



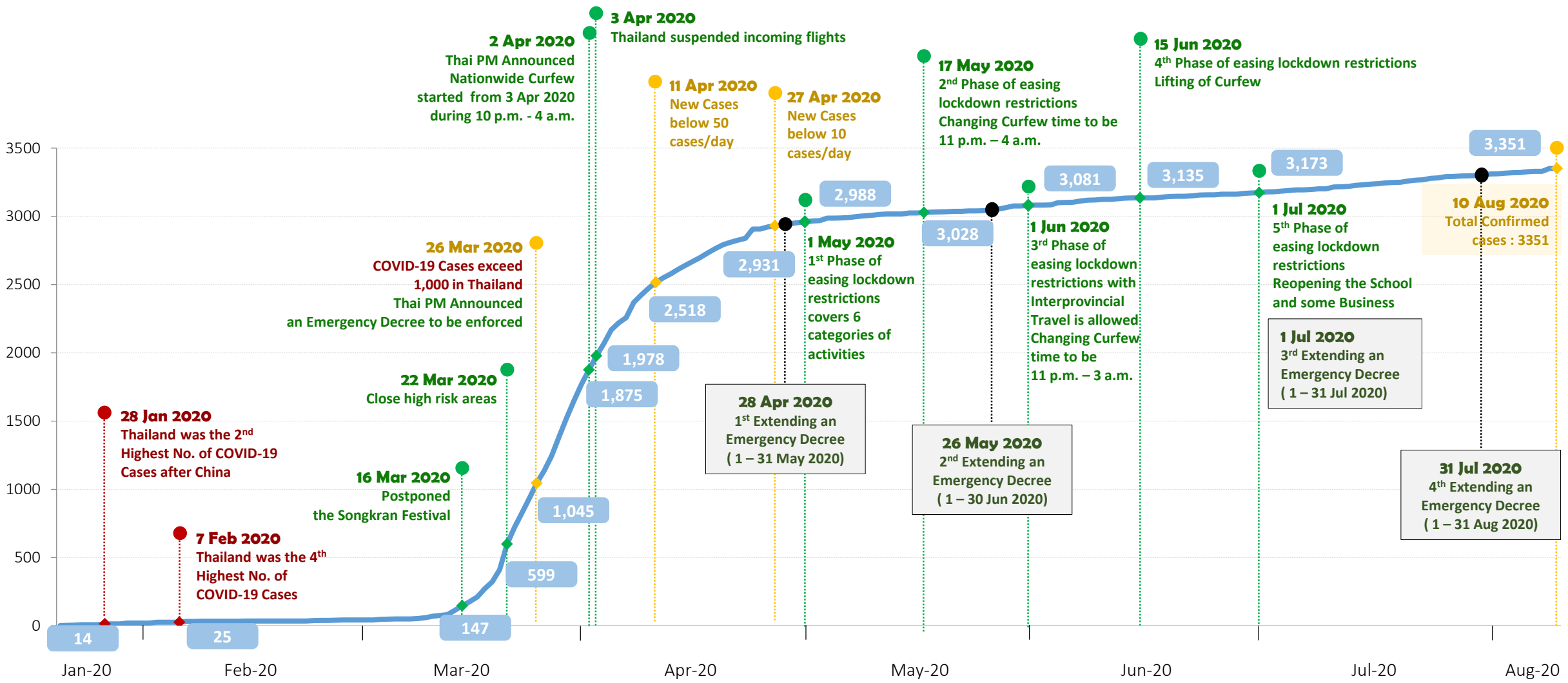
THAILAND FOCUS 2020

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The timeline of a pandemic in Thailand

Note : 28 July 20, Thailand has ranked number one in the world for its ongoing COVID-19 recovery effort with 82.06 points by Global COVID-19 Index (GCI).





5 Measures and relief packages “Individuals”

Increase Liquidity

- 1** Contingent fee for medical staff
Doctor and Veterinary 1,500 Baht/person,
Nurse and etc. 1,000 Baht/person

Reduce burden

- 2** Relieve burden of paying utility bills and refunding electricity usage insurance

- 3** Reduce contributions to the social security fund of employers and employees.
Section 33 from 5% to 4%
Section 39 from 9% to 7%

- 4** Delayed collection of fees and charges levied by government agencies and state-owned enterprises.
Waived Rent payment on land use for residential or agricultural for one year.

- 5** Increase confidence in capital market
Increase the amount of Super Savings Fund (SSF) from 200k to 400k Baht.

12 Measures and relief packages “Entrepreneur”

Increase Liquidity

- 1** Low interest loans
150,000 Million Baht
✓ Interest rate of 2% for 2 years, credits not over 20 M. Baht/customer

- 2** Principal payment moratorium, interest rate decrease and repayment period extension of specialized financial institutions (SFIs)

- 3** BOT easing regulations on debt restructuring

- 4** Credit to promote employment of social security credit line totaling 30,000 M Baht
Interest rate starting at 3% per year for 3 years.

- 5** Return liquidity to domestic entrepreneurs
Reduce withholding tax rate from 3% to 1.5% (Apr. - Sept 20)

- 6** Quick VAT refund process to exporters.
✓ Applying for refund electronically will be refunded within 15 days
✓ Submitting paper-based refund applications will be refunded within 45 days

- 7** Increase efficiency of budget spending in 2020
✓ Comptroller General's Department (CGD) has relaxed the procurement rules
✓ Reduce processes and time

Reduce burden

- 8** deduct 1.5 times (from 1 time) the interest expenses (Soft loan 150,000 M. Baht)

- 9** Relieve burden of utilities payments and refund of electricity deposits

- 10** Reduce contributions to the social security fund of employers and employees. Section 33 from 5% to 4% Section 39 from 9% to 7%

- 11** No lay off can claim a tax deduction for 3 times of wage expenses

- 12** Collection of fees and charges levied by government agencies and state-owned enterprises, including the rental fees for the government-owned land, will be delayed.

