



“The privileges obtained from BOI investment promotion allow the company to invest more in research and development, resulting in improved product quality.”

Mr. Peeraphon Trakulchang
Managing Director, R V Connex

Migrating Technology from National Defense to Smart Cities

As part of its goal to implement its Thailand 4.0 initiative, the government has recently established a National Smart City Committee, comprised of several key cabinet ministers and chaired by the deputy prime minister, to stimulate the implementation of smart cities all across Thailand. Smart cities aim to integrate digital technology, energy production and distribution, and public and private transportation to improve the quality of life for their residents. This will require integrating many separate and often presently incompatible systems to communicate and work seamlessly together in a robust and secure fashion. This is a task which R V Connex is well qualified to undertake, as a result of their many diverse defense technology capabilities, and their team of highly skilled engineers and technical specialists.

Founded in July 2016, R V Connex is a Thai corporation with over 25 years of experience in the field of national defense systems, security, aviation and the development of innovative custom solutions. With a staff of over 300 individuals, two-thirds of whom are technical, they are in an excellent position to develop the technology and software systems needed by smart cities, starting from the projects previously developed for the national defense industry. These can then be further expanded and enhanced to become the software and hardware required for operating smart cities also.

Mr. Peeraphon Trakulchang, Managing Director of R V Connex said that the company’s work is divided into four major areas which can be adapted for use by a smart city. Firstly, by providing system security to secure important locations and infrastructure in the smart city. Secondly, by

providing maintenance services, as well as developing, modifying, repairing, creating, and installing various technological devices and systems. Thirdly, by providing software development services related to command and control for decision making the systems which can be linked to the smart city as well. Lastly, through software development relating to the interpretation of images from satellites and drones. This can be used in various ways, not only in the smart city, but also in agriculture, resource conservation, and security monitoring.



Mr. Peeraphon explained that "Technology from abroad has been developed per other country's requirements, which are different from Thailand because of the country's different organizational

management and agency structures. If we buy the technology from abroad, it may not meet our requirements. Therefore, as we have the technology and staff, as well as knowledge and understanding relating to the needs of smart cities and cyber security, we can bring our experience and technology to apply for use within Thailand. Purchasing the technology from abroad often doesn't meet our domestic requirements, and usually has a higher cost. Additionally, if we develop our own products internally, the funds expended on development will remain within the country and contribute to the domestic economy. We feel that it is more beneficial if we bring our own experience to meet the country's needs."

Support from Public Sector

As part of the Thai government's vision for creating a new digital "Thailand 4.0", the National Legislative Assembly approved the establishment of the new Ministry of Digital Economy and Society on September of 2016, which is largely responsible for shaping, planning and developing Thailand's future digital

economy. The Software Industry Promotion Agency (SIPA), together with the Ministry of Information and Communication Technology (MICT), also play an important role in supporting businesses in the software industry. Additionally, two new agencies have been set up, the National Digital Economy Committee and the Digital Economy Promotion Agency. They are tasked with fostering an environment geared to innovation, technology and creativity in the digital age.

Attractive BOI Incentives

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.

Recognizing the importance of the digital economy, the BOI prioritizes investments that are beneficial to the digital sector and the country's technological development. Particularly, they give priority to high-tech, creative and service industries that support the development of the digital economy, and industries that utilize local resources for that purpose. For example, the BOI offers attractive and extensive investment promotion incentives for embedded software development, enterprise software development, digital content production, high value-added software, and other digital or cloud based services.

Additional information about the high value-added software activities can be found by clicking [here](#) or contacting the BOI's Investment Promotion Division 5.
