



# Business Climate Survey Thailand



# Business Climate Survey for Swedish companies in Thailand 2026

A report from Team Sweden in Thailand

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# 59 respondents in Thailand

(total +2,250 respondents for 41 markets)

## Current business climate

2.8 /5

## Industry turnover

66%

of Swedish companies expect their industry turnover to increase

## Future investments

56%

of Swedish companies plan to increase their investments slightly or significantly in the next 12 months

## Valued success factors

1. Cost efficiency
2. Partnerships/ local relationships
3. Brand awareness

## Brand Sweden

71%

of Swedish companies abroad consider Brand Sweden beneficial for business

## Local conditions with high satisfaction

1. Personal safety
2. Suppliers
3. Distributors
4. Service providers

## Local conditions with least satisfaction

1. Customs
2. Transparency/equal treatment
3. Licenses, permits, and approvals
4. Level of digitalisation

## Environmental considerations

24%

of respondents believe the environment is a considerable factor in their customers' purchasing decisions

## Corruption

22%

of respondents report exposure to corruption

## Human rights violation and labour rights abuse

Low

exposure to human or labour rights violations

# Foreword

In August 2025, Sweden and Thailand signed a strategic partnership, reinforcing strong and long-standing trading relations built on mutual trust, openness, and a shared commitment to sustainable, innovation-driven growth.

Thailand remains a key market for Swedish companies in Asia, offering a dynamic economy, a strategic regional hub, and growing demand for advanced solutions in areas where Sweden has clear strengths, including manufacturing, green technology, healthcare, transport, and digitalisation. Bilateral trade has continued to expand — Sweden's exports to Thailand grew by 18.4 per cent in 2025, while imports increased by 7.9 per cent.

Our Business Climate Surveys assess the opportunities and challenges faced by Swedish companies across international markets. Heightened geopolitical tension, ongoing international trade frictions, and increasing pressure on the rules-based trading system — including unilateral tariffs, export controls, and economic coercion — continue to pose risks to global supply chains and create uncertainty for the Thai economy.

Despite this, Swedish companies in Thailand demonstrate notable resilience. Most report a stable outlook, sustained profitability, and continued plans to increase investments in the year ahead. At the same time, a more cautious operating environment is emerging, with softer end-customer demand, postponed investment decisions, and a growing focus on supplier diversification and risk management.

Barriers to trade and investment persist, particularly in customs procedures and technical standards. The ongoing EU-Thailand free trade negotiations present an opportunity to improve market access and support greater trade diversification, while Thailand's OECD accession process could help drive domestic economic reform.

Sweden and the Swedish brand continue to enjoy a strong reputation in Thailand, with most companies viewing their origin as a clear asset. This provides a solid foundation for continued joint trade promotion efforts by Team Sweden.

We hope this report provides valuable insights for the year ahead. Please do not hesitate to contact Team Sweden with ideas, questions or requests — we remain committed to supporting the long-term success of Swedish companies in Thailand.

Finally, we extend our sincere appreciation to all participating companies and respondents who made this report possible.



**Anna Hammargren**  
Swedish Ambassador to  
Thailand



**Rupa Thakrar Bagoon**  
Appointed Swedish Trade  
Commissioner to Thailand



**Peter Björk**  
President, Thai-Swedish  
Chamber of Commerce

# Executive summary

The 2026 Business Climate Survey confirms that Thailand remains a market of opportunity for Swedish companies, but with growing operational complexity. Based on responses from 59 Swedish companies operating in the country, the overall business climate is assessed at 2.8 out of 5, indicating moderate conditions. Most companies report stable performance and maintain a cautiously positive medium- to long-term outlook. Reflecting this confidence, 66 per cent of respondents expect their industry turnover to increase, and 56 per cent plan to raise their level of investment slightly or significantly over the next 12 months.

Swedish business activity in Thailand continues to be primarily market-driven, with a strong focus on sales, services, and customer engagement rather than production. However, interest in expanding local manufacturing is gradually increasing, driven by supply-chain diversification and geopolitical considerations. This shift is supported by Thailand's investment promotion framework, although it remains secondary to commercial market presence for most firms.

At the same time, trade-related barriers have become more pronounced and are increasingly affecting business predictability and costs. A growing share of companies report negative impacts from customs procedures, technical regulations, and import duties. Satisfaction levels are lowest in areas related to transparency and equal treatment, licenses and permits, customs procedures, and the level of digitalisation. Limited reform progress and inconsistent application of rules continue to represent key structural and administrative challenges for Swedish companies.

Competitiveness in Thailand is increasingly shaped by cost efficiency and the ability to build and maintain strong local relationships. Cost remains the most important success factor, but partnerships and a solid local presence are essential for navigating the business environment and maintaining market access. While brand awareness is also considered important, companies emphasise that success depends on translating reputation into clear and competitive value propositions in a highly price-sensitive market.

The Swedish national image continues to be a valuable asset. In 2026, 71 per cent of responding companies consider "Brand Sweden" beneficial for their business operations, suggesting increasing recognition. However, brand strength alone is insufficient without competitive pricing and local adaptation.

Corruption remains a relevant risk, particularly in interactions with public authorities and complex administrative processes, with 22 per cent of respondents reporting exposure. Direct exposure to human rights or labour rights violations is assessed as low, indicating relatively limited risk, although broader structural risks underline the importance of continued due diligence.

Sustainability is gaining importance but remains secondary to cost considerations in purchasing decisions. Only 24 per cent of companies believe environmental factors significantly influence customer behaviour, highlighting the need for companies to more clearly link sustainability offerings to economic value in order to stimulate demand.

Since the survey was conducted, Thailand has held parliamentary elections, and a new majority government led by Prime Minister Anutin Charnvirakul has been sworn in. Likewise, the conflict in the Middle East and the disrupted global energy markets and shipping routes are new developments that pose a significant downside risk for the Thai economy and may impact the business climate for Swedish companies.

Overall, the survey indicates that Thailand continues to offer attractive opportunities for Swedish companies. However, success increasingly depends on managing regulatory and administrative complexity, maintaining cost competitiveness, and strengthening local engagement in a changing domestic and global context.

# About the survey

## Scope, methodology, and respondent base

In 2026, the survey was conducted across 41 of Sweden’s key export markets, using 18 standardised questions to enable cross-country comparison and ensure consistency.

