



# Thailand Investment Outlook: Hope, resilience, and growth



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# Executive summary

While globalisation has created significant opportunities for investment and economic development, it has also made countries more dependent on external forces. Geopolitical shifts, rapid advances in artificial intelligence (AI), and evolving environmental, social and governance (ESG) expectations are reshaping business models, cost structures, and sources of competitive advantage.

Against this backdrop, Thailand is strengthening its position as one of ASEAN's most attractive destinations for investment, business expansion, and long-term capital deployment. As global capital flows, supply chains, and sector priorities continue to evolve, the country offers a compelling combination of economic scale, industrial depth, established infrastructure, and a diversified sector base. Few markets in Southeast Asia provide such a broad and balanced platform.

Structural trends are reinforcing this position. Thailand's energy transition is accelerating investment in renewables, cleaner infrastructure, and decarbonisation-related platforms. Digital transformation is gaining momentum through cloud investment, data centre development, AI democratisation, and financial innovation, including cashless and cross-border payments, and the arrival of virtual banks. The country's established automotive manufacturing base is evolving into a regional hub for electric vehicles (EV) and advanced manufacturing. Demographic shifts are supporting growth in healthcare, wellness and age-related services. At the same time, supply chain diversification and the China+1 strategy are driving a renewed wave of foreign direct investment (FDI).

Thailand's competitive strength doesn't lie in a single sector, but in the interaction of multiple advantages. It's a sizeable domestic market, a regional production base, a logistics gateway, a tourism and wellness leader, a food and agriculture hub, and a market that's increasingly attractive for investing in digital infrastructure and the energy transition. This breadth matters for investors. It creates flexibility, supports resilience, and allows multiple investment theses to coexist within the same market.

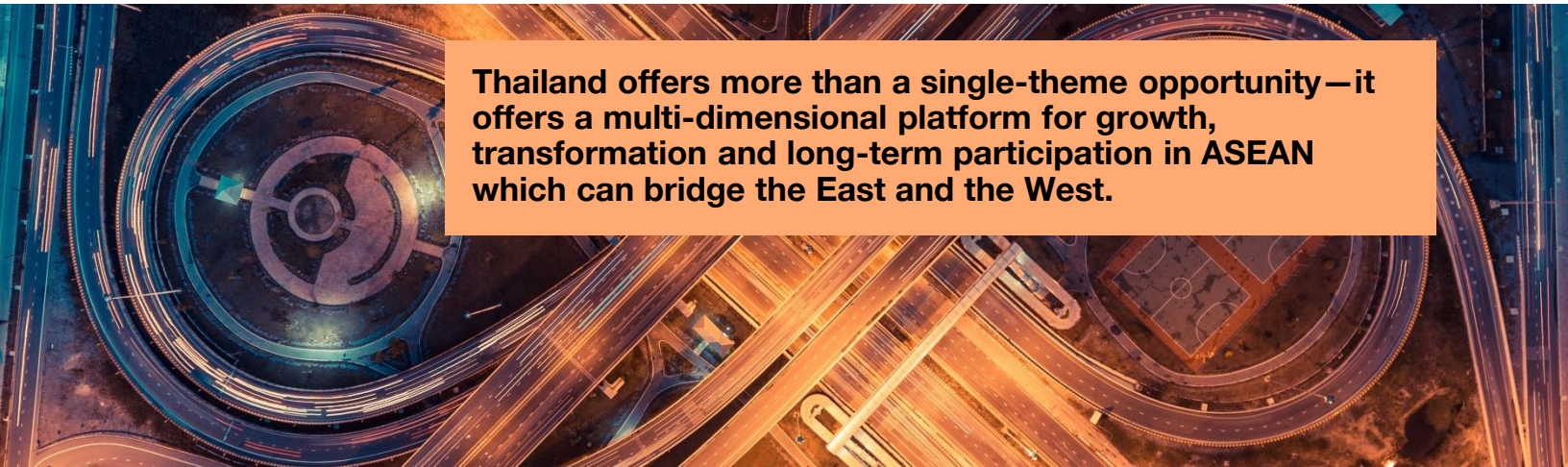
These strengths are increasingly visible in real investment. Inbound FDI applications have risen across digital infrastructure, electronics, automotive, and food processing, pointing to a market that is evolving alongside Thailand's broader economic transformation.

Importantly, Thailand also offers a practical operating environment for investors. Investment incentives, the Eastern Economic Corridor (EEC), tax and treasury frameworks, long-term visa programmes, and ongoing regulatory modernisation all contribute to execution readiness. For businesses evaluating market entry, expansion or investment in ASEAN, Thailand offers both an attractive strategic proposition and a practical path to execution.

For investors seeking exposure to ASEAN's next phase of growth, Thailand offers a combination of market access, industrial capability, infrastructure readiness, and policy support that's increasingly difficult to replicate elsewhere in the region.

Beyond its domestic market, Thailand provides a gateway to ASEAN, a region of more than 700m people and a combined economy of approximately USD4.2tn. As one of the world's fastest-growing economic regions that has a neutral stance between the East and the West, ASEAN offers significant long-term partnership potential. Thailand's central location, established logistics infrastructure, and deep regional trade linkages position the country as an effective hub for accessing these opportunities.

This publication explores the major trends shaping Thailand's trajectory, the country's positioning within ASEAN, the sectors attracting capital, and the practical factors that support investment and growth.



**Thailand offers more than a single-theme opportunity—it offers a multi-dimensional platform for growth, transformation and long-term participation in ASEAN which can bridge the East and the West.**

# Foreword

## Message from the CEO

Welcome to Thailand.

As Bangkok prepares to host the 2026 IMF–World Bank Annual Meetings, Thailand has an important opportunity to engage with the global investment community at a moment of significant change. Thailand is a country with strong fundamentals, a strategic geographical location, an evolving industrial base and a growing role in the future of ASEAN and the world. The country houses more than 71.7m people and contributes USD577bn in GDP annually.

While Thailand isn't immune to the impacts of geopolitical tensions, the pandemic and rapid advances in AI, the country has continued to adapt, adjust and evolve. Investors in the Thai stock market gained confidence in the new government elected in February 2026, with the SET Index recording a 9.2% increase between January and March 2026. Exports in the first half of 2026 also increased by 11.2% compared to the same period last year, supported by strong global demand for AI-related electronics and amid global supply chain diversification.

Thailand's story today isn't defined by a single theme. It's being shaped by a combination of an energy transition, digital transformation and advancement, industrial upgrades, demographic shifts, rising investment in healthcare and wellness, and deeper regional integration. Together, these trends are creating new opportunities for investors, corporations and institutions seeking long-term growth in Southeast Asia.

Thailand's next chapter is now being written. At PwC Thailand, we are proud to help shape that journey, and we invite you to be part of it.



**Pisit Thangtanagul**

Chief Executive Officer  
PwC Thailand

# A strategic gateway to Southeast Asia

As global capital, supply chains and sector priorities evolve, Thailand is strengthening its role as a gateway to opportunities across ASEAN.

**Sitting at the heart of mainland Southeast Asia, Thailand serves as a gateway to regional markets.**

## Thailand key statistics (2025)

GDP:  
**USD577bn**

GDP per capita:  
**USD8,057**

Total population:  
**71.7m**

Foreign Direct Investment  
(FDI inflows):  
**USD86bn**

Headline inflation  
(August 2025 YoY%):  
**2.53%**

Vehicle production\*:  
**1.5m** vehicles per year

Internet penetration rate:  
**92.3%**

Total tourist arrivals:  
**33m**

Foreign medical patients\*\*:  
**~3m**

People aged 65+:  
**15.4%** of the  
population

Note:

(\*) Production for "light vehicles" which consists of passenger cars and light commercial vehicles

(\*\*) Estimated figure for the year 2024 from US-ASEAN Business Council

Source: World Bank, Bank of Thailand (BOT), MarkLines, International Telecommunications Union (ITU), Thailand Board of Investment (BOI), the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP), and US-ASEAN Business Council



Thailand is the gateway to Southeast Asia, a strategically central and mature manufacturing base in ASEAN with both regional and global trade connectivity. The country connects major economies across the Greater Mekong Subregion and broader ASEAN and plays a pivotal role in the region's economic architecture. With meaningful economic scale, a diversified industrial base, established infrastructure and strong connectivity to neighbouring markets, Thailand has long served as both a domestic growth market and a regional operating platform.

Today, Thailand is building on its established strengths in automotive manufacturing, tourism, agriculture and consumer markets while expanding into new areas of growth. These include electric vehicles (EVs), digital infrastructure, renewable energy, healthcare and higher-value services. As regional and global supply chains continue to evolve, Thailand isn't just a market within ASEAN but is a strategically important gateway to it.

Thailand's strength lies in the breadth of its platform. It combines a sizeable domestic economy, established manufacturing capability, developed logistics infrastructure, strong food and agriculture platforms, and a globally recognised tourism sector. Together with investment incentives, industrial development zones, talent-mobility programmes, and ongoing regulatory modernisation, these foundations support a wide range of investment opportunities across production, services, digital infrastructure, healthcare, and energy transition-related sectors.

These characteristics are important because they show that Thailand isn't defined by a single growth driver. It's a market of scale, a base for advanced industries and manufacturing, a hub for logistics and trade, and a platform for long-term investment and expansion.

Against this backdrop, a series of structural trends is now reshaping Thailand's growth model and reinforcing its role in ASEAN's next phase of development.



**ASEAN is one of the fastest-growing regional blocs globally, and seeks to become the world's fourth-largest economy by 2045**



GDP (2025)  
**USD4.2tn**



GDP outlook (2026-2030)\*\*  
**4–5% p.a.**



Population (2025)  
**700m**



Population under 35 (2024)  
**55%**



Urbanisation rate (2024)  
**52%**



Foreign Direct Investment  
inflows (2024)  
**USD226.0bn**



ASEAN total trade (2024)\*  
**USD3.8tn**  
*(22% intra-trade within the region)*



Visitor arrivals (2024)  
**127.2mn**

Note: (\*) ASEAN total trade figure as indicated in the ASEAN for Business Bulletin (August 2025)  
(\*\*) Forecast for Southeast Asia as a region from the International Monetary Fund (IMF)  
Source: The Association of Southeast Asian Nations (ASEAN), ASEANstats, International Monetary Fund (IMF)

# Key mega trends shaping Thailand

**Thailand's transformation is driven by the convergence of multiple forces: energy, digital, industrial, demographic and capital market shifts.**

## Thailand and our changing world

Mega trends are reshaping Thailand and the global economy, creating both new challenges and emerging opportunities. Beyond determining which sectors are poised for growth, these shifts are fundamentally redefining how businesses operate, compete and create value. In a dynamic environment that is rapidly evolving, value is increasingly determined by an organisation's agility, resilience and ability to adapt.

