



## **EXIM Thailand Plans to Issue Green Bond to Support Clean Energy Projects, Build Industries of the Future and Reduce Carbon Emissions to Net Zero**

Mr. Arkhom Termpittayapaisith, Minister of Finance; Mr. Santi Promphat, Deputy Minister of Finance; and Dr. Rak Vorraakitpokatorn, President of Export-Import Bank of Thailand (EXIM Thailand) welcomed General Prayut Chan-o-cha, Prime Minister, together with the Cabinet members to visit **“Thailand Development Bank...Build A Clean World with Sustainable Energy”** Exhibition organized by EXIM Thailand at the Santi Maitri Building, Government House, on March 29, 2022. On this occasion, a presentation on the business operation of Amita Technology (Thailand) Co., Ltd. (AMITA), a subsidiary of Energy Absolute Plc. (EA), which is EXIM Thailand’s customer and fully-integrated manufacturer of lithium-ion batteries and energy storage system with a production capacity of 1 gigawatt hour per year, the largest in ASEAN, to serve electric vehicles industry, was given by Mr. Somphote Ahunai, EA Chief Executive Officer, and Mr. Amorn Saphaweeikul, EA Deputy Chief Executive Officer and AMITA Director.

Dr. Rak Vorraakitpokatorn, EXIM Thailand President, reported that energy is a crucial factor to the prospects of all sectors, from households to businesses and organizations as it represents a cost element and plays a vital part in the way of living of people in general. In view of this, the government has given priority to building energy sustainability under the bio-circular-green (BCG) economy concept and promote production and use of electric vehicles (EV), with aspiration for Thailand to become the regional EV hub and meet the net zero carbon target of global community. EXIM Thailand, as Thailand Development Bank, has accordingly executed its mission to **“reboot, restructure, rebalance and resynergize”** in collaboration with the public and private sectors to translate pressures from emerging environmental issues and standards into business opportunities. **The Bank has strived to support and encourage Thai business entities, including SMEs, to switch to development and use of renewable energy to a greater extent.** Such energy, e.g. solar, hydro, wind, geothermal, biomass, biogas, etc., is renewable, reusable, clean and eco-friendly.

EXIM Thailand President said that the Bank’s support of clean energy projects aims to uplift Thai entrepreneurs’ competitiveness in the long run in terms of production costs, development of innovations and production technology, response to consumers’ demand, and dealing with global environmental issues. This is in line with international environmental rules, regulations and standards. However, as Thailand is in the process of adaptation toward development of industries of the future, EXIM Thailand has put efforts in expanding cooperation with the public and private sectors as well as customers with promising prospects with a view to building the BCG economy in alignment with development in economic, social and environmental dimensions alongside the megatrends in the Next Normal era. EXIM Thailand has planned to raise funds through issuance of a **Green Bond** to support green businesses or eco-friendly businesses on a sustainable basis with an issue size of up to 5,000 million baht and a tenor of 3-5 years. The Bank is in the process of working out the sustainable financing framework and the coupon rate for the Green Bond to be issued in September 2022.

Since its official commencement of operation in 1994, EXIM Thailand has consistently expanded its support of trade and investment both at home and overseas. Its first financing of clean energy business was for a hydropower plant project in Lao PDR. It has later supported Thai entrepreneurs' development and use of energy from such renewable sources as solar, agricultural waste, leftover waste, geothermal and wind, through solar power plants in Japan and Myanmar, geothermal power plants in Japan, and wind power plants in Vietnam. EXIM Thailand is fully equipped to fill entrepreneurs' financial gaps particularly in the initial period of the projects during which commercial banks cannot yet help them take risks. In addition, EXIM Thailand has pioneered in developing the ecosystem of the carbon market with the launch of **Solar Orchestra Program** to promote and support investment in installation of rooftop solar power generation systems, offering a loan 7-year loan tenor, a maximum credit line of 100% of investment cost for payment to the contractors upon completion of installation works, and lowest interest rate of 2.75% per annum in conjunction with the right to registration of carbon credit and tax exemption of 50% of investment cost for 3 years granted by Office of the Board of Investment (BOI) to help entrepreneurs save electricity cost and combat global warming. EXIM Thailand has performed as an intermediary linking buyers with suppliers and relevant regulators end-to-end. It has also participated as a founding member and member of RE100 Thailand Club in the Thailand Carbon Neutral Network and Carbon Markets Club.

“For over the past 2 decades, EXIM Thailand has carried out our role as Thailand Development Bank to integrate development in economic, social and environmental dimensions. We have financed altogether 254 clean energy projects in the CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) and Japan, involving a total investment amount of 370 billion baht and helping reduce carbon emissions of more than 100 million tons. This has been attributable to the fact that EXIM Thailand is better positioned than commercial banks in taking risks from originating new industries and supporting Thai investment overseas in order to reboot, restructure, rebalance and resynergize development of Thailand and global community at large,” added Dr. Rak.

March 29, 2022

Corporate Branding and Communication Department