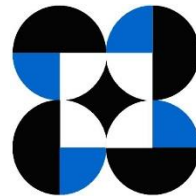


Energy Efficiency for SMEs in Thailand





Amount of MSME Investment in Thailand

Table 1 Classification of SMEs in Thailand

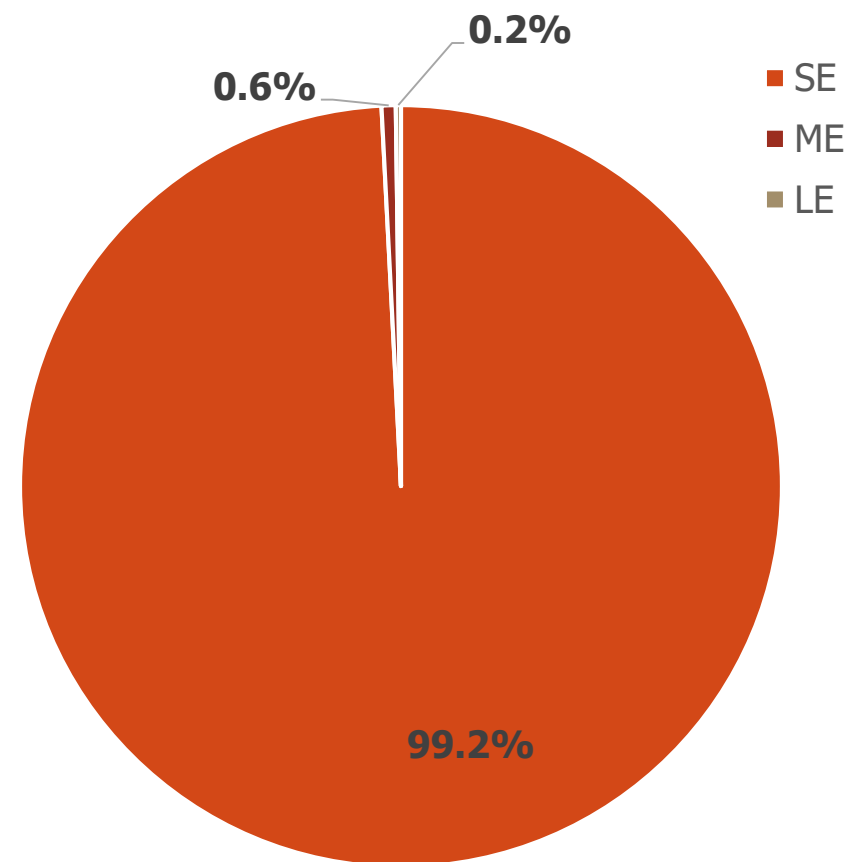
SECTOR		SE		ME		LE	
		Employee (person)	Asset (million Baht)	Employee (person)	Asset (million Baht)	Employee (person)	Asset (million Baht)
Production		50	50	50-200	50-200	>200	>200
Commerce	Wholesales	25	50	26-50	50-100	>50	>100
	Retail	15	50	16-30	30-60	>30	>60
Services		50	50	51-200	50-200	>200	>200



Amount of MSME Investment in Thailand

Table 2 Show percentage of Among of Investment in Thailand (2017)

	SE	ME	LE	Total
Among of Investment	3,028,495.00	18,298.00	6,662	3,053,471
Percentage	99.2%	0.6%	0.2%	100%

