

EXIM Thailand and Banque Pour Le Commerce Extérieur Lao Public **Collaborate to Advance Thailand's Investment in Lao PDR** **Promoting Sustainable Development**

Dr. Bounleua Sinxayvoravong, Governor of Bank of the Lao PDR (BOL), Dr. Sethaput Suthiwartnarueput, Governor of Bank of Thailand (BOT), Ms. Morakot Sriswasdi, Ambassador of the Kingdom of Thailand to the Lao PDR, and Mr. Aloun Bounyong, Director General, BOL's Bank Supervision Department, witnessed the signing of a Memorandum of Understanding (MOU) between Export-Import Bank of Thailand (EXIM Thailand) and Banque Pour Le Commerce Extérieur Lao Public (BCEL) in Luang Prabang, Lao PDR on April 3, 2024, on the occasion of attending the 11th ASEAN Finance Ministers and Central Bank Governors' Meeting (AFMGM) held during April 2-5, 2024. Dr. Rak Vorrakitpokatorn, President of EXIM Thailand and Mrs. Saysamone Chanthachack, Managing Director of BCEL, served as signatories. The MOU aims to support Thai businesses investing in Lao PDR, particularly those relying on Lao kip (LAK) as their primary operating currency and requiring LAK liquidity for business operations, thereby mitigating risks from foreign exchange volatility.

In this regard, EXIM Thailand, a specialized financial institution under the supervision of the Ministry of Finance, is expanding its collaboration with BCEL in line with EXIM Thailand's goal to become the Green Development Bank. This aims to enhance the competitiveness of Thai entrepreneurs on the global stage in the long term, foster the growth of new industries and sustainable development. With CLMV countries (Cambodia, Lao PDR, Myanmar, and Vietnam) as Thailand's strategic partners, EXIM Thailand has established representative offices in all CLMV nations, working closely with Thailand Team to engage with both public and private sectors. The EXIM Thailand's Vientiane Representative Office has been officially operational since 2018.

EXIM Thailand is ready to strengthen partnerships between public and private sectors in Lao PDR, boosting trade and investment between the two countries, and driving Thai investment projects in Lao PDR, which serves as a Land Link hub connecting transportation routes between Thailand, China, and Vietnam through bridges over the Mekong River. Furthermore, Lao PDR's monthly minimum wage rate of 1.6 million LAK or approximately 2,700 baht, abundant natural resources, ASEAN Battery Hub policy, special tax privileges, and investment incentives in special economic zones all contribute to attracting investors, particularly from Thailand, making Thailand the second-largest investor after China. Thai investment projects primarily focus on energy, agriculture, livestock, tourism, and service industries. In 2023, trade between Thailand and Lao PDR exceeded 7,634.39 million US dollars, with Thai exports totaling 4,647.38 million US dollars and imports from Lao PDR amounting to 2,987.01 million US dollars. Key Thai exports to Lao PDR include refined oil, sugar, automobiles, chemicals, cosmetics, soap, and skincare products, while imports from Lao PDR comprise fuel, fruits and vegetables, electrical machinery and components, fertilizers, pesticides, and cement.

"The partnership between EXIM Thailand and BCEL focuses on offering extensive support in knowledge, opportunities, and financing to strengthen the trade and investment Supply Chain between Thailand and Lao PDR, integrating with the global supply chain. With a focus on advancing businesses within the environmental, social, and governance framework, EXIM Thailand and BCEL actively advocate for sustainable development at national, the Greater Mekong Subregion, ASEAN and global levels. The collaboration fosters business expansion opportunities across all sectors, while also prioritizing the well-being of the people and the sustainable preservation of natural resources," said Dr. Rak.

April 3, 2024

Corporate Branding and Communication Department