

EXIM Thailand Promotes Export Insurance and Investment Credit to Boost Thai Entrepreneurs' Global Competitiveness Forging ahead with the Enterprise Plan to Drive National Strategies

Mr. Pisit Serewiwattana, President of Export-Import Bank of Thailand (EXIM Thailand), announced EXIM Thailand's policy for 2017 under its new role to drive national strategies. In 2017, the Bank would start to implement its 10-year enterprise plan (2017-2027) aiming to become a world-class specialized financial institution (SFI) serving as a mechanism in driving forward the country's international trade and investment strategies. Such goal was in line with the 20-year national strategy and national economic and social development plan no. 12 (2017-2021) geared towards the attainment of Thailand 4.0 status.

EXIM Thailand has identified six key strategies to achieve its long-term objectives under the enterprise plan as follows: **1. Promotion of trade and investment through creation of demand for Thai goods and services in both main and new frontier markets**, with focus on exploring trade and investment opportunities in those markets including neighboring countries where Thai goods and services are in high demand; **2. Financial and advisory services for Thai public and private investment projects overseas**, particularly those in the Mekong Sub-region; **3. Expansion of export credit and investment insurance markets**, leveraging on insurance and re-insurance innovations and business partnerships to add value to Thai trade and investment on a concrete and sustainable basis amidst global economic and political volatility; **4. Promotion of online trade and transactions**, to assist Thai entrepreneurs, especially SMEs, in competing and succeeding in the global digital trade arena; **5. Knowledge sharing and financial support for high potential SMEs**, to promote manufacturing and services technology improvements and innovations which will in turn enhance the country's industrial advancement and competitive advantage in international trade based on public-private collaboration; **6. Enhancement of operation efficiency and effectiveness**, with adherence to good corporate governance and social responsibility principles, while emphasizing the development of new generation workforce to work closely with the government sector as Thailand Team.

Mr. Pisit said that the 10-year enterprise plan has been initiated by EXIM Thailand in collaboration with relevant public and private entities to work out the common platform using EXIM Thailand's strengths to add value to the Thai economy in the long run. At present, as an SFI, EXIM Thailand has contributed to around 1.0% of Thailand's gross national income (GNI), targeted to increase by 1.5% to 2.5% in the next 10 years. The Bank has actively supported Thai exporters and Thai export growth, promotion of outward foreign direct investment of Thai entities, as well as enhancement of employment opportunities, creation of financial knowledge base for Thai entrepreneurs, and promotion of Thai entrepreneurs' innovation efforts, digital economy and national development on a sustainable basis.

EXIM Thailand President said further that the year 2017 would witness the Bank's transformation and transition into its new role. The Bank will push for the inception of a **prototype project for development of export credit insurance service through new channels**, such as online service, as EXIM Thailand is the country's first and sole Thai financial institution to provide this service to equip Thai exporters with risk mitigating tool to safeguard against non-payments for commercial or political reasons; along with **promotion of online trade and transactions**, to help

reduce cost for Thai entrepreneurs, SMEs in particular, in exporting Thai goods to wholesale and retail markets around the world.

With the changing trade and investment model, export may no longer be the main engine in driving economic growth while foreign investment may serve as an alternative vehicle to help increase entrepreneurs' access to markets and withstand various non-tariff trade protectionist measures. In 2017, EXIM Thailand aims to promote Thai investment overseas by collaborating with public and private sectors in and outside Thailand to give in-depth data and financial support to projects where Thai investors are ready or have the potential to expand their investment. Such support covers construction of factories and trade establishments abroad, particularly in CLMV (Cambodia, Lao PDR, Myanmar and Vietnam). At present, representative offices have been scheduled to open abroad with staff recruited to work with Thailand Team in supporting and boosting Thai trade and investment in the respective markets.

In view of **EXIM Thailand's operating results in 2016**, it posted a net profit of 1,304 million baht. The Bank has supported Thai entrepreneurs, particularly SMEs, by enhancing their trade and investment competitive edge. As of the end of December 2016, it recorded outstanding loans of 83,169 million baht, a 9,630 million baht growth year-on-year, with new loan drawdown of 25,327 million baht during the year and partial repayment of existing loans. This contributed to a business turnover of 133,993 million baht, of which 86,497 million baht was derived from SMEs. Outstanding SME loans amounted to 35,031 million baht, surging 5,848 million baht or 20.04% year-on-year.

The Bank generated 56,486 million baht in the 2016 export and investment business turnover, of which 11,255 million baht came from SMEs' exports, representing 19.92% of the Bank's total export credit insurance business. As regards support for Thai entrepreneurs to expand trade and investment to new frontier markets, at present, the Bank has a total accumulated loan approval amount of 56,382 million baht for international trade and investment.

The Bank's non-performing loan (NPL) ratio as of the end of December 2016 stood at 3.57% or NPL amount of 2,970 million baht, a 1,023 million baht drop year-on-year. Its allowance for doubtful accounts was 6,842 million baht, of which 2,675 million baht was set aside to fulfill provisioning requirement by the Bank of Thailand, representing a provision to provisioning requirement ratio of 255.81%, hence enabling the Bank to maintain a strong financial status.

"EXIM Thailand has now taken on a new role of performing duty with the best use of our strengths in collaboration with public and private agencies concerned. We aim to fulfill our SFI's role as an advisor and financial tool for Thai entrepreneurs to promote their competitiveness and success in the business world of today while helping to mitigate their risks derived from the global economic and political uncertainties," added Mr. Pisit.

February 1, 2017
Public Relations Division
Office of Top Management

**For further information, please contact Public Relations Division, Office of Top Management
Tel. 0 2271 3700, 0 2278 0047, 0 2617 2111 ext. 1141-6**