

ACTIVITIES ELIGIBLE FOR INVESTMENT PROMOTION

NOTES :

1. The MCR [Minimum Investment Capital Required] EXCLUDES the cost of land and working capital.
2. The MTS [Minimum Thai Shareholding] is the percentage of shares which Thai nationals must hold.
3. The MEL [Minimum Export Level] is the percentage of sales value which must be exported.
4. The products listed under each type of activity are examples only. The list is not exhaustive, and many other activities not listed here may be eligible for promotion if they are considered to be of benefit to the Thai economy and are in accordance with national development objectives.
5. A Rai is a Thai measurement equivalent to about two fifths of an acre (one acre = 2.5 rai).
6. The Ministry of Agriculture and Cooperatives is referred to as the "MinAgCo".
7. Promotional privileges have been suspended for some activities, and a separate list follows in Section 18.

No.	Type of activity	MCR	MTS	MEL	Other Conditions
1. Agricultural Products and Commodities					
1.1	Large-scale cultivation		60%*		1. Minimum 1,000 rai* [* or as the Board approves]
1.2	Processing of agricultural products	Baht 2m.	-	-	
	- Alfa starch		-	-	
	- Nursery block for planting made from agricultural waste		100%	-	
1.3	Processing or preservation of food	Baht 5m.	-	50%	1. The export condition is not restricted for soyabean milk production. 2. Projects for which import duty is not exempted. 3. Production of pasteurized and/or sterilized milk.
	- Canning (air-tight containers)		-	-	
	- Food preservation		-	-	
	- Fruit juice		-	-	
	- Sticky rice crackers	Baht 5m.	-	100%	1. Project approval for experience and marketing. 2. Corporate income tax is not exempted. 1. Must use local fresh fluid milk.
	- Production of pasteurized and/or sterilized milk	Baht 5m. (an initial project) Baht 2m. (an expansion project)	-	-	
1.4	Animal feeds	Baht 10m.	-	-	
	- Prepared animal feeds.		60%	-	1. Factory must be outside Bangkok Metropolis.
	- Animal feed mix	Baht 2m.	-	-	
	- Aquatic animal feeds		-	-	
1.5	Oil production from agricultural products	Baht 5m.	-	-	SUSPENDED
	- Castor oil		-	-	1. No exemption from corporate income tax or privileges when setting up a factory in an Investment Promotion Zone. 2. Processing crude oil into cooking oil is not permitted.
	- Palm oil		-	-	
	- Crude rice bran oil		-	-	
1.6	Corn products	Baht 10m.	-	-	
1.7	Products from stick lac	Baht 2m	-	-	
1.8	Rubber products	Baht 10m.	-	80%	1. Production of rubber wear and rubber sheet for reservoirs is exempted from the MEL.
1.9	Livestock raising or meat processing	Baht 1m.	60%	-	
	- Hogs		-	-	} Processed meat must be exported
	- Poultry		-	-	
	- Aquatic animals		-	-	
	- Buffaloes	Baht 1m.	-	-	1. Main project must be to breed bulls from the promoted farm with cows from that farm or from nearby. 2. Minimum of 3,000 rai of land. 3. MinAgCo must approve the raising and breeding. 4. Must start with not less than 200 head, the age, height and size of which must be approved by the MinAgCo.