For Thailand, Team Sweden identified 129 Swedish and Swedish-affiliated private entities, an increase from previous years. Contact details were obtained for 127 entities and 59 senior representatives, resulting in a 47 per cent response rate. The results, therefore, carry a 95 per cent confidence level and a ±10 per cent margin of error. Conducted in February 2026, the survey assesses company performance in 2025 and expectations for 2026 and beyond.

Although the survey was completed prior to the escalation of the conflict in the Middle East, follow-up discussions with several companies indicate that the findings remain valid. Most Swedish companies in Thailand report a stable outlook, while remaining attentive to ongoing global developments.

Defining a ‘Swedish’ company is not always straightforward. Team Sweden applies a pragmatic and inclusive approach, considering factors such as ownership, headquarters location, presence in Sweden—including job creation and research and development—stock exchange listings, and Swedish heritage. Companies do not need to meet all criteria to be included, provided they represent a Swedish economic interest. The sample reflects a diverse mix of company sizes, industries, and levels of market experience. Respondents also shared perspectives on sustainability, innovation, and long-term strategies.

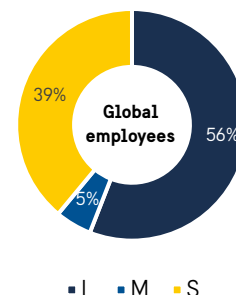
Team Sweden in Thailand has previously published five Business Climate Survey reports, enabling trend analysis over time. This approach provides valuable insights into Thailand’s economic landscape, market conditions, regulatory environment, and overall ease of doing business.

The report serves as an important basis for dialogue with Thai authorities and stakeholders and aims to support Swedish companies in understanding how evolving global and local conditions affect business operations.

For further information or access to reports for other markets, please contact: [ask.thailand@business-sweden.se](mailto:ask.thailand@business-sweden.se)

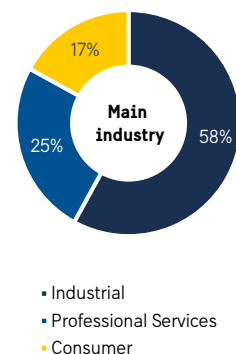
We would be pleased to assist you.

### SIZE OF COMPANIES

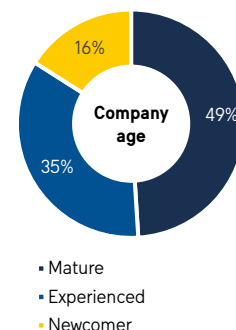


**NOTE:**  
 Global employees  
 Large: >1,000 employees  
 Medium: 250-1,000 employees  
 Small: 0-249 employees

### MAIN INDUSTRY



### AGE OF COMPANIES



**NOTE:**  
 Mature (established before 2005)  
 Experienced (2005-2019)  
 Newcomer (2020-).

# Economic outlook

## Thailand faces slower growth amid rising external uncertainty

Thailand is experiencing slower economic growth compared to its regional peers in Asia-Pacific.

In February 2026, Thailand held parliamentary elections to determine the composition of the House of Representatives, resulting in a new government led by Prime Minister Anutin Charnvirakul, confirmed through a parliamentary vote.

As a middle-income economy with a relatively mature market, Thailand has long trailed its Asia-Pacific peers in growth. This gap is expected to widen in 2026, with GDP growth projected to slow to around 1.5 per cent before gradually recovering to 2.8 per cent by 2028. By comparison, Asia and Southeast Asia are expected to maintain stronger momentum, with growth of around 4.0 per cent and 4.8 per cent, respectively by 2028, underscoring Thailand's continued relative underperformance.

The outlook is increasingly uncertain due to escalating geopolitical tensions and conflict in the Middle East. Disruptions to global energy markets and key shipping routes, including the Strait of Hormuz, have contributed to oil price volatility, rising transport and insurance costs, and renewed inflationary pressures.

For Thailand, this presents a significant downside risk. As a net energy importer and a highly trade-dependent economy, it is particularly exposed to cost-push inflation driven by rising energy prices and supply-chain disruptions. In 2024, imported energy accounted for 66.7 per cent of Thailand's primary energy supply, according to the Thai Energy Policy and Planning Office (EPPO). Prolonged instability could increase production and logistics costs, weaken external demand, and dampen private investment—particularly in manufacturing and other export-oriented sectors. At the same time, sustained energy price pressures may accelerate Thailand's green transition, including investment in renewables, energy efficiency, and electrification—areas where Swedish companies have strong capabilities and market presence.

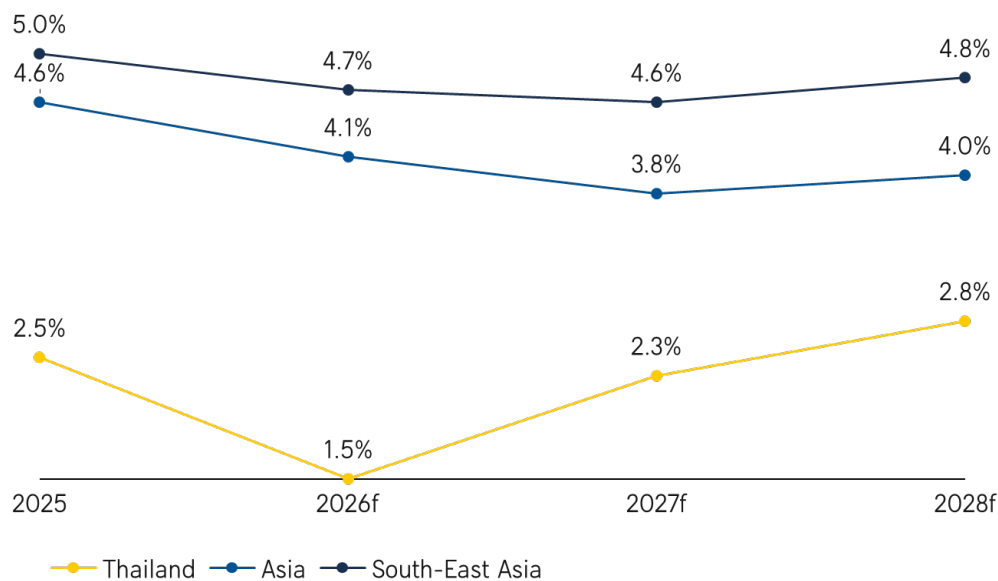
Thailand's weaker growth performance also reflects structural challenges, including an aging population, high household debt, entrenched market structures, productivity constraints, corruption, skills shortages, and limited fiscal space. These factors reduce the economy's ability to absorb external shocks. In this context, Thailand's accession process to the OECD is increasingly important, with the potential to support reforms that strengthen productivity, governance, and long-term resilience.

