

Chapter 2

International Trade of SMEs

SME exports reached 1.98 trillion baht, **an expansion of 2.98%**, accounting for **27.4%** of the total export. The major destinations were China, Japan, USA, and ASEAN.

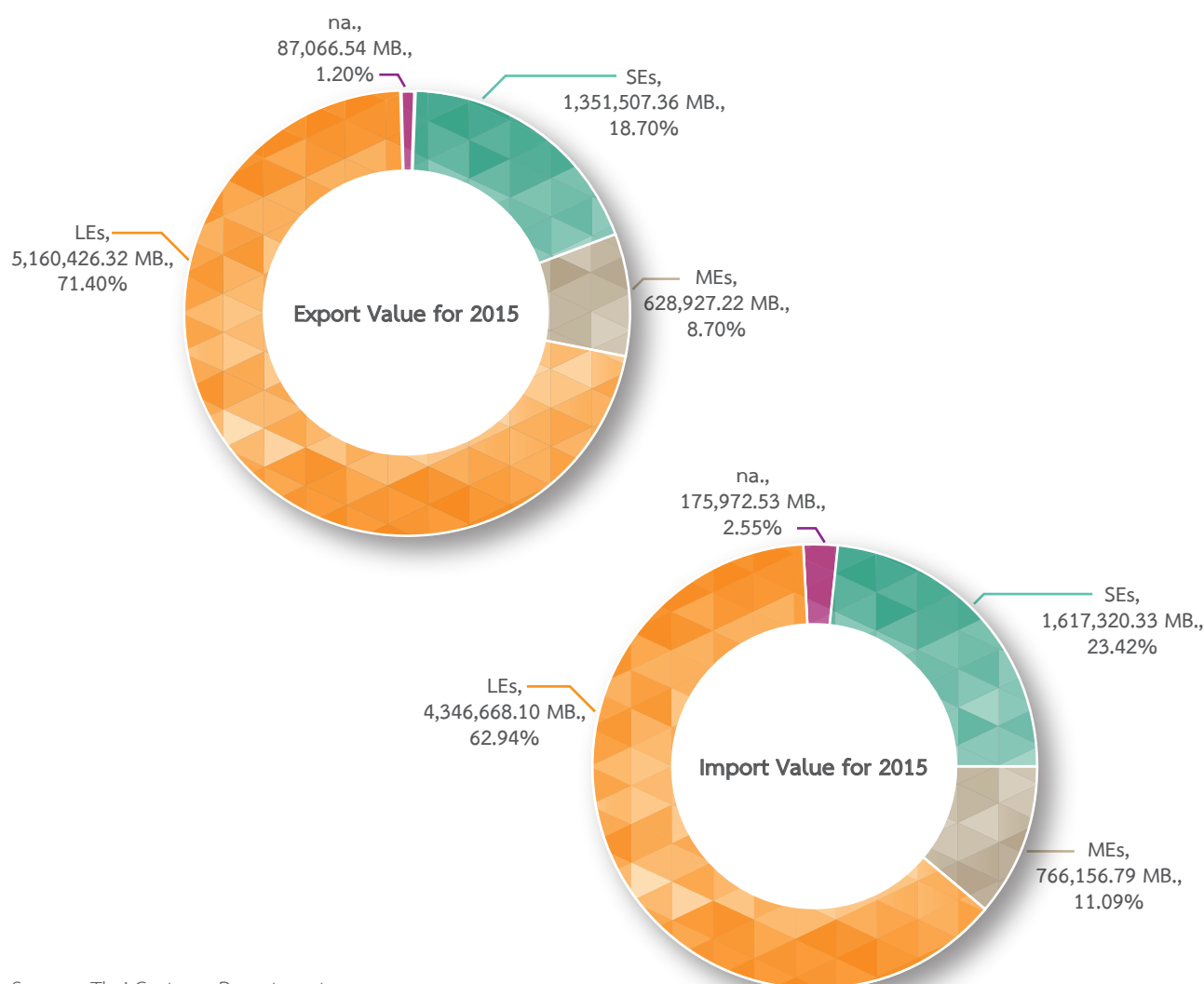
Chapter 2

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Overview of International Trade Situation in 2015

In 2015, the total export value of Thai goods was 7,227,927.43 million baht, equivalent to a contraction of 1.16% from the year 2014. SMEs exports reached 1,980,434.58 million baht, accounting for 27.40% of the total export value, an expansion of 2.98% from 2014. As regards imports, the total import value stood at 6,906,117.75 million baht, shrinking by 6.72% from 2014. SMEs imports were worth 2,383,477.12 million baht, accounting for 34.51% of the total import value, a rise of 7.06% from the year 2014. In 2015, as concerns international trade, the country's balance of trade showed a surplus worth 321,809.68 million baht. However, the trade balance of SMEs showed a deficit accounting for 403,042.54 million baht.

