



BOI Measures to Support Thai Supplier Development in the EV Supply Chain

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9 June 2020

Introduction to Thailand Board of Investment (BOI)



1. Provide comprehensive information and advice on establishing operations in Thailand

2. Coordinate between the foreign business community and other public agencies

3. Grant “Tax-based incentives” and “Non-Tax incentives”

4. Provide Business Support Services for Investors :
**Sourcing Services, SMEs Competitiveness
Development**



BOI Investment Promotion Measures

Policy

100% foreign ownership

No local content requirements

No export requirements

No restriction on foreign currency

Tax Incentives

Exemption of import duties on machinery

Exemption of import duties on raw or essential materials imported for export

Exemption of import duties on goods imported for R&D

Corporate income tax exemption up to 13 years

50% CIT reduction within 10 years

Non-tax Incentives

Land ownership

Work permit & visa facilitation

Investment Promotion Campaign Outlines for the EV Industry

Electric Vehicle *



- HEV, PHEV, BEV
- Incentives varied by the electric driving technology

EV Parts



- Core technology: Battery, Traction Motor, BMS, DCU, etc.
- Build a strong supply chain of EV parts in the country

Battery Charging Station



- Support the infrastructure development to encourage EV use
- Increase customer's confidence

Incentives for the Electric Vehicle



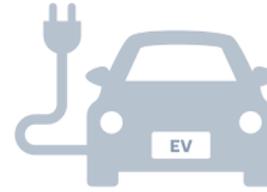
Hybrid Electric Vehicle

- Exemption of import duties on machinery.
- 50% deduction of excise tax rate if the project also produces battery



Plug-in Electric Vehicle

- Exemption of import duties on machinery.
- CIT Exemption for 3-6 years
- 50% deduction of excise tax rate if produce battery in the project



Battery Electric Vehicle

- Import duty exemption for CBU for 2 years
- Import duty exemption for machinery
- CIT exemption for 5-10 years
- 2% of excise tax rate if produce battery in the project



Battery Electric Bus

- Exemption of import duties on machinery.
- CIT Exemption for 3-6 years

HEV, PHEV and BEV production can be counted as production unit of Eco-car project.

** The deadline for application submission has expired*

Incentives for EV Parts

13 Key Parts for EVs

- Air Conditioning System/Part
- DCDC converter
- Front / Rear Axle for EV bus
- Electrical Circuit Breaker
- Portable EV Charger
- Smart Charging System
- On-board Charger
- Traction Motor
- BMS
- DCU
- Inverter
- EV Connector
- Battery

A2 - 8 years exemption of corporate income tax

Exemption of import duties on machinery and raw/essential material

50% reduction of the corporate income tax for 3-5 years if established in targeted areas: EEC

Major Auto Parts for General Vehicles

Activities	CIT Exemption
High technology parts (Fuel injection system, Transmission, Control Unit, etc.)	8 years
Safety and energy saving parts (ABS, EBD, Idling stop system, etc.)	8 years
Rubber tire	8 years
Transmission system parts	5 years
Automobile engines, Fuel system parts, Engine system parts, Safety parts	3-5 years
Brake system parts, Suspension system parts, Steering system parts, Cooling system parts, Exhaust system parts, Air conditioning system parts, Body parts using ultimate tensile strength steel, Ball bearing for vehicles	3 years

Incentives for Battery Charging Station

- 5 Years of Corporate Income Tax Exemption
- Import Duties on Machinery Exemption

Propose EV Smart Charging System Development plan

Receive ISO 18000 as the standard within 3 years after certified for promotion

Propose procurement plan for parts and equipment



Build at least 40 chargers (with at least 25% are quick type)