Despite external headwinds, growth remains underpinned by manufacturing and services. Thailand is a well-established regional manufacturing hub, particularly in automotive and electronics, supported by strong infrastructure, competitive labour costs, and integration into global supply chains. Foreign direct investment (FDI) remains critical, with long-standing investment from Japan and growing flows from China reinforcing Thailand's role in regional production networks. However, these sectors remain sensitive to global demand and energy costs.

The services sector is another key pillar, with tourism, retail, financial services, and healthcare as major contributors. While tourism continues to recover, higher travel costs and geopolitical uncertainty may weigh on demand if tensions persist.

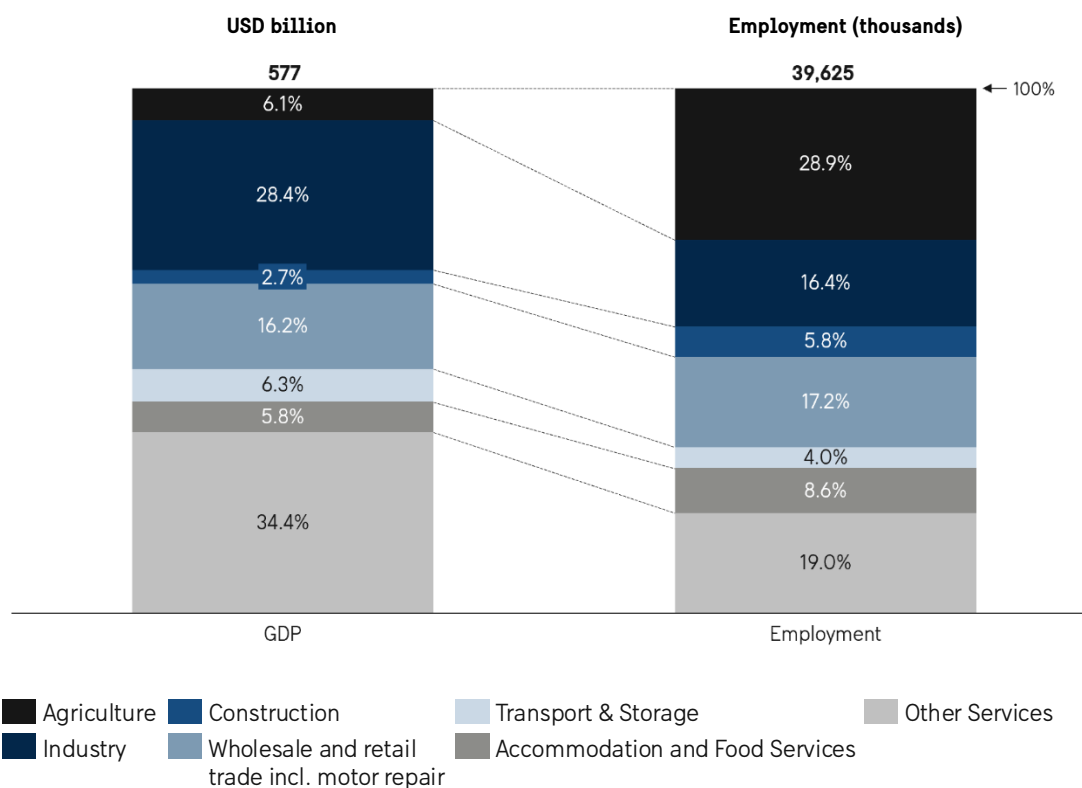
The agricultural sector, though smaller in GDP terms, remains a major source of employment, particularly in rural areas. Thailand is a leading exporter of commodities such as rice, rubber, sugar, and tropical fruits. However, rising energy and fertiliser costs linked to Middle East developments pose additional risks to input prices and food inflation.

### Projected GDP growth in Thailand



NOTE: Constant prices and exchange rate, USD  
 SOURCE: Oxford Economics, 20 March 2026

### Thailand: GDP and employment, 2025



NOTE: Nominal GDP, 1 USD = 32.86 THB  
 SOURCE: Bank of Thailand, National Statistics Office, Office of the National Economic and Social Development Council (NESDC)

## Swedish companies in Thailand are more cautious about turnover growth

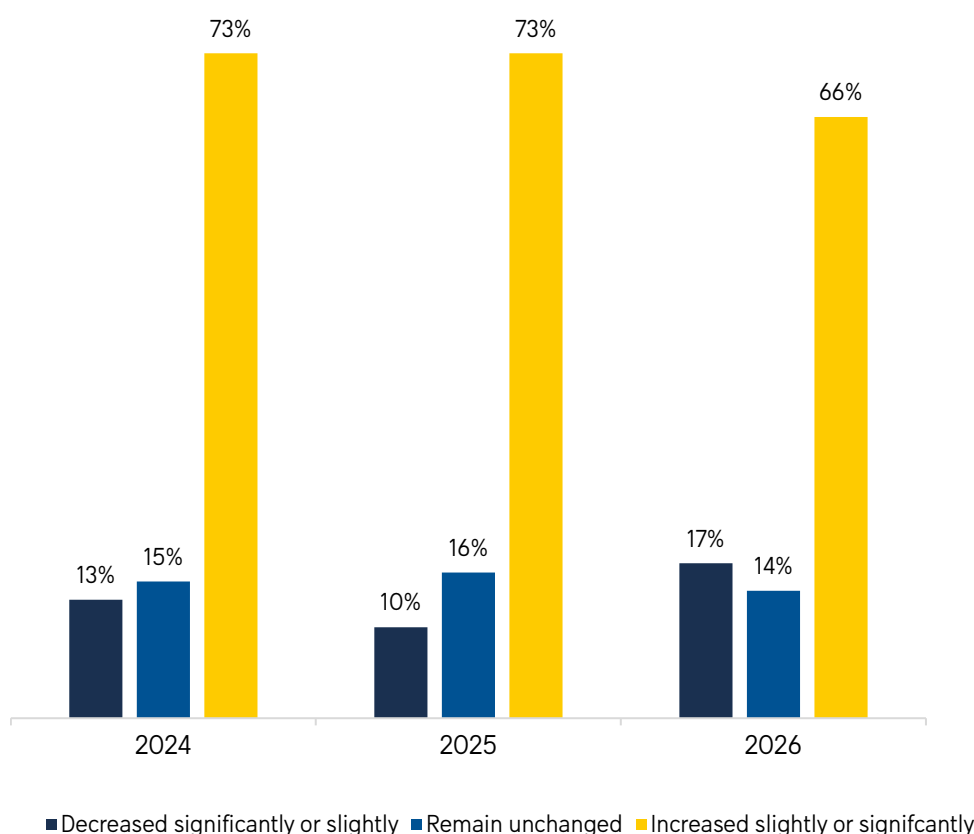
Swedish companies in Thailand maintain a generally positive outlook for the coming 12 months, although optimism has moderated slightly. In 2026, 66 per cent of respondents expect turnover to increase, down from 73 per cent in both 2024 and 2025. Despite this decline, a clear majority of companies still anticipate growth, signalling continued confidence in the Thai market.

