**Phase One: Economic Relief Measures**

To alleviate the economic impact of the COVID-19 outbreak, the Royal Thai Government has approved Phase One of a series of financial and fiscal relief measures. These measures are largely aimed at small and medium-sized businesses which would be most affected by the economic impacts of the outbreak. The measures approved by the Thai cabinet on March 10, 2020 are as follows:

1. **Monetary Measures**

1.1 Low interest soft loans at 2% interest for a period of 2 years, not over 20 million Baht per customer in the total amount of 150 billion Baht.

1.2 Pause in principal payments, reduce interest, and extend repayment period for the debtors affected by COVID-19 which will be operated by state-controlled Specialized Financial Institutions (SFIs) such as Government Savings Bank and Government Housing Bank.

1.3 The Bank of Thailand has eased the rules for granting commercial bank loans.

1.4 The Social Security Fund (SSF) will provide a credit line at 3%, for a period of 3 years in the total amount of 30 billion Baht.

2. **Fiscal Measures**

2.1 Reducing withholding tax from 3% to 1.5% from April to September 2020.

2.2 Small and Medium Enterprises (SMEs), participating in low-interest credit measures and having a single account, can receive 1.5 times deduction for interest expenses that occur between 1 April and 31 December, 2020.

2.3 SMEs can receive tax deduction of up to 3 times for salary expenses, for employees who are insured under the law on the SSF and receive wages of not more than 15,000 Baht per person per month, paid from April to July 2020.

2.4 The expedition of VAT refunds to domestic entrepreneurs within 15 days after filing the online form and within 45 days for physical form submission at the Revenue Department.

3. **Capital Market Measures**

The general public can deduct the purchasing investment units in SSF, which has a policy to invest in securities listed on the Stock Exchange of Thailand at least 65% of the net asset value but not over 200,000 Baht.

4. **Other Measures**

4.1 Refunding of electricity meter deposits for businesses affected by the outbreak.

4.2 Government agencies to reduce rental fees for state properties.

Overall, these measures are expected to create a circulation of 400,000 million Baht in the Thai economy. Additionally, the government has allocated 20,000 million Baht for an emergency fund to provide financial assistance to those who are impacted by the outbreak.

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March 2020