



MITR PHOL SUGAR CORP., LTD.

“The BOI has facilitated our company's growth by assisting with international business partnerships and promoting Mitr Phol to investors overseas.”

- Mr. Isara Vongkusolkit
Chairman

An International Leader in Sugar Production

Beginning as a small family business in Ratchburi province in 1946, Mitr Phol Sugar Corporation was formally established in 1956, and has subsequently expanded and grown to become not only the largest sugar producer in Thailand, but the second largest world-wide. Over the last 60 years, Mitr Phol has developed an innovative corporate culture along with its extensive expertise in the field of integrated agribusiness. They have succeeded in turning sugarcane, one of Thailand's most important economic crops, into a number of high value products while at the same time promoting environmental values and sustainability.

To capitalize on the enormous potential of the Thai agricultural economy, Mitr Phol Group has implemented a corporate strategy to help propel the company from a sugarcane and bio-power manufacturer to a leading biotechnology conglomerate. For example, Mitr Phol has expanded its production to include biodegradable products and packaging, nutrients for animals and humans, as well as cosmetic goods, dietary supplements, and medicinal components. In response to the changing and evolving economic, societal and economic

factors occurring in Thailand and the rest of the world, Mitr Phol has also evolved through the use of more advanced technology. They have elevated the standard of sugarcane farming and management under the Mitr Phol ModernFarm concept. This approach uses research and global best practices in farming to help growers achieve greater productivity, control costs, and reduce labor, while protecting the soil, water and the environment. Drawing inspiration from the most successful sugarcane farming management systems worldwide, the company makes use of cutting-edge agribusiness technologies such as a satellite remote sensing, UAV (Unmanned Aerial Vehicle) surveys, and advanced weather forecasting systems to help cane growers plan specific actions such as irrigation, fertilizer application and pesticide control to fight yield losses and increase cane productivity and quality while minimizing the effects on the environment.

Vision for the Future

Mr. Isara Vongkusolkit, Chairman of Mitr Phol, provided his insight on how he believes Thailand's smart farming industry is evolving.



“The industry is growing rapidly as cane growers use smart farming practices to alleviate the challenges created by climate change, labor shortages and increased competition. Mitr Phol sees productivity and sustainability driven by cross-sector action between Thailand’s cane growers, private sector companies and government sectors.” For that purpose, in 1997 they established the Mitr Phol Innovation & Research Center Company Limited in Chaiyaphum to drive research and technological development to help achieve sustainable sugarcane production and prep the group for further business expansion. As the group’s cane and sugar business was evolving into an energy and bio-plastics business, they elevated their R&D department to the Mitr Phol Innovation & Research Center to support their mission to be a socially and environmentally responsible company, with a vision of creating world-

class technology and green industries. They are committed to adding value through new initiatives, world-class technology and innovation, delivering products and services that surpass the expectations of all of their stakeholders, and using cutting-edge knowledge to pave way for a truly sustainable business. More recently, they have begun planning to build a new 4,000 rai “Bio – Industrial Estate” in Khon Kaen, working together with the community and local leaders to ensure that the project will be sustainable and environmentally sound. As the smart farming industry further evolves in Thailand, Mitr Phol will continue to drive growth through innovative and sustainable farming practices.



Supporting Policies from the Government

Thailand's 20-year Agriculture and Cooperatives Strategies (2017-2036) defines the government's vision for the future of smart farming in the kingdom. It has three primary objectives, to give farmers greater financial security, to create a more prosperous

agriculture segment, and to emphasize sustainable agricultural resource management. Driven by the national policy, a steering committee under the Ministry of Agriculture and Cooperatives (MOAC) was created in 2018 to spearhead the development of smart farming in the kingdom. Among the government organizations involved in the effort are the Ministry of Higher Education, Science, Research and Innovation (MHESI), the Ministry of Digital Economy and Society (MDES) and the Ministry of Commerce (MOC), all of whom collaborate with corporate partners from various industries including agriculture - food and information and communications technology (ICT) companies. As one of the targeted industries under the “Thailand 4.0” development initiative, the government seeks to support companies engaged in research and development, innovation, and utilization of advanced agricultural methodologies through investment incentives and human resource development efforts designed to develop a knowledge-centric workforce, and accelerate growth in future innovation and technological advancement.

Attractive BOI Incentives

For companies considering forming new or expanding existing businesses in Thailand, 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. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad. Specifically, the Office of the Board of Investment (BOI) promotes the transition of the agriculture sector to agriculture 4.0 by providing smart farming incentives to interested investors. Manufacturers of smart farming products, such as detection or tracking systems, resources regulation systems and smart greenhouse systems, as well as service providers that enable digitization of farming are granted a five-year corporate income tax (CIT) exemption with no annual limit. Manufacturers of electronic control and measurement instruments or their parts for agricultural use receive an eight-year CIT exemption. BOI’s tax incentives and support from one-stop consultation services help businesses from planting the seeds of investment to the harvest of their rewards in this resource-rich country.

Additional information about specific activities relating to the advanced agricultural industry can be found by clicking [here](#) or contacting the BOI’s Investment Promotion Division 1.
