

**EXIM Thailand Rolls out “Loan for Thai Franchise/Thai Chain Buyers”
to Drive Export of Goods and Services under Thai Brands/Chains, Particularly to CLMV**

Mr. Pisit Serewiwattana, President of Export-Import Bank of Thailand (EXIM Thailand), revealed at a seminar titled **“Thai Franchises to Global”** held by EXIM Thailand in collaboration with Department of Business Development, Ministry of Commerce, at Anantara Siam Bangkok Hotel that there are at present 49 Thai franchise brands operating overseas, most of which are in the food and beverage sector, followed by education and spa businesses. Approximately 80% of Thai franchise brands have expanded into CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) taking advantage of Thailand’s social and cultural similarities to those countries, thus responding well to their consumers’ lifestyles. Moreover, with robust economic growth, CLMV’s per capita income and purchasing power have consistently been on the rise. Over the next five years, CLMV’s economic growth is predicted to average more than 6% per year, almost doubling global economic growth, with an increase in purchasing power of 30% by 2023, while domestic production of goods and services is still inadequate to serve demand in terms of both quantity and quality.

Mr. Pisit said that, with such bright growth prospects of Thai franchise business abroad, EXIM Thailand has developed **“Loan for Thai Franchise/Thai Chain Buyers”** as a long-term credit facility, with a repayment period not exceeding that of the respective franchising/chain agreement. The minimum interest rate chargeable is LIBOR +3.50 % per annum in US dollar and prime rate per annum (currently 6.125% per annum) in Thai baht. Collateral will be considered as appropriate by the Bank. With the total target approval amount of 800 million baht, the credit facility is aimed to support entrepreneurs who wish to buy and run Thai franchise business overseas or engage Thai chains to operate their business overseas.

EXIM Thailand President further said that, to expand Thai franchise business abroad, entrepreneurs need to develop and ensure their Thai-brand businesses and services can respond to the fresh demand of the rapidly changing lifestyles in those markets today. They have to cater to the needs of new generation consumers and businessmen, whether they are locals or expatriates working in CLMV or even foreign tourists who expect good and high standard services. Entrepreneurs also have to understand different opportunities, rules and regulations in each market, run their business prudently in each stage from determination of marketing strategy and registration of trade mark to selection of determined and trustworthy franchisees. They need to understand the franchise system and be keen in managing and strengthening their supply chain with efficient management of raw material, packaging, processing and logistics costs.

“Start-up a franchise business in CLMV is an interesting venture for Thai entrepreneurs in view of such favorable factor as CLMV populations’ familiarity with Thai brands perceived through various media they have followed, our location in close proximity to their countries, Thai product reputation in terms of international standard quality and affordable prices. In addition, EXIM Thailand has representative offices in CLM (Cambodia, Lao PDR and Myanmar) that can work closely with the public and private sectors in the respective countries under Team Thailand to support the expansion of Thai franchise businesses which currently reach 584 franchise brands with more than 100,000 branches across Thailand,” added Mr. Pisit.

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