Applicants must not get privileges from other government sectors

Latest Status of EV Promotions



HEV

5 Projects (5 Approved)
 USD 1,590 million
 352,500 units per year



PHEV

6 Projects (6 Approved)
 USD 361 million
 87,240 units per year



BEV

14 Projects (12 Approved)
 USD 583 million
 109,140 units per year



Battery

10 Projects (10 Approved)
 USD 214 million
 510,360 units per year



Charging Station

2 Projects (2 Approved)
 USD 36 million
 4,496 units per year



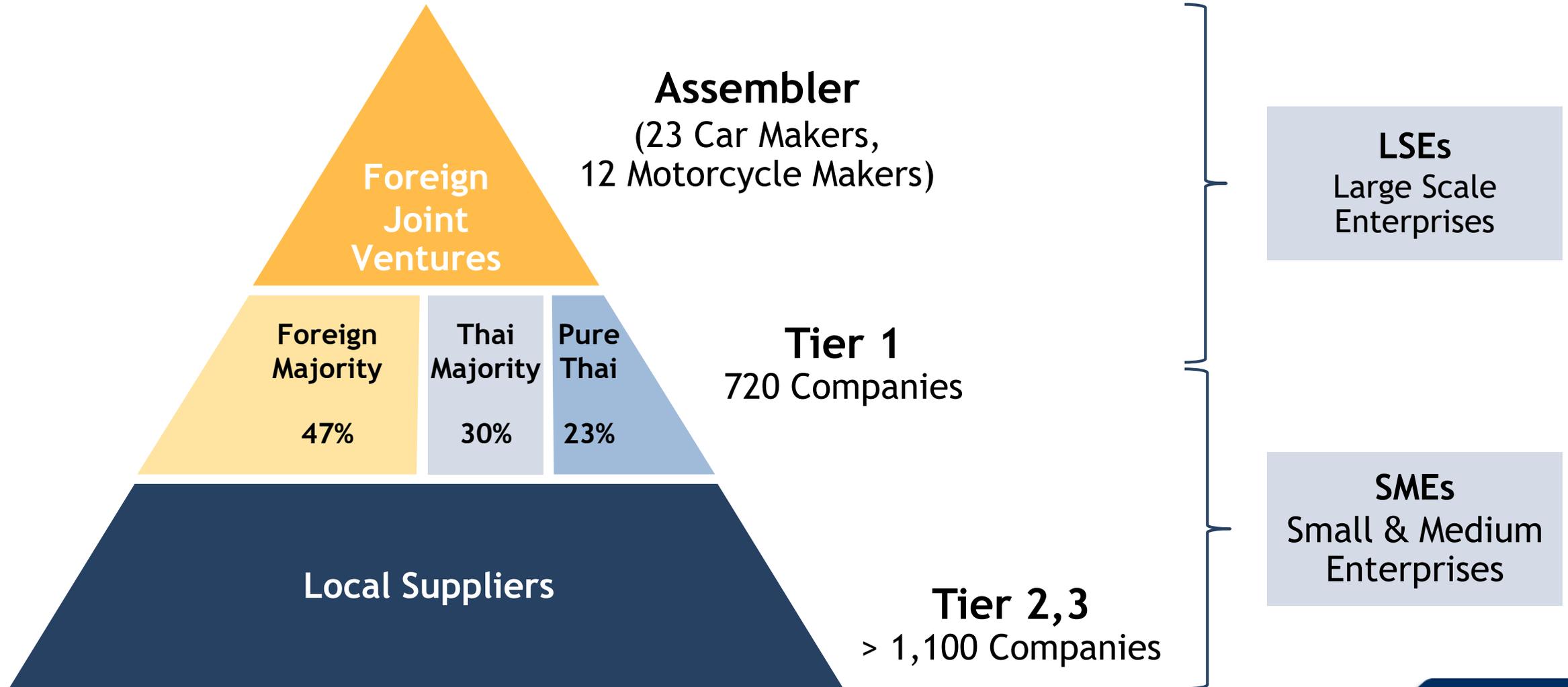
BOI Support Measures of Supply Chain Development

