

(Unofficial Translation)
Board of Investment Announcement
No.2/2552

**Subject: Investment promotion measures for improvement of
production efficiency**

To support the investment promotion policy for enhancement of competitiveness by improving technology, improving production efficiency and reducing affects on environment.

by virtue of Section 16 of Investment Promotion Act B.E. 2520, the Board of Investment hereby announces the criteria and conditions in granting promotion under the investment promotion measure as follows.

1. This measure shall apply to existing activities, whether that activity is promoted or not promoted by the BOI. If such activity is not promoted, it must be an eligible activity for promotion as announced by the Board of Investment.
2. Promoted activities can also apply for the promotion under this measure when the tax exemption or reduction period expires, or if that activity has not been exempted for corporate income tax.
3. Must submit energy saving plan for machinery change, introduce alternative energy to be used in the activity, or reduce affects on environment with implementation of one of the following.
 - 1.1 Must invest in upgrading of machinery with higher technology that reduces energy consumption at the stipulated rate.
 - 2.2 Must invest in upgrading of machinery in order to use alternative energy at the stipulated rate in comparison with the total energy consumption.
 - 3.3 Must invest in upgrading of machinery to reduce environmental impact, namely reducing waste, waste water or exhaust air, according to the stipulated criteria.
4. Privileges shall be as follows :
 - 4.1 Exemption of import duty for machinery.
 - 4.2 Exemption of corporate income tax for 3 years at 70% of total investment amount excluding cost of land and working capital. The exemption shall apply to the revenue from the existing activity.
 - 4.3 Corporate income tax exemption period shall start from the date revenue recognized after receipt of Investment Certificate.
5. Must submit application within December 31, 2009 and must complete project within December 31, 2011.
6. Application for investment promotion under this measure by existing projects of all investment sizes including those applying for promotion under the Environmental Problem-solving Measures for the 5 industries under Board of Investment Announcement No. 3/2550 dated September 14, 2007 shall be considered for approval by the Office of the Board of Investment.

Effective from March 4, 2009 onward.

Announced on April 21, 2009

(Mr. Abhisit Vejjajiva)
Prime Minister
Chairman of the Board of Investment