



# SME Development Bank of Thailand (SME Bank)

April 21, 2016



**SME Development Bank**

**SMEs in Thailand**

**Financial Assistance for Disaster-Affected SMEs**

# **SME Development Bank**

# SME Development Bank of Thailand

## Mission

- Support government policy for helping and promoting SMEs by financial and other services responses to Thai SMEs' need as well as encourage and develop Thai SMEs for capacity enhancement



# Our Network



**12 Regions**

**26 Districts**

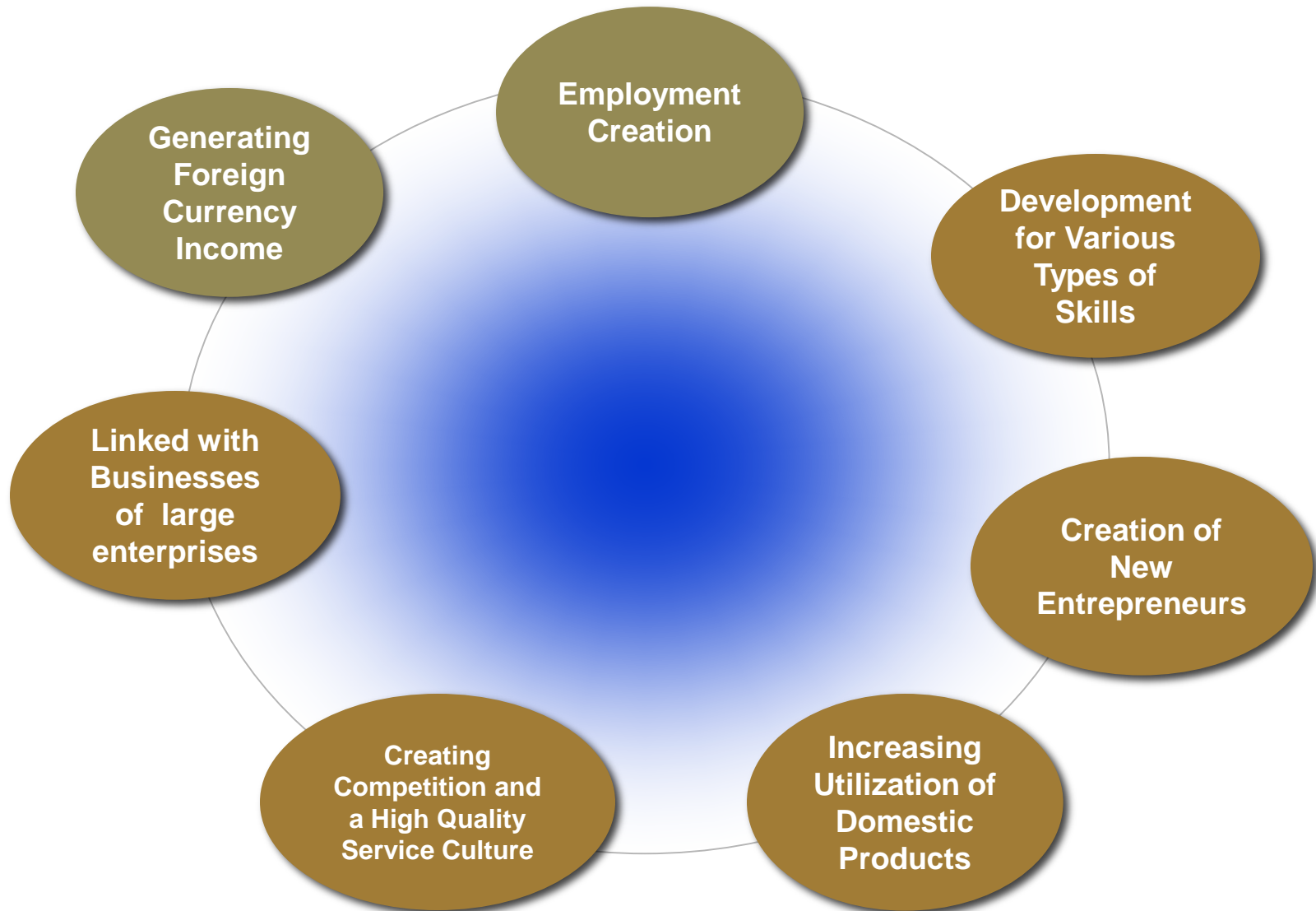
**1 Bureau**

**94 Branches**

**1,541 Officers**

# **SMEs in Thailand**

# The Importance of SMEs to Thailand's Economy



# Overview of SMEs in Thailand

**99 % of  
of all  
enterprises  
are SMEs**

**(2.74 million  
enterprises)**

- **Production Value 40% of GDP**
- **Export Value 2%**
- **Employment 80%**



# **Financial Assistance for Disaster–Affected SMEs**

# Public Service Account

## PSA

- **Approved by cabinet.**
- **Government subsidized for principle and interest or subsidized only interest.**