Car Makers and Suppliers Linkage Development Measures

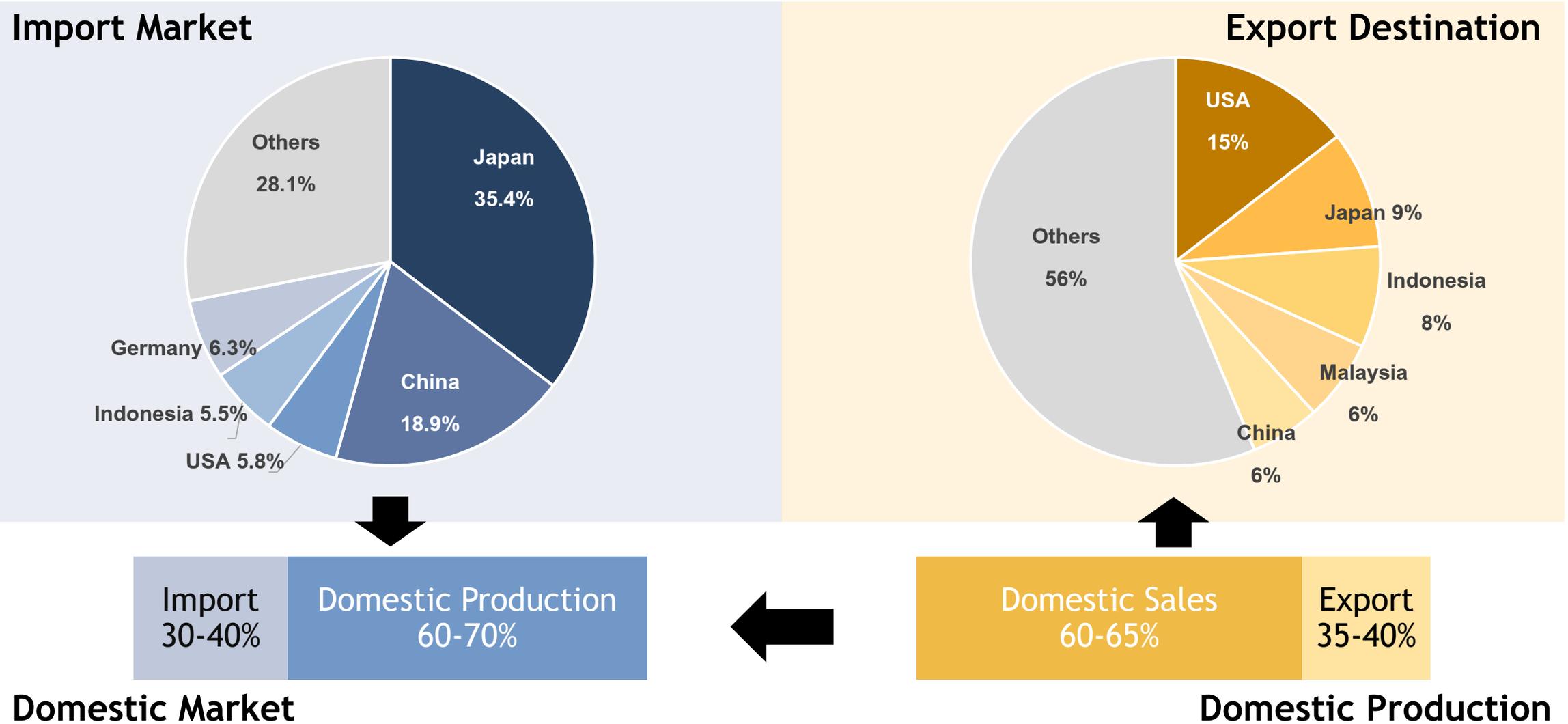
- Online Database
- Sourcing Services
- Business Matching
- Vendors Meet Customers Events
- Market Place Center
- Competitiveness Development Seminar
- Subcontract Exhibition - **SUBCON THAILAND** -



Structure of the Thai Automotive Industry



Most of auto parts used for Thailand's manufacturing are produced locally



Upcoming Event - SUBCON Thailand 2020

DATE: 23 -26 September 2020

TIME: 10.00-18.00 HRS

VENUE: BITEC, BANGKOK

AREA: > 6,000 SQ.M.