## Five structural forces are reshaping Thailand



Geopolitical shifts underscore the need for agility and resilience



AI is the new value enabler



An ageing society demands care



Sustainability and the rising cost of not being green



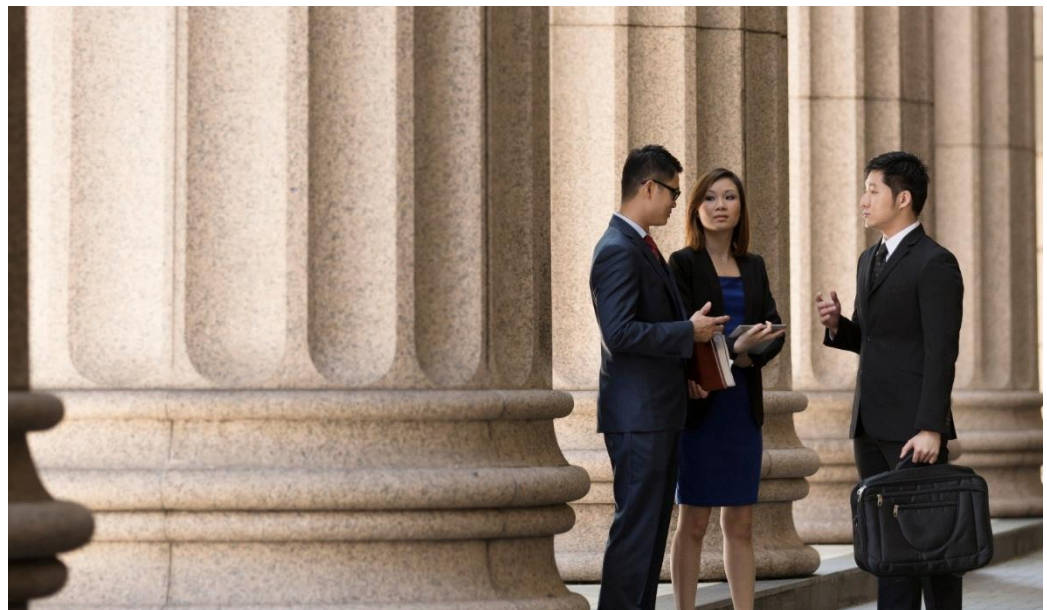
Renewables adoption as a path to energy security

**3.1****Geopolitical shifts underscore the need for agility and resilience**

Geopolitics have moved from the periphery to the boardroom. It's now a core pillar in business decisions, influencing where companies source materials, locate production, move goods and serve customers. For Thailand's trade-driven economy, fluctuations in fuel prices and tariffs feed directly into business costs and affect the country's global competitiveness. The challenge isn't whether Thailand can avoid these risks, but how quickly it can respond and build resilience.

Recent events have reinforced this reality. Agility now matters as much as efficiency. The traditional business model built around global integration and scale—a primarily outward-looking model—is becoming harder to sustain in an increasingly fragmented world. Companies must look both inward and outward, balancing access to global markets with more diversified supply chains to improve adaptability amid uncertainty.

This is where understanding the choke points becomes critical: The impact of geopolitics depends on where a company is exposed. For some businesses, the vulnerability may lie in a critical raw material, a single-country supplier, a shipping route, an energy source, a tariff-sensitive product category, or a regulated technology. For others, it may stem from customer concentration, foreign exchange exposure, logistics capacity, or access to reliable power. The challenge is identifying where disruption would have the greatest impact on costs, delivery, margins, or market access.



Recent geopolitical tensions have tested Thailand's resilience, while also highlighting its capacity to adapt to external shocks. Through supply chain diversification, proactive policymaking and strategic sourcing, the country has consistently mitigated risk and maintained access to critical inputs even during periods of global uncertainty.

The geopolitical tensions between Russia and Ukraine provide a clear example. Disruptions to exports from the region triggered a global fertiliser shortage, driving prices up by 50% between February and April 2022, according to the US Department of Agriculture. Despite these pressures, Thailand largely avoided significant shortages thanks to its diversified import base. Fertiliser is sourced from a wide range of suppliers, including China, Saudi Arabia, Malaysia, Oman, Korea, and Norway, with no single supplier accounting for a dominant share of imports. As a result, Thailand was able to maintain access to a critical agricultural input, although at higher costs. According to data from Thailand's Office of Agricultural Economics (OAE), the cost of "15-15-15" type fertiliser within the country increased by 39% from February to its peak in November 2022.

A similar pattern emerged during heightened tensions in the Middle East in 2026; particularly following disruptions to shipping through the Strait of Hormuz. As a net energy importer, sourcing roughly 58% of its imported crude oil from the Middle East, Thailand faced supply disruptions and rising fuel costs. In response, Thai refiners moved to secure alternative supplies from the United States, Australia, and Malaysia. Combined with fuel price stabilisation measures and greater investment in alternative energy, these actions demonstrated the country's ability to respond rapidly to changing geopolitical disruptions.

As global supply chains continue to evolve, this adaptability is increasingly attractive for companies seeking resilient regional manufacturing and export bases.

Despite these threats, Thailand remains well positioned to benefit from shifting geopolitical dynamics. The China+1 strategy is a clear example. Chinese businesses are reassessing their production footprints and supply chains. So, many are selecting Thailand as a regional hub and an important node in their global operations. This is particularly apparent in the automotive sector, through brands like BYD, Great Wall Motor, Changan, and GAC Aion.

# USD 86.0bn

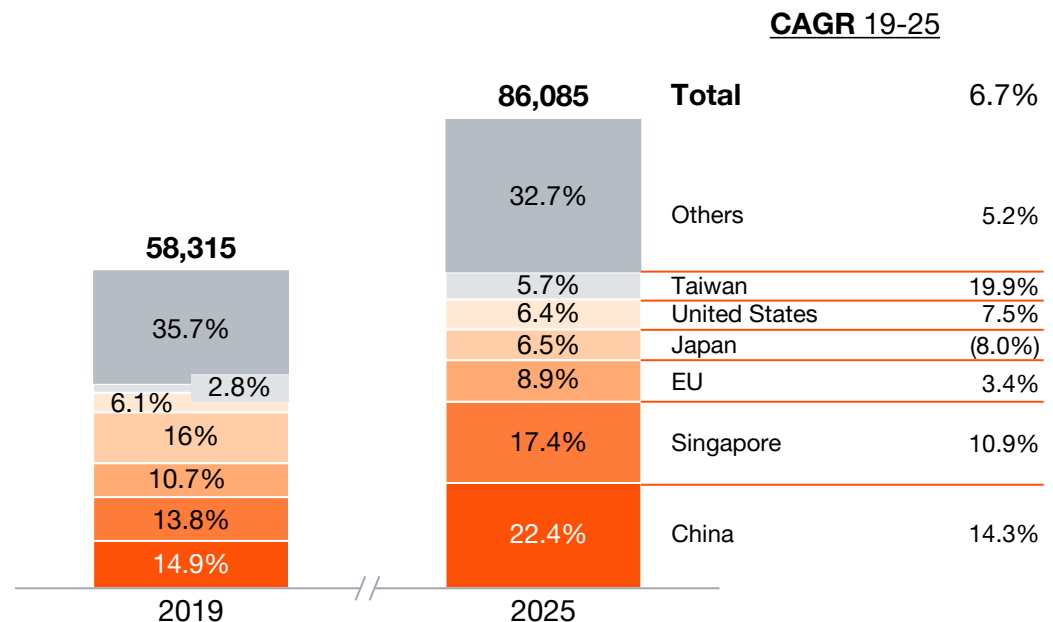
Thailand total foreign direct investment (FDI) inflows in 2025

Thailand's investment opportunity, however, extends beyond simple production relocation from China. The Bank of Thailand recorded foreign direct investment (FDI) inflows of USD86bn, with China, Singapore and Taiwan among the leading sources of investment. Singapore's prominence largely reflects multinational corporations channelling investments into Thailand through their regional headquarters. This reflects a broader combination of China-related diversification, regional capital flows and multinational restructuring, serving as a boon for Thailand's economic growth.

## FDI momentum is substantial

### Foreign direct investment (FDI) inflows into Thailand by country

Investment in USD million



Source: Bank of Thailand (BOT)

The sector mix of recent investments highlights where resilience and innovation are converging. Investment applications are focused on digital infrastructure, electronics, automotive, food processing, and other industries central to Thailand's long-term growth agenda. Together, these sectors support data capacity, supply chain diversification, industrial upgrading, and higher value-added production.

## Where the capital is flowing — investment in five key future-growth sectors

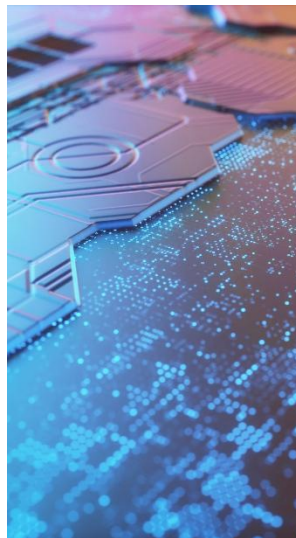
Thailand's top five sectors for Board of Investment (BOI) incentive applications in 2025

|                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Digital infrastructure</b></p> <p><b>USD22.8bn</b><br/><b>151</b> projects</p> <p>Digital infrastructure and services including data centres, data hosting and digital platforms</p> |  <p><b>Electronics</b></p> <p><b>USD8.5bn</b><br/><b>470</b> projects</p> <p>Electrical appliances and electronics including printed circuit boards (PCB), semiconductor assembly and testing, smart electronics and appliances</p> |  <p><b>Automotive</b></p> <p><b>USD2.6bn</b><br/><b>288</b> projects</p> <p>Automotive and parts including vehicles, tyres, smart vehicle systems and components</p> |  <p><b>Agriculture and food processing</b></p> <p><b>USD2.3bn</b><br/><b>301</b> projects</p> <p>Agriculture and food processing including food ingredients, packaging, rubber processing, animal feed, and pet food</p> |  <p><b>Petrochemicals and chemicals</b></p> <p><b>USD1.8bn</b><br/><b>267</b> projects</p> <p>Petrochemicals and chemicals including recycled plastics, conductive carbon black and aseptic packaging</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

For investors, the opportunity goes beyond relocating production between countries. It's about building a more diversified and resilient operating footprint, with Thailand serving as a strategic base for both ASEAN and global markets. This can include supplier localisation, logistics and warehousing, industrial services, utilities, component manufacturing, digital infrastructure, and regional management functions.

Recent geopolitical shifts have underscored the risks from supply chain chokepoints and the need to diversify further. While businesses have previously focused on tariffs and trade barriers, they must now manage vulnerabilities across the entire supply chain, from upstream suppliers to downstream distributors and customers.

Concentration risks can emerge at multiple points along the supply chain. So, the most resilient businesses will be those that can diversify critical dependencies and build greater execution flexibility while managing overall costs. In this context, Thailand can serve both as a market and a strategic base for resilience.



### **Featured case: Peng Shen Technology**

Peng Shen Technology's investment of approximately USD2bn is a good illustration of Thailand's growing role in advanced electronics manufacturing and supply-chain diversification. Backed by Zhen Ding Technology and Saha Pathana Inter-Holding, the project is expanding advanced printed circuit board (PCB) production in Prachin Buri. It represents Zhen Ding's first and only manufacturing base outside Greater China and focuses on higher-complexity PCBs used in smartphones, AI servers, EVs, and advanced electronics.

Source: Thailand Board of Investment (BOI)

Looking ahead, this shift appears structural rather than temporary. As companies continue to rebalance supply chains in pursuit of greater resilience, investment is increasingly flowing into higher-value upstream activities rather than simple assembly operations. For Thailand, the opportunity lies in moving up the value chains of the automotive, electronics, and electrical components industries, as well as PCBs and agricultural products. Serving solely as a low-cost production base offers limited long-term benefits. Greater value will come from developing deeper capabilities in technology, components, services, and workforce skills, enabling supply-chain diversification to translate into sustainable economic growth.