The Export and Import Values for 2015



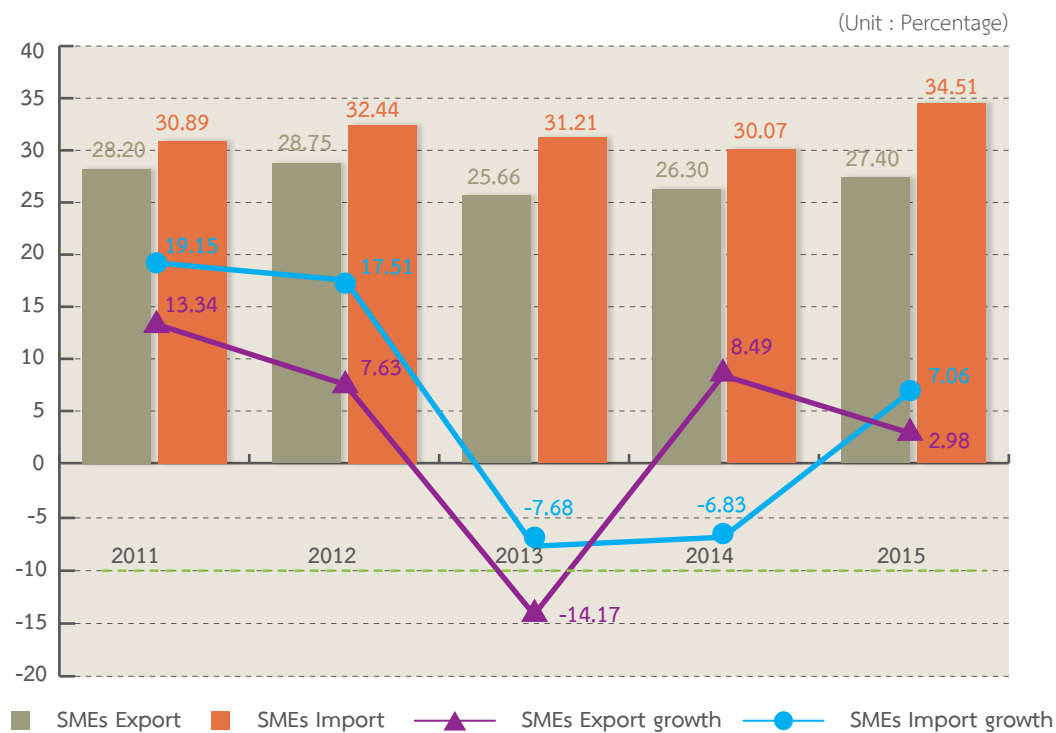
Source : Thai Customs Department

Compiled by : The Office of Small and Medium Enterprises Promotion (OSMEP)

SMEs export and import trends from 2011 to 2015 were of continual fluctuation. The proportion of exports of SMEs to overall exports of the country reached the highest at 28.75 in 2012 and decreased to 25.66 in 2013, the proportion reaching its lowest point in five years, with a rise by 27.40% in 2015. As regards the proportion of SMEs imports to the total imports into the country, this rose from 2011 to 2012 before dropping in 2013 and 2014 and resuming expansion by 34.51% in 2015. Nonetheless, SMEs experienced a successive deficit in trade balance over the past five years.

Considering the growth of SMEs exports and imports over the past five years, exports showed a positive expansion nearly every year except in 2013 when it was in deficit due to a contraction according to the economic conditions of key trade partner countries. For 2015, SME's export value expanded by 2.98% and imports showed positive growth in 2011 and 2012. In the meantime, 2013 and 2014 saw deficits but rose again 7.06% in 2015.