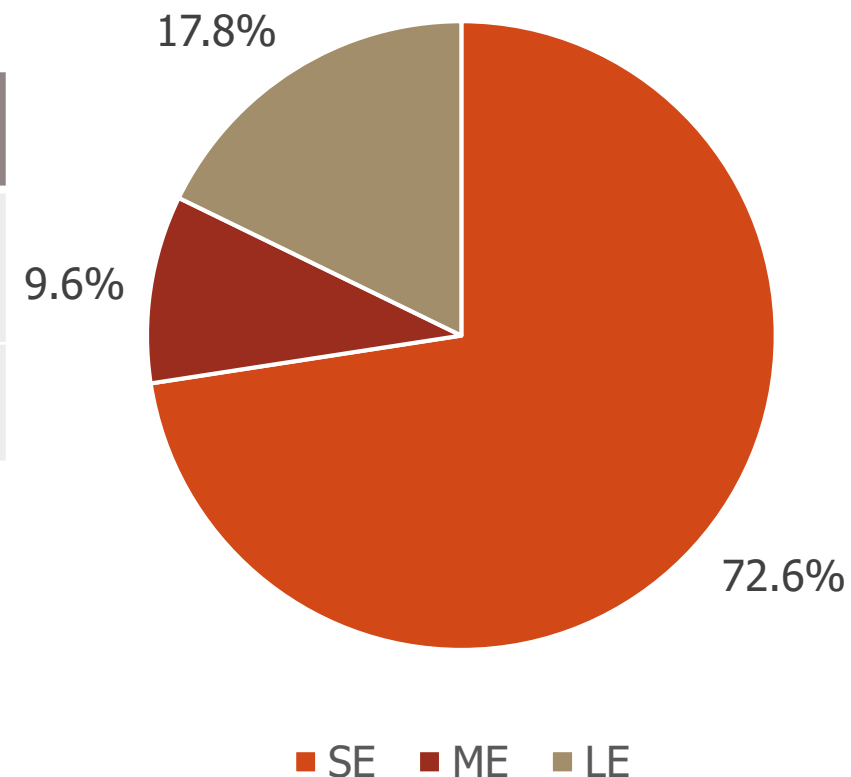




Amount of MSME Employee in Thailand

Table 3 Show percentage of Number of Employee in Thailand (2017)

	SE	ME	LE	Total
Number of Employee	10,729,124	1,426,523	2,629,525	14,785,172
Percentage	72.6%	9.6%	17.8%	100%

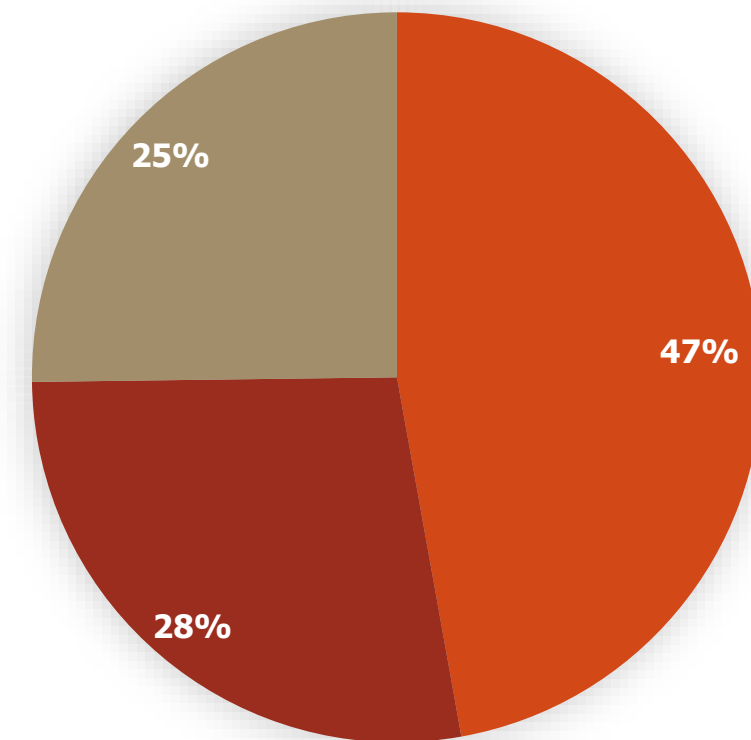




Amount of MSME GDP in Thailand

Table 4 Show percentage of GDP each sector in Thailand (2017)

GDP (Million Baht)	SE	ME	LE	Total
Industrial	621,708	877,792	2,686,983	4,186,483
Trading	1,668,445	287,837	495,320	2,451,602
Services	2,115,106	66,035	55,525	2,236,666



