

EXIM Thailand Hosts 24th AEBF Annual Meeting in Phuket to Ensure Thai and Asian Exporters and Investors' Readiness for Industry 4.0

EXIM Thailand hosted the 24th Asian EXIM Banks Forum annual meeting under the topic “Industry 4.0” at The Westin Siray Bay Resort & Spa Phuket on November 15, 2018. Presided over by Mr. Apisak Tantivorawong, Thai Finance Minister, the 2018 Forum demonstrates the Thai government’s commitment to collaboration with other public organizations particularly financial institutions with a mandate to promote and support entrepreneurs in their international trade and investment. This aims to promote free trade and well-being of Thai and Asian people.

Mr. Apisak Tantivorawong, Minister of Finance, indicates in his opening address that international trade is indeed a major factor driving economic growth and development in every country around the world. In the case of Thailand, in particular, exports constitute over 77% of GDP. Financial cooperation such as this AEBF is thus viewed to be of great financial and other supportive benefits to all business operators within the region. For similar reasons, in the case of Thailand, EXIM Thailand has been established as a specialized financial institution (SFI) under the auspices of the Ministry of Finance (MOF) since 1993 to help promote and support exports, imports as well as investment within and outside Thailand. Under these functions, EXIM Thailand has also played a key role in supporting and promoting cooperative fora among other regional EXIM Banks including the AEBF members in the meeting.

Minister of Finance further said that the recent global financial crisis has contributed to much slower global and regional economic growth rates compared with the past few years. It was not until 2017 when world trade began to recover at some 4.7% which was a record high in six years, thanks to the recovery in both the US and China. Meanwhile, Thai exports edged up moderately by 5.5% in the same year. Thailand overall GDP growth is thus expected to reach 4.5% in 2018 boosted by a stronger export growth of 8% this year. The global economic prospects, nevertheless, remain uncertain as highlighted by the trade conflict between the US and China with inevitable consequences on Asian economies. Partnerships and solidarity among the Asian nations would, therefore, be of great benefit, serving not only to help alleviate the impacts of the current trade conflict but also sustain free trade, future economic prosperity and ultimately poverty reductions in Asia as a whole. As one of our key joint mandates, the Thai MOF continues to keep up with its tariffs reduction schedules, streamlining its customs procedures and develop the ASEAN/National Single Window to integrate the diverse electronic data bases into a platform for promoting logistics and transport systems development connecting Thailand with the global markets even more closely for sustainable wealth and prosperity of Asia. Under the current “Thailand 4.0” model, the Royal Thai government has targeted a number of s-curve industries earmarked to a number of regional industrial estates development to cater for and promote investments. In particular, the Eastern Economic Corridor (EEC) Special Economic Zone has been endowed with extra tax privileges. This is certainly not only targeted for domestic economic development but also gearing towards the strengthening of international connections and cooperation within the region for mutual wealth and prosperity of Asian in a sustainable fashion.

Mr. Pisit Serewiwattana, EXIM Thailand President, reveals that as one of the key SFIs under the MOF supervision, EXIM Thailand aims to drive for the realization Thailand's International Trade and Investment Strategic goals. To accomplish this, EXIM Thailand has played a critical role in coordinating with public and private institutions both domestic and abroad in equipping Thai businesses with the latest information and financial instruments necessary to access modern trading opportunities in the global arena. To ensure a sustainable international trade and investment strategy, EXIM Thailand has taken initiatives and opened opportunities for the exchanges of lessons learnt and experiences with some of the best international practitioners from countries such as Japan, South Korea, Australia. Among the key agenda discussed in this 24th AEBF annual meeting, the topic of "Industry 4.0" has been prioritized with the aim of enhancing regional businesses' capabilities in creating higher value-added industries and meeting new and more sophisticated demands of modern consumers. Amidst the continuous flux of rapidly changing trends, as a manifestation of Industry 4.0, regional business operators/enterprises need to embark on major adjustments process in integrating digital technologies into their productions. Smart and comprehensive production processes will help them to responsively produce the varieties of goods and services that meet rapidly shifting demands of modern consumers at lower costs, with needed efficiency. To meet this competition under Thailand 4.0, production will need to be upgraded to ensure sustainable developments for both Thailand and the Asian region as a whole.

Mr. Pisit elaborates further that, with the combined strength and cooperative solidarity among the AEBF members, obstacles to trade and investment can be overcome, opening up new opportunities and giving boosts to international trade and investments among the Asian nations. To build on the current trend of the Asia-Pacific regional growth of 5.6% in 2018 and 5.4% in 2019, both domestic and export demands are expected to continue to grow, facilitated by continuous capital inflows into the region. The overall Asia-Pacific growth potential obviously has a long way to go with correspondingly strong demands for infrastructure estimated at some 40 trillion US dollars. This strength will naturally contribute to regional economic and social development as well as global growth and stability in the long term.

This AEBF forum is an annual event, organized to allow its 11 members consisting of EXIM Banks from China, India, South Korea, Indonesia, Malaysia, the Philippines, Thailand, Turkey, (Japanese) Japan Bank for International Cooperation (JBIC), (Australian) Export Finance and Insurance Corporation (EFIC), and (Vietnamese) Vietnam Development Bank (VDB); as well as 3 observers i.e. Asian Development Bank (ADB), (Russian) Russian Export Center (REC), (Canadian) Export Development Canada (EDC) to exchange views and discuss future cooperative directions for firmer supports to regional businesses conducting trade and investments for sustainable development within the Asia-Pacific region.

"The advantages will obviously belong to those who have successfully adapted to the modern world while the exchanges of views and experiences will naturally lead to future development. This is the theme of the AEBF Meeting organized by EXIM Thailand this year. Among other objectives, the meeting aims to expand the networks of information and cooperation among member countries with the ultimate aim of boosting businesses' competitiveness within both Thailand and the Asian region in line with the global trends under "Industry 4.0" and sustainable development for the Asia-Pacific region as a whole," said Mr. Pisit.

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