

EXIM Thailand Improves SEZ Investment Loans with Lower Interest Rates and Additional Short-Term Credit Lines to Meet Customers' Demands

Mr. Kematat Saicheur, EXIM Thailand's Acting President, revealed that during his visits to various provincial chambers of commerce and local entrepreneurs, many entrepreneurs have indicated an interest in the Bank's Financing Facility for Investment Projects in Special Economic Development Zones, a new service recently offered in 2015. With a maximum loan repayment period of 15 years, two years' grace period and fee exemption, the Facility offers generally more attractive conditions than commercial banks'. In addition, in order to encourage new investments and business expansion in Special Economic Development Zones, industrial estates, and border areas in line with the government's policy, EXIM Thailand has decreased long-term interest rates for the Financing Facility for Investment Projects in Special Economic Development Zones even further to Prime Rate - 2.50% per annum in the first year (Prime Rate currently stands at 6.50% per annum), Prime Rate - 1.50% per annum for years 2-8, and Prime Rate - 1.00% per annum for years 9-15.

EXIM Thailand's Acting President indicates further that in response to entrepreneurs' demand for short-term working capital, EXIM Thailand will complement those clients eligible for the 15-year loan with short-term working capital credit lines to enable clients whose factories are located in the target areas to expand their production capacity as well as enhance sales and business value. The amount and repayment period of these short-term loans must not exceed the long-term loan amount granted. Disbursements can be made in either baht or US dollars, while promissory notes can be issued for not more than 180 days. The interest rates for baht- and US dollar-denominated loans are Prime Rate - 1.50% per annum and LIBOR + 3.50% per annum, respectively.

The purpose of the Financing Facility for Investment Projects in Special Economic Development Zones is to promote investment in over 50 Special Economic Development Zones and industrial estates scattering throughout the country and along Thailand's border areas. Such investment can be manufacturing, trading, and services such as warehouse, logistics and distribution center deemed beneficial for economic development, ranging from local to national and ASEAN regional levels. In particular, the five Phase I Special Economic Development Zones (SEZ) comprise: Tak SEZ, Mukdahan SEZ, Sakaeo SEZ, Trad SEZ, and Songkhla SEZ. Moreover, the Facility's coverage will be extended to the government's new Special Economic Development Zones to be established in the future such as the SEZ Cluster in 9 provinces. Those interested in these services can contact EXIM Thailand Head Office Tel. 0 2617 2111 ext. 1330-5 or at any of EXIM Thailand's branches.

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