### 3.2 AI is the new value enabler

AI is emerging as a key driver of productivity and competitiveness in Thailand, rather than simply another technology trend. Across industries, AI is moving beyond experimentation and becoming embedded in day-to-day operations, customer engagement, analytics, automation, and business model transformation. The question for businesses is no longer whether to adopt AI, but how effectively they can integrate it into workflows, decision-making, and service delivery to improve performance.

Thailand has several strengths that support AI-enabled growth. Continued investment in cloud and data centre infrastructure, reinforced by the government's Cloud First policy<sup>1</sup> and the entry of global technology providers, is expanding the computing capacity needed to support AI adoption. At the same time, digital public infrastructure, such as PromptPay and cross-border payment linkages, is strengthening the country's digital ecosystem. It's creating new opportunities across commerce, financial services, and tourism.

**AI adoption is rising, but most organisations remain in the early stages of AI maturity**

**43%**

AI adoption

**9%**

advanced AI deployment vertically stacked

The opportunity for investors isn't AI adoption itself but the capabilities that translate AI into measurable business outcomes. According to [Amazon Web Services](#), AI adoption in Thailand is rising rapidly, reaching around 43% of organisations in 2026. However, only around 9% have moved beyond basic use cases to more advanced, integrated applications. This aligns with [PwC research](#) showing that AI value is highly concentrated, with 20% of companies capturing nearly three-quarters of AI-generated value. For Thailand, this points to growing demand for cloud and data infrastructure, analytics, automation solutions, AI governance frameworks and managed services. These capabilities help organisations deploy AI safely, effectively and in ways that deliver tangible business results.

The greater opportunity may lie in helping organisations move from experimentation to enterprise-wide deployment, where productivity gains, operational efficiencies and commercial value are most likely to be realised. This challenge is reflected in executive experience. [PwC's 29th Global CEO Survey – Thailand](#) found that only 18% of Thai companies reported both increased revenue and reduced costs from AI adoption, highlighting the gap between experimentation and meaningful value creation. For many organisations, the next phase will be less about access to AI tools and more about embedding them into business processes at scale.

Note: (1) Thailand's Cloud First policy requires government agencies to prioritise cloud-based solutions for new and modernised IT systems. The policy is supported by Thailand's "Cloud Security Standard" which took effect in September 2026



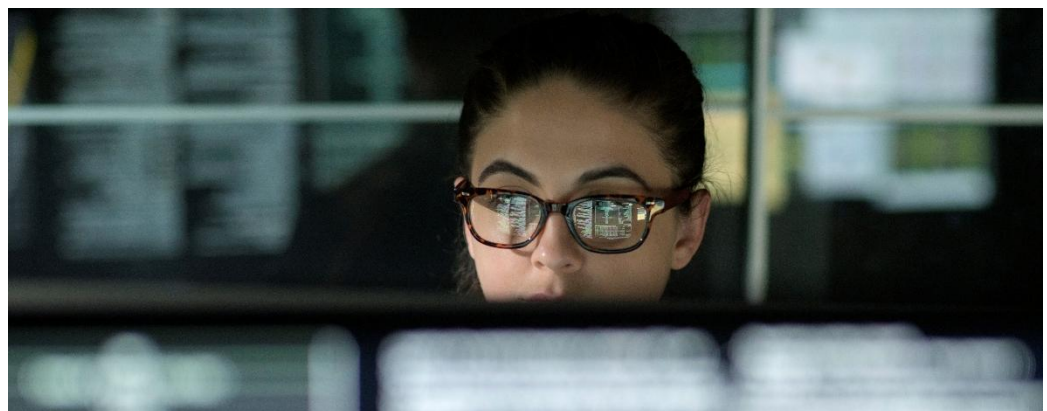
### Featured case: AWS investment in Thailand

Amazon Web Services plans to invest USD5bn over 15 years and launch the AWS Asia Pacific Thailand Region with three Availability Zones. This highlights Thailand's prominence as a destination for cloud and AI infrastructure. The investment supports the broader shift from digital adoption to AI-enabled enterprise transformation. It aligns with Thailand's broader digital development agenda, supporting both investor needs and the country's long-term economic and technological competitiveness.

Source: AWS, Reuters

Realising this opportunity will depend on effective execution. Scalable cloud and data infrastructure, stronger governance frameworks, and an AI-ready workforce are needed to support the evolution of AI from pilot projects to reliable, enterprise-wide deployment. AI, automation and robotics will become not just technological investments, but important parts of Thailand's broader productivity agenda. They will help to offset the impact of an ageing workforce while redefining the role of human labour.

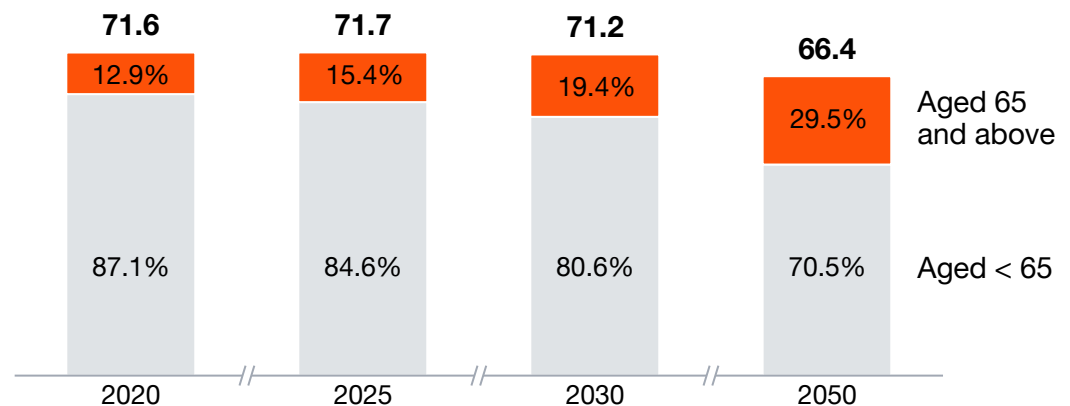
However, AI adoption is not without risk. Though it may create new jobs and opportunities, it has the potential to displace existing ones. Workforce upskilling and reskilling will be critical to achieving an AI-enabled economy. Appropriate regulatory guardrails, controls, and governance frameworks will also be needed to realise AI's full potential, while mitigating misuse, unintended consequences, and misalignment with societal objectives.



### 3.3 An ageing society demands care

Thailand's demographic transition is more than a healthcare story. As the population ages, the country faces two interconnected shifts: rising demand for age-related services and a tightening labour market. The share of the population aged 65 and above increased from 12.9% in 2020 to 15.4% in 2025. This has driven demand across healthcare and preventive care, wellness, pharmaceuticals, senior living, insurance, and financial planning.

#### Thailand population by age group forecast\*



Note: (\*) Total population size forecast is from WHO, whereas proportions are from UN ESCAP  
 Source: World Bank, United Nations ESCAP, World Health Organisation (WHO)

The ageing population is also reshaping the labour market. As workforce availability becomes constrained, businesses will need to rely more on productivity gains, reskilling, targeted labour mobility and technology-enabled operating models. AI, robotics and automation are, therefore, not standalone themes—they're essential tools for helping organisations to operate more efficiently in an economy with a shrinking workforce.

**Ageing creates  
a significant  
economic  
opportunity**

**THB3.5  
trillion**

in ageing society  
related spending  
projected by  
2033

Source: Thailand  
Development  
Research Institute –  
TDRI

Opportunities exist on both sides of the demographic transition for investors. On the demand side, population ageing is driving growth in hospital care, diagnostics, rehabilitation, assisted living, home care, wellness services and retirement-oriented living models. Spending linked to Thailand's ageing population is projected to reach around THB3.5tn (USD107bn) by 2033 as the country transitions into a super-aged society.

On the supply side, the shrinking workforce is creating demand for labour-mobility solutions, reskilling programmes, workforce platforms, AI, robotics, automation and service models that help businesses maintain productivity despite constraints on labour availability.

Taken together, these trends broaden the ageing story beyond healthcare alone. Thailand's established strengths in medical services and hospitality provide a strong foundation for healthcare, wellness and recovery-focused services. Meanwhile AI, robotics, automation and workforce technologies offer ways to alleviate productivity pressures across manufacturing, services, logistics and care delivery. Recent policy initiatives increasingly position healthcare within a broader health and wellbeing ecosystem spanning prevention, treatment, recovery and long-term wellbeing.



Source: BDMS

**Featured case: BDMS**

Bangkok Dusit Medical Services (BDMS), one of Asia's largest listed hospital groups, illustrates the scale and sophistication of Thailand's healthcare ecosystem. Its success reflects the country's broader strengths in private healthcare, specialist medical services and international patient demand.

## 3.4

**Sustainability and the rising cost of not being green**

Sustainability is becoming an issue of competitiveness rather than simply a disclosure requirement. Customers, investors and multinational buyers are placing greater emphasis on sustainability performance when making purchasing, procurement, and financing decisions. As a result, sustainability performance is an increasingly important factor in market access, financing, supplier selection, and overall competitiveness. For many companies, particularly those exposed to export markets and multinational supply chains, sustainability is evolving from a compliance obligation into a licence to operate.

The shift is already visible in major export markets. The European Union's Carbon Border Adjustment Mechanism (CBAM), which came into force on 1 January 2026, imposes additional costs on imports of selected carbon-intensive products, including steel, aluminium, cement, and fertilisers. Importers must calculate and report the embedded carbon emissions associated with these products and purchase the required carbon certificates accordingly. This increases costs for higher-emission products and can reduce their competitiveness in the EU market. In effect, exporters seeking access to the EU market must address their carbon performance. As the EU continues to implement CBAM, other markets and/or regional blocs are likely to adopt similar approaches over time.

Rather than avoiding the EU's CBAM, Thai policymakers are taking proactive steps to adapt to it. Thailand will begin implementation of its Climate Change Act in 2027. The legislation is a reform of Thailand's existing climate policy and is one of the structural responses to EU CBAM. The Act is designed to support long-term carbon neutrality and net-zero commitments while ensuring that Thai manufacturers remain competitive in export markets that increasingly link market access to carbon performance.



This legislation has three central features. First is the planned introduction of a mandatory carbon tax on manufacturers and importers based on their greenhouse gas emissions. Second is the introduction of Thailand's own Carbon Border Adjustment Mechanism (Thai CBAM) to be placed on manufacturers within the country. Third is the implementation of an Emissions Trading System (ETS), where companies will be allocated emissions rights through allocation and/or auction. Companies will be allowed to buy, sell or transfer these emissions rights. These features will help to ensure compatibility and compliance with the EU CBAM, while also providing a clearer pathway to Thailand's own decarbonisation journey.

In parallel, the Thai Securities and Exchange Commission (SEC) is moving to align sustainability disclosures with international standards, starting with climate-related reporting and assurance. This is driving demand for reliable carbon data, governance frameworks and sustainability capabilities—particularly among listed companies and businesses connected to global customers, lenders, and capital markets.

