

## Topics June 2020

### Measures to promote investment in the medical industry

1. In order to encourage investment for serve the demand for medical products in the current situation and promote manufacturing of products for good health to people in country. Board of Investment has issued the notification of Board of Investment No.7/2563 to amend the promoted activities as follows: -

Activities	Rights and privileges
1.16 A busines to manufacture fuel or medical alcohol (Pharmaceutical Grade) from agricultural products included fuel from waste materials or waste or waste from agricultural products	
1.16.1 A busines to manufacture fuel or medical alcohol (Pharmaceutical Grade) from agricultural products	A2
1.16.2 A busines to manufacture fuel from waste materials or waste or waste from agricultural products	A2
1.16.3 A busines to manufacture compressed biomass fuel	A3
3.2 Manufacture of Non-Woven Fabric or Hygienic Products from Non-Woven Fabric	
3.2.1 A busines to manufacture Non-Woven Fabric such as Spunbond or Meltblown which using for raw material of face mask or medical device	A3
3.2.2 A busines to manufacture other Non-Woven Fabric or Hygienic Products from Non-Woven Fabric	A3

2. In order to encourage investment for serve the demand for face mask and medical products in the country. There shall be reduced corporate income tax for net profit which having from investment at the rate 50 percent of normal rate, in the period 3 years. Since the privileges of tax exemption is expire.

The activities that will grant the right to reduce corporate income tax of profit at the rate of 50 percent of normal rate in the period 3 years after corporate income tax exemption is expired. The activities as follows: -

Activity3.2.1	Manufacture of Non-Woven Fabric such as Spunbond or Meltblown which using for raw material of face mask or medical device
Activity3.11	Manufacture of medical devices
	3.11.1Manufacture of medical devices that are classified as high risk or high tech (such as X-Ray machine, MRI machine, CT scan machine and implantable materials) or medical devices that are leading public research or which are jointly operated with the government for commercial production.

	3.11.2 Manufacture of medical devices (Except for the manufacture of medical devices from various fabrics or fibers)
	3.11.3 Manufacture of medical devices from various fabrics or fibers, such as gown, blanket, cap, face mask, gauze and cotton pads etc.
Activity6.9	Manufacture of Active Pharmaceutical Ingredients)
Activity6.10	Manufacture of medicine
	6.10.1 Manufacture of medicine under targeted therapy
Activity7.12	Biotechnology business
	7.12.2 Research and Development and/or the manufacturing of pharmaceuticals using biotechnology
	7.12.3 Research and Development and/or the manufacturing of Medical diagnostic kit

### Condition

- (1) The project shall file an application since 1 January until 30 June 2020
- (2) There shall start manufacture and having income within 31 December 2020
- (3) There shall sell and/or donate in Thailand at least 50 percent of produced quantity in 2020 – 2021

3. In order to support those who have received the investment promotion which has the potential to produce medical devices or parts including equipment used for medical purposes, which the Food and Drug Administration (FDA) is not categorized as a medical device, such as personal protection equipment (PPE), etc. The production line can be modified to produce medical devices or parts of medical tools and / or devices used for medical purposes as follows:

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3.1 Projects that are currently being promoted can request to increase the type of business to include the production of medical devices or parts. And / or devices that can be used for medical purposes even after being allowed to commence business operation.

3.2 In the case of the promoted project, it is necessary to invest additional machinery or equipment that can be manufactured in accordance with 3.1. Exemption of import duty on additional machinery will be granted even after the import period has ended. Which must import machinery within 2020.

3.3 Must submit project amendments within September 2020.