■ Industrial ■ Trading ■ Services



From The 4th SMEs Promotion Development Plan (2017-2021), there are business development guidelines as follow:

Business Enabling-Environment

1. Enhancing the provision of information to SMEs to be effective

Access to knowledge is very important to current business operations, but SMEs still have limited access to information. Thus, the government has action plans as follows

- Development of SMEs data center (SMEs One Stop Service Center)
- Generating SME Web Portal and Business Guide (SME Toolkit) related as follows:
 - Knowledge of starting a various business and operating such as business registration
 - Financial management, Accounting, Personnel management
 - Various government services such as requesting certification, Requesting a license
 - Government activities are beneficial to SMEs such as trade shows, training, seminars and research studies.
 - Laws and regulations related to businesses in various fields



Business Enabling-Environment

2. Private Service Provider

The government plans to encourage SMEs to access private business service providers, which gives SMEs the option to receive development or assistance that can help their problems.

3. Development service systems such as mentors, consultants and diagnostics

The Government plan to support the development service systems efficiently such as mentors, consultants and diagnostic. These are mechanisms that can provide assistance to SMEs with a system of standards, reliability, and SMEs can access the service thoroughly.



Business Enabling-Environment

4. Enhancing the development of standards for SMEs to be effective

The Government have plans to support SMEs to receive certifications conveniently as follows:

- Establishing a standardized information dissemination system is to create knowledge and understanding for SMEs in preparing to obtain certification standards.
- There are in-depth consultants for the development of products, services and business systems to be accredited.
- Support SMEs receive various certifications by supporting some expenses for SME.



Business Enabling-Environment

5. Developing the necessary infrastructure for SMEs development.

Study and develop the infrastructure necessary for SMEs development in various areas in order to support SME's complete assistance services, which will help SME promotion systems to be more complete and fully developed.

6. Establishing a system to monitor and tracking the potential of the SMEs.

In order to the government can support SMEs in the production, trade, service and agriculture sectors thoroughly, the government have plans to developing the system as follow:

- SME Registration
- SME Scoring
- SME Tracking System



Business Enabling-Environment

7. Developing and revising laws, rules and regulations affects SME development

In order to enable SMEs to operate business flexibly and competitively, The government should take steps to reduce such problems and obstacles as following:

- Revise rules and procedures of government agencies is more convenient for SMEs to request various services.
- Studying and amending laws and regulations is to support the business operations of SME corresponds to the current economic situation and supports future changes.

8. Defining benefits for SMEs in various forms.

Define various benefits for SMEs is able to develop potential and competitive capability of themselves, such as benefits for using technology and innovation, including research and development.



Access to Finance

1. Extend credit guarantees

The plans has guidelines as follow:

- Credit guarantees for Outward Investment SMEs
- Direct Guarantee for SMEs e.g. target group

2. Certifying the status and potential of SME can access credit sources

The plans has guidelines as follow:

- Promoting a system for evaluating the financial capabilities of SMEs help to reduce the process and timing of financial institutions' consideration.
- Promoting private organizations have a role in ensuring SMEs' status and potential.
- Preparing a list of high potential SMEs.



Access to Finance

3. Supporting soft loans to SME target groups.

The plans has guidelines as follow:

- Providing source of Soft Loan for SME target groups
- Compensation for interest and credit guarantee fees for the target SME group.

4. Providing funding for SMEs experiencing business problems

Promoting Turn Around Fund for SMEs experiencing business problems that has the problem has the opportunity to rehabilitate the business and resume operations.