For investors, the opportunity lies in the ecosystem supporting this transition. Areas of growth include data platforms for environmental, social and governance (ESG) frameworks, carbon measurement and assurance, sustainability reporting, energy efficiency, low-carbon manufacturing, green buildings and sustainable finance. Thailand's decarbonisation commitments, expanding carbon market infrastructure and closer alignment with international standards are creating new sources of demand across the low-carbon economy.



Thailand's capital market already provides evidence of this shift. In 2025, 265 listed companies qualified for SET ESG ratings, up from 219 in 2024. The Stock Exchange of Thailand has also announced its transition from SET ESG ratings to the FTSE Russell ESG scores framework in 2026, reinforcing the move towards more globally comparable sustainability benchmarks.

**Thai-listed companies are increasingly adopting ESG practices and aligning with global standards.**

 **265**

listed companies qualified for  
SET ESG ratings in 2025

Transition to FTSE Russell ESG scores framework begins in 2026



#### **Featured case: NatureWorks biopolymer facility in Thailand**

NatureWorks' new Ingeo biopolymer manufacturing facility in Nakhon Sawan illustrates how sustainability can become a source of competitive advantage. As global brands and manufacturers seek lower-carbon materials, the demand for polylactic acid (PLA) biopolymers used in packaging, fibres and consumer products is growing. The investment demonstrates how Thailand can participate in emerging low-carbon value chains, where access to expanding markets increasingly depends on the ability to supply sustainable materials. It also highlights how Thailand's agricultural strengths can be leveraged to produce higher-value products for global markets.

Source: NatureWorks

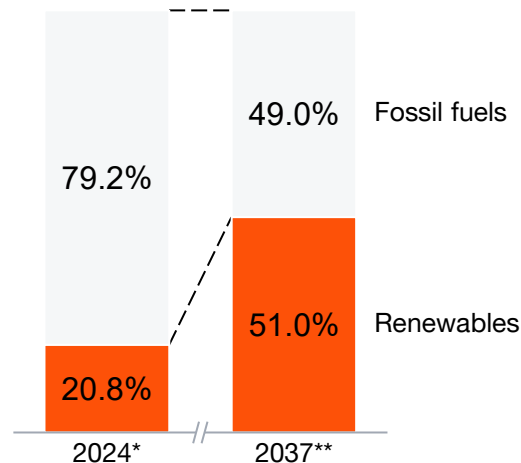
### 3.5 Renewables adoption as a path to energy security

Thailand's energy transition is emerging as a major investment theme, driven by both decarbonisation and energy security objectives. The challenge isn't simply how quickly the country can expand renewable capacity. It requires building a more resilient, affordable and lower-carbon energy system that supports industrial growth, EV adoption, digital infrastructure, and long-term competitiveness.

Energy is one of the most direct channels through which geopolitics affects business. Global conflicts, trade disruptions and policy shifts can influence fuel availability and prices, while also affecting electricity costs. These impacts flow directly into operating expenses, business resilience and competitiveness, highlighting the importance of a diversified and secure energy system.

#### Thailand energy supply by source\*

Proportion of total energy (%)



#### Key energy facts

**56%**

of total primary energy supply in 2025 was imported (consists primarily of fossil fuels)\*\*\*

**58%**

of Thailand's imported crude oil is from the Middle East

Note: (\*) Assumes energy usage = energy supply; energy supply consists of domestic production and net energy imports. (\*\*) AEDP 2024-2037 targets for energy generation to be 51%; graph proportions are shown for indicative purposes. (\*\*\*) Calculated using data for imported "total primary energy supply" from the Ministry of Energy in Jan – Dec 2025  
Source: Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy (MOE), International Energy Agency (IEA), EMBER

Thailand's energy mix remains heavily dependent on fossil fuels (petrol, coal, natural gas), which accounted for around 79% of the total energy supply in 2024. Roughly 58% of Thailand's imported crude oil is sourced from the Middle East, exposing Thailand to geopolitical risks and supply chain disruptions. Recent tensions in the Middle East have highlighted the importance of diversifying where the energy is sourced from, and the types of energy on which the country depends.

Thailand's Alternative Energy Development Plan (AEDP) 2024–2037 aims to strengthen energy security and reduce reliance on fossil fuels. It includes increasing the share of renewable energy in electricity generation to approximately 51% by 2037, up from around 21% in 2024. Solar power is planned to account for most of this growth, complemented by wind, hydropower and biomass, among others.

The IRPC Innovation Centre estimates that Thailand has a technical solar generation potential of 300 GW, requiring less than 2% of the country's total land area. The country's geographic location near the equator and tropical climate provide favourable conditions for solar generation, with most areas receiving more than 4 kWh of solar irradiation per square metre per day. However, despite this potential, the installed solar capacity remains relatively limited at around 5 GWp, suggesting a significant opportunity for expansion. Compared with other sources of renewable energy, such as wind and hydropower, solar energy offers far greater potential and scalability.



Achieving the AEDP 2037 targets will require significant investment across the energy ecosystem. This includes expanding renewable generation through rooftop solar and solar farms, investing in battery energy storage systems (BESS) to improve reliability beyond daytime, building local battery production capabilities to support the renewable energy ecosystem, strengthening domestic solar supply chain capabilities to improve solar unit economics, and modernising the power transmission network to support a more decentralised grid. Regulatory and policy frameworks also need to be updated to support market development.

Achieving Thailand's AEDP targets requires accelerating renewable energy deployment and modernising the power grid. This is increasingly important as recent investments in data centres and rapid automotive electrification drive power demand, placing growing pressure on electricity infrastructure and system costs.

In response, Thailand's National Energy Policy Committee (NEPC) introduced a suite of new policy measures in July 2026. Most notably, it's reforming legacy cost issues from perpetual renewable power purchase agreements that continue to pay tariffs above current market levels. As renewable generation costs have fallen significantly, many of these agreements no longer reflect actual economics and continue to burden the power system. By introducing contract end dates, revising tariffs, and negotiating amendments where possible, the government aims to lower procurement costs and manage electricity costs.



Another NEPC measure worth noting is the approval of the 1,500 MW community solar programme to add lower-cost renewable capacity. This promotes smaller, distributed projects and a competitive developer selection process to ensure benefits are shared broadly rather than concentrated among a few players. By procuring solar power at tariffs that better reflect current generation costs (which have seen a decrease in recent years), the programme is expected to support rising electricity demand, improve energy resilience, and help reduce long-term system costs.

Collectively, these initiatives are expected to accelerate investment across renewable generation, energy storage, grid infrastructure, and domestic clean-energy supply chains. As Thailand transitions towards a more decentralised and electrified energy system, investors are likely to benefit from both rising capital deployment and a supportive policy environment.



### **Featured case: Solar and battery storage financing in Thailand**

The Asian Development Bank (ADB) and Gulf Renewable Energy signed a USD820m financing package for a portfolio of 12 renewable energy projects across Thailand. The portfolio includes 393 MW of ground-mounted solar photovoltaic (PV) capacity and 256 MW of solar PV projects paired with 396 MWh of battery energy storage. The case illustrates the type of transition infrastructure that's required for Thailand to expand renewable energy generation. Beyond power production itself, opportunities are emerging in storage, grid flexibility and other supporting infrastructure needed for energy security and clean-power access.

Source: Asian Development Bank

# Why invest in Thailand?

**Thailand's competitive advantage is amplified by the way its strengths converge, reinforcing its role as a gateway to Southeast Asia's next phase of growth.**

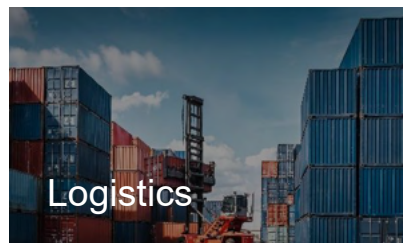
## Thailand's role as a regional hub in Southeast Asia

Thailand's proposition as a hub for Southeast Asia becomes clearer when viewed alongside its regional peers. While most countries in the region are recognised for strengths in specific areas, Thailand stands out for its breadth of capabilities across multiple domains.

Singapore is a leading financial centre and regional headquarters for companies operating across Southeast Asia. However, its small geographic size and population limit its business potential in other sectors. Indonesia offers the region's largest domestic market and abundant natural resources, but its vast archipelagic geography presents challenges for connectivity and logistics. Vietnam has emerged as one of the region's fastest-growing economies, supported by strong momentum in export-oriented manufacturing. However, its infrastructure, logistics network and industrial ecosystem are still developing.

Thailand is one of the few economies in Southeast Asia that combines strong regional connectivity, a deep and diversified industrial base, well-developed infrastructure, and an established position as a leading tourism, wellness and lifestyle destination.

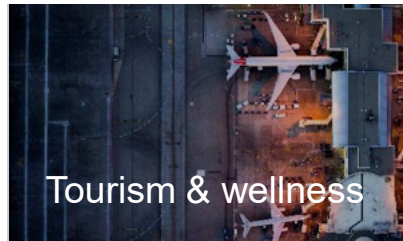
**Thailand is an established regional hub for logistics, automotive, tourism & wellness, and food**



Logistics



Automotive



Tourism & wellness



Food

**Thailand holds leading positions across multiple strategic sectors in ASEAN (2025\*)**

| Metric                                    | Thailand | Singapore | Malaysia | Vietnam | Indonesia | Philippines | ASEAN-6 total |
|-------------------------------------------|----------|-----------|----------|---------|-----------|-------------|---------------|
| GDP, USD billion                          | 577      | 604       | 472      | 515     | 1,446     | 487         | 4,100         |
| GDP/capita, USD                           | 8,057    | 98,814    | 13,125   | 5,066   | 5,060     | 4,171       | -             |
| Population, million                       | 71.7     | 6.1       | 36.0     | 101.6   | 285.7     | 116.8       | 617.9         |
| Tourist arrivals, million                 | 33.0     | 16.9      | 42.2     | 21.2    | 15.4      | 6.5         | 135.2         |
| Key food exports**, USD billion           | 16.8     | 0.6       | 1.6      | 9.1     | 5.9       | 3.2         | 37.2          |
| Vehicle production, million units         | 1.5      | n/a***    | 0.7      | 0.5     | 1.1       | 0.1         | 3.9           |
| Listed market capitalisation, USD billion | 512      | 824       | 487      | 316     | 950       | 232         | 3,321         |

Note: (\*) All indicators reflect full-year 2025 or end-of-2025 position where available. (\*\*) "Key food exports" here are a summation of export value under HS Codes for Rice, Fresh Fruit, Poultry, Fish, Vegetables, and Milled Grain Flours. (\*\*\*) Singapore has no mass-market vehicle manufacturing base.

Source: World Bank, UN Tourism, Seasia Stats, ITC Trade Map, and MarkLines

## 4.1 Thailand: The logistics hub

### Infrastructure that enhances geographic connectivity

Thailand's location at the heart of Southeast Asia makes it a natural crossroads for trade and connectivity across the region. Over the years, the country has invested in ports, airports, industrial corridors and cross-border transport links, strengthening its geographic advantages and establishing an extensive logistics network.

Thailand's industrial ecosystem extends well beyond a single corridor. Specialised clusters across multiple regions support manufacturing, logistics and increasingly digital infrastructure.

