

EXIM Thailand Promotes Development Banking Role to Foster Economic Growth amid Global Financial Crisis

EXIM Thailand announces its stance and readiness to take up a public specialized financial institution (SFI) role with a complete services list to support Thai businesses deemed beneficial for “national development” amid the world’s financial crisis. In its new role, EXIM Thailand will adopt a proactive approach in generating business opportunities for its customers, taking equity interest, promoting imports and domestic investments relating to product quality improvement, logistics and energy development, thereby stimulating Thailand’s export and overall economic growth.

At a press conference on the “Global Financial Crisis and EXIM Thailand’s New Role in National Development” at EXIM Thailand Head Office on January 29, 2008, Dr. Narongchai Akrasanee, Chairman of the Board of Directors, Export-Import Bank of Thailand (EXIM Thailand), and Dr. Apichai Boontherawara, EXIM Thailand President, said that the current global financial crisis with its root in the US subprime mortgage lending poses a potentially serious threat on global economic expansion. The crisis also triggers capital reallocation as well as accelerating the emergence of new markets and intra-regional trade. Since Thailand obtains more than 60% of its GDP from export, Thailand’s public and private sectors, facing with escalating energy costs and a strengthening baht, must work together to formulate and implement strategies to cushion against possible repercussions on the Thai economy.

As a state-owned SFI with expertise in trade and project financing, EXIM Thailand is ready to transform into a complete provider of financing facilities for national development purpose to Thai businesses both at home and abroad. Its new emphasis includes domestic investment promotion in the areas that particularly enhance Thailand’s global competitiveness such as logistics and energy sectors. Further, taking advantage of the strong baht, EXIM Thailand will focus more on import businesses, especially import of machinery and production technologies needed to improve export quality and Thailand’s competitiveness in the high-end markets.

With regard to the new role in providing complete export financing solutions, EXIM Thailand will offer services such as consulting, loans, joint export credit insurance along with other commercial banks, venture capital funds with the high potential export corporations lacking capital as well as the establishment of a Thai EXIM International office overseas. These services aim to lower trade obstacles and boost traditional export market expansion as well as diversification with the first Thai EXIM International office to be inaugurated in Russia by the third quarter of this year.

To enhance Thai businesses abroad, beyond the integrated services for Thai investors covering loans, guarantee and investment insurance, EXIM Thailand is also seeking to proactively encourage Thai businesses to expand their investment overseas. This starts from the initial negotiations with foreign public and private sectors to pave ways for Thai businesses with potential up to the final joint venture by Thai investors to bolster their financial strength and competitiveness abroad. Here, EXIM Thailand is in the process of proposing an out-bound investment promotion fund to the government.

In 2008, EXIM Thailand is also looking to improve its administration and human resources management even further to prepare for the expanded development roles more effectively despite the current global financial crisis. To be fully capitalized for these purposes, EXIM Thailand needs an additional 5 to 10 billion baht to expand its financing facilities for exports, imports and investments, both domestic and abroad. Such increase in capital is crucial for EXIM Thailand to reach the targeted loan outstanding of 120 billion baht by 2012, and ultimately to fulfill its vision of becoming a prominent trade and investment financial institution in the Greater Mekong Subregion.

January 29, 2008
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. 1140-6**