The results suggest that while global economic uncertainty and geopolitical developments are tempering expectations, they have not fundamentally altered overall sentiment among Swedish businesses in Thailand.

At the same time, the share of companies expecting unchanged or declining turnover has edged up in 2026, pointing to a more cautious outlook. This shift likely reflects external headwinds and a more uncertain global operating environment, rather than a weakening of underlying market fundamentals.

Overall, the slightly softer outlook underscores the resilience of Swedish companies in Thailand. While expectations have become more measured, businesses remain forward-looking and confident in their ability to navigate challenges and capture growth opportunities.

### Compared to the development in the past 12 months, what are your expectations for the coming 12 months for your industry in Thailand regarding turnover?



“Challenges arise as customers in Thailand are quite price-sensitive, while advanced technology requires significant investment.”

Country President  
Swedish service company

**NOTE:** % of respondents. The number of respondents for this question was 59. “Don’t know/Not applicable” responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2024-2026

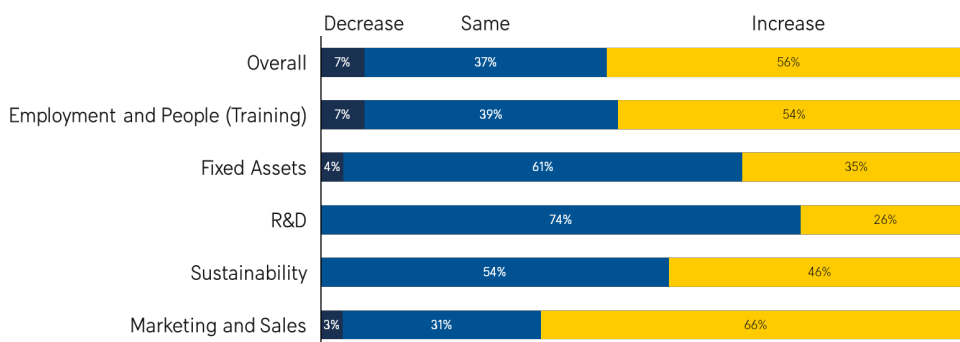
## Swedish companies in Thailand remain profitable and continue to invest

In the 2026 Business Climate Survey, Swedish companies in Thailand report solid financial performance, though conditions have become more cautious than the previous year. In 2026, 56 per cent of respondents report being profitable, down from 61 per cent in 2025, but broadly in line with 55 per cent in 2024. At the same time, the share reporting break-even results increased markedly to 25 per cent (from 14 per cent in 2025), while the share reporting a loss declined slightly to 14 per cent (from 16 per cent). Overall, profitability remains the most common outcome, although more companies are operating with tighter margins.

Nonetheless, 56 per cent of companies plan to increase investments in 2026, reflecting efforts to strengthen market presence and capture growth opportunities. Investment priorities vary across business areas, with marketing and sales emerging as the top focus. At the other end, R&D shows the lowest momentum, with most companies keeping spending unchanged, indicating a more cautious approach to longer-term and higher-risk activities.

Overall, the results point to continued resilience among Swedish companies in Thailand. While investment decisions have become more selective—likely reflecting global uncertainty, geopolitical tensions, and cost pressures—most companies remain committed to maintaining or expanding their presence. The focus on commercial capabilities, workforce development, and sustainability underscores a long-term strategic approach rather than short-term retrenchment.

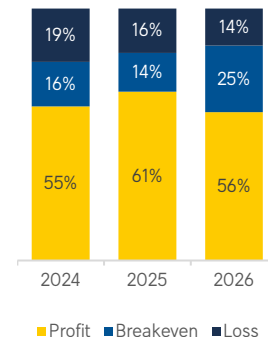
### What are your company's investment plans for the coming 12 months in Thailand, compared to the past 12 months?



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026

### Financial performance in Thailand (past 12 months)



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026

“The recent elections should bring stability, supporting increased investment and economic growth. However, rising living costs and high household debt remain concerns for overall financial stability.”

**CEO**  
Swedish electronics company

# The market

## The Thai market remains an attractive destination for Swedish business

Thailand is the second-largest economy in ASEAN, making it a key investment hub for Swedish companies. According to the OECD and Sweden’s National Board of Trade, Thailand has been one of Sweden’s leading investment destinations in Southeast Asia for over 15 years, surpassed only by Singapore in recent years. Notably, 46 per cent of surveyed Swedish companies have operated in Thailand since before 2005, underscoring its long-standing appeal as a strategic market.