**Trends in Export and Import Proportions
and the Growth Rate of SMEs from 2011 to 2015**



Source : Thai Customs Department
Compiled by : The Office of Small and Medium Enterprises Promotion (OSMEP)

Overview of International Trade Situation with Trade Partner Countries

Overall, SMEs exports to the top 10 trade partner countries with an export ratio of 59.34% of the total exports increased 5.84%, while the overall exports of the country contracted 0.07%. As regards each export market, the major destinations of Thai exports, including the overall exports of the country and the overall SMEs exports, were China, Japan and the United States with export ratios of 11.09%, 9.36%, and 11.23% of the total export value in 2015 respectively. For SMEs, the export ratios were 12.25%, 9.32%,

and 8.45% respectively. The export value rose in China by 3.58%, and the United States by 12.42%, but slightly shrank in Japan by 0.13%.

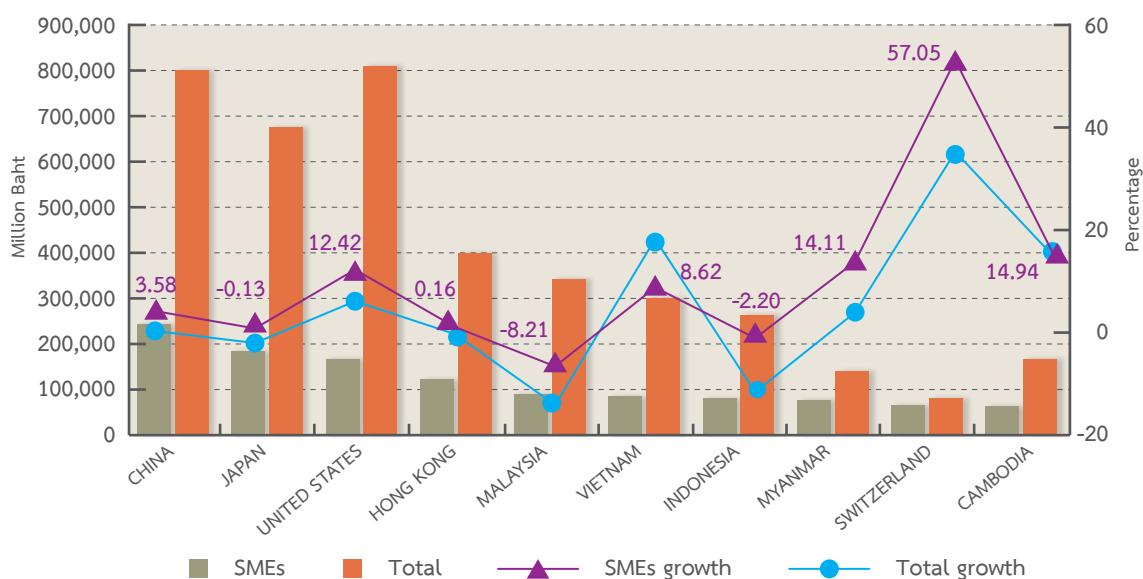
In 2015, trade partner countries with the highest growth market in exports for SMEs was Switzerland, experiencing a rise of 57.05%. Following Switzerland were Cambodia and Myanmar with an increase of 14.94% and 14.11% respectively. The export market of SMEs experiencing the largest decrease was Malaysia, with an 8.21% fall.

As regards the export situation of Thai SMEs in key trade partner markets in 2015, exports expanded clearly in the markets of the United States and CLMV countries while exports grew slightly in China mainly owing to the improving economic conditions in the United States and the positive economic expansion of CLMV countries. As for China, the economy continues to grow well yet at a slower rate. As relates to the Japanese and EU markets, SMEs exports slightly contracted in accordance with the economic slowdown of trade partner countries.

Overall imports of SMEs from the 10 top-ranked countries with an import ratio of 75.56% of the total imports rose 8.94% while overall imports into the country from the top 10 countries shrank 0.03%.

When considering the import markets, the main import sources for Thailand and SMEs were China, Japan, and the United States with import ratios of 20.32%, 15.41%, and 6.83% of the total import value in 2015 respectively. As for SMEs, the import ratios were at 30.07%, 13.91%, and 6.35% respectively, with an expansion of 15.43%, 0.66%, and 4.71% respectively.

