

1. Investment Guide

Seven-year Investment Promotion Strategy (2015 - 2021)

According to the Announcement of the Board of Investment No.2/2557 Policies and Criteria for Investment Promotion announced on December 3, 2014 which is enforced on BOI applications submitted from January 1, 2015, onward:

Vision

To promote valuable investment, both investment in Thailand and Thai overseas investment to enhance Thailand's competitiveness, to overcome the "Middle Income Trap" and to achieve sustainable growth in accordance with the sufficiency economy philosophy.

Investment Promotion Policies

1. Promote investment that helps enhance national competitiveness by encouraging R&D, innovation, value creation in the agricultural, industrial and services sectors, SMEs, fair competition, and reduce social and economic disparity.
2. Promote activities that are environment-friendly, save energy or use alternative energy to drive balanced and sustainable growth.
3. Promote clusters to create investment concentration in accordance with regional potential and to strengthen value chains.
4. Promote investment in border provinces in Southern Thailand to help develop the local economy, which will support efforts to enhance security in the area.
5. Promote the special economic zones, especially in border areas, both inside and outside industrial estates, to create economic connectivity with neighboring countries and to prepare for entry into the ASEAN Economic Community (AEC).
6. Promote Thai overseas investment to enhance the competitiveness of Thai businesses and role of Thailand in the global economy.

Criteria for Project Approval

1. In order to develop competitiveness in the agricultural, industrial and service sectors, projects submitted for BOI promotion must have the following qualifications:
 - 1.1 The value-added of the project must not be less than 20% of revenues, except for projects in agriculture and agricultural products, electronic products and parts, and coil centers, all of which must have value-added of at least 10% of revenues.
 - 1.2 Modern production processes must be used.
 - 1.3 New machinery must be used. In case of imported used machinery, the criteria for consideration will be classified into 3 cases, as follows:

1) General Case

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
New machinery	✓	✓	✓	—
Used machinery not exceeding 5 years. (from manufacturing year to import year)	✓	✓	—	The machinery performance certificate must be submitted on the same date in which the master list of machinery is submitted
Used machinery exceeding 5 years but not exceeding 10 years.	✓	—	—	

2) Factory Relocation Case

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
New machinery	✓	✓	✓	—
Used machinery not exceeding 5 years.	✓	✓	—	The machinery performance certificate must be submitted on the same date in which the BOI application and master list of machinery are submitted
Used machinery exceeding 5 years but not exceeding 10 years.	✓	✓ (Investment cap shall be based on 50% of the machinery value from the list of machinery)	—	
Used machinery exceeding 10 years	✓	—	—	

3) Other Cases

Type of Machinery	Allowed to be used in the project	Counted as investment capital for calculation of CIT exemption cap (If Section 31 is granted)	Import Duty Exemption	Conditions
Sea and Air Transport Services* Mold and Dies	✓	✓	✓	—

Remarks

- Relocation of factory refers to the relocation of the production line either partially or in its entirety from a foreign country where the machinery to be used in the project belongs to affiliates or related companies.
- Machinery Performance Certificate refers to a certificate issued by a trusted institute that grants a machinery performance certificate,

which includes a certified report on reconditioned machinery together with detailed documentation of the reconditioning. The inspection of certified machinery and equipment shall include a full test run of the machinery to evaluate its capacity and functionality, as prescribed by requirements of the testing procedure. An environmental impact report, a safety standard check and an energy consumption report must be compiled in accordance with the acceptable criteria.

A certified report must identify 6 significant details, as follows:

- 1) Details on reconditioning and an analysis of the remaining lifecycle of the machinery;
- 2) Year of manufacture;
- 3) Test-run results;
- 4) An environmental impact report, safety standards check and an energy consumption report;
- 5) Appropriate price estimation (the price estimation certificate can be submitted separately);
- 6) Inspection report with date and place of inspection.

Note: * Planes in the Air Transportation Services project must be no more than 14 years old.
(Please see condition under activity 7.3.4)

2. Environmental protection

2.1 Adequate and efficient guidelines and measures to protect environmental quality and to reduce environmental impact must be installed. The Board will give special consideration to the location and pollution treatment of a project with potential environmental impact.

2.2 Projects or activities with type and size that are required to submit environmental impact assessment reports must comply with related environmental laws and regulations or Cabinet resolutions.

2.3 Projects located in Rayong must comply with the Announcement of the Office of the Board of Investment No. Por 1/2554 dated May 2, 2011, on Industrial Promotion Policy in Rayong Province.

