

Development Guidelines for Target Agro-Industries

1. Develop and support agro-industries that have high potential for exports and import substitution. Emphasis will be placed on improving quality and raising standards, advising on investment opportunities, research and development into appropriate technology, strengthen productivity, develop management systems, and upgrade small-scale and medium scale manufacturers.
2. Expand the production base into new agro-industries which have high market potential from:
 - (i) surpluses of traditional raw materials (rice, maize, sugarcane, rubber, cassava, and tobacco);
 - (ii) goods with development potential such as processed food from vegetables and fruit, forest products (paper, furniture), pharmaceutical products, health food from medicinal plants, spices, and aromatics.
3. Encourage farmers to formulate production plans focussing on quality and to join groups for producing raw materials that are required by agro-industrial plants.
4. Encourage development of agro-industries in rural localities, based on needs of the market.
5. Restructuring Agricultural Production:
 - (i) diversify agricultural production from traditional commodities that face marketing problems into new products that correspond to market demand;
 - (ii) improve product quality in accordance with market conditions and reduce production costs.

BOARD OF INVESTMENT

The role of the Board of Investment (BOI) is to promote the establishment of private sector investments which are in line with the government's development goals. BOI accomplishes this by providing and administering incentives for investors and implementing promotional campaigns. The BOI establishes investment policies and approves the promotion of investments.

Sub-committees are empowered to approve export-oriented projects and deal with specific matters such as legal issues, machinery and raw materials privileges, expatriate employment and land use.

For a project to be granted investment incentives, the BOI must be satisfied that the project is feasible and makes a contribution to national economic development. Priority consideration is given to projects which export their production, use domestic raw materials, employ a large labour force and are located outside of Greater Bangkok.