products must be able to connect to Internet of Things; or</li> <li>2. The electrical products must have circuits or operation control systems, processing systems, embedded systems or embedded software to allow for more complex or variety of functions</li> </ol>	A3
5.7.2 Enterprise software and/or Digital content	<ol style="list-style-type: none"> <li>1. Projects must have expenses for salaries for IT-personnel of at least 1,500,000 baht per year.</li> <li>2. Projects must include software development processes specified by the Software Industry Promotion Agency (SIPA)</li> <li>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. If the project fails to meet such conditions, one-year of the corporate income tax exemption shall be withdrawn</li> <li>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</li> </ol>	A 3 (not subject to the corporate income tax exemption cap)

**Section 7: Service and Public Utilities**

<b>Activities</b>	<b>Conditions</b>	<b>Incentives</b>
7.22.1 Ferry services or tour boat services or tour boat renting		A3
7.22.2 Tour boat port services		A3

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