Measures Phase 2

“Labors, (Temporary workers and Freelance) and Entrepreneur who are not in the social security system and got affected by COVID-19 virus”



Approved by the cabinet on 24 March 2020

8 Measures and relief packages “Labors”

Increase Liquidity

1 Support 5,000 Baht per person per month for 3 months.

- ✓ Cash handout to labors, temporary workers and freelance who aren't in social security system and affected from mandatory business closing during the epidemic of virus.
- ✓ 15.3 million people received.

People in social security system

- ✓ Case of unemployment, increase benefit to 50% of salary
 - 1) No work allowed by employer, receive money within 180 days
 - 2) No work by the government rule, receive money within 90 days.

3 Special loan 50,000 Baht per person

- ✓ Amount total 20,000 million Baht
- ✓ Interest rate 0.35% per month
- ✓ With collateral

Reduce burden

5 Extend personal income tax payment

6 Deduction of health insurance premium

2 Emergency loan 10,000 Baht per person

- ✓ Amount total 40,000 million Baht
- ✓ Interest rate of 0.1% per month
- ✓ **Without collateral**

4 Office of the government pawn shop takes pledge with low interest.

- ✓ Amount total 2,000 million Baht.
- ✓ Interest rate not exceeding 0.125% per month

7 Income tax exemption for contingency of medical staff

Increase Skills

8 Skill Training programs

7 Measures and relief packages “Entrepreneur”

Reduce burden

Increase Liquidity

1 SME loan not over 3 Million Baht per customer.

- ✓ Loan total amount of 10,000 Million Baht by SME development bank
- ✓ Credit per customer not over 3 Million Baht with 3% interest rate for the first 2 years.

5 Extend exercise tax payment for entrepreneur in oil industry and oil products.

7 Tax exemption and fee reduction from debt restructuring (Non-Bank)

2 Extend corporation income tax payment

3 Extend revenue tax payment such as VAT, special business tax and etc. for affected entrepreneur.

4 Extend the exercise tax payment for service business.

6 Import duties exemption on COVID-19 prevention and treatment product.



COVID-19 relief measures **phase 3** (1.9 trillion Baht) (approved by the Cabinet on 7 April 2020)

Emergency decree Loan for helping people and improving the economy
1 trillion Baht

Emergency decree Given the power to bank of Thailand to issue soft loan for business sector especially SMEs **500 billion Baht**

Emergency decree Maintain financial stability
400 billion Baht

Public health and relief plan for COVID-19 affected people.

- Financial support **(555 billion Baht)** :
 - 15.3 million informal workers (3 months)
 - 10 million farmer households (3 months)
- Medical budget for Covid-19 **(45 billion Baht)**

Economy and social recovery plan
Including economic support projects in the area

- Investing in development and growth
- Restoring the local economy and community
- Promoting the private consumption
- Supporting local infrastructure development **(400 billion Baht)**

- **New loan** of 500 billion Baht with 2% interest rate for SMEs with a credit limits not over **(500 Million Baht)**
- **Commercial banks and SFIs suspend the debt** (both principal and interest) for 6 months for SMEs with credit not over 100 Million Baht.

- Set up corporate bond liquidity stabilization fund or BSF and let BOT buy and sell investment units in that fund **(Fund amount 400 billion Baht)**



Additional Measures to 3 Groups of SMEs



Total 114.1 Billion Baht

(as of 18 Aug.2020)

1

General SMEs



Soft Loan SMEs 20,000 Mil. Baht

General SMEs / Tourism SMEs

10,000 Mil. Baht per group

○ Government Saving Bank (GSB) lends to financial institutions (FIs), interest rate 0.01% and FIs lend to SMEs 20 mil. Baht/person, interest rate 2% 2 years



PGS Soft Loan Plus

57,000 Mil. Baht

For qualified SMEs according to emergency decree of Soft Loan but yet receive loan

○ TCG starts to guarantee at the Third Year
○ Fee 1.75%, Guarantee 8 Years, Max Claim 30%



PGS 8 10,000 Mil. Baht

General SMEs 20 Mil. Baht/person

○ Fee 1.75%, Guarantee 10 Years, Max claim 30%

2

Tourism SMEs



Thai Travel Recovery Loan 5,000 Mil. Baht

SMEs in tourism business and supply chain

- 500,000 Baht/person, interest rate 3.99% per year
- Term loan 5 Years with 1 year grace period for principal



Extra Cash Loan 9,600 Mil. Baht

SMEs in tourism business and other businesses for both natural persons and legal persons

- 3 Mil. Baht/person, interest rate 3% for first 2 years, term loan 5 years

3

Micro SMEs and Individuals



Grass-root Empowering Loan

10,000 Mil. Baht

Micro SMEs and individuals

- 50,000 Baht/person
- Interest rate 0.35% per month
- Grace period (principal and interest) 6 months



Micro 3

2,500 Mil. Baht

Micro SMEs

- 200,000 Baht/person
- Fee 1–2%, Guarantee 10 Years
- Extension to 30 Dec.2020

Thank
You

