

EXIM Thailand Officially Opens Vientiane Representative Office to Respond to Government Policy of Promoting CLMVT Trade and Investment Connectivity

Export-Import Bank of Thailand (EXIM Thailand) held the official opening ceremony of its representative office in Vientiane, Lao PDR. The event was presided over by Mr. Apisak Tantivorawong, Thailand's Minister of Finance, and was witnessed and attended by representatives from Lao PDR government, EXIM Thailand's directors and executives, together with representatives from Thai public and private entities at Crowne Plaza Vientiane Hotel on November 30, 2018.

Mr. Apisak Tantivorawong, Thai Finance Minister, revealed that Thailand and Lao PDR have been in close infrastructure, financial, and people to people connectivity, especially as regards border development projects under the philosophy of sufficiency economy. Besides Thai-Lao trade value of approximately USD 5 billion per year with a steadily upward trend, Thailand ranks first as source of Lao PDR's import, second as export market, and third largest foreign direct investor, and tops the list of Lao PDR's power plant developers/investors and power purchasers. There has also been close collaboration between the two countries in the Greater Mekong Sub-region (GMS) and ASEAN transportation and logistics networking. Furthermore, under the Asian Bond Market Initiative (ABMI), Thai Ministry of Finance has authorized allowed Lao Ministry of Finance to issue Thai Baht bonds in the total amount of up to THB 55.5 billion to raise funds for investment in Lao PDR's infrastructure projects. Eight Baht-denominated bond issues worth THB 45.69 billion in total have been made by the Lao government during 2013-2018. Thailand is thus the first country that has supported Lao PDR's offshore funds raising. This move will help drive Thai Ministry of Finance's strategy to boost Thailand's status as regional leader in bond market development and enhance mutual economic growth of ASEAN nations.

Thai Finance Minister further said that the establishment of EXIM Thailand's representative office in Vientiane reflects the importance Thai government and Thai entrepreneurs have placed on Lao PDR and prospects of new opportunities for expansion of collaboration and financial service development with higher efficiency and broader diversity. EXIM Thailand's presence in Lao PDR represents its achievement in fulfilling its mission of promoting trade and investment for mutual economic benefits. This will lead to higher GDP, investment and employment, as well as the well-being of the peoples of both countries. It will also foster closer business ties and sustainable security and prosperity, leveraging on EXIM Thailand's over 20 years of expertise and experience in financial support for export, import and investment, particularly infrastructure, power plant, public utility and processed agricultural projects in Lao PDR.

“In addition to being a key institution with the primary function of rendering financial facilities to Thai and Lao entrepreneurs, EXIM Thailand has another role to perform as a “goodwill ambassador” to foster economic ties through provision of consultation and information on trade, investment and rules and regulations as well as facilitation and coordination with public agencies and business matching between Thai and Lao entrepreneurs. EXIM Thailand's mission in Lao PDR will be increasingly crucial to ensure Thailand and Lao PDR's stable and sustainable economic partnership,” added Mr. Apisak.

Mr. Pisit Serewiwattana, EXIM Thailand's President, said that for the past 24 years of operation since its inception in 1994, EXIM Thailand has vigorously promoted Thai export, import and investment, linking Thai economy with several others, especially those of the neighboring countries, one of which is Lao PDR which is a long-time economic partner and friend of Thailand. The Bank has so far approved financial facilities for investment projects in Lao PDR worth more than 30 billion baht in total. Such projects are mainly infrastructure projects comprising road construction, investment in power plants which include large power plants with sale of electricity back to Thailand and several other projects in manufacturing and service industries.

EXIM Thailand's President further said that the Bank's Vientiane representative office is aimed to be part of Team Thailand to work with Thai-Lao public and private sectors in boosting bilateral trade and investment value and linking CLMVT (Cambodia, Lao PDR, Myanmar, Vietnam and Thailand) with countries across the GMS and ASEAN. The representative office is tasked with providing trade and investment information and consultancy including in-depth data which will help Thai entrepreneurs of all sizes in their start-up and expansion of trade and investment in Lao PDR. It will also facilitate international financial transactions, explore new business opportunities for the entrepreneurs, and expand cooperation in more diversified forms, in order to meet the expectations of both countries' public and private sectors in stimulating economic growth and enhancing national as well as regional development.

Lao PDR is a landlocked country with a population of around 7 million people and the economy of the smallest size in the CLMVT. Nevertheless, it is predicted by the International Monetary Fund (IMF) to record an average economic growth of approximately 7% per year during 2018-2022, the highest in CLMVT and among the top of the global list. With its proximity to CLMVT and China, Lao PDR is well-placed to serve as the gateway to and linkage with regional energy, trade, tourism and transportation hubs.

In concurrence with the official opening of Vientiane representative office, an MOU was also signed between Mr. Pisit Serewiwattana, EXIM Thailand's President, and Mr. Oudet Souvannavong, President of Lao National Chamber of Commerce and Industry (LNCCI), to promote and support cooperation in the areas of information exchange, financial and non-financial support, as well as joint activities with a view to expanding trade and investment opportunities for the benefits of the entrepreneurs of both countries.

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Corporate Communication Division

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