# SME Bank's Financial Assistance

- Policy Loan were approved for 25,000 SMEs total limit of THD 10 BL. (US\$ 280)

| No | Year      | Purpose of Loan         | Max. Borrowing per Customer         | Duration (Years) | Special Conditions  | Interest Rate  | Approved    |       |
|----|-----------|-------------------------|-------------------------------------|------------------|---|--|-------------|-------|
|    |           |                         |                                     |                  |   |  | No. of SMEs | MB    |
| 1  | Oct. 2005 | Tsunami                 | 0.5 MB (approx. US\$ 14,250)        | 5                | <ul style="list-style-type: none"> <li>- Grace Period not over 1 Yr.</li> <li>- No more collateral for existing customer</li> <li>- New customer collateral required</li> </ul>   | 2% flat rate   | 757         | 638   |
| 2  | Nov. 2010 | SME Power : Flood (PSA) | Considered by size or business type | 6                | <ul style="list-style-type: none"> <li>- Clean Loan</li> <li>- Grace Period not over 2 yrs.</li> <li>- No front end fee , contract preparation fee and pre-repayment penalty fee</li> <li>- No Credit Rating</li> </ul> | 3% flat rate (Government subsidized 2% Customer paid 1%) | 15,562      | 5,000 |

# SME Bank's Financial Assistance

| No | Year      | Purpose of Loan                                  | Max. Borrowing per Customer              | Duration (Years) | Special Conditions  | Interest Rate  | Approved    |       |
|----|-----------|--|--|------------------|---|--|-------------|-------|
|    |           |  |  |                  |   |  | No. of SMEs | MB    |
| 3  | May 2011  | Flood and windstorm<br><b>(PSA)</b>              | Not over 1 MB<br>(approx. US\$ 28,570)   | 6                | - Clean Loan<br>- Grace Period not over 2 Yrs.<br>- No Credit Bureau<br>- No Credit Rating  | 6.5% flat rate<br>(Government subsidized 2%<br>Customer paid 4.5%)                                 | 4,779       | 2,000 |
| 4  | May 2011  | Flood / windstorm and landslide<br><b>(PSA)</b>  | Not over 10 MB<br>(approx. US\$ 285,700) | 5                | - Grace Period not over 1 Yr.<br>- No Credit Rating for < 1 MB<br>- Personal guaranteed / Collateral or Guaranteed by Thai Credit Guarantee (TCG) | Year 1-2 MLR-3% (=4%) Upon Year 2 MLR (7%)<br>(Government subsidized 2% Until end of loan period ) | 678         | 789   |
| 5  | Dec. 2011 | Business recovery after disaster<br><b>(PSA)</b> | Not over 1 MB<br>(approx. US\$ 28,570)   | 6                | - Clean loan<br>- Grace Period not over 1 Yr.<br>- No Credit Rating   | 8% flat rate<br>(Government subsidized 2%<br>Customer paid 6%)                                     | 3,655       | 1,634 |

# SME Bank's Financial Assistance

| No   | Year     | Purpose of Loan               | Max. Borrowing per Customer           | Duration (Years) | Special Conditions  | Interest Rate   | Approved      |               |
|--|----------|-------------------------------|---------------------------------------|------------------|---|---|---------------|---------------|
|  |          |                               |                                       |                  |   |   | No. of SMEs   | MB            |
| 6  | Feb 2012 | Business recovery after flood | Not over 0.5 MB (approx. US\$ 14,250) | 7                | <ul style="list-style-type: none"> <li>- Grace Period not over 1.5 Yrs.</li> <li>- No Credit Rating for &lt; 0.5 MB</li> <li>- Personal guaranteed / Collateral or Guaranteed by TCG</li> </ul> | Collateral :<br>Year 1-3<br>MLR minus (=5.75 to 6.50%)<br>Upon Year 3<br>MLR (=7%)                    | 138           | 48            |
|  |          |                               | over 0.5 MB (approx. > US\$ 14,250)   | 15               |   | Personal or TCG<br>Guaranteed :<br>Year 1-3<br>MLR minus (=6.25 to 6.75%)<br>Upon Year 3<br>MLR (=7%) |               |               |
| <b>Total (Out. approx. US\$ 289 Million)</b> |          |                               |                                       |                  |   |   | <b>25,569</b> | <b>10,109</b> |

# Debt moratorium

## In 2006

- Debt moratorium for 3 - 6 months period was provided to existing bank's customers in 5 provinces which affected from flood, windstorm and landslide.
- Target group : Customers whose business were affected from flood , windstorm and landslide in Phrae , Nan , Uttaradit , Sukhothai and Lampang provinces .

## In 2011

- Debt moratorium for 6 months period was provided to existing bank's SMEs customers.
- Target group : Customers whose business were affected from flood and located in specific province announced by Ministry of Interior.

# SME Bank's Financial Assistance

## Debt moratorium

- **Number of SMEs** **13,161 SMEs**
- **Debt moratorium** **30,000 MB**  
**(approx. US\$ 850 million)**

# Government Support In 2011

- **Port Guarantee Scheme 100,000 MB. (approx. US\$ 2,857) by Thai Credit Guarantee Corporation (TCG) with Specialized Financial Institutions (SFIs) and Commercial Bank .**
- **Soft Loan For SMEs 40,000 MB. (approx. US\$ 1,143) matching fund scheme by Government Savings Bank (GSB) with Commercial Financial.**
- **Loan For Farmer and Co-operation 30,000 MB by Bank for Agriculture and Agricultural Co-operatives (BAAC).**

**Tax Benefit : tax reduction for**

- **Expenses for home renovation up to maximum 100,000 bath. (approx. US\$ 2,857)**
- **Donation**





**Thank You**