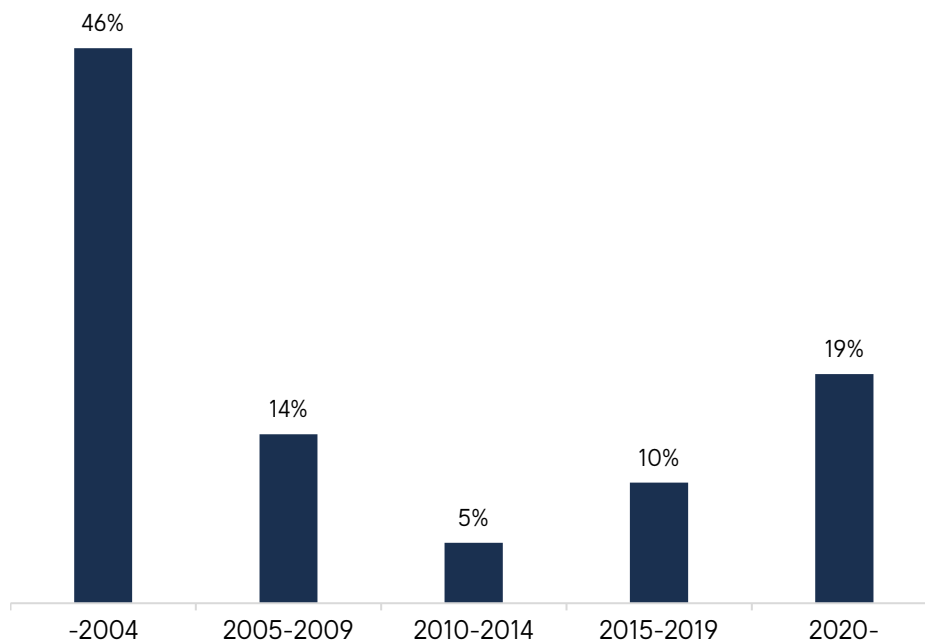
Swedish companies of varying sizes are active across a wide range of industries. While their presence spans multiple sectors, there is a clear concentration in industrial equipment and automotive, reflecting Thailand’s role as a manufacturing hub.

However, subsidiaries in Thailand generally operate on a smaller scale, with fewer than 10 per cent employing more than 1,000 people. This reflects the nature of Swedish business activities in the market, which are primarily focused on sales and marketing rather than large-scale manufacturing.

“Thailand offers strong potential due to its strategic location and integration within the ASEAN market. Continued efforts to ensure political stability, regulatory transparency, and consistent policy implementation would further strengthen the business climate.

Sales Manager  
Swedish electronics company

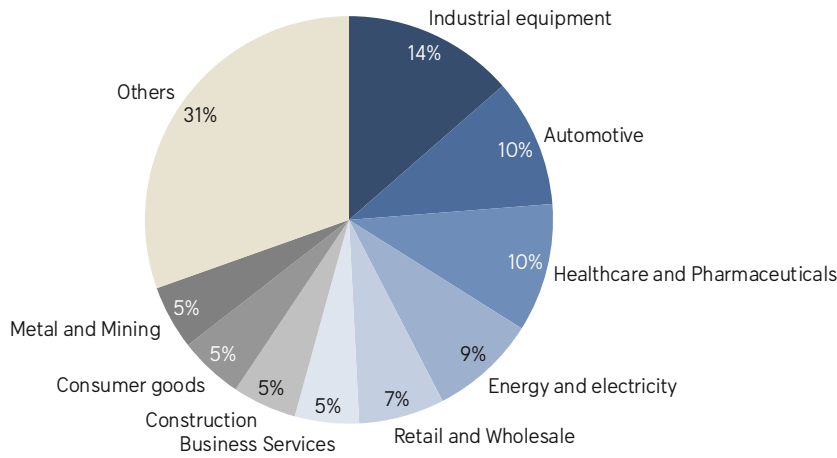
### In what year did your company establish operations in Thailand?



NOTE: % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Thailand 2026.

**What is your company's main industry in Thailand?**

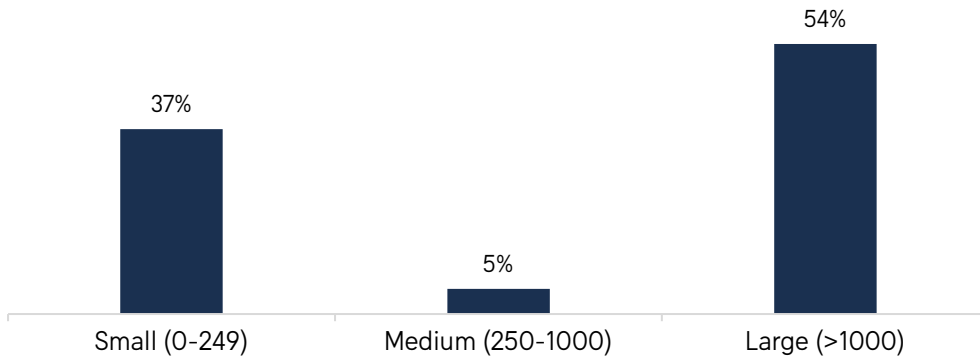


**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

“ We are very happy with Thailand as a manufacturing base, with skilled and hard-working labour available at an extremely competitive cost.

**Founder**  
 Swedish consumer goods company

**Swedish firms' global number of employees in 2025**

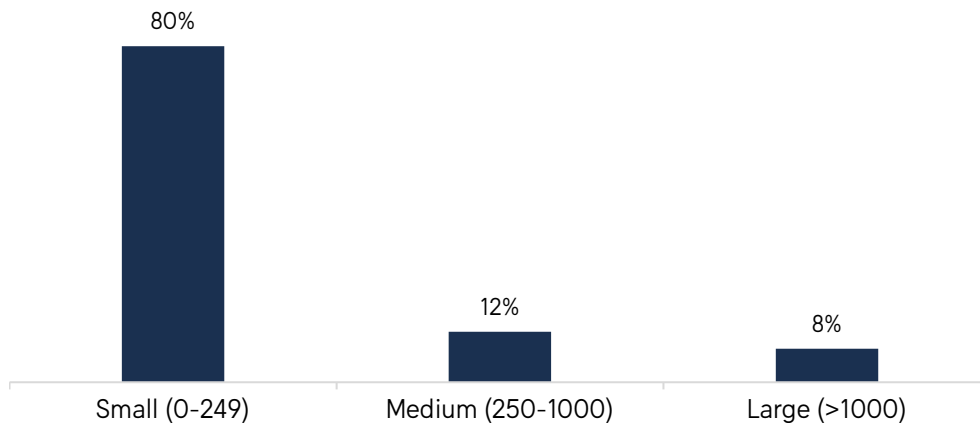


**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

“ The cost of living in general is rising faster than wages. High household debt is also raising concerns about overall financial stability.

