



INVESTMENT SERVICES CENTER

THE BOARD OF INVESTMENT

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Press Release

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BOI board sets list of targeted industries to promote in special economic zones, while relaxing rules and regulations on used machinery

Acting Secretary General Hirunya Suchinai revealed after a BOI board meeting, chaired by Prime Minister General Prayuth Chan-o-cha, that the board had agreed with the proposal made in a resolution adopted by the Special Economic Development Policy Committee to 13 targeted industries covering 61 business activities if they locate in one of the special economic zones, as follows:

- 1) Agro- industry, fisheries and related businesses
- 2) Ceramic products manufacturing
- 3) Textile, clothing, and leather manufacturing
- 4) Furniture manufacturing
- 5) Gems and jewelry manufacturing
- 6) Medical devices manufacturing
- 7) Automotive, machinery and parts manufacturing
- 8) Electronics and electrical appliances manufacturing
- 9) Plastics manufacturing
- 10) Pharmaceuticals manufacturing
- 11) Logistics businesses
- 12) Industrial zones or industrial estates
- 13) Businesses that support tourism

The Office of the Board of Investment will offer maximum incentives to these targeted activities.

The list of eligible activities will differ in each zone (Tak, Mukdahan, Sakaeo, Trat, and Songkhla) according to the respective potential, limitations, and needs in the zone. Qualified projects investing in special economic zones will receive the maximum incentives which include an 8-year corporate income tax exemption and an additional 5-year 50% corporate income tax reduction.

Businesses that are not one of the categories listed above, but which are on the list of BOI promoted activities, are also eligible to apply for additional incentives if they locate their facilities in a SEZ.

Relaxation of rules and regulations on utilization of used machinery

The board also reviewed rules and regulations on utilizing imported used machinery in BOI promoted projects and agreed to allow promoted projects to use machinery older than 5 years but not exceeding 10 years. On general cases, imported used machinery must not exceed 10 years. In cases when a production base is relocated into Thailand machinery over 10 years old will be allowed to be used in the project. In both cases, no offer of import duty exemption on machinery will be made and the project will be required to submit a performance certificate issued by a trusted institute identifying the efficiency of the machinery, its environmental impact, safety standard and energy usage, as well as its maintenance profile and its fair value must be obtained.