Access to Finance

5. Promoting SMEs to access venture capital : VC

Joint investment is an alternative source of capital. SMEs can earn more capital and is a fund raising that have no interest and using securities. The plans has guidelines as follow:

- Promoting potential SMEs access to joint ventures by Pitching.
- Supporting joint venture businesses is stronger by promoting government investment (“Fund of Funds”)



Access to Finance

6. Promoting “Crowdfunding” is alternative fund source

Crowdfunding is a low-cost fundraising process and spend less time to raise funds. This is a fund raising from the general public that does not require a lot of investment. Therefore it is a convenient and suitable source of funds for SME which has guidelines as follow:

- Providing knowledge and preparation for SME about Crowdfunding
- Providing tax incentives to stimulate Crowdfunding
- Providing tac incentives for Crowdfunding Portal



Access to Finance

7. Promoting potential SMEs to access the MAI Stock Exchange.

The MAI Stock Exchange is a capital market for various businesses especially SMEs with high growth potential, good growth prospects in the future and innovative businesses. SMEs can raise funds from general investors which are long-term capita, and the MAI Stock Exchange can help SMEs to upgrade the business' higher level of growth. The plans has guidelines as follow:

- Preparing before listed on the MAI stock exchange by selecting high potential SME to provide knowledge and advice closely (Coaching)
- Reducing expenses and fees for SME to be listed on the MAI stock exchange.



Access to Finance

8. Promoting SMEs to use financial advisory services

Promoting SMEs use financial advisory services by providing channels of financial advisory services that are easily accessible both online and offline. SME can get a appropriate service rate or have additional incentive measures for benefits.

9. Promoting SMEs to have Financial Literacy in the business

The plans has guidelines as follow:

- Enhancing financial literacy to help SMEs manage financial resources efficiently.
- Enhancing financial institutions to increase the mission of SME entrepreneur development by providing consultations to prepare before applying for a loan and financial and business management.



Technical Access

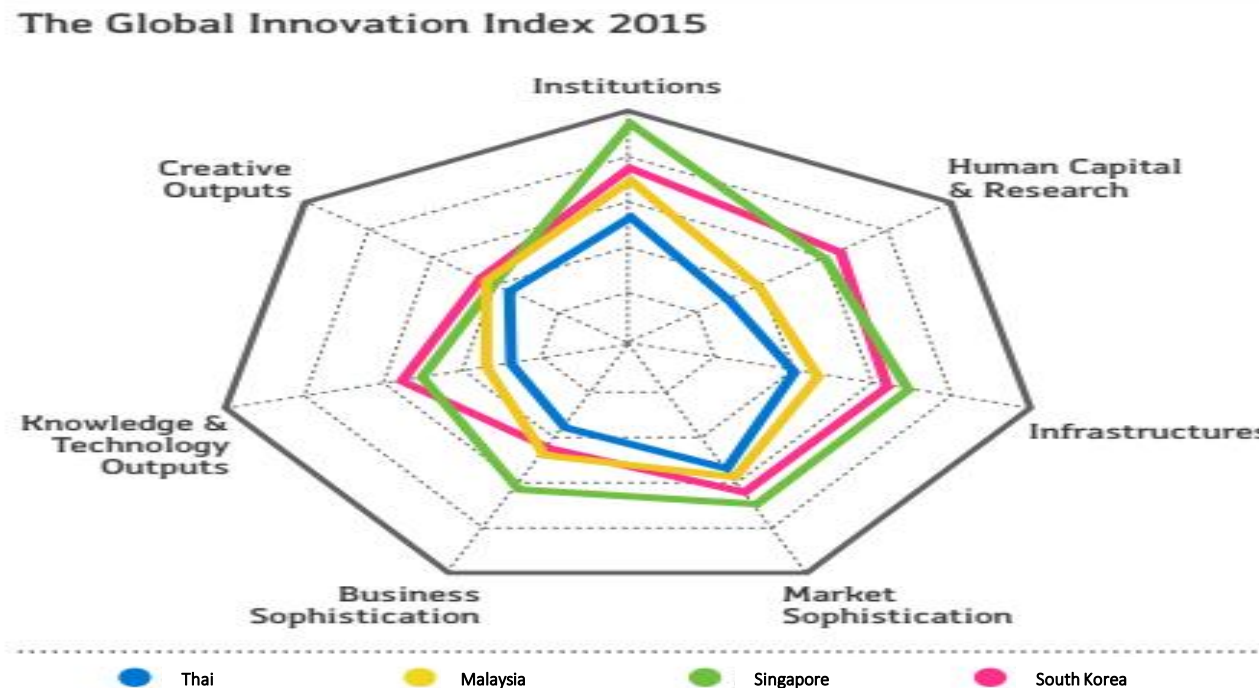
Factors that the Thai SMEs cannot to competition with the regional are added value for productivity and service, and business process efficiency that can be done by encouraging the SMEs use the innovative and information technology to higher. From a Thai SMEs survey under the project of collect data for comparative for development 2015 (Global Entrepreneurship Monitor: GEM) by Bangkok university and OSMEP. The results revealed that more than 90 percent of sale product and provide service in the original market model. A few of product or service have a promote innovative of product and service never been before. More than SMEs have the innovation or productivity more than 5 years.