**Managing Director**  
 Swedish industrial equipment company

**Swedish firms' local number of employees in Thailand 2025**



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

## Mixed perceptions about the current business climate in Thailand

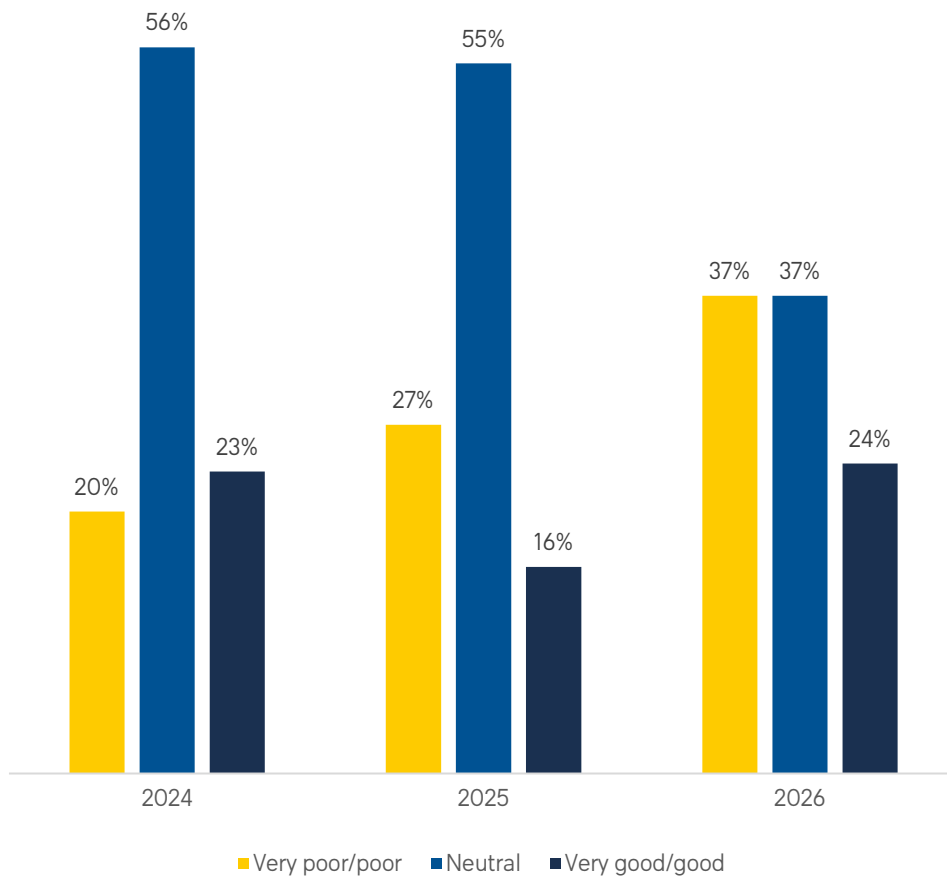
Perceptions of the business climate among Swedish companies in Thailand remain mixed in 2026, with a majority still reporting a neutral or positive outlook, albeit at a lower level than in previous years. In the 2026 Business Climate Survey, 61 per cent of respondents assess the climate as either “Very good/good” (24 per cent) or “Neutral” (37 per cent), down from 71 per cent in 2025 and 79 per cent in 2024, indicating a softening in overall sentiment.

At the same time, the share perceiving the climate as “Very poor/poor” has increased to 37 per cent in 2026, up from 27 per cent in 2025 and 20 per cent in 2024, pointing to growing concerns about the operating environment.

While Swedish companies largely continue to follow long-term investment and supply-chain strategies, survey comments suggest a more cautious approach. Respondents highlight slower activity in certain end-customer industries, delayed investment decisions, and a greater emphasis on risk mitigation. Potential new entrants are also taking a more cautious stance, with some postponing or reassessing plans amid ongoing uncertainty.

Overall, the findings point to a business environment characterised by increased caution and uncertainty, even as most companies continue to view the Thai market as stable rather than negative.

### How do you perceive the current business climate in Thailand?



**NOTE:** % of respondents. The number of respondents for this question was 59. “Don’t know/Not applicable” responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2024-2026.

“ The economy is fragile. Growth is expected to be only 0.5–1 per cent. The recent elections means the new government may not be fully up and running until Q2 at best, which will have an impact on the sentiment.

Managing Director  
Swedish service company

## Business conditions remain stable despite temporary external shocks

Business conditions in Thailand remain broadly stable for Swedish companies. The survey indicates that core operating conditions continue to meet business needs despite a more volatile external environment. Respondents consistently rate personal safety, access to suppliers and distributors, service providers, and physical infrastructure positively, highlighting the resilience and functionality of Thailand's business ecosystem.

At the same time, external shocks and geopolitical events—including trade-policy changes and regional tensions—have introduced episodic disruption and additional operational complexity. While these factors have increased uncertainty and prompted a more cautious approach among some firms, most companies report they can maintain operations. Overall, the impact remains limited, suggesting temporary pressures rather than a structural deterioration.

The effects of increased US import tariffs on goods from Thailand illustrate this pattern. In 2026, 44 per cent of respondents report no impact on their operations. Among those affected, the most common effects relate to cost and pricing pressures (25 per cent), followed by supply chain adjustments (17 per cent) and increased competition in the Thai market (17 per cent). Smaller shares report strategic adjustments (14 per cent), while only a limited number cite impacts on US market access (7 per cent), rules of origin (5 per cent), or operations and production (3 per cent). Overall, US tariff changes appear to represent an external cost shock rather than a fundamental constraint on operating in Thailand.

A similar pattern emerges regarding the recent border clashes between Cambodia and Thailand. More than half of respondents (54 per cent) report no impact. Among those affected, impacts are primarily seen in business and customer relations (34 per cent) and logistics (17 per cent). Fewer respondents report implications for safety and risk management (14 per cent) or workforce mobility (8 per cent), while only marginal shares cite direct supply chain disruption (3 per cent) or a deterioration in the investment climate (5 per cent). This suggests increased uncertainty and operational friction, but no widespread disruption to production or investment activity.