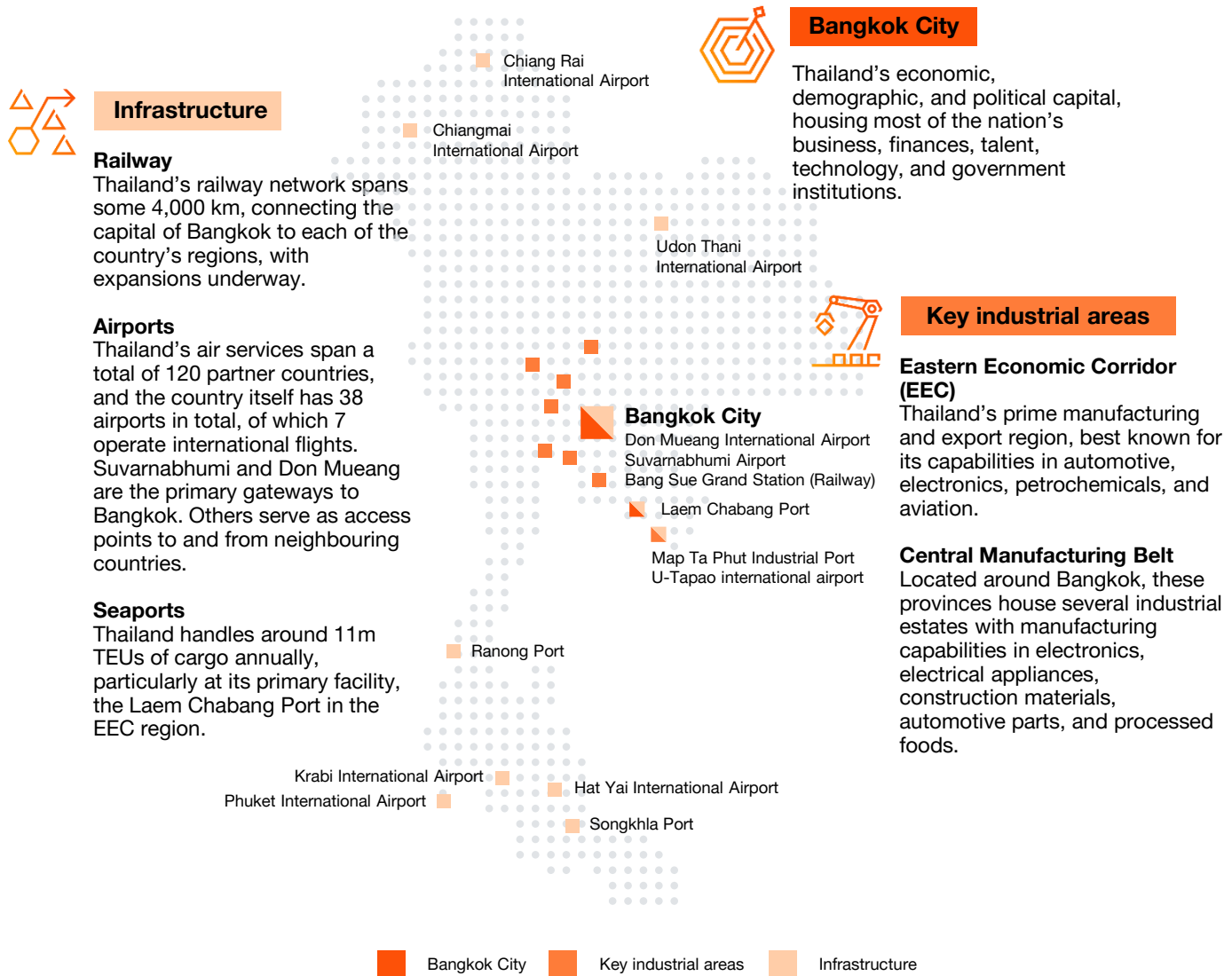
The country continues to expand its infrastructure platform through new investments in ports, airports, rail networks, and logistics facilities. These developments are designed to deepen regional connectivity and enhance Thailand's long-term competitiveness as a transport, trade, and investment hub.

Together, these advantages form a core part of Thailand's investment proposition. The country provides a relatively mature platform of physical and institutional infrastructure that supports manufacturing, tourism, logistics, and the growing digital economy.

The Eastern Economic Corridor (EEC), discussed further in Section 5, serves as the focal point for many of these developments, including major investments in rail, port and aviation infrastructure.



## Thailand enhances its strategic location within Southeast Asia to form a connected industrial and logistics platform



### FTAs

Thailand has 15 free trade agreements in force (with 2 more underway)\*, including ASEAN-level agreements with China, India, South Korea, Japan, Australia and New Zealand.

Note: (\*) The European Union FTA is still under negotiation; the Bhutan FTA is targeted to enter into force on 1 January 2027

Source: Ministry of Transport, Department of Rail Transport (DRT), Airports of Thailand (AOT), Eastern Economic Corridor Office (EECO), Department of Trade Negotiations, Thai Board of Investment (BOI), and World Bank

## 4.2 Thailand: The automotive hub

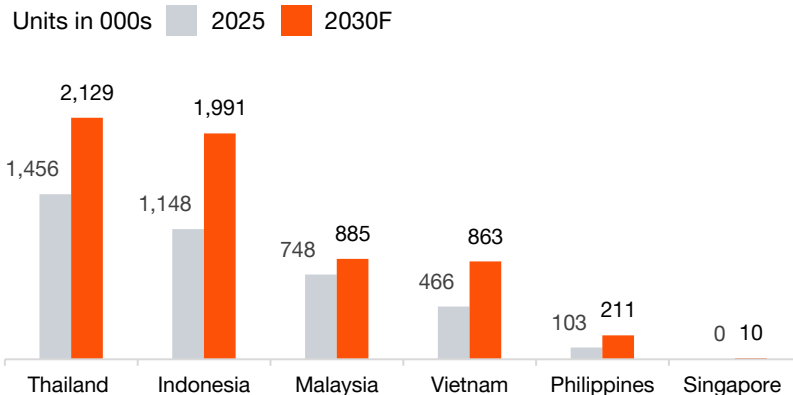
### SEA's automotive leader, going electric

Thailand is the largest manufacturer of automobiles in all of Southeast Asia, and a major link in the global automotive supply chain. The country produced around 1.5m cars in 2025 alone, significantly outpacing its closest rivals Indonesia (~1.1m) and Malaysia (~0.7m).

Its lead is enabled by an in-depth automotive ecosystem that has grown over decades. The country is home to 30 automotive producers and assemblers, including global industry titans such as Toyota and Honda, and is supported by an in-depth network of 720 Tier-1 parts suppliers and 1,500+ Tier-2 and Tier-3 parts suppliers.

### Thailand is ASEAN's automotive leader and is building the foundation of a regional EV hub

#### Thailand vs ASEAN-6 light-vehicle automotive production



#### Thailand automotive ecosystem



**Domestic supply:** houses a total of 2,200+ suppliers across all tiers



**Export platform:** total of USD34.2bn in finished vehicle exports, highest in ASEAN



**Electrification:** USD4.1bn invested in 198 EV-related projects as of July 2026

Note: (1) Light vehicles refer to passenger vehicles and light commercial vehicles

Source: PwC ASEAN-6 Automotive Snapshot (February 2026), International Trade Centre (ITC), MarkLines, PwC Research @ Analysis

Thailand's attractiveness as an automotive investment destination is underpinned by its ability to execute at scale. The country combines deep supplier networks, dedicated industrial zones, established logistics infrastructure, a skilled workforce and supportive policies in a way that reduces friction for large-scale investment in production. This makes Thailand particularly relevant to automotive companies seeking a regional manufacturing base with a mature and ready ecosystem. The country is also well positioned to benefit from the China+1 strategy. Rather than serving solely as an alternative production location for vehicles and parts, it enables automotive companies to diversify and strengthen their regional footprint while complementing existing operations across Asia.



### Featured case: Thailand's EV supply-chain build-out

In 2025–2026, Thailand secured over USD4.1bn (about THB137bn) in EV-related investment pledges across 198 projects, spanning vehicle assembly, batteries, energy storage, critical components and charging infrastructure. Meanwhile, nationwide charging infrastructure has expanded to approximately 14,000 charging points. Electrified vehicles accounted for more than 44.0% of new vehicle registrations in 2025.

Source: BOI

Looking ahead, Thailand is positioning itself as a leading regional hub for automotive electrification. At the heart of this effort are the EV 3.5 incentives, which offer subsidies and generous reductions in tax and excise duties. The country's 30@30 target also aims to increase the share of zero-emission vehicles to at least 30% of total vehicle production by 2030.

**Thailand is already at the forefront of passenger vehicle electrification in Southeast Asia, boasting the highest electric vehicle adoption in the region.**

### Passenger vehicle electrification in Thailand vs other ASEAN-6 countries\*

Vehicle units sold in 000s ■ HEV ■ BEV ■ % xEV adoption (% to total passenger vehicles sold)



Note: (\*) BEV includes Battery Electric Vehicles only. HEV includes HEVs, PHEVs, and MHV REEVs. Together, BEVs and HEVs constitute "xEVs"

Source: PwC's Overview of the ASEAN-6 automotive market: 5th market snapshot

Several Chinese EV makers have already established themselves in the market. The most prominent is BYD, which overtook Tesla in 2025 to become the world's largest producer of battery-electric vehicles. BYD first entered the Thai market in 2022 and has since risen to become one of the country's top five best-selling vehicle brands. Building on this momentum, BYD chose Thailand as the location for its first factory outside China. Their factory, located in Rayong province, opened in 2024 and has the capacity to produce up to 150,000 vehicles annually.

Supporting this growth, Thailand's EV ecosystem is expanding rapidly across battery pack assembly, component manufacturing and charging infrastructure. Yet, opportunities remain in high-value segments such as battery cell production and advanced vehicle systems. Successfully capturing these investment opportunities could accelerate Thailand's move up the automotive value chain and strengthen its position as a regional EV manufacturing hub.



### 4.3 Thailand: The Tourism and wellness hub

#### World-class destination for tourism, healthcare and wellbeing

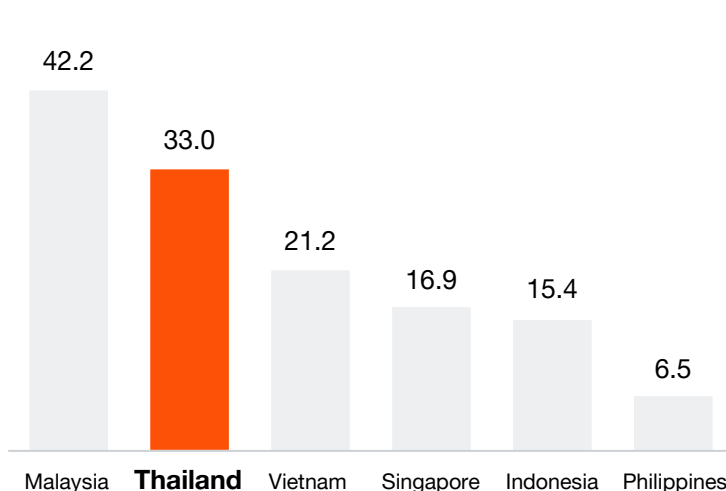
Thailand is one of the world's leading tourism markets, supported by a globally recognised brand, extensive hospitality infrastructure, and a diverse mix of leisure, cultural and premium travel experiences. Tourism remains a cornerstone of the economy and a significant source of employment, investment and foreign income.

