

(Unofficial Translation)

**Announcement of the Board of Investment
No. Sor. 2/2546
Re: Promotion of Automotive Manufacturing**

Whereby it is deemed appropriate to promote Thailand as one of the world's centers of automotive production and export,

By virtue of Section 16 Paragraph 2 of the Investment Promotion Act of B.E. 2520, the Board of Investment hereby announces that provisions under Section 4 of the list of activities eligible for investment promotion attached to Board of Investment Announcement No. 2/2543, regarding the types, sizes, and conditions of activities eligible for promotion, dated 1 August 2000, shall be amended to include the following:

Activity	Conditions
4.23 Automotive Manufacturing	<ol style="list-style-type: none">1. Applications must be submitted as a package comprising automotive assembling that meets the conditions under activity 4.10 and the manufacturing of vehicle parts that meets the conditions of activity 4.8 and/or manufacturing of automobile engines that meet the conditions of activity 4.15, which must support the automotive assembling operation. The minimum level of total investment must be no less than THB 10 billion, excluding cost of land and working capital.2. The automotive assembling must be for export with a clearly defined market3. Manufacturing of vehicle parts and/or automobile engines must be integrated with the assembly plant within the group package, or manufacturing for export only4. The privileges will be as follows -<ol style="list-style-type: none">4.1 Automotive assembling<ol style="list-style-type: none">4.1.1 Projects may be located in any zone4.1.2 Projects will receive exemption of import duty on machinery, regardless of zone4.1.3 Projects will receive no exemption or reduction of corporate income tax

Activity	Conditions
	<p>4.1.4 Other privileges will be granted according to Board of Investment Announcement No. 1/2543</p> <p>4.2 Manufacture of vehicle parts and/or automobile engine manufacturing</p> <p>4.2.1 Projects may be located in any zone</p> <p>4.2.2 Projects will receive exemption of import duty on machinery, regardless of zone</p> <p>4.2.3 Other privileges will be granted according to Board of Investment Announcement No. 1/2543 (except in the cases of manufacture of ABS systems, manufacture of substrates for catalytic converters, manufacture of Electronic Fuel Injection Systems, all of which are classified as priority activities).</p>

Announced on 24 January 2003

(Mr. Prommin Lertsuridej)
Deputy Prime Minister
Acting as Chairman