

## **EXIM Thailand Inaugurates Thai EXIM Inter's First Branch in Moscow, Russia**

EXIM Thailand officially opens the first branch of Thai EXIM International Co., Ltd., in Moscow, Russia to furnish Thai exporters with Advance Payment Bond, Trade Facilitation and Business Matching services. These services are aimed at promoting Thai-Russian trade, facilitating payment follow-up, arranging proper protection for undeliverable Thai export goods left unattended at a Russian port, and creating new business opportunities for business operators of the two countries.

Mr. Pruektichai Damrongrut, Deputy Finance Minister, presided over the opening ceremony of Thai EXIM International Co., Ltd. (Thai EXIM Inter), Moscow Branch at Grand Hyatt Erawan Bangkok on February 17, 2009. The event was witnessed by H.E. Mr. Yevgeny Vladimirovich Afanasiev, Ambassador Extraordinary and Plenipotentiary of the Russian Federation to Thailand; Dr. Narongchai Akrasanee, Chairman of the Thai EXIM Inter's and Export-Import Bank of Thailand (EXIM Thailand)'s Boards of Directors; Dr. Apichai Boontharawara, EXIM Thailand's President; and Dr. Pichit Akrathit, President of MFC Asset Management Public Company Limited.

Dr. Narongchai Akrasanee revealed that Thai EXIM Inter is a joint venture between EXIM Thailand and MF Holdings Co., Ltd. Having set up its first branch in Moscow, Russia, Thai EXIM Inter aims to facilitate Thailand's international trade and boost Thai exporters' confidence in starting up or expanding their businesses into new export markets. Russia is the company's first target country of operation owing to the fact that it is a high-potential emerging market where a number of Thai exporters remain reluctant to enter due to various reasons. The main obstacles include payment and settlement problems, linguistic barriers, Thai exporters' lack of knowledge and experiences in the Russian market as well as the absence of "middlemen" who could help make proper arrangements for undeliverable goods.

Dr. Narongchai said that three services of Thai EXIM Inter's Moscow Branch include 1) Advance Payment Bond to enhance Russian importers' confidence in placing deposit for the purchase of imported items from Thai exporters by having EXIM Thailand issue an advance payment bond in exchange for such deposit. Thai EXIM Inter's Moscow Branch serves as an intermediary in delivering advance payment bond to Russian importers and offers assistance in lodging claims in case problems relating to specific trade transactions arise; 2) Trade Facilitation to follow up on payment of amount outstanding and to provide appropriate assistance in regard to undeliverable goods left stranded in case of trade dispute; and 3) Business Matching to build new business opportunities in international trade for Thai-Russian business operators.

“Thai EXIM Inter’s Moscow Branch is only the first step in fulfilling EXIM Thailand’s proactive roles in promoting Thai export to new markets. Next destinations are Vietnam, Indonesia, India, Lao PDR and Cambodia,” said Dr. Narongchai.

Mr. Pruektichai Damrongrut, Deputy Finance Minister, said Thai EXIM Inter’s first branch in Moscow is a welcoming sign and represents another worthwhile effort to nurture collaboration between the government and private sectors in reducing international trade barriers faced by Thai entrepreneurs and also helping them penetrate new, remote and unfamiliar markets more successfully. It also signifies EXIM Thailand’s earnest commitment to initiate and develop new financial tools to support Thai business operators in the international trade and investment arena.

“The Thai export sector will gain more strength and competitiveness resulting from closer collaboration between the state and private sectors. In spite of the various problems and obstacles, there exist a great number of business opportunities for Thai businesspeople in the global market, especially in the new and unfamiliar markets,” said Mr. Pruektichai.

Russia is a large market with a population of over 143 million, covering the area of over 17 million square kilometers. It is one of the biggest countries in the world, approximately 33 times the size of Thailand. With its distinct location, strategically located between Europe and Asia, Russia has great potential as a gateway into a large consumer market in both Europe and Asia. Important imports from Russia to Thailand are iron, steel and products, petroleum products, in particular crude oil, chemical fertilizer, herbicides, insecticides and minerals. Major Thai exports to Russia are motor vehicles and parts, electrical appliances, agricultural and agro-industrial products such as rice, processed and canned fruits, sugar, processed and canned seafood, frozen shrimps, rubber and rubber products.

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