Thailand's appeal, however, extends well beyond leisure travel. The country has established a strong international reputation for healthcare, aesthetics treatments and wellness services, supported by internationally accredited hospitals, specialised medical expertise, high service standards and competitive pricing. These strengths have made Thailand one of Asia's leading destinations for medical and wellness tourism.

#### Thailand a key destination for tourism, health and wellness

##### SEA international tourist arrivals in 2025

Number of arrivals (millions)



##### Thailand's key medical & wellness achievements

 **68**

**JCI hospital accreditations**, ranking 1st place in ASEAN (2026)

 **USD14bn**

**in wellness spending**, ranking first place in ASEAN

 **66.8**

**Medical Tourism Index score**, ranking 17th globally, and 2nd among SEA (2021)

Source: World Bank, UN Tourism, Ministry of Tourism and Sports (Thailand), Global Wellness Institute (GWI), Joint Commission International (JCI), Ministry of Public Health (Thailand), and MedicalTourism.com (website)

**Thailand's medical tourism proposition is centred on its cost-effective treatments. It offers JCI-accredited quality care at a relatively affordable price, both regionally and globally.**

**Starting costs (USD) for treatments and number (#) of JCI accredited hospitals**

|                                               | Thailand | Malaysia | Singapore | United States** |
|-----------------------------------------------|----------|----------|-----------|-----------------|
| <b>Medical treatments</b>                     |          |          |           |                 |
| Coronary artery surgery                       | 15,000   | 12,100   | 17,200    | 123,000         |
| Heart valve replacement surgery               | 17,200   | 13,500   | 16,900    | 170,000         |
| Knee replacement surgery                      | 14,000   | 7,700    | 16,000    | 35,000          |
| IVF                                           | 4,100    | 6,900    | 14,900    | 12,400          |
| <b>Aesthetics treatments*</b>                 |          |          |           |                 |
| Breast augmentation                           | 2,700    | 3,000    | 7,000     | 10,000          |
| Rhinoplasty                                   | 2,000    | 2,500    | 6,000     | 7,000           |
| Hair transplant                               | 2,500    | 2,500    | 5,000     | n/a             |
| Liposuction                                   | 1,500    | 2,000    | 4,000     | 6,000           |
| <b>JCI accredited hospitals (Thailand)***</b> |          |          |           |                 |
| Hospitals                                     | 68       | 17       | 13        | -***            |

Note:

(\*) Aesthetics treatments for Thailand, Malaysia and Singapore are sourced from a medical news article titled “Cheapest Countries for Plastic Surgery: 2026 Cost & Safety Guide” from Le Medica

(\*\*) Aesthetics treatments for the United States are an average “Cost in Western Countries” figure gathered from website Bangkok Health Service,

(\*\*\*) JCI is the international arm of The Joint Commission (TJC) in the USA; hence there are no JCI accreditations in the USA; however, the USA has c.22,000 TJC accreditations

Source: SCB InnovestX, Le Medica, Bangkok Health Service

The Ministry of Public Health's Medical Hub policy framework seeks to further enhance Thailand's health and wellness value proposition. The framework focuses on establishing sector hubs in five areas: (i) wellness, (ii) medical services, (iii) academia, (iv) health products and (v) health conventions. Its objectives include enhancing workforce capabilities, promoting innovation and technology adoption, attracting investment, expanding international partnerships, and strengthening Thailand's healthcare brand. Together, these efforts support the country's ambition to become a global centre for medical and wellness services.

Thailand's appeal, however, is more than the quality and affordability of care. Its reputation for hospitality is often considered a defining feature among visitors and patients. Whether in holiday resorts, wellness centres or hospitals, Thailand's service is often characterised by a level of warmth and personal care that distinguishes the visitor experience. Many leading Bangkok hospitals provide dedicated interpreter services covering dozens of languages, along with nationality-focused medical centres tailored to different cultures and religious needs, such as for Japanese and Middle Eastern patients, among many others. Key examples include halal dining and prayer rooms.

This hospitality mindset increasingly shapes the physical experience of care itself, with many hospitals resembling premium hotels, offering concierge services, hotel-style accommodation and recovery spaces focused on comfort and wellbeing. This reassuring, attentive and unhurried style of service is often what brings visitors and patients back. In a region where many destinations purely compete on price or volume, Thailand is unique in combining a distinct service culture with a high quality of care, offered at a fraction of the cost in developed markets. This makes the country a superior choice on value for money.



Thailand's tourism proposition is also boosted by its growing inclusivity of LGBTQ+ travellers, supported by an established tourism ecosystem, major Pride events and the legalisation of same-sex marriage in 2025. This provides an additional point of differentiation versus many regional destinations and helps broaden the country's tourism demand base.

Furthermore, the country possesses a rich cultural and natural heritage, housing a total of 9 UNESCO World Heritage Sites, the second-highest number in Southeast Asia, further enhancing its tourism proposition.

Moving forward, Thailand's strengths are also extending into two rapidly growing segments: rehabilitation and retirement living. The country has become a regional destination for post-treatment recovery and specialist rehabilitation.

Typically priced at a fraction of comparable Western costs, it's supported by a growing ecosystem of recovery-focused healthcare providers and medical-friendly accommodation. At the same time, it's increasingly recognised as one of Asia's most attractive retirement destinations, supported by affordable living costs, quality private healthcare and long-stay visa and residency options, such as the various Long-Term Resident (LTR) visa types. These trends create opportunities across assisted living, senior housing, rehabilitation services and wellness-oriented hospitality.

Together, these strengths position Thailand as more than a tourism destination. The country has established itself as a leading hub for healthcare, wellness and long-term wellbeing. The demand for these services is increasingly reinforced by Thailand's own demographic transition, and the growing focus globally on preventive healthcare, longevity and quality of life. For investors, the opportunity is beyond traditional healthcare into the broader wellbeing economy.



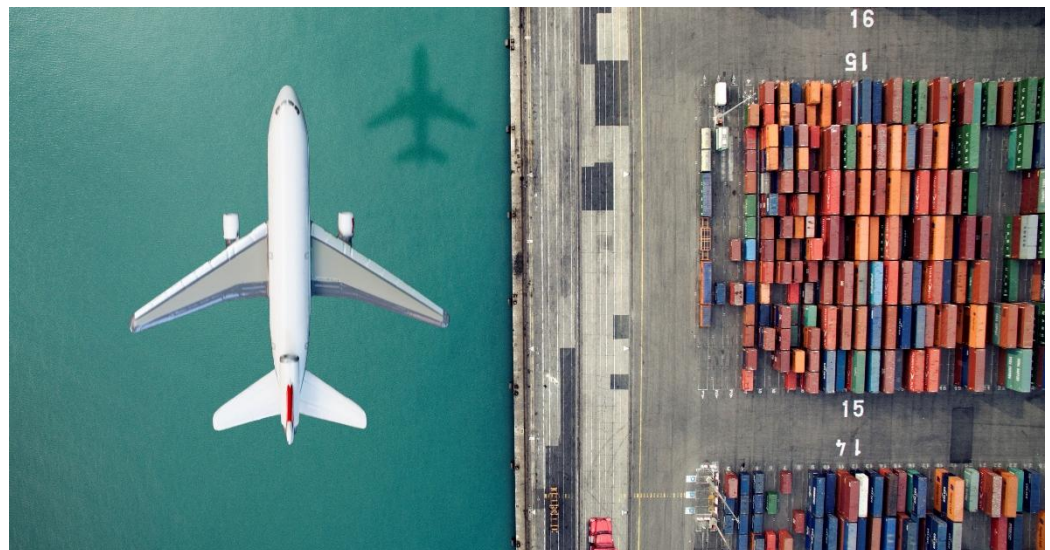
## 4.4 Thailand: The food hub

### Net food exporter and global culinary leader

Thailand is recognised both regionally and globally as a reliable net-surplus producer and is often referred to as the ‘Kitchen of the World’. This position is underpinned by the country’s abundant agricultural resources. According to the World Bank, around 31% of Thailand’s land area is arable, equivalent to approximately 16m hectares. Thailand is ranked second in Southeast Asia for arable land, closely rivalling its neighbour Indonesia with around 18m hectares.

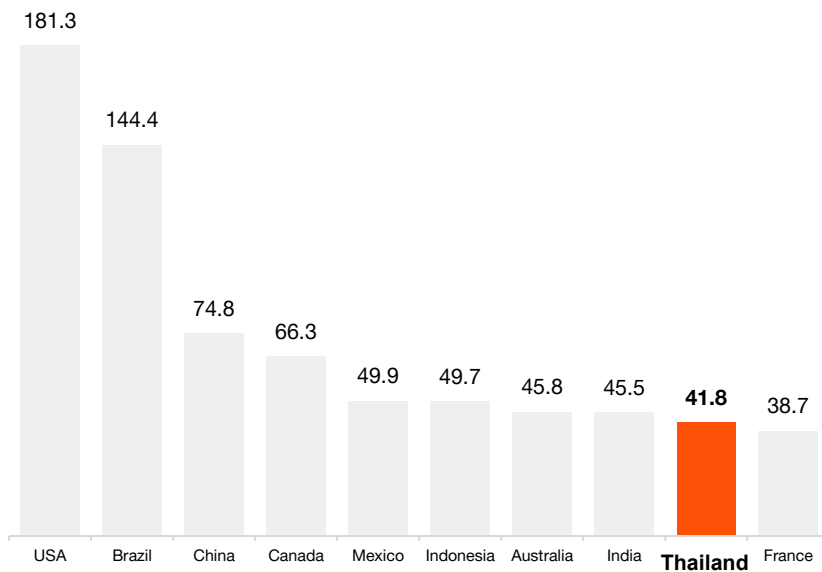
With its vast fertile land, Thailand has leveraged these natural advantages to become one of the top ten exporters of agricultural products globally, serving more than 180 export markets. The country plays an important role in supplying food to import-dependent economies in the Middle East, Africa and parts of Asia. It’s particularly competitive in fresh produce such as rice, cassava, durian, poultry and seafood, and packaged products such as canned tuna and canned pineapple. Notably, the country ranks first place in cassava starch and canned tuna globally. These markets are supported by an integrated supply chain, deep manufacturing capabilities and established agri-business champions.

Thailand’s position matters more than it used to. As importing nations place greater emphasis on food security and supply chain resilience, a country that can deliver safe, certified food at scale becomes a valuable partner. This is a position Thailand is well placed to strengthen in the years ahead.



## Global top 10 countries by agricultural exports, 2024

USD billion



Source: Visual Capitalist, The Nation, and International Trade Centre

## Key agriculture export (2024)



**Second largest rice producer,** behind India

**Cassava starch:** Thailand holds **57%** of the global export value

**Durian:** Thailand holds **54%** of the global export value

**Processed chicken:** Thailand holds **26%** share of global export value

**Canned tuna:** Thailand holds **20%** of global export value



## Featured case: Thai Union

Originally founded in 1977 as a local canned tuna manufacturer, Thai Union Group has grown into a global seafood company exporting to more than 90 countries. The company has expanded both vertically along its value chain and horizontally into new business areas. Beyond producing canned and frozen seafood for people and pets, it now manufactures specialised ingredients and nutraceuticals, including Omega tuna oil, crude tuna oil for food enrichment, tuna-bone calcium and marine collagen peptides. By extracting significantly greater value from raw seafood, Thai Union has moved well beyond its original commodity-based business. Thai Union's evolution highlights how Thailand-based companies can leverage domestic capabilities as a foundation for international growth.

