

Advanced Agriculture and Biotechnology Enterprises

# **CELLULOSIC BIOMASS TECHNOLOGY CO.,LTD.**

A pioneer in renewable non-petroleum materials production

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## **Background**

Established in Bangkok in 2017, with a fully functional commercial demonstration project operating since July of 2018 in Udon Thani, CBT is an independent Thai registered company that operates under the auspices of the Toray Group, a well-known global advanced materials provider that has offices in twenty-six countries including the USA, South Korea, China, Singapore and Thailand. The group has had a presence in Thailand since the 1960s, and presently operates 10 separate business entities across the country. Following many years of research and development the Toray Group has developed technology that is able to produce

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many value added products using biomass as the primary carbon source. Using their cutting-edge membrane technology, Toray has developed the ‘saccharification’ technique to produce high-grade ferment-able sugars which are essential ingredient in the production of bio-fuels, chemicals, monomers and amino acids. Also partnering together with CBT is Mitsui Sugar Group, the well-known sugar products and food ingredients provider.

## **Why Thailand**

Toray Group recognized that Thailand is a country actively seeking to increase its knowledge, support and engagement with the bio-economy. Additionally, the fact that Thailand is the world’s fourth largest sugarcane producer convinced Toray Group that Thailand was an ideal investment opportunity for industrial biotechnology development. With Toray Group and Mitsui Sugar having invested more than 450 million baht into CBT thus far, operations and R&D activities should be able to proceed as planned for the foreseeable future. Also, Toray Group already had a reputable presence in Thailand, having first created business connections in the country in the late 1960s. With the support of Toray Industries (Thailand) previously established business operations, including their human resources, legal, accounting and administrative services, CBT were able to begin operations in 2017 almost immediately. Finally, the attractive incentives package and supportive policies of the Thai government made the decision to choose Thailand as the ideal location to begin operations an easy one.

## **Vision for the Future**

By aligning themselves with Thailand’s 4.0 growth plan, and the acknowledgment of Thai policymakers that the bio-economy is an essential future component for Thailand’s continued sustainable economic development, CBT expects to play a

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key role in establishing this relatively new industry. CBT believes that the technologies and processes that are currently being trialed at the Udon Thani demonstration plant will play a major role in that regard. Through their on-going collaboration with the related government bodies, companies and universities in Thailand, CBT hopes to play a crucial role in the development of Thailand’s biotechnology industry and remain a significant innovator in Thailand’s bio-economy business.

*“With Thailand's favorable investment conditions and supportive operating environment, Toray Group and CBT have seen our innovative ideas turn into a reality.”*

**Tatsuya Matsuno**

**General Manager (Udon Thani Plant), Cellulosic Biomass Technology**

## **Supporting Policies from the Government**

To promote Thailand as a regional bio-technology industrial hub, the government is providing continuous support to strengthen human resources, as well as supporting research and development by creating a strong collaborative network among educational institutions, research centers, and the private sector. Its major ongoing infrastructure expansion projects will further improve manufacturing companies ability to import raw materials and export finished products. In addition to the standard BOI tax and non-tax based incentives, companies may also be eligible for special incentives such as the incentives for A1 of Research & Development (R&D) and B1 International Headquarters (IHQ) which were granted to CBT.

## **Attractive BOI Incentives**

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The Thailand Board of Investment (BOI) offers a wide range of tax and non-tax incentives for projects that meet national development objectives.

Tax-based incentives include an exemption or reduction of import duties on machinery and raw materials, as well as corporate income tax exemptions of up to eight years. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad.

Additional information about specific activities relating to the bio-technology industries can be found by clicking [here](#) or contacting the BOI's Investment Promotion Division 1.

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