

# A Step-by-Step Guide to Thailand's BOI Incentives for Solar Manufacturing

A Step-by-Step Factual Overview for Investors & Manufacturers

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**Content Partner: J. v. G. technology GmbH**

*Turnkey solar module production lines — since 1997*

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# Technical Overview: Thailand's BOI Incentives for Solar Manufacturing



Created as part of the PVKnowHow Knowledge Network



Prepared by J.v.G. Technology GmbH



European specialists in turnkey solar module production lines

# Key Project Data

**Multi-...**

**12–36 ...**

**Autom...**

**SEA**

**Typical Investment**

Depending on line scope and automation level

**Ramp-Up Period**


BOI timeline dependent; includes construction and production start

**Line Type**

Semi- or fully automated production line for solar modules / components

**Region**

Thailand / Southeast Asia — priority destination for green manufacturing

 Scale: Solar module / component manufacturing · Line type: Automated production line · Region: Thailand / Southeast Asia · Source: PVKnowHow / J.v.G. Technology GmbH

# Market Hesitation vs. Real Opportunity

## Common Investor Hesitations

- Unfamiliar regulatory environment
- Unknown variables threatening profitability and timelines
- Perceived complexity of government processes
- Concern over foreign ownership restrictions

## The Actual Opportunity

- BOI offers a structured, transparent incentive pathway
- Designed to directly address primary financial hurdles
- Solar cells, modules, and related equipment are eligible activities
- Far from a barrier — the BOI framework is a powerful tool for reducing costs and accelerating profitability

# Core BOI Tax Incentives



## Corporate Income Tax Exemption

Up to 8 years of full CIT exemption. Profits from the initial phase can be fully reinvested into expansion, technology upgrades, or market development.



## Import Duty Exemption on Machinery

Full exemption on import duties for essential solar module manufacturing equipment — significantly lowering upfront capital requirements from day one.



## Import Duty Exemption on Raw Materials

Exemption may also apply to raw materials imported for production destined for export, further improving cost competitiveness.

**i** Tax incentives are designed to directly address the primary financial hurdles of a new manufacturing operation — especially critical in the early years.

# Core BOI Non-Tax Incentives



## 100% Foreign Ownership

While foreign ownership is restricted in many Thai sectors, BOI-promoted businesses are permitted full foreign ownership — giving investors complete operational control.




## Right to Own Land

Foreign entities are generally not permitted to own land in Thailand. A BOI-promoted company can own the property required for its factory and operations.



## Streamlined Visas & Work Permits

The BOI streamlines the process of obtaining visas and work permits for the foreign skilled workers and experts needed to set up and run the production line.

 Non-tax incentives address operational and logistical challenges — streamlining the process of establishing and running a business as a foreign investor in Thailand.

# BOI Application Process: 4 Phases



## Phase 1: Preparation & Submission

Confirm eligibility (min. 1M THB investment, modern technology, local economy contribution). Prepare a comprehensive business plan covering production process, financials, employment, and technology. Submit via BOI's online e-Investment system.



## Phase 2: Project Review & Presentation

A BOI officer reviews the application for completeness and viability. Applicant presents to a BOI sub-committee — a key opportunity to explain technical feasibility and market potential. Clear communication of the production line's technical aspects is critical.



## Phase 4: Implementation & Reporting

Import approved machinery duty-free within 30 months. Commence factory operations within 36 months of certificate issuance. Submit regular progress reports to the BOI and comply with all certificate conditions.



## Phase 3: Approval & Certificate Issuance

Receive official approval letter detailing granted incentives. Formally accept the promotion within the specified timeframe. Submit company registration documents to receive the BOI Promotion Certificate — the key to unlocking all approved benefits.



Approval typically takes 40–90 working days from submission, depending on project size and complexity.

# Common Pitfalls & How to Avoid Them

## Common Pitfalls

- Incomplete business plan: missing market analysis, financial projections, or operational strategy
- Underestimating local nuances: unfamiliarity with Thai business environment and regulatory culture
- Poorly defined technology stack: vague machinery descriptions raise questions about project viability
- Missing documentation: incomplete paperwork or non-compliant equipment delays or denies claims

## Best Practices

- Prepare a detailed, realistic business plan with clear financial projections and production strategy
- Work with local consultants or partners who understand the Thai regulatory environment
- Provide clear technical specifications for all machinery and production processes
- Conduct early eligibility checks and maintain organized digital records — studies show up to 29% higher approval success rates

# Frequently Asked Questions

## What is the minimum investment required?

The official minimum is 1 million THB (excluding land and working capital). However, technology-based manufacturing projects like solar module production typically require a significantly higher investment to be considered viable.

## How long does the application process take?

From submission, approval typically takes 40–90 working days, depending on the project's size and complexity.

## Do I need a Thai partner to apply?

No. For most promoted activities, including solar manufacturing, the BOI permits 100% foreign ownership. A local partner is not a requirement.

## What happens after the tax holiday ends?

Once the CIT exemption period (up to 8 years) concludes, the company is subject to the standard Thai corporate income tax rate of 20%. Non-tax benefits such as land ownership typically continue.

# Your Next Steps in Thailand's Solar Market

Thailand's Board of Investment offers a compelling, well-defined incentive program that can significantly de-risk and accelerate the launch of a new solar manufacturing enterprise. The combination of tax holidays, import duty exemptions, and ownership rights creates one of the most favorable environments in the region for investment in renewable energy technology.



## Assess Eligibility

Confirm your project meets BOI criteria: investment size, technology level, and economic contribution.



## Build Your Business Case

Prepare a thorough business plan with detailed financials, production process, and technology specifications.



## Submit & Engage

Apply via the BOI e-Investment portal and prepare for the sub-committee presentation.

"The key to success lies in thorough planning, a solid business case, and a clear understanding of the requirements."

– PVKnowHow / J.v.G. Technology GmbH



# About the Content Partner

## **J. v. G. technology GmbH** – The DESERT Company

Founded in 1997 in Bavaria, Germany. Family-owned engineering company specializing in turnkey solar module production lines.

More than 90 factory projects delivered worldwide.

On-site team training included – no prior manufacturing experience required.

### Key areas:

Turnkey PV manufacturing lines | DESERT Technology® |  
TÜV-certified module designs | Factory planning to production

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Source:

<https://www.pvknowhow.com/countries/thailand/thailand-boi-incentives-solar-manufacturing/>

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