Nonetheless, ongoing geopolitical tensions and the evolving energy situation in the Middle East remain a key external risk. As the survey was completed prior to the recent escalation, it does not fully capture the potential implications of a prolonged or intensified energy crisis. Swedish companies, therefore, remain attentive to recognising that energy-related shocks could become more significant if tensions persist.

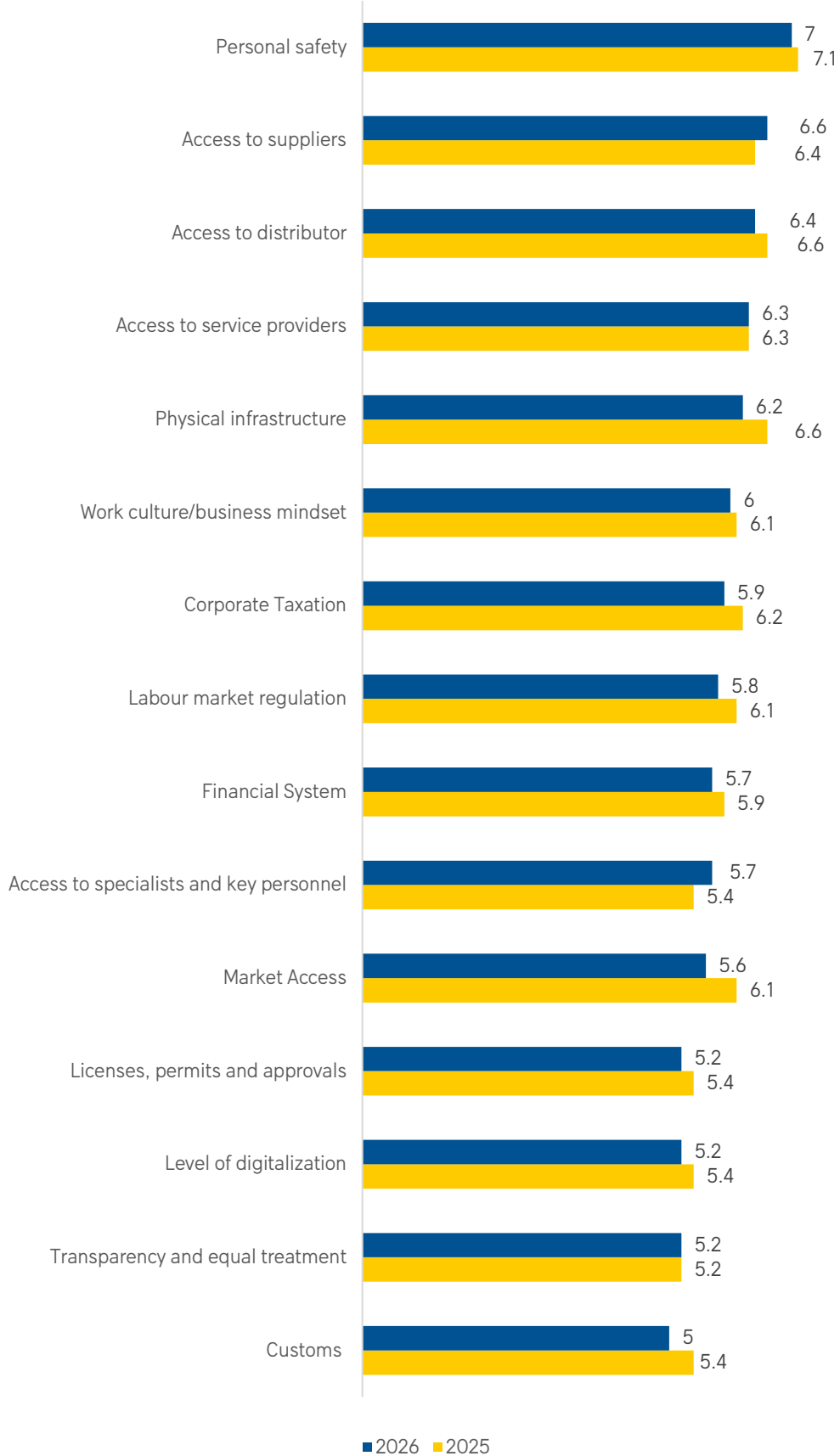
“  
Some of our staff are less willing to engage with Cambodian partners.”

Managing Director  
Swedish automotive company

“  
Due to developments in the Middle East, we shifted our focus to Europe in 2027. We do not plan to resume business in Thailand until mid-2028.”

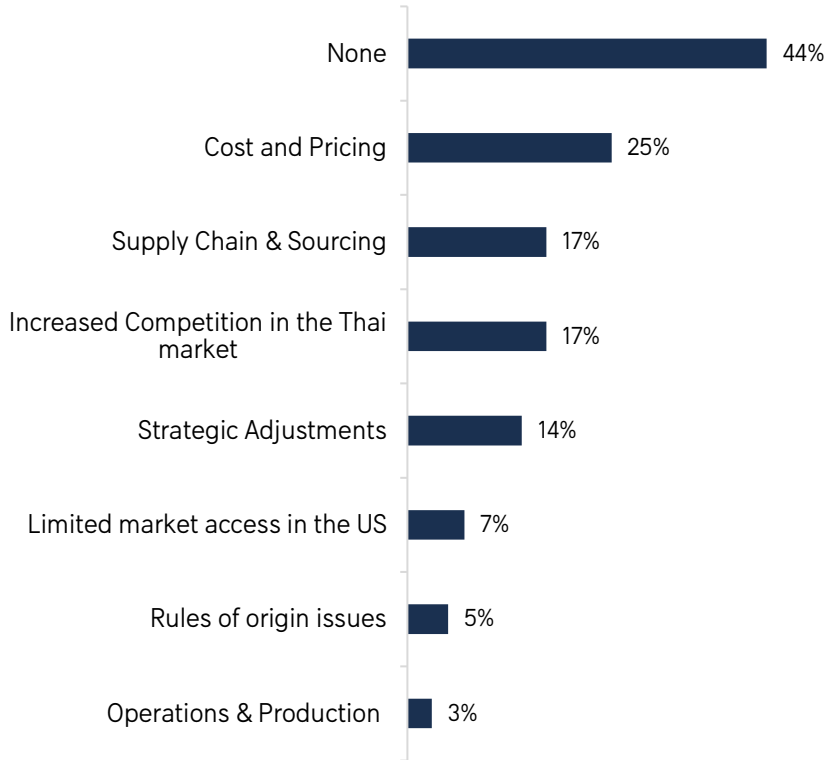
Prospective Investor  
Swedish electronics company

