



(Unofficial Translation)

Board of Investment Announcement
No. Sor 3/2550
Investment Promotion Policy on Logistics Business

As it is deemed appropriate to promote logistics businesses to enhance the country's competitiveness;

By virtue of section 16 paragraph 2 of the Investment Promotion Act of B.E. 2520, the Board of Investment hereby makes the following announcement:

1. Activity 7.31 Logistics Parks, with the following activities and conditions, shall be added to category 7 on the list of activities eligible for investment promotion attached to the Board of Investment Announcement No. 2/2543 dated August 1, 2000 regarding the activities, sizes and conditions of activities eligible for investment promotion:

Activity	Conditions
7.31 Logistics Parks	<ol style="list-style-type: none">1. The project's total area shall not be less than 200 rai and the project shall invest in establishing a warehouse for lease or sale with a total area of not less than 50,000 square meters.2. The project shall be located either within 50 kilometers of a port, an airport, a customs checkpoint and an Inland Container Depot (ICD) or inside an Export Processing Zone (EPZ) or a Free Zone.3. The project shall designate some or the entirety of its area as a Free Zone.4. The project shall have a station to load and unload containers, or a truck terminal and a container depot that can handle at least 50 containers.5. The project shall install a main telecommunication infrastructure that provides hi-speed communications that link the logistics park to domestic and international communication hubs.6. Thai nationals shall hold not less than 51 percent of the total registered capital of the project.7. The project shall be approved by

	<p>relevant government agencies.</p> <p>8. The project shall be granted an exemption of import duty on machinery.</p> <p>9. The project shall be granted an 8-year corporate income tax exemption.</p>
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2. Activity 4.21 on the list of activities eligible for investment promotion attached to the Board of Investment Announcement No. 2/2543 dated August 1, 2000 regarding the activities, sizes and conditions of activities eligible for investment promotion shall be repealed and replaced with the following:

Activity	Conditions
4.21 Manufacturing, repair, maintenance and refurbishing of containers and materials handling equipment	<p>In cases where located in a logistics park, the project shall be granted an exemption of import duty on machinery and an 8-year corporate income tax exemption.</p> <p>In cases where located outside a logistics park, the project shall be granted privileges according to the Board of Investment Announcement No. 1/2543 dated August 1, 2000.</p>

3. Activity 7.5.2 on the list of activities eligible for investment promotion attached to the Board of Investment Announcement No. 2/2543 dated August 1, 2000 regarding the activities, sizes and conditions of activities eligible for investment promotion shall be repealed and replaced with the following:

Activity	Conditions
7.5.2 Factory Development for Industrial Plants and/or Warehouses	<ol style="list-style-type: none"> 1. Building must be constructed in an industrial estate, a promoted industrial zone or a promoted logistics park 2. Blueprints must be approved by the Board. 3. Construction of buildings must be in accordance with factory and construction control laws. 4. In case of multi-story factory, the building should not be more than 12 stories high. 5. The project shall not be granted reduction or exemption of import duty on machinery. 6. In cases where located in a logistics park, the project will be granted the same corporate income tax exemption as industrial estates or promoted industrial zones.

4. Activity 7.7 on the list of activities eligible for investment promotion attached to the Board of Investment Announcement No. 2/2543 dated August 1, 2000 regarding the activities, sizes and conditions of activities eligible for investment promotion shall be repealed and replaced with the following:

Activity	Conditions
7.7 International Distribution Center	<ol style="list-style-type: none"> 1. The center shall distribute goods abroad with transportation/delivery, storage, packing and inventory control services for customers. 2. The center shall distribute goods abroad to at least five countries. 3. The project shall have a warehouse area of at least 5,000 square meters and modern storage and loading equipment. 4. The project shall have a modern inventory system controlled by Information and Communication Technology and Online Track and Trace tracking system as approved by the Board. 5. Thai nationals shall hold not less than 51 percent of the total registered capital of the project. 6. The project shall be approved by relevant government agencies. 7. The project shall be granted an exemption of import duty on machinery. 8. In cases where located inside a logistics park, the project shall be granted an 8-year corporate income tax exemption. <p>In cases where located outside a logistics park, the project shall be granted a 5-year corporate income tax exemption regardless of zone.</p> <p>Revenue derived from domestic distribution, customs procedures and booking reservations for sea or air carriage shall not be included in the corporate income tax exemption.</p>

Effective from February 1, 2007 onwards

Announced on April 9, 2007

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