Source: Thai Union Group

Thailand's food sector is no longer defined solely by fresh produce and canned products. A growing opportunity lies in value-added transformation. The Board of Investment (BOI) recorded USD2.3bn in investment applications in the agricultural and processed food sector—representing approximately 31% CAGR growth since 2018. Much of this investment is directed towards new technologies and processing capabilities that convert agricultural products and processed food into higher-value ingredients and bio-based materials for more specialised applications.

Growth is also being driven by higher-value segments, such as modified and specialty starches, functional and medical foods, and premium pet food. At the same time, plant-based proteins and bio-based materials are creating new links between Thai agriculture and lower-carbon production. As global buyers increasingly prioritise quality, traceability and sustainability, this move up the value chain strengthens Thailand's long-term relevance as a broader agribusiness platform. It also aligns with national efforts to develop a technology-driven, higher-value agri-food sector and position the country as a regional hub for future food innovation and a secure food source for the world.

Thailand's food ecosystem also supports a range of linked industries, including retail, tourism and wellness, reinforcing the interconnected nature of the economy.

Thailand's food success story extends beyond agricultural exports to the culinary culture built upon them. The rice, herbs, seafood and tropical fruits that underpin the country's exports have also shaped a cuisine with global appeal. Thai food has become one of the country's most influential cultural exports, with around 17,500 Thai restaurants operating worldwide, up from 5,500 in 2002. Bangkok has also established itself as a leading fine-dining destination, home to six restaurants in The World's 50 Best Restaurants 2025 and the country's first three-Michelin-star restaurant, Sorn. For investors, this global reputation sustains demand for Thai ingredients, food products and premium agri-food offerings.



## Why invest in Thailand now?

### Thailand serves as a gateway to ASEAN growth

Thailand's position as a hub across multiple sectors, including logistics, automotive, tourism and wellness, food, combined with its international reputation and status as a founding member of ASEAN, gives it a distinctive role as a unique gateway to the region. It serves both as an entry point to ASEAN and a bridge between its diverse economies, providing businesses with an operational platform from which to capture opportunities across the region.

Regionally, ASEAN is emerging as one of the world's most important growth engines. Home to more than 700m people, the region includes high-growth economies like Indonesia and Vietnam, which combine large consumer markets with relatively young, increasingly urbanised populations that continue to rise up the income ladder. ASEAN's gross domestic product (GDP) reached USD4.2tn in 2025 and is expected to grow by around 4–5% annually in the coming years, making it one of the fastest-growing major economic blocs globally.

ASEAN policymakers envision the region becoming the world's fourth-largest economy by 2045. Achieving this ambition will require deeper economic integration and continued investment. Despite its strong growth prospects, ASEAN remains less integrated than more mature economic blocs. Intra-ASEAN merchandise trade accounted for only around 22% of total trade in 2023, or approximately USD783bn, based on figures reported in the ASEAN Statistical Brief Volume VIII (May 2024). This falls significantly below the levels of internal trade seen in the European Union, where intra-trade within the bloc represented approximately 62% of total trade.

This gap represents a substantial opportunity for future growth, with Thailand well positioned to play a central role. While domestic supply chains and infrastructure in rapidly developing ASEAN markets like Vietnam and Indonesia continue to mature, Thailand offers a relatively established and operationally ready platform for regional business activity.

Thailand also benefits from the gradual professionalisation of traditionally family-owned enterprises, improving corporate governance standards and creating greater openness to strategic partnerships, foreign investment and cross-border collaboration.

As companies seek to build more integrated regional strategies, the demand for cross-border production networks, logistics platforms, distribution hubs, and service ecosystems is likely to increase.

# Ease of doing business in Thailand

**Thailand's business environment complements its strategic strengths by offering practical tools for establishment, expansion and long-term investment.**

## Thailand 4.0 underpins the country's investor support ecosystem

Beyond its competitive strengths, Thailand also offers a practical route to execution. The country benefits from an operating environment that's designed to support investment, industrial expansion and regional business models through incentives, infrastructure platforms and talent mobility programmes. Thailand 4.0 provides the broader policy direction behind many of these investor-facing tools—a shift towards higher-value, technology-enabled and innovation-led activity. Its practical relevance for investors lies in how this direction is translated into mechanisms such as BOI incentives, the Eastern Economic Corridor, industrial upgrading support and talent-mobility frameworks.



**Target industries:** priority S-curve sectors (next-gen automotive and EV; smart electronics; medical and wellness tourism; agriculture and biotech; food for the future; robotics; aviation and logistics; biofuels and biochemicals; and digital)



**Industrial upgrading:** shift from traditional production toward higher-value, technology-enabled and innovation-led activity.



**Execution platforms:** BOI investment promotion, the Eastern Economic Corridor, SME and innovation support, digital-government and sustainability programmes.

## 5.1 An investor-friendly operating environment

Thailand's broader investment environment is supported by infrastructure, facilitation mechanisms and policy frameworks that can influence the ease of business establishment and expansion. The country offers a combination of incentives, industrial zones, transport and logistics connectivity, talent mobility programmes and investment facilitation that can reduce friction and support business establishment and expansion.

**Thailand offers a practical, end-to-end operating environment that supports business establishment, expansion and long-term investment.**



### Market access

**71.7m**

domestic and

**700m+**

ASEAN consumers, and

15 FTAs in force



### Transport and logistics

seaports, airports and  
expanding rail linking industrial  
and export gateways



### Digital-ready environment

5G, data centres and cloud  
infrastructure



### Talent pipeline

**100K**

new STEM graduates per year



### Incentives and facilitation

BOI tax and duty incentives  
plus OSOS one-stop support



### Foreign-ownership reform

easing of Foreign Business  
Act restrictions, pending  
enactment

Source: BOI, Industrial Estate Authority of Thailand (IEAT), One Start One Stop Investment Center (OSOS), Ministry of Commerce, World Bank, Ministry of Transport and International Trade Administration, Office of National Higher Education Science Research and Innovation Policy Council (NXPO)

Note: FTA count refers to agreements signed. Foreign Business Act amendments remain subject to final legislative enactment.

For investors, these operating factors complement Thailand's broader competitive strengths. Together, they form part of the enabling environment that supports business establishment, expansion and long-term investment.

## 5.2 Board of Investment incentives

The Thailand Board of Investment (BOI) plays a key role in Thailand's investment framework. Its incentives are targeted at priority sectors, including advanced manufacturing, technology, infrastructure and strategic services.

Beyond fiscal incentives, the BOI also plays a coordinating role between investors and government agencies. This can help investors align projects with priority sectors and navigate approval and establishment processes.

**The BOI offers a layered incentive toolkit spanning tax, non-tax, area-based and agenda-based support, aligned with Thailand's priority sectors.**

### Activity-based tax Incentives

#### What it covers

Corporate income tax (CIT) exemption for 3–8 years (maximum 13 years if conditions are met) or CIT reduction for five years after the exemption period, and import-duty incentives for activities eligible for BOI promotion

#### Investor relevance

Improves project economics for investments aligned with BOI-promoted activities and priority sectors

### Import-duty incentives

#### What it covers

Exemption or reduction of import duties on machinery, raw or essential materials, research and development (R&D) materials and raw materials used in production for export

#### Investor relevance

Reduces upfront investment and operating costs for qualifying projects

### Non-tax incentives

#### What it covers

Land ownership for the promoted project, work permit and visa facilitation, foreign shareholding support and foreign-currency remittance support, subject to applicable conditions

#### Investor relevance

Helps foreign investors establish, staff and operate promoted projects in Thailand

### Competitiveness enhancement incentives

#### What it covers

Additional support through additional CIT exemptions or reductions for R&D, advanced technology training, local supplier development, product and packaging design, and collaboration with academic or research institutions

#### Investor relevance

Encourages technology upgrading, skills development and local ecosystem deepening

### Area-based incentives

#### What it covers

Additional incentives for projects in promoted industrial estates or zones, the EEC, special economic zones (SEZs), special economic corridors, science and technology parks and selected regional areas

#### Investor relevance

Supports location decisions aligned with Thailand's regional and industrial development priorities

### Agenda-based incentives

#### What it covers

Measures supporting smart and sustainable industry, relocation, retention and expansion, community development, human resource development and localisation

#### Investor relevance

Reinforces industrial upgrading, sustainability and supply-chain localisation

Source: BOI

Note: Incentive packages and eligibility depend on promoted activity, location, investment conditions and BOI approval.

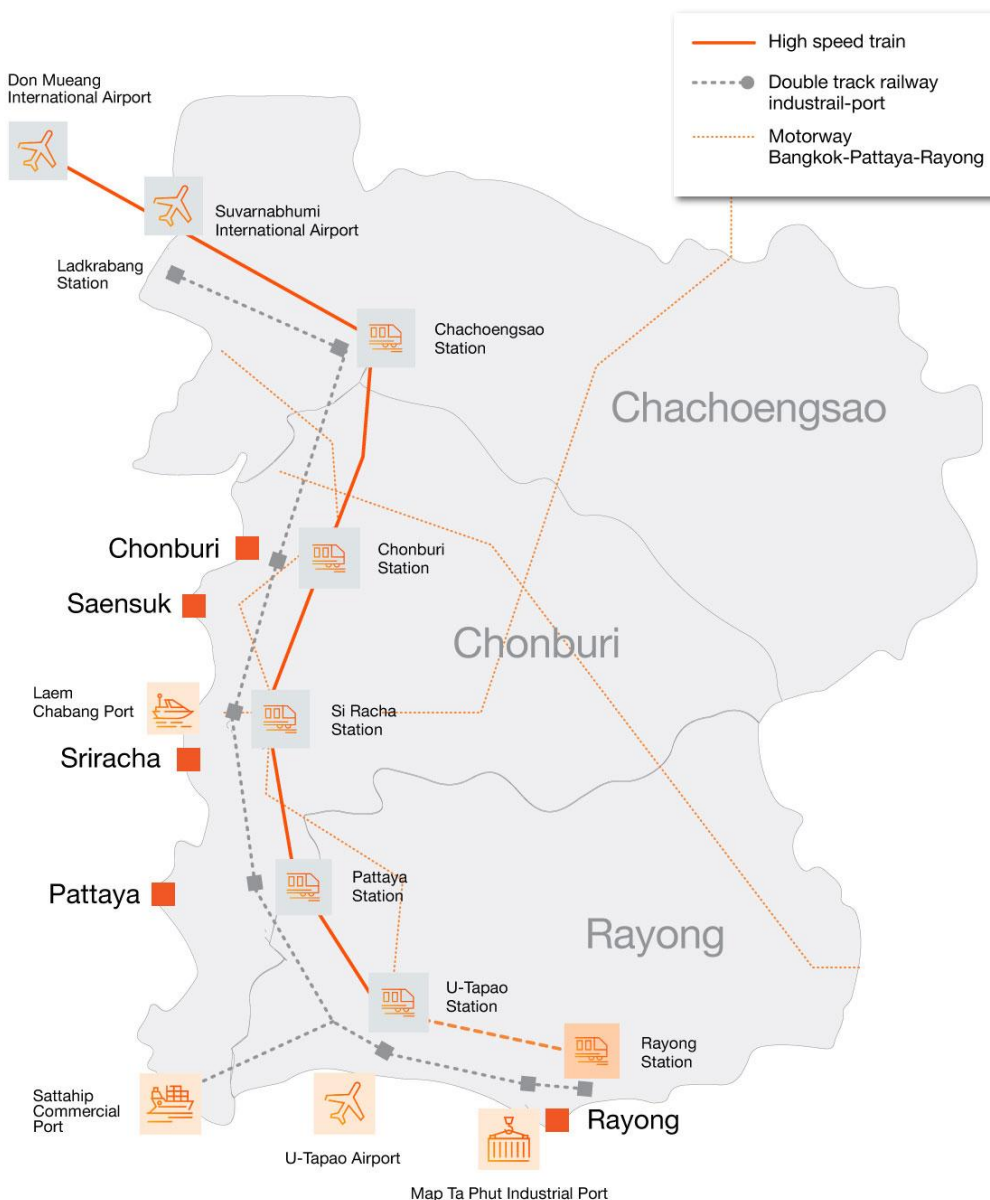
### 5.3 Eastern Economic Corridor

The Eastern Economic Corridor (EEC) is Thailand's principal special investment zone and plays a central role in the country's industrial and infrastructure strategy. Covering major provinces in the eastern seaboard, the EEC supports advanced manufacturing, logistics, digital industries, aviation, biotech and other priority sectors.