3. Minimum capital investment and project feasibility

3.1 The minimum capital investment requirement of each project is 1 million baht (excluding cost of land and working capital) unless specified otherwise on the list of activities eligible for investment promotion that is attached to this announcement. As for knowledge-based services, the minimum capital investment requirement is based on the minimum annual salaries expense specified in the list of activities eligible for investment promotion.

3.2 For newly established projects, the debt-to-equity ratio must not exceed 3 to 1.

Expansion projects shall be considered on a case-by-case basis.

3.3 For project with an investment value over 750 million baht (excluding cost of land and working capital) the project's feasibility study must be submitted with details as specified by the Board.

Criteria for Foreign Shareholding

The Board stipulates the following criteria for foreign shareholding in projects that apply for investment promotion:

1. For projects in activities under List One annexed to the Foreign Business Act, B.E. 2542, Thai nationals must hold shares totaling not less than 51% of the registered capital.

2. For projects in activities under List Two and List Three annexed to the Foreign Business Act, B.E. 2542, there are no equity restrictions for foreign investors except as specified in other laws.

3. The Board may set foreign shareholding limits for certain activities eligible for investment promotion, as deemed appropriate.

Investment Incentives Scheme

Basic Incentives

1. Activity-based Incentives

- Bio and Medical Industries
- Advanced Manufacturing Industries
- Basic and Supporting Industries
- Digital, Creative Industries, and High Value Services

8 years corporate income tax exemption

2. Technology-based Incentives

- Biotechnology
- Nanotechnology
- Advanced Material Technology
- Digital Technology

10 years corporate income tax exemption

Additional Incentives

3. Merit-based Incentives for Competitiveness Enhancement

- Research & Development (R&D)
- Support academic / research institutes, or technology and human resource development fund
- IP licensing fee

- Advanced technology training
- Development of local suppliers
- Product and packaging design

4. Area-based Incentives

- EEC 3 Provinces
- SEZ 10 Provinces
- Southern Border Provinces
- 20 provinces with lowest income
- Industrial Estates/Zones
- Science and Technology Parks (TSP, Food Innopolis, Space Krenovation Park)

5. Area-based Incentives

- Investment Promotion Measures for Companies Listed in the Stock Exchange of Thailand (SET) and the Market for Alternative Investment (MAI)
- Efficiency Enhancement Measure

Offices in China

Beijing

Thailand Board of Investment, Beijing Office
Investment Promotion Section, Royal Thai Embassy,
No.21, Guanghua Road, Chaoyang District,
Beijing, 100600, P.R. China
Tel: +86-10-8531-8755 to 57, +86-10-8531-8753
Fax: +86-10-8531-8758

Email: beijing@boi.go.th

Shanghai

Thailand Board of Investment, Shanghai Office
Royal Thai Consulate-General,
No.18 Wanshan Road, Changning District,
Shanghai 200336 P.R. China
Tel: +86-21-5260-9876,
+86-21-5260-9877
Fax: +86-21-5260-9873

Email: shanghai@boi.go.th

Guangzhou

Thailand Board of Investment, Guangzhou Office
Investment Promotion Section,

Royal Thai Consulate-General, Guangzhou

No.36 Youhe Road, Haizhu District,

Guangzhou 510310 P.R. China

Tel: +86-20-8385-8988 Ext. 220-225,

+86-20-8387-7770 (Direct line)

Fax: +86-20-8387-2700

Email: guangzhou@boi.go.th

People Republic of China Investment Projects Submitted to BOI

Unit: Million Baht

	1 January - 30 June 2021
Net Application	
No. of projects	63
Total Investment	18,614.89
Total Registered Capital	4,549.08
- People's Republic of China	4,332.00
- Thai	105.36
Application Approved	
No. of projects	60
Total Investment	24,444.02
Total Registered Capital	5,879.60
- People's Republic of China	5,758.38
- Thai	45.31

Note: 1) People Republic of China Investment projects refer to projects with People Republic of China capital of at least 10%.

International Affairs Bureau., BOI

As of 12/7/2021 14:42:29

**People Republic of China Investment Projects Submitted
For Promotion Classified by Sector**

Unit: Million Baht

	1 January - 30 June 2021	
	No. of Project	Investment
Agricultural Products	6	521.37
Minerals and Ceramics	0	0.00
Light Industries/Textiles	7	2,346.30
Metal Products and Machinery	18	3,273.70
Electric and Electronic Products	11	10,069.59
Chemicals and Paper	11	1,395.81
Services	10	1,008.12
Technology and Innovation Development	0	0.00
Total	63	18,614.89

Note: 1) People Republic of China Investment projects refer to projects with People Republic of China capital of at least 10%.

