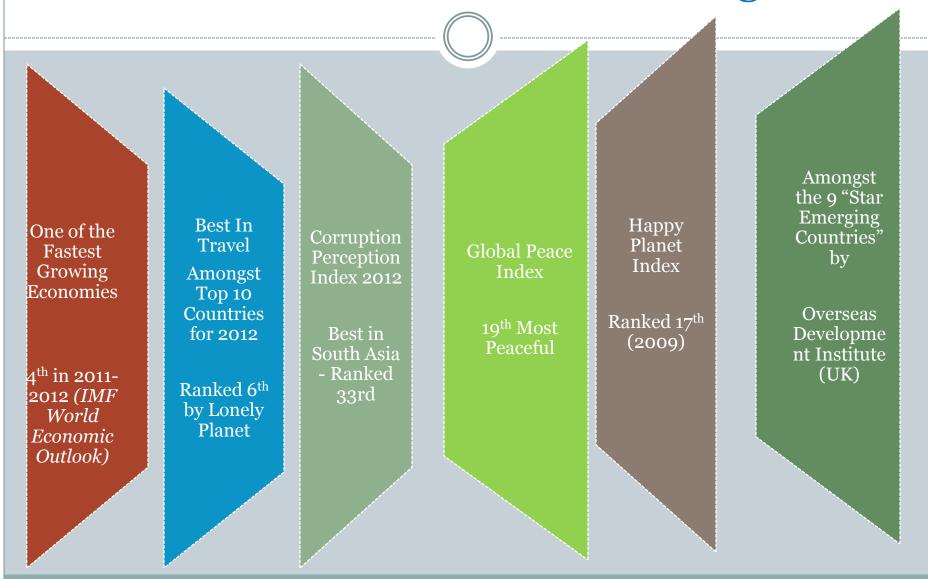
Role of Incentives in Promoting FDI for Inclusive and Sustainable Development

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PRESENTATION RY

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Bhutan- International Rankings



Investment Promotion

- Bhutan is known as a "tourist destination"
- Efforts are made to promote the country also as an investment destination through policy reforms, provision of incentives and other measures.
- Various procedural and regulatory frameworks are being reviewed and simplified such as fast tracking of approvals, revision of companies act, formulation of enterprise registration act, G2C, G2B initiatives amongst a number of other reforms to attract investment.
- Incentives are part of the promotional package to attract investment including the FDI

Selling Points

- Our selling points, amongst others, comprise of
 - Political stability
 - Peace and security
 - Access to vast regional market
 - Reliable and competitively priced electricity
 - x Low corruption level (33rd CPI)
 - Political commitment to economic growth
 - × Pristine environment
 - English speaking workforce amongst others

Priority Sectors

Manufacturing

Services

- Agro based
- Forest based
- Energy (Electricity)
- Water Based products
- Other manufacturing –
 electronics; electricals;
 computer hardware;
 building materials etc

- Education
- Specialized Health Services
- Hotels/resorts
- Infrastructure facilities
- R & D
- Head Office
- IT/ITES
- Construction
- Waste Management
- Water supply & Mgm (Urban)
- Technical & Vocational Education
- Transportation & related services
- Consultancy
- Financial Services

Incentives for Investment

- FDI Law provides for Equal Treatment in provision of incentives and privileges
- Fiscal Incentives provided to domestic investment also apply to FDI.
- Bhutan moved away from time-bound incentives to sector based incentives in 2010.
- Currently, different forms of incentives are in place namely General Incentives, Specific Incentives and Sector Specific Incentives to different types and sizes of industries including FDI

Types of Incentives

- General Tax Incentives applicable to all types of investment are:
 - Duty exemption on import of capital goods for industries
 - Sales tax exemption on industrial raw materials
 - Tax exemption on hard currency earnings
 - Re-investment allowance upto 25% (tax deductible)
 - Environment friendly technology up-gradation (15% tax rebate)
 - o Expenditure incurred in R & D (tax deductible)
 - Use of self generated foreign exchange for import of industrial inputs

Specific Tax Incentives

- Specific tax incentives are provided to promote two main areas namely:
 - Cottage and small Industries (CSIs)
 - × 10 year tax holiday
 - Additional 10 year in remote location
 - Income tax exempt on interest income earned by FI through lending to CSIs
 - Waste management

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预览已结束,完整报告链接和二维码如下:

https://www.yunbaogao.cn/report/index/report?reportId=5 6377