In the future more, The Global Innovation Index 2015 report that Thailand is fifty-fifth rank from a total of 141 countries in term of prepare and innovation. Especially, when compared with South of Asia such as Malaysia (thirty-second), Singapore (seventh) and Korea (fourteenth). In effect level of innovation and technology usage for Thai SMEs that is very low.



Technical Access

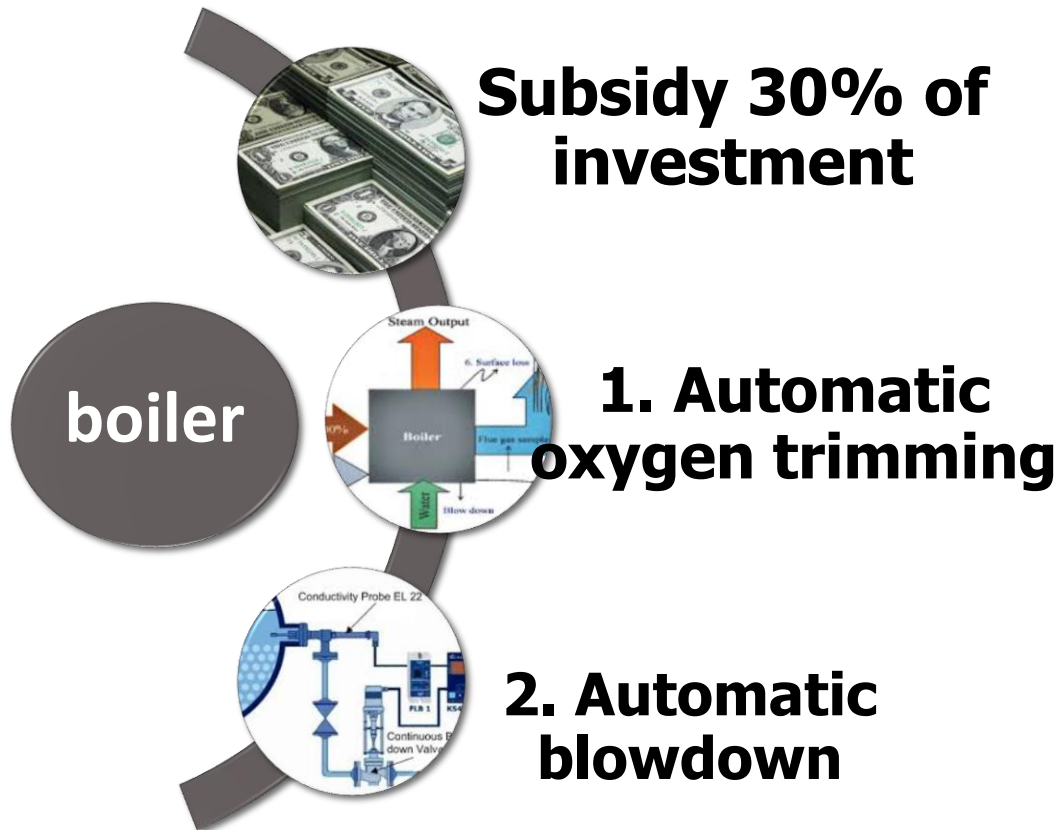
In conclusion, the enhancing capacity for SMEs in Thailand. There are still many obstacles, especially to use science, technology and innovation to increase productivity and value of product and service because of SMEs to competitive advantage on labor, raw materials and product efficiency cause to face competition with the regional competitors lower-cost and continuous development.