BUSINESS MATCHING: Expected over 8,000 business pairs, with business transaction over 12 Billion Baht

SHOWCASE: INNOVATION SHOWCASE FOR NEW S-CURVE INDUSTRIES



NEW DATES Wed.-Fri. (10.00-18.00 hrs.)

23-26 SEPTEMBER 2020
BITEC, BANGKOK



THE ASEAN'S MOST IMPORTANT INDUSTRIAL SUBCONTRACTING AND BUSINESS MATCHING EXHIBITION

THE GLOBAL'S
SOURCING
DESTINATION

Organised by



BOI Supports - Business Matching

The Industrial Linkage Development Division supports both domestic and foreign investors who is seeking parts producer / Business partner / co-investor / R&D cooperation in Thailand.

Linkage Development Activity with Major Vehicle Makers

- BMW
- HARLEY DAVIDSON
- DUCATI
- Toyota
- Triumph
- Ford
- General Motors
- Honda
- Peugeot



The New Normal of BOI's Activities During COVID-19 Pandemic



BUILD's E - LINKAGE Business Matching Online Activity

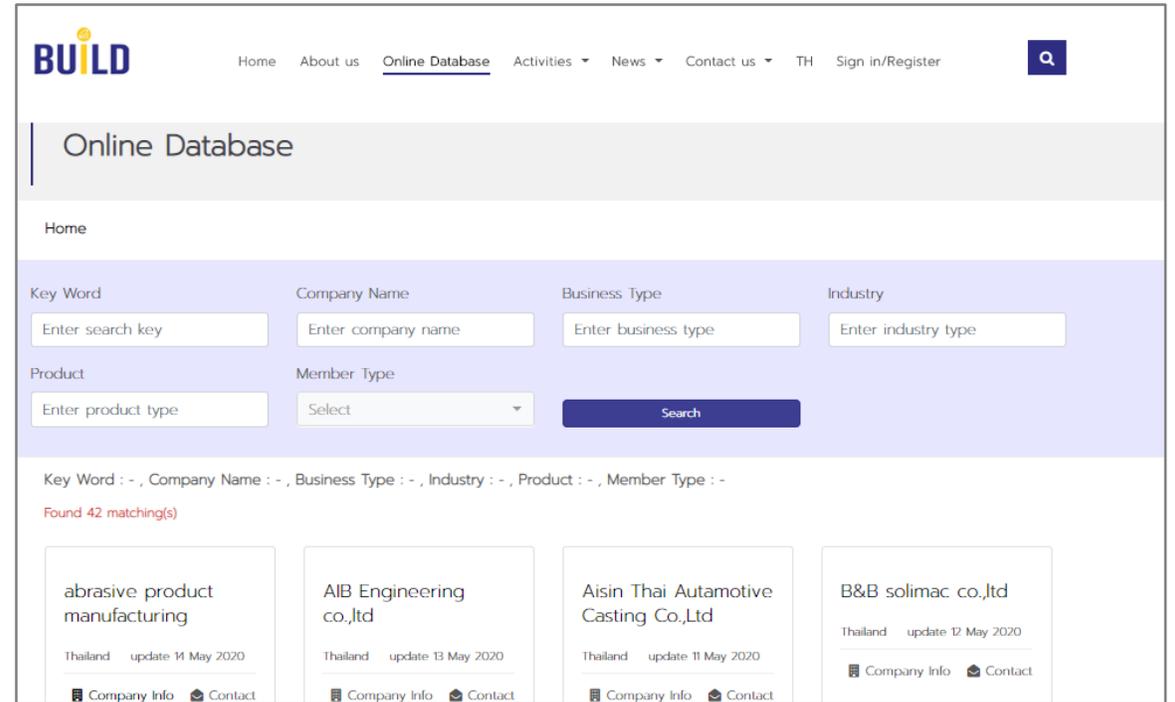


Now available on Website

<https://build.boi.go.th>



<https://build.boi.go.th/EN/sourcing-data>





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