



# BOI Investment Supports and Measures for Bio-Based Industry in Thailand

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**Duangjai Asawachintachit**  
Secretary General  
Thailand Board of Investment

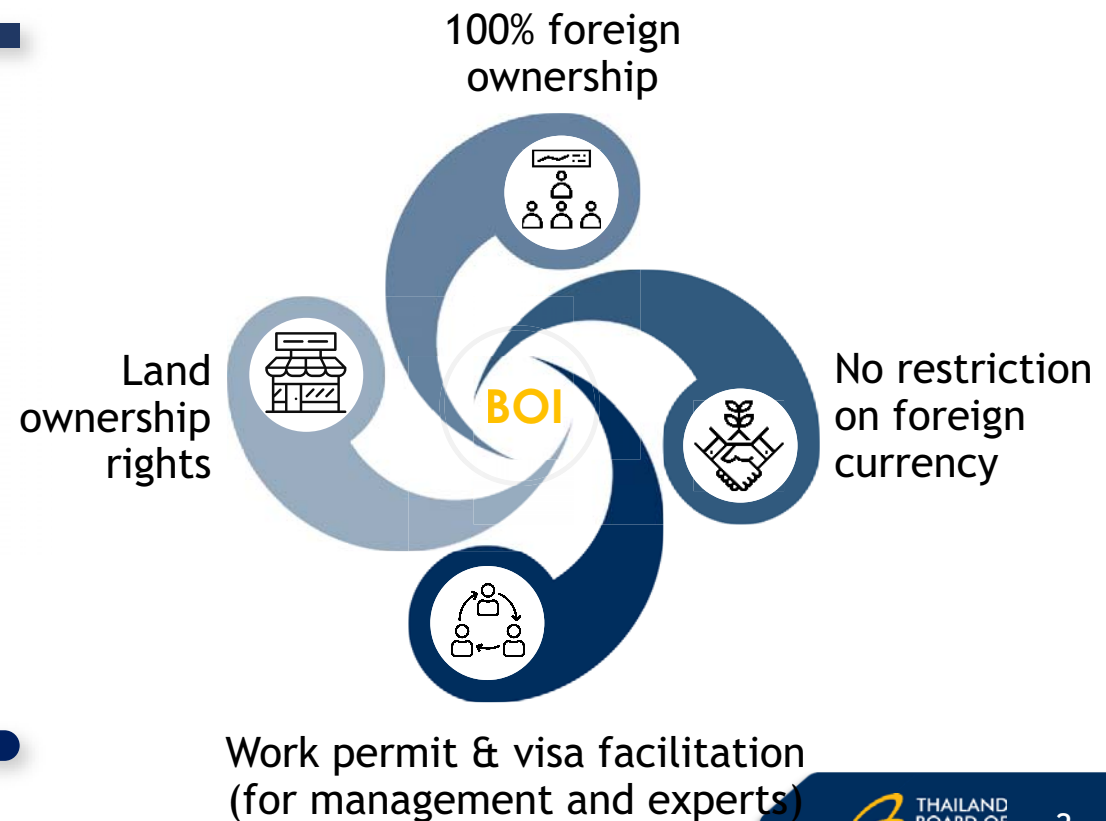
# BOI's Investment Incentives

## Tax Incentives

- Corporate income tax (CIT) exemption
- 50% reduction of corporate income tax after the expiry of tax exemption period
- 50% CIT reduction within 10 years\*
- Investment Tax Allowance (ITA)\*
- Exemption of import duties on machinery
- Exemption of import duties on raw materials (used in the manufacture of exports and for R&D purposes)

*\* in case of no CIT exemption*

## Non-Tax Incentives







# Tax Incentives



# BOI Investment Incentive Scheme

## Standard Incentives

### Activity-Based



**≤ 8 years CIT exemption**

### Technology-Based

**- Targeted Core Technologies -**



Bio-  
Technology



Digital  
Technology



Nano-  
Technology



Advanced  
Material  
Technology

**10 years CIT exemption**



## Additional Incentives

### Merit-Based

- 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

### Area-Based

- 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)

### Agenda-based

- Investment Stimulation Measure
- Improvement Measure
- Measures to support Grassroots Economy Development

# Standard Product-Based Incentive Packages

8  
years

CIT exemption

0  
year

		Exemption CIT	Exemption Import duties on machinery	Exemption Import duties on raw materials	Non-tax incentives
A1	Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness	8+ Merit*	✓	✓	✓
A2	Infrastructure activities for the country's development, activities using technology to create value-added, with no or very existing investments in Thailand	8+ Merit	✓	✓	✓
A3	High technology activities which are important to the development of the country, with a few investments already existing in Thailand	5+ Merit	✓	✓	✓
A4	Activities with lower technology than A1-A3 but which add value to domestic resources and strengthen the supply chain	3+ Merit	✓	✓	✓
B1	Supporting industry that does not use high technology, but is still important to the value chain	-+ Merit	✓	✓	✓
B2	Supporting industry that does not use high technology, but is still important to the value chain	- years	-	✓	✓

Incentives are based on several key factors including level of technology, role in supply chain, and location.

