

EXIM Thailand Launches Debt Suspension Scheme for Exporters amid Coronavirus Outbreak Coupled with Special Export Credit Insurance Package for Thai Export to China

EXIM Thailand has allowed suspension of principal repayment and interest for 6 months to customers with long-term and short-term credit lines with the Bank and affected by the coronavirus 2019 spread, and expanded insurance protection for exporters after shipment or those in the process of shipment to China, comprising both exporters duly covered by export credit insurance policies and those interested in using this facility. This aims to lessen the potential impacts of the coronavirus crisis on exporters going into the season of Thai exotic fruits, e.g. durian, mangosteen, longan and lychee in the next 3-6 months.

Mr. Pisit Serewiwattana, President of Export-Import Bank of Thailand (EXIM Thailand), revealed that, the broad ranging spread of pneumonia-like coronavirus 2019 in China has prompted the Chinese government to take rigid measures to curb the spread by limiting mass transport and travel among several Chinese cities. This could inevitably affect Thai export and export-related businesses, such as logistics, etc. EXIM Thailand has thus launched assistance packages for customers covering both credit and export credit insurance facilities with a view to reducing the impacts both at present and over the next 6 months.

Credit Facility Support Package For EXIM Thailand's customers with long-term and short-term credit lines, suspension of principal and interest payment is granted for a maximum of 6 months, including extension of promissory note roll-over beyond the term approved by the Bank up to a total term of not exceeding 360 days (including existing term). In case of loan secured by a letter of guarantee from Thai Credit Guarantee Corporation (TCG) under the Portfolio Guarantee Scheme (PGS) phases 5-7, loan repayment can be extended for up to another 5 years with a waiver of TCG guarantee fee on such extended period counting from the end of the existing guarantee term. Customers may apply for the service under the credit facility support package from today until December 31, 2020.

Export Credit Insurance Support Package For EXIM Thailand's export credit insurance customers after shipment or those upon receipt of purchase orders and in the process of shipment, support package includes 1. Extension of payment term under insurance coverage for a total period of up to 270 days (in case of not exceeding 180 days, no additional expense charge), 2. Additional coverage for perishable goods shipped to and rejected by Chinese buyers as a special case at a rate of 50% of the value of invoice, and 3. Shortening of the period for considering payment of insurance claim compensation, that is, EXIM Thailand will make compensation without having to be delayed until after the sale or destruction of the goods under claims. Interested customers or exporters may apply for the service under the export credit insurance support package from today until July 31, 2020.

China was Thailand's second largest export market in 2019 contributing to 12% of Thailand's total export value. Thai Export goods expected to be affected are fresh fruits, refrigerated and frozen fruits, dried fruits, rubber products, tapioca products, rice, auto parts, and such raw materials for production of goods as plastic resin and rubber.

February 4, 2020

Corporate Communication Division

Sustainable Development and Corporate Communication Department