

(Unofficial Translation)

Announcement of the Office of the Board of Investment

No. Por. 3/2545

Machinery Importation Periods and Operations Start-Up Approval

In order to clarify the time frames relating to the import of machinery and commencement of operations of promoted activities;

By virtue of Sections 13 and 16 of the Investment Promotion Act of B.E. 2520, the Office of the Board of Investment, as authorized by the Board of Investment, hereby announces that Office of the Board of Investment Announcement No. Por. 4/2542, Re: Consideration of Operations Start-Up Approval, dated 10 September 1999; Office of the Board of Investment Announcement No. Por. 5/2542, Re: Consideration of Extensions to Machinery Importation Periods and Importation of Machinery Used for Specific Purposes, dated 10 September 1999; and Office of the Board of Investment Announcement No. Por. 6/2542, Re: Extension of Dates for Work Commencement, dated 10 September 1999, shall be revoked, and replaced by the following:

1. All projects shall be required to report the progress of their project to the Office of the Board of Investment upon request of the OBOI on an annual basis for the first two years from the date of the promotion certificate. Promoted companies that fail to comply with this requirement will be sent an additional request for the required information. If the promoted company fails to respond to this notice, their certificate of promotion will be revoked.
2. Prescribed period for importing machinery:
 - 2.1 Applications for extension of the period for importing machinery prior to the date of a project's investment promotion approval:
 - (1) No privileges will be granted for machinery imported prior to the date an application for promotion is submitted.
 - (2) The application must be submitted within 6 months of the date of the promotion certificate.
 - 2.2 The period for import of machinery for every project is 30 months from the date of the Promotion Certificate. No extensions will be granted.
 - 2.3 Unless otherwise stated, and notwithstanding other clauses contained herein, criteria stated under point 2.2 (above) shall not apply to such cases where projects invest more than THB 500 million (excluding cost of land and working capital) and to projects or activities that have been granted special privileges relating to machinery importation.
3. Prescribed period for commencement of operations:

All projects shall commence operations within 6 months from the expiry date of the machinery import period. No further extensions will be granted.
4. The criteria, as stated under sections 2 and 3 (above) shall apply to applications submitted for promotion from October 1, 2002, onwards.

5. For existing promoted projects, or for applications submitted to the OBOI prior to the date this Announcement becomes effective, the following criteria shall apply:
 - 5.1 For projects applying to extend the time frame for importing machinery, no more than two extensions, each of which may not exceed one year, will be granted.
 - 5.2 For projects applying to extend the time frame for commencement of operations:
 - (1) Projects that are granted permission to extend the period for importing machinery shall be permitted to extend the time frame for commencement of operations for a period of 6 months following the date of the expiry of the machinery importing period.
 - (2) For projects seeking only to extend the date for the commencement of operations, the OBOI will grant extensions of not more than one year from the expiry date.
6. Machinery that is used in research and development (R&D) activities, or which is used for eradicating or preventing environmental pollution, may be imported throughout the investment promotion period.
7. Where disputes arise as a result of compliance with this Announcement, the Secretary-General may present such disputes to the Investment Promotion Subcommittee for consideration.

Effective from October 1, 2002, onwards

Announced on August 22, 2002

(Mr. Somphong Wanapha)
Secretary-General of the Board of Investment