\*No maximum exemptible CIT

# • Snapshot of Bio-Based Industries/Services Eligible for BOI Schemes •

## Agriculture , Agro-Processing, Bio-based Manufacturing

### Upstream

- Economic forest plantation (except for Eucalyptus)
- Organic fertilizers, nano-organic chemical fertilizer and bio-pesticides
- Seed and animal breed improvement
- Plant propagation or animal breeding
- Animal husbandry
- Biotechnology

### Midstream

- Primary rubber processing i.e. latex
- Animal feed/pet food
- Biofuels
- Biomass pellets
- Products from agricultural waste
- Eco-friendly chemicals or polymers i.e. bioplastics
- Extraction of natural raw materials
- Active ingredients
- Biotechnology

### Downstream

- Preservation of food, beverages, food additives or food ingredients
- Natural rubber products
- Biopharmaceutical products
- Diagnostic kits
- Medical food or food supplements
- Bioplastic products
- Biotechnology





## • Snapshot of Bio-Based Industries/Services Eligible for BOI Schemes •

### Infrastructure & Support for Bio-Based Industries

- Research and development
- Scientific laboratories
- Clinical research
- Smart farming services
- Vocational training centers/universities
- Food innovation industrial zone (Food Innopolis)
- Trading centers for agricultural goods
- Cold storage
- Production of electricity/steam from biomass or biogas



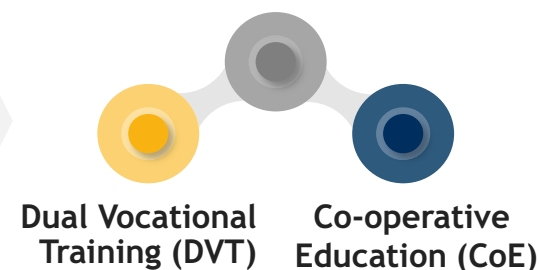
# New Tax Incentives Scheme under New EEC Packages

Targeted Activities (Basic Incentive)	1 HRD Criteria *	2 Location Criteria	
	All EEC Areas	EECi / EECa EECd / EECmd	Industrial Estates or BOI Promoted Industrial Parks
A1 / A2 CIT Exemption 8 years	+ Reduction of CIT 50% for 3 years	+ Reduction of CIT 50% for 2 years	-
A3 CIT Exemption 5 years	+ Reduction of CIT 50% for 3 years	+ Reduction of CIT 50% for 2 years	OR + Exemption of CIT for 1 year
Section 8 CIT Exemption 10 years	+ Exemption of CIT for 2 years	+ Exemption of CIT for 1 year	OR + Exemption of CIT for 1 year

\* For Human Resource Development Criteria

- Must establish a cooperation with institutions or organizations to develop human resources in Science & Technology
- The training participants must not be less than 10% of the total number of employees or more than or equal to 40 participants.

Work Integrated learning (WIL)



Applicants can apply for incentives under one or both criteria.



# Productivity Enhancement Incentives

Replace or upgrade machinery for energy conservation, alternative energy utilization, reduction of Environmental impacts



Production efficiency improvement through machinery upgrade e.g. Automation, Digitalization