**People Republic of China Investment Projects
Approved by BOI Classified by Sector**

Unit: Million Baht

	1 January - 30 June 2021	
	No. of Project	Investment
Agricultural Products	7	588.08
Minerals and Ceramics	1	50.99
Light Industries/Textiles	8	2,123.16
Metal Products and Machinery	14	9,076.44
Electric and Electronic Products	17	10,545.70
Chemicals and Paper	6	1,839.85
Services	7	219.80
Technology and Innovation Development	0	0.00
Total	60	24,444.02

Note: 1) People Republic of China Investment projects refer to projects with People Republic of China capital of at least 10%.

2) New policy launched in September 2010 effects previous figures related to sector (activity code). International Affairs Bureau., BOI As of 12/7/2021 14:42:29

Process of Land and Building Tax Collection

There are 3 main procedures of tax collection according to the Land and Building Tax Act, B.E. 2562:

1. Preparing a list of land and buildings: The local government organization appoints the surveyor and announces the survey agenda at least 15 days before the survey. Then the local government organization will begin to survey the type, number, size and the use of land and buildings in order to use the information to make a list of land and buildings. Finally, the local government organization has a duty to finalize the list of land and buildings for not less than 30 days, including submitting information according to the account. Have taxpayers recheck whether it is correct before evaluating taxation.

2. Tax assessment: The local government organization announces the appraised value of the land or building assets and the collected tax rate. Then send a tax assessment notification (item, price appraisal of land/buildings/tax rate/tax amount) to taxpayers.

3. Payment of taxes: When a taxpayer is aware of the transaction, appraisal price of land/buildings/tax rate/tax amount and approve that the list is accurate. Taxes must be paid within April. (In 2020, payment is extended until August 2020).

If you disagree with the appraisal price list which the local authority has notified, you must file an objection request within 30 days for the local administrators to consider the request within 60 days to further the next implementation.

Building permission

Entrepreneurs who wish to apply for a building construction permit shall prepare documentary evidence to submit to Public Works Section at the District Office in Bangkok or local municipality or Pattaya City where the construction site is located. However, the regulations, procedures, conditions, and documents for submission of the application and the consideration duration may differ in each area. Please search for public handbooks on Government Service Information website to read information on requesting construction permits in each specific area, or directly contact the local municipal office, Local Administrative Organization or Pattaya City.

For the construction site in **Bangkok** shall proceed with the following steps:

1. Submit the following documents and evidence:

- 1) Application for permission to construct, modify, demolish a building (Kor 1)
- 2) A copy of company registration certificate

3) A copy of ID card and a copy of the house registration of the authorized person

4) 5 copies of Title Deed

5) Architect Certification

6) A copy of the architect's professional architecture license

7) Certificate of Engineering Design and Computation

8) A copy of professional engineering design and computation license

9) Letter of consent of the architectural supervisor (Nor 4)

10) A copy of the license to practice the controlled architecture profession of the supervisor

11) Letter of Consent of Engineering Supervisor (Nor 4)

12) A copy of Professional Engineering License of the supervisor

13) 5 sets of specification, site plan and architectural plan

14) Engineering Computation List

2. Document inspection officers and may take construction site surveys to prove whether it corresponds to the form submitted or not. The applicant is not necessary to participate in the site survey. If the consideration is completed, the applicant will be notified to collect a permit.

3. The local official signs in the permit form within 45 days from the date of submission and the applicant pay fees (Only in the case of no revision needed). After that, the construction can be built immediately.

Please contact Building Control Division, Public Works Department, at telephone number: +662 247-0107, +662 246-0344.

The applicant can verify that the construction site is located in which district at: <http://www.bangkok.go.th>.

2. Promotional Videos:

1) Wake Up Bangkok Ep.1 - <https://youtu.be/LxNbXMKb11w>

2) Proudly Bangkok Ep. 2 - <https://youtu.be/-M981fLDpYo>

3) Multicultural Bangkok (Part 1) - Make a Wish - <https://youtu.be/Jq97ei8lFSc>

4) Multicultural Bangkok (Part 2) - Live Like a Local - <https://youtu.be/iuOUxHywwYc>

3. City Emblem (logo):



4. Photos of Bangkok:

https://drive.google.com/drive/folders/1sEiANW2-GfsdPzpKjhN_ijoW0qwl3gKr

5. Official Website Links:

- 1) <https://prbangkok-eng.com/>
- 2) <https://iao.bangkok.go.th/>

Sources:

1. https://www.boi.go.th/upload/content/BOI-A%20Guide_EN.pdf
2. <https://bit.ly/2XmfiXE>
3. <https://osos.boi.go.th/TH/how-to/139/Dealing-with-Construction-Permits/>
4. https://www.boi.go.th/upload/content/China%20Q2%202021_610bc69a1a600.pdf