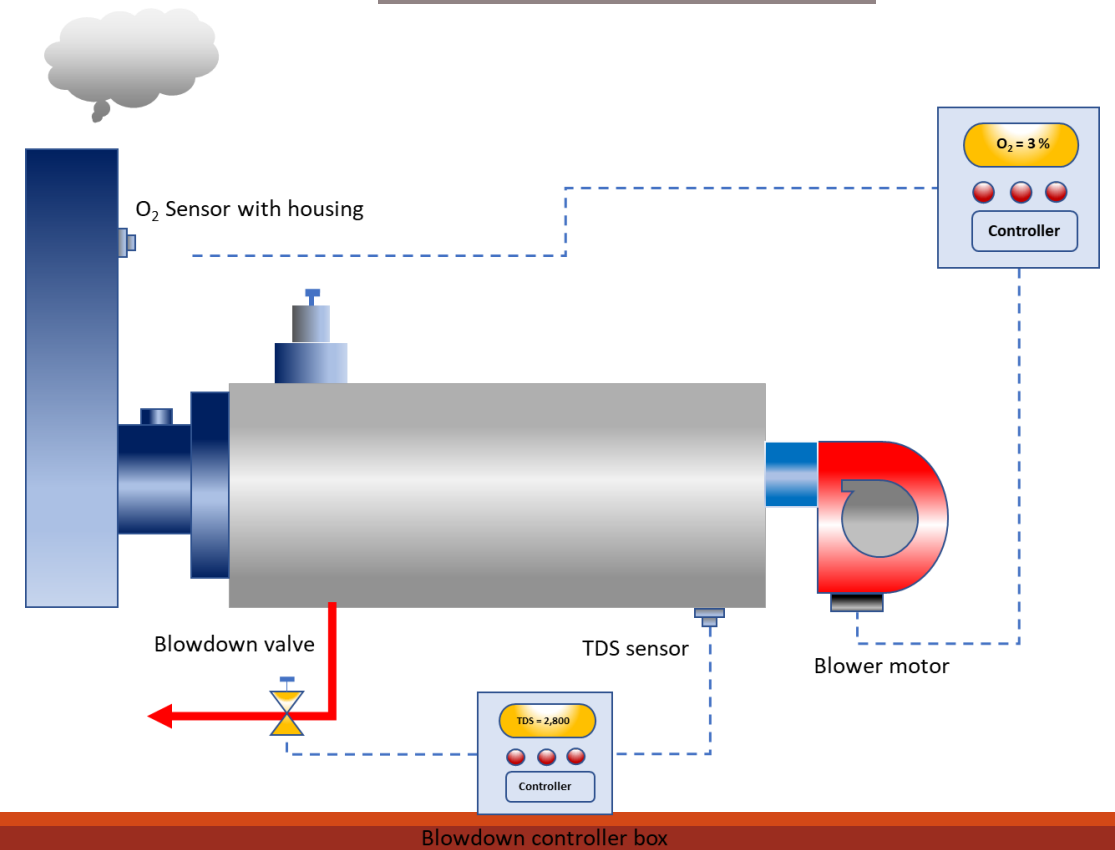


MSME Policies in Thailand (Cont.)/ Support Program for MSMEs

Project of Investment subsidy for modifying and improving machinery, materials and equipment for energy conservation



Smart boiler





MSME Policies in Thailand (Cont.)/ Support Program for MSMEs

Project of subsidy Solar energy in Thailand



Solar cells

- Machinery Import Duties

100%

- Cooperate Tax

50% in 3 years

Thank you



www.dede.go.th

www2.kmutt.ac.th



Department of Alternative
Energy Development and Efficiency

MINISTRY OF ENERGY

