

EXIM Thailand Promotes Renewable Energy Projects in Japan to Drive BCG Economy and Low Carbon Society

Dr. Rak Vorrakitpokatorn, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that EXIM Thailand led by Dr. Pasu Loharjun, EXIM Thailand Chairman, together with Board members, and Mr. Piyabutr Cholvijarn, Chairman of Performance Agreement Sub-Committee (SubPAC) for State-owned Financial Institutions, as well as executives of Fiscal Policy Office (FPO), State Enterprise Policy Office (SEPO) and Institute of Research and Development for Public Enterprises (IRDPE), which are organizations supporting EXIM Thailand's missions in promotion of international trade and investment, paid a visit to a solar power plant of BCPG Public Company Limited (BCPG), a member company of Bangchak Corporation Public Company Limited Group of Companies, with a contracted generating capacity of 20 MW in Chiba Prefecture of Japan on December 10, 2022. They were welcomed by Mrs. Saowapap Sumeksri, BCPG Senior Executive Vice President, Finance and Accounting, who brought them to tour the plant. EXIM Thailand has rendered credit facilities to BCPG worth over 1,000 million baht in total since 2020. The Bank aims to promote and enable Thai entrepreneurs with potential to expand their investment for energy security and sustainable development toward the goal of carbon neutrality and reduction of carbon emissions to net zero of global community. BCPG is a group of Thai investors who have been successful in investment in alternative energy projects both at home and overseas with a combined generating capacity of more than 390 MW and having projects in pipeline with over 700 MW capacity.

EXIM Thailand President said that renewable energy is one of Thai business sectors with bright prospects and investment in which has significantly been evident in several countries, particularly solar power plants in Japan, where tariff rates are high. However, Japanese financial institutions have a policy to provide credit facilities to energy projects only upon commercial operation date. The Bank has thus fulfilled financial needs of these projects by rendering short-term loans with a tenor of 2-3 years in the form of bridging loans to projects under construction through their parent companies in Thailand. After the completion of the construction work, Thai businessmen would then obtain credit facilities from Japanese financial institutions or issue project bond to make loan repayment to EXIM Thailand. EXIM Thailand has so far supported a total of 25 solar and geothermal energy projects in Japan with a combined generating capacity of over 200 MW in a total loan amount of more than 12,000 million baht in line with the sustainable development guidelines and the BCG economy model.

“With the vision of EXIM Thailand to take the lead in driving Thailand's trade and investment strategies so that Thai businesses would be able to grow on a sustainable basis, we have braved challenges to lead and support Thai entrepreneurs' exploration of and access to fresh trade and investment opportunities, particularly those in Green, Digital, Health (GDH) businesses to keep pace with the Next Normal global trends, and unlock all restrictions to fill up knowledge, opportunity and capital gaps for Thai entrepreneurs. One of our such moves is development of the financial support model for Thai businesses' renewable energy power plants in Japan, which would create positive impacts in economic dimension alongside social and environmental dimensions,” added Dr. Rak.

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Corporate Branding and Communication Department