



INVESTMENT SERVICES CENTER
THE BOARD OF INVESTMENT
OFFICE OF THE PRIME MINISTER

555 VipavadeeRangsit Road, Chatuchuck 10900 Tel. 0 2553- 8111, Fax : 0 2553-8222

PRESS RELEASE

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**Evolving digital ecosystem development is turning Thailand into
Asia's next big innovation hub**

Thailand's ongoing efforts to create a comprehensive ecosystem to support the country's digital industry have been progressing rapidly in recent years thanks to such government flagship initiatives as Digital Park Thailand (EECD) and Smart City. The development of cutting-edge infrastructural facilities to support these initiatives has brought unprecedented opportunities for investors and business leaders, Thailand's Board of Investment (BOI) says.

With the aim of attracting foreign and domestic investments in Thailand's digital industry, BOI has continued to introduce new investment schemes and improve existing ones. As part of that effort, investments in high value-added digital industries that meet the criteria will be granted a corporate income tax (CIT) exemption of maximum up to 8 years. The types of digital businesses that are seeing an increasing number of applications for investment incentives include software development, digital platform services, cloud services and innovation incubation centers.

In 2018, BOI received applications for investment privileges from 194 investment projects in the digital industry worth a total of 13,162 million baht, particularly in the fields of enterprise software, digital content and embedded software.

In addition, investment projects in the digital industry located in EECD that have collaboration with educational institutions to develop human resources will be eligible for a CIT exemption for up to 13 years. In particular, target activities in the EECD that are entitled to maximum investment incentives include software development, digital services, digital parks, data centers, innovation incubation centers, cloud services, R&D, and relevant services.

BOI has also launched an investment incentive scheme for the Smart City initiative, which is designed to upgrade people's quality of life with seven intelligent platforms; namely, Smart Environment, Smart Mobility, Smart People, Smart Living, Smart Economy, Smart Governance and Smart Energy.

Investments in Smart City projects will be eligible for a CIT exemption for 5-to-8 years. Investment projects located in the Eastern Economic Corridor will be eligible for a 50%

reduction in CIT for an additional five years after the end of the CIT incentive period. Promotional privileges have covered three business activities, including Smart City development, Smart City system development, and smart industrial estates or zones.

The Phaholyothin Transportation Center project, which is the Bangkok metropolitan area's new transportation hub with seamless connections of rail and road transportation at Bang Sue, has been chosen as a target area for the Smart City development initiative. The new smart business complex project, implemented under the public-private partnership scheme with the investment agreement expected to be finalized by the end of 2019, is slated to become a new epicenter of urban and economic development. It will boost ease and convenience of transportation.

Recently, a new measure has been introduced to offer investment privileges to digital and innovation ecosystem facilities, including innovation incubation centers, maker spaces or fabrication laboratories, and co-working spaces.

The soon-to-be opened True Digital Park, Thailand's first digital park that received investment privileges from BOI to the tune of 1,580 million baht, is now setting a clear path for a robust boost to Thailand's digital industry. Located on Sukhumvit Road, one of Bangkok' most dynamic business districts, the park is poised to become a global startup destination for technology and innovation development in Thailand. It will connect international startups, entrepreneurs, tech companies, accelerators, incubators, academies and government agencies.

Spanning over 41,000 square meters, True Digital Park is fully equipped with all amenities for digital businesses encompassing innovation creation spaces, co-working spaces, technology labs, learning and training centers, events and business service spaces, one-stop service centers, and spaces for academies to co-create innovation. Committed global tech players at True Digital Park include Google, Amadeus, Amazon Web Services, Ericsson, Huawei Technologies and ZTE.

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