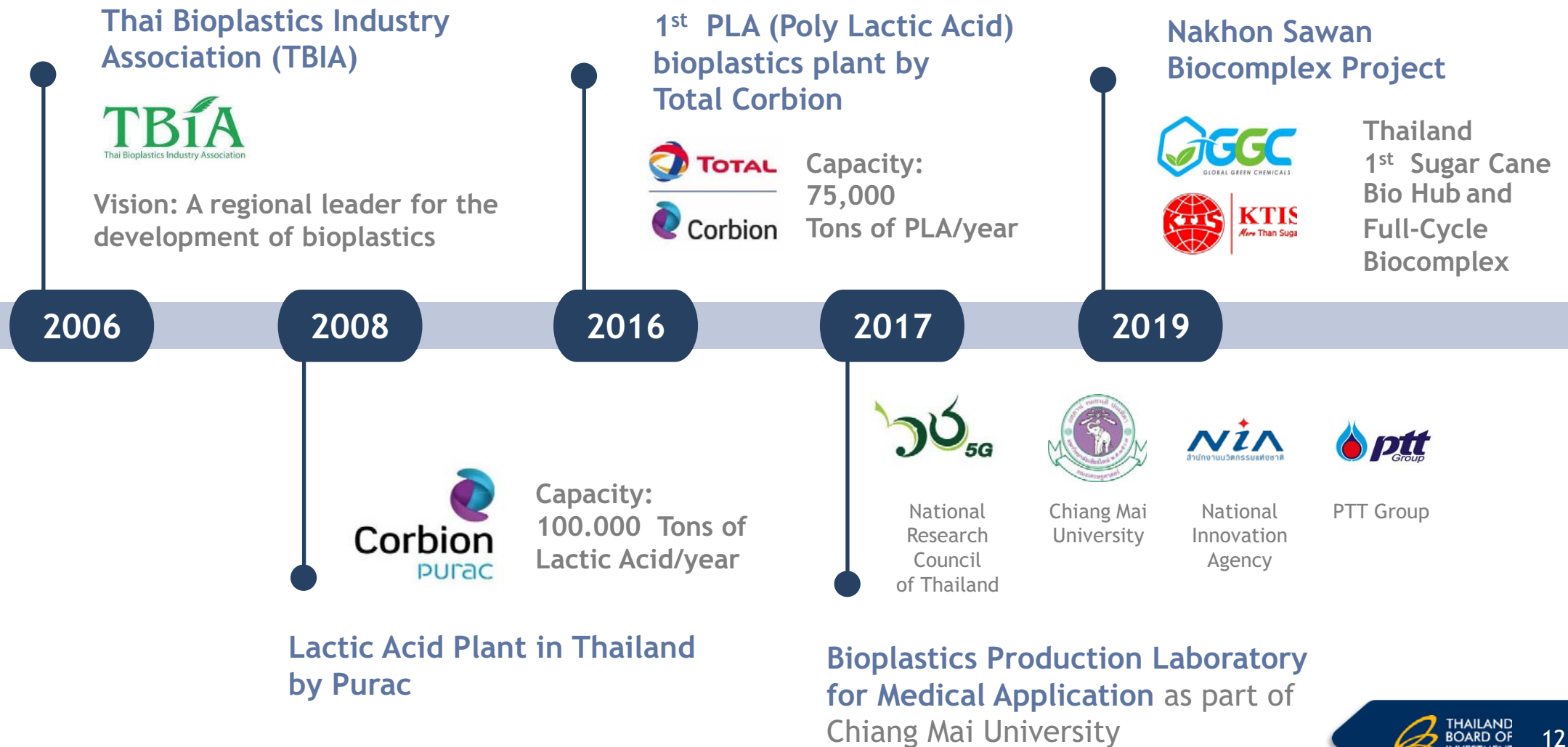
Invest or spend in R&D/ advanced engineering designs for efficiency improvement and sustainable development



Implementation of international sustainability standards through all the supply chain e.g. GAP, FSC, PEFCs, ISO 22000, ISO 14061 (SFM)

- **3-years of CIT exemption** on the revenue of an existing project with the total tax exemption amount capped at 50% of investment in related activities specified by the board (*In case of investment in automation, the cap will be raised to 100% if minimum 30% local industrial linkages are reached*)
- **Exemption of import duties on machinery**
- Applications must be submitted **by 30 December 2022**

# Biopolymer and Biochemical Development in Thailand



# Biopharmaceutical Industries in Thailand



1<sup>st</sup> Company in Thailand to apply and receive a license for biopharmaceuticals

Current Products

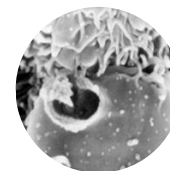


**AllerVACtest®10 & Allergen Immunotherapy** with Siriraj Hospital



**Wincell Research Company** establish with the vision and determination of doctors and researchers to win over the life-threatening disease

Current Products



**Win-K cell** cancer treatments



Current Products

- **Erythropoietin** for chronic renal failure patients
- **Filgrastim** for cancer patients receiving chemotherapy

3 new drugs by 2022 for Cancer, Kidney Failure and Autoimmune diseases



- Elevating the local biopharmaceutical industry to International standard
- Aiming to become the Top research and manufacturing hub of biopharma development in ASEAN



Jointly develop Thailand's pharmaceutical industry with Genexine Inc (South Korea)

# Thailand's Ethanol and Biodiesel Capacity

## Ethanol

Total installed capacity  
= 6,125,000 Liters/Day

### Ethanol from Molasses



### Ethanol from Cassava



### Ethanol from Cassava & Molasses



### Ethanol from Cane Juice/Molasses



## Biodiesel

Total installed capacity  
= 7,682,242 Liters/Day

### Biodiesel from Crude Palm Oil



### Biodiesel from Palm Stearin



### Biodiesel from RBDPO (Refined Bleached and Deodorized Palm Oil)







# BOI Supporting Services

# One Start One Stop Investment Center (OSOS)



Consolidating staff from numerous investment-related agencies



Easing & speeding procedures for new investors



Provides comprehensive information and advice on establishing operation in Thailand



Provides useful contacts with key public and private organizations



1-Stop for visas & work permits in 3 hours



Assist investors with various applications

*More Convenience  
Less Time  
More Efficiency!*



18<sup>th</sup> Floor, Chamchuri Square Building, 319 Phayathai Road, Pathumwan Bangkok 10330, Thailand

Tel: 66(0)2 209 1100  
Fax: 66(0)2 209 1199  
Email: [osos@boi.go.th](mailto:osos@boi.go.th)



# SMART VISA

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## Privileges for SMART Visa



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\*Except Smart S



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with no work permits  
required



No re-entry  
required



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THAILAND  
BOARD OF  
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For More  
Information



Thailand (Head Office) :  
555 Vibhavadi-Rangsit Road.,  
Chatuchak, Bangkok 10900,  
Thailand



(+66) 2553 8111



(+66) 2553 8315



head@boi.go.th