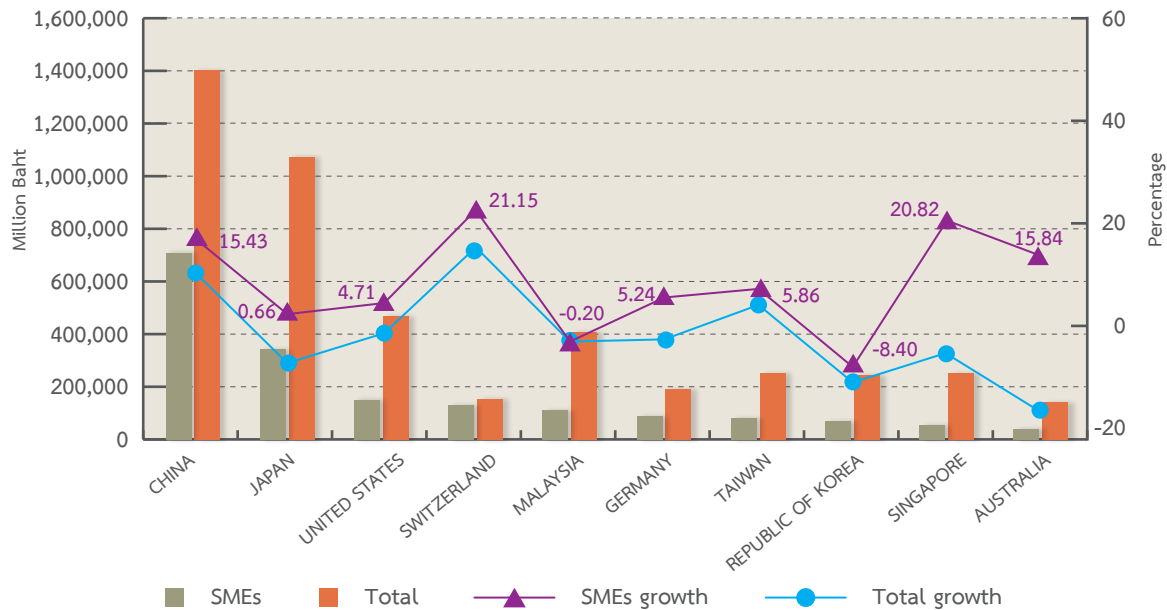
The Value and Rate of the Export Expansion of SMEs for the 10 Top-Ranked Countries for 2015



Source : Thai Customs Department

Compiled by : The Office of Small and Medium Enterprises Promotion (OSMEP)

The Value and Rate of the Import Expansion of SMEs from the 10 Top-Ranked Countries for 2015



Source : Thai Customs Department
 Compiled by : The Office of Small and Medium Enterprises Promotion (OSMEP)

Overview of International Trade Classified by Goods List

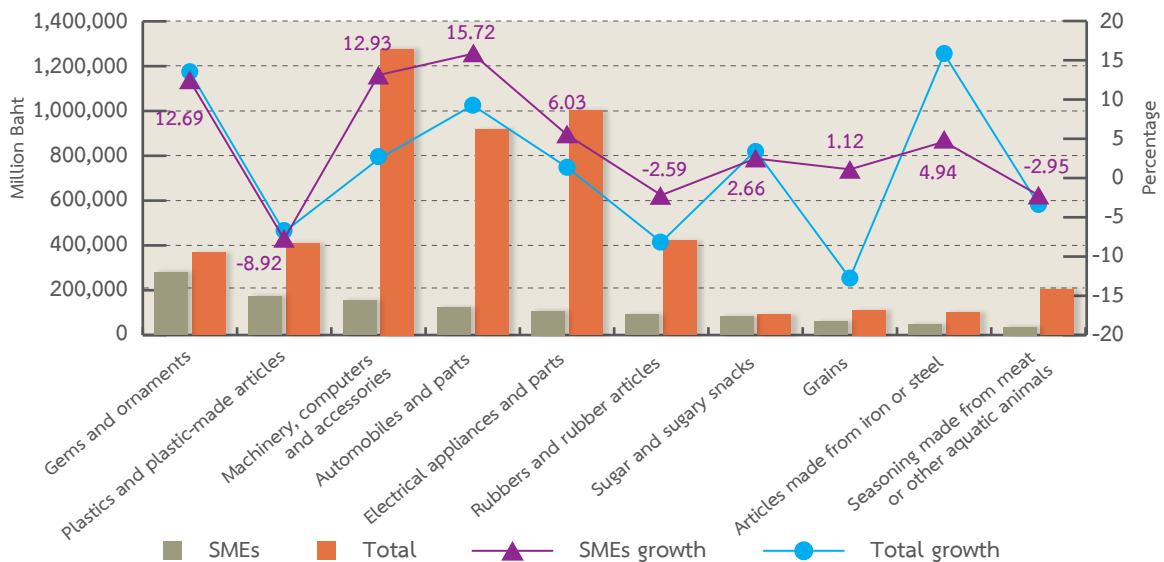
As concerns the international trade value of goods according to the Harmonized System Codes, in 2015 the worth of Thailand’s overall exports was highest for those goods in HS Codes 84, 85 and 87, equivalent to 17.60%, 13.91% and 12.60% of the overall exports of the country respectively. HS Code 84 covers machinery and parts as well as computers and accessories, while HS Code 85 covers electrical machinery and parts, and HS Code 87 covers automobiles and parts. The proportion of SMEs export value for goods in HS Codes 84, 85 and 87 stood at 8.07%, 6.28% and 6.39% respectively.