The EEC benefits from aligned infrastructure investment, a concentrated cluster of industrial estates, proximity to deep-sea ports (Laem Chabang Port) and airports (U-Tapao Airport), and an incentive framework that supports higher-value industries. It has become a focal point for companies seeking scale, supplier ecosystems and access to export-linked manufacturing and logistics infrastructure.



For investors evaluating manufacturing or industrial expansion, the EEC is often one of the most relevant locations to consider in Thailand. The EEC committee was established to support investors located in the EEC provinces, offering similar types of incentives to the BOI, including CIT exemptions or reductions, import duty exemptions or reductions (on machinery, raw/essential materials, R&D materials and raw materials used in production for export), land ownership, and work permit and visa facilitation. In certain cases, these incentives can be even more generous than the BOI. For example, the maximum period for a CIT exemption is 15 years, compared with the BOI's 13 years.



### U-Tapao Airport and Eastern Aviation City

**USD6.7bn**

Investment Value

up to **60m**  
passengers/year

### Laem Chabang Phase 3

**USD3.4bn**

Investment Value

Expansion to **18m**  
TEUs of annual capacity

## 5.4 Talent mobility and long-term stay programmes

Access to management talent, specialists and mobile professionals is an increasingly important consideration for foreign investors, particularly in technology-intensive and knowledge-based sectors.

Thailand has developed several mechanisms to support talent mobility, including long-term resident visas, smart visa frameworks and work-permit facilitation for eligible investors, executives, skilled professionals and entrepreneurs. Thailand also supports investors and expatriates through the Thailand Investment and Expat Services Centre, which provides investment advisory, visa, work-permit and long-term-stay services.

The country has been an attractive destination for global talent for many years. It was home to a total of 5.3m non-Thai nationals in 2025, and consistently ranks among the world's leading expat destinations. Thailand offers an attractive living and working environment for international executives, specialists and entrepreneurs. This supports the diverse workforce and talent needed in advanced industries.

### Thailand offers clear visa and talent-mobility routes for investors and specialists.



#### Long-Term Resident (LTR) Visa

Long-term stay for high-skilled professionals, investors, wealthy global citizens and retirees, for up to 10 years, along with tax exemption for overseas income and other incentives



#### SMART Visa

Facilitation for investors, executives, specialists and startup entrepreneurs in targeted industries for two years, renewable for another two years



#### Work-permit facilitation

Facilitated work-permit processes for eligible foreign professionals and their employers



#### One-stop service centres

Coordinated visa, work-permit and related services

Source: BOI, Thailand Investment and Expat Services Centre

These frameworks can be particularly relevant for businesses in technology, advanced industry, regional management and innovation-led sectors, where international expertise may form part of the investment model.

The ability to combine investment incentives with practical talent-mobility support strengthens Thailand's position as a long-term operating base.

## 5.5 From opportunity to execution

Thailand's business environment provides a practical foundation for moving from investment opportunity to execution. Investment incentives, the EEC, industrial and transport infrastructure, and talent-mobility programmes together support establishment, expansion and long-term investment.

As with any market, successful execution depends on selecting the right structure, understanding sector-specific rules, aligning incentives with business plans, and managing tax, regulatory, labour and operational issues in a coordinated manner. This is especially relevant for investors entering regulated sectors, establishing industrial operations, negotiating partnerships or pursuing acquisitions, where strategy and execution need to be developed together rather than sequentially.

Beyond formal incentives, investors can also benefit from ecosystem-building support, such as business matching, supplier linkage, talent sourcing and local sourcing facilitation. The support includes identifying partners, connecting with local suppliers and strengthening execution readiness during market entry or expansion.

This supportive operating environment is underpinned by an established legal and regulatory framework. Thailand ranks around the 58th percentile globally on the World Bank's Rule of Law indicator, placing it among the stronger legal and institutional environments in Southeast Asia outside Singapore and reflecting generally reliable contract enforcement, property rights and legal institutions. In practice, besides assessing legal and tax structures, investors should also assess whether the project aligns with the Thailand 4.0 priority sectors and can be positioned for BOI, EEC or similar policy support. For investors that plan and execute well, Thailand offers significant market opportunities and a door to ASEAN and Asia, as well as a practical route to realising them.



# Recent landmark investments

From market entry to post-deal value creation, successful outcomes depend on integrating strategy with execution.

Recent landmark investments are already reshaping Thailand

| Key investment                                                                                                                           | Year                                  | Amount    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Google invests in its Bangkok Cloud Region</b><br> | Announced: 2024<br><br>Launched: 2026 | USD1,000m | <p><b>Entry rationale:</b> Capture growing demand for cloud, AI and digital-services in Thailand and Southeast Asia, and meet regulated industries' data-residency needs, in support of the government's Cloud First policy.</p> <p><b>Method of entry:</b> Established Google's first cloud region in Thailand, anchored by a new Chonburi/EEC data centre and three Bangkok-metro availability zones.</p> <p><b>Existing strengths leveraged:</b> Thailand's large digital economy, strong enterprise and government cloud demand, an improving digital-policy environment (Cloud First, PDPA), and Chonburi/EEC infrastructure.</p> <p><b>Capability uplift:</b> As one of Google's 43 global regions (three availability zones), the region delivers PDPA-compliant in-country data residency, local access to AI products such as Gemini and Vertex AI, and digital-skilling through ChaiyoGCP and Google Skills—moving Thailand from a technology consumer toward a regional digital-infrastructure node. It's projected to contribute USD41bn (THB1.4tn) in economic value and support ~130,000 jobs per year over five years.</p> |

| Key investment                                                                                                                                                        | Year | Amount                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Western Digital expands hard disk drive (HDD) manufacturing</b><br>               | 2024 | USD693m                    | <p><b>Entry rationale:</b> Expand HDD production to meet rising demand from cloud technology, hyperscale data centres and AI-related storage requirements.</p> <p><b>Method of entry:</b> Expanded an existing manufacturing footprint in Thailand, with operations in Ayutthaya (Bang Pa-In Industrial Estate) and Prachin Buri (304 Industrial Park).</p> <p><b>Existing strengths leveraged:</b> Thailand's established HDD manufacturing base—producing ~80% of the world's HDDs—reinforced by WD's long-standing local presence since 1997 (20,000+ staff, THB120bn cumulative investment), a deep electronics supply chain (PCBs, metal/plastic parts, power supplies) and a skilled precision-manufacturing workforce.</p> <p><b>Capability uplift:</b> Beyond higher-capacity storage manufacturing, WD's 2026 THB2.3bn HAMR (heat-assisted magnetic recording) R&amp;D project—a US–Japan–Thailand collaboration targeting 100TB+ HDDs by 2029 with 60%+ local content—deepens the component ecosystem and strengthens linkage to global cloud/AI infrastructure value chains, moving Thailand beyond basic assembly into advanced storage R&amp;D, technology transfer and strategic digital-hardware production.</p> |
| <b>BYD invests in building its first Southeast Asia EV factory in Thailand</b><br> | 2024 | Factory investment USD490m | <p><b>Entry rationale:</b> Establish an EV production and export hub for ASEAN and elsewhere, capturing fast-growing regional EV demand under Thailand's EV tax incentives and subsidies</p> <p><b>Method of entry:</b> Greenfield EV plant on a 96-hectare site at WHA's Rayong 36 Industrial Estate in the EEC (opened 4 Jul 2024), BYD's first production base outside China, with capacity of up to 150,000 vehicles per year.</p> <p><b>Existing strengths leveraged:</b> Thailand's role as ASEAN's major automotive production hub, EEC infrastructure, supplier base, logistics network, and left and right-hand-drive export capability.</p> <p><b>Capability uplift:</b> Introduced EV-related assembly, battery integration, and power electronics integration to Thailand, accelerating its transition towards an EV production base, from its conventional reliance on internal combustion engines (ICE).</p>                                                                                                                                                                                                                                                                                                      |

# What's Next

## Thailand's investment story: entering a new phase

The country's role in ASEAN is being strengthened by structural change on several fronts—from geopolitical realignment and supply-chain diversification to digital and AI adoption, an ageing society, low-carbon competitiveness, and energy security. At the same time, Thailand continues to offer attributes that investors value, including scale, industrial depth, connectivity, sector diversity, and an enabling environment for investment and growth.

Across this publication, Thailand's investment case rests on three connected strengths. First, the mega trends reshaping the economy are opening multiple avenues for growth. Second, Thailand's competitive position brings these advantages together within a single market; from manufacturing to tourism, healthcare, food and agriculture, supported by infrastructure and logistics in the heart of SEA. Third, these strengths are increasingly visible in real investment and practical execution tools, from BOI incentives and the EEC to a broader ecosystem of domestic and international capital.

For business leaders and investors looking to participate in Southeast Asia's next chapter of growth, Thailand offers far more than mere opportunity. As a gateway, Thailand offers a platform that can support production, consumption, capital deployment and regional expansion.

In an increasingly multipolar world, the country is well positioned to deepen collaboration with businesses, investors and policymakers seeking trusted partnerships, resilient supply chains and sustainable long-term growth.

PwC Thailand is pleased to contribute to this conversation as Thailand recalibrates itself during ongoing geopolitical uncertainty and technological disruption. We look forward to engaging with investors, corporations and policymakers on the opportunities ahead.

**Thailand provides far more than an investment platform; it's an opportunity to participate in ASEAN's next chapter of growth.**

## About PwC Thailand

PwC Thailand combines deep local market knowledge and sector expertise with access to a global network of more than 364,000 professionals across 136 countries and 137 territories. Backed by more than 67 years in Thailand and a Bangkok-based team of over 1,800 people, our multidisciplinary teams across Deals, Tax, Legal, Consulting and Assurance help clients navigate complexity at every stage of the investment and transaction lifecycle.

Our team of dedicated partners is ready to support your investment journey in Thailand. Each partner brings deep sector expertise and local market knowledge to help you navigate opportunity with confidence.

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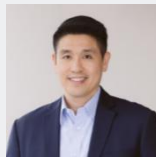
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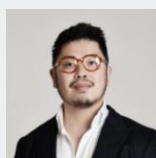
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