



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

No. 7 / 2019(O.05)

11 January 2019

**BOI approved 2 special measures to promote
rail and tourism industries**

The Thailand Board of Investment (BOI) today approved two new measures aimed at developing the rail industry and further enhancing tourist destinations in the country, particularly those in second-tier provinces.

Ms. Duangjai Asawachntachit, BOI's Secretary General, said after the meeting chaired by Prime Minister General Prayut Chan-ocha that the meeting considered two major investment promotion measures as follows.

Rail Industry Development

The special measure was designed to support the national infrastructure plan to build more than 6,000 kilometers of the rail network nationwide, including a dual-track train, electric train, and high-speed train, and to address the increasing future demand for rail networks and to reduce dependence on imports of rail systems.

The board therefore agreed with the proposed revision of the BOI's current promotion activity list on rail system development and related industries. The revision aims at encouraging more engineering activities and covering a comprehensive range of investments related to rail systems such as train structures, passenger cabins, system control units, bogies, braking systems, electrification systems, and signaling systems as well as rails.

As part of this plan to stimulate investment in the rail development and related activities that support the country's future public transport development plan, projects that apply for BOI promotion by 30 December 2021 will be eligible for 50% corporate income tax reduction for another 3-5 years after the expiry of 100% exemption for 5-8 years. This special package is also expected to help kick-start the establishment of a rail production hub in the northeastern region where there are several supporting factors such as existing automotive part and assembly industries, universities, and upcoming development of rail networks.

"The new measure will also promote cooperation in research and development, as well as human resource development through cooperation between the private sector and the education sector. In addition, the improved rail system will significantly bring down logistic costs while increasing trade and investment opportunities," said Duangjai.

Tourism industry – more activities covered

More tourism and related activities are added to the existing promotion list and some conditions are added to attract more investments in tourism infrastructure-related activities as well as the creation of new tourist attractions, particularly in second-tier provinces.

The changes made to the targeted activities in this category are 1) improvement of existing conditions or expanded scope of existing categories e.g. the inclusion of all types of museums, particularly those in second-tier provinces; and 2) creation of new categories eligible for BOI promotion such as (a) cruise terminals which will encourage the development of infrastructure to support cruise tourism, and (b) large-scale tourist attractions with high standards.

IRPC investment project approved

BOI also approved the investment incentive scheme for IRPC Public Company Limited's paraxylene and benzene production project located at IRPC's industrial zone in Rayong province. This project, with 35.6-billion-baht investment, will use the latest production technology and will supply to both local and export markets which are continuously expanding.