Goods constituting the highest proportions of exports for SMEs were those in HS Code 71 covering gems and ornaments, HS Code 39 for plastics and plastic-made articles, and HS Code 84 for machinery and parts as well as computers and accessories, accounting for 14.92%, 8.64% and 8.07% respectively. The exports for gems and ornaments, and machinery and parts as well as computers and accessories expanded 12.69% and 12.93% respectively. Plastics and plastic-made articles, however, shrank 8.92%.

Regarding the import value of goods according to the Harmonized System Codes, in 2015 the worth of the country’s overall imports was highest for goods in HS Code 85 covering electrical machinery and parts, constituting 18.71%, HS Code 84 covering machinery and parts as well as computers and accessories, accounting for 13.52%, and HS Code 71 covering gems and ornaments, generating 4.90%.

As for SMEs, the goods that constituted the highest proportion of imports were those in HS Code 85, electrical machinery and parts, HS Code 84, machinery and parts as well as computers and accessories, HS Code 71, gems and ornaments, to the proportions of 17.32%, 14.14% and 13.31% respectively, equivalent to an expansion of 14.94%, 3.18%, and 12.68% from the year 2014 respectively.

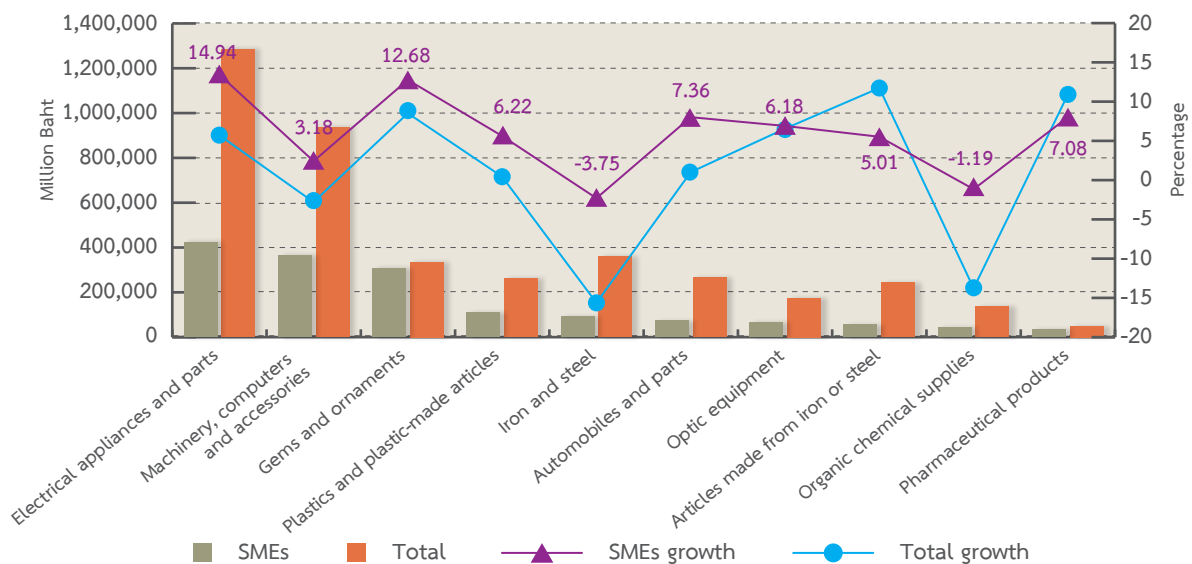
The Value and Rate of Export Expansion Classified by Double-Digit Goods List



Source : Thai Customs Department

Compiled by : The Office of Small and Medium Enterprises Promotion (OSMEP)

The Value and Rate of Import Expansion Classified by Double-Digit Goods List for 2015



Source : Thai Customs Department

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