

(Unofficial Translation)
Board of Investment Announcement
No. 3/2550
Environmental Problem-Solving Measures

As it is deemed appropriate to promote and stimulate factories to give priority to environmental management,

by virtue of section 16 of the Investment Promotion Act of B.E. 2520, the Board of Investment hereby announces incentive criteria for companies that carry out measures to solve environmental problems as follows:

1. Conditions

1.1 Applicants must comply with the environmental management criteria and conditions as specified by the government with pollutant values less than the legal control rate and must be in the following industries :

- oil refinery
- natural gas separation
- power generation
- chemicals and petrochemicals
- minerals and base metals

1.2 Projects must already be operational, whether or not promoted by the Board of Investment.

2. Incentives

- Promoted projects will be granted exemption from import duty on machinery for machinery improvement to reduce their environmental impact.
- Promoted projects will be granted a 3-year corporate income tax exemption on the revenue of existing projects, accounting for 70% of the investment value of the improvement excluding cost of land and working capital.
- The corporate tax exemption period will be counted from the date of income derivation after the issuance of investment promotion certificate onwards.

3. Projects must reduce their environmental impact according to criteria and methods specified by the Office of Board of Investment.

4. Applicants must submit the promotion application including a plan to reduce environmental impact according to the criteria and methods specified by the Office of Board of Investment by December 31, 2009 and complete the improvements by March 31, 2011. In case the improvements cannot be completed within the specified date, the Office of the Board of Investment is authorized to extend the timeframe as deemed appropriate.

Effective from March 29, 2007 onwards

Announced on September 14, 2007

(Mr. Kosit Panpiamras)
Deputy Prime Minister
Chairman of the Board of Investment