**How well do the following conditions meet the needs of your company in Thailand?**



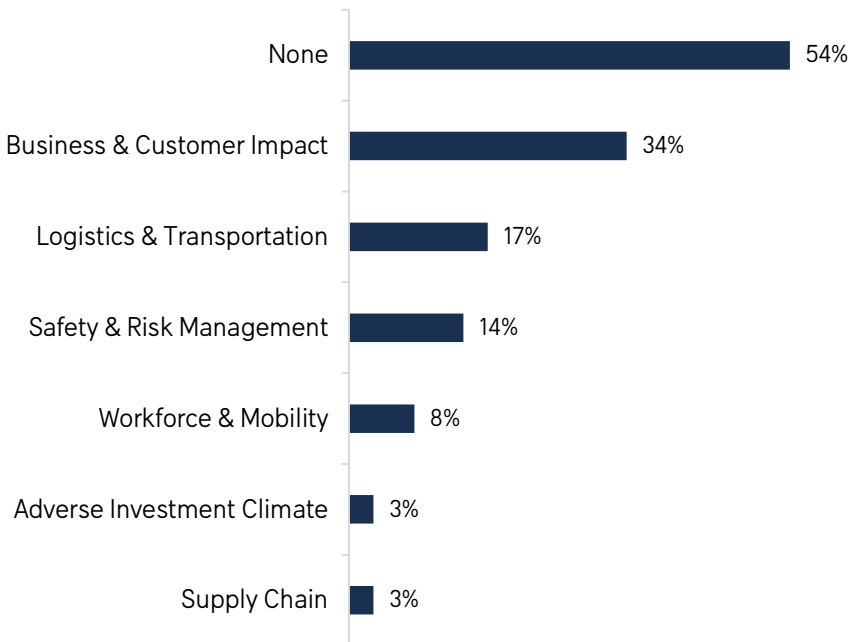
**NOTE:** Average score. 1 = Not at all, 5 = Neutral, 9 = Fully.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2025-2026.

**Have your company’s operations been affected by the increased US import tariffs on goods from Thailand?**



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

**Have your company’s operations been affected by the recent border clashes between Cambodia and Thailand?**



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

## Customs procedures continue to complicate business

Swedish companies operating in Thailand face trade barriers, including complicated customs procedures, technical regulations and standards, and high customs duties. These factors contribute to a challenging business environment and can significantly impact operations.

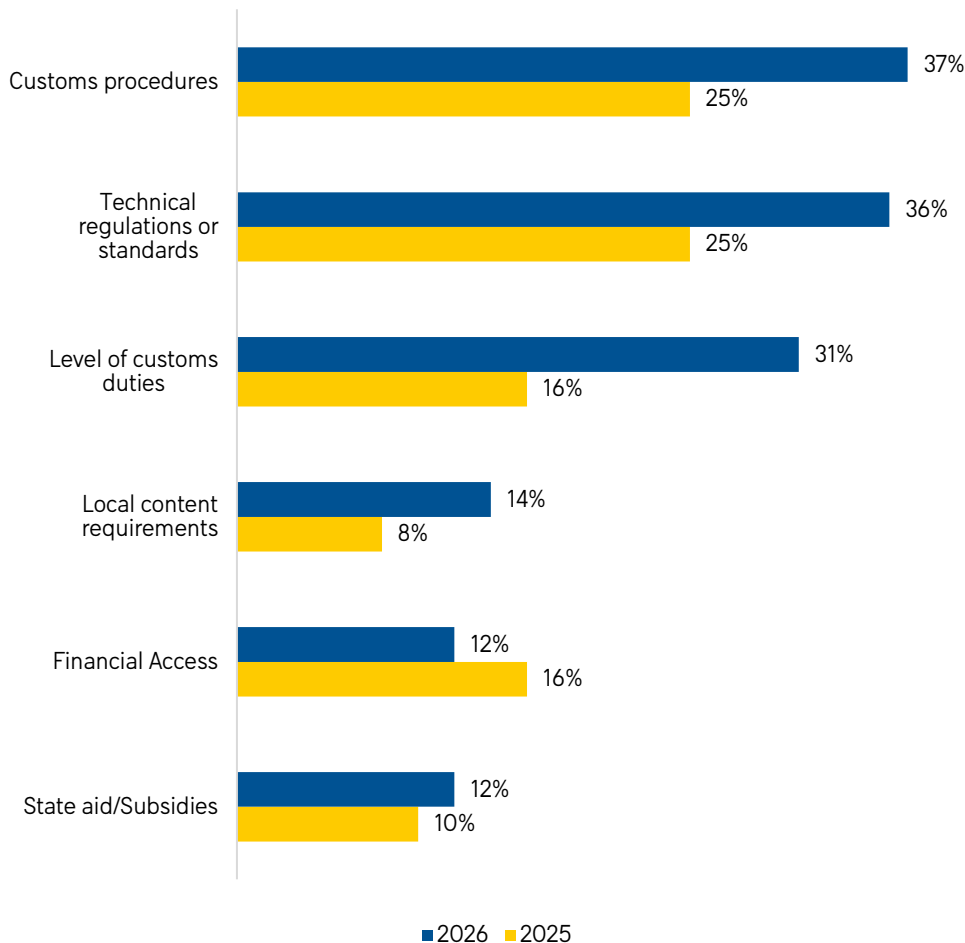
The 2026 survey indicates that these challenges have intensified compared to the previous year. A higher share of respondents report that customs procedures, technical regulations and standards, and duty levels have a negative impact on operations than in 2025. This points to limited reform progress, inconsistent rule interpretation, and persistent administrative complexity, all of which weigh on predictability and cost structures.

For Swedish companies—particularly those in regulated and import-dependent sectors—these barriers remain a structural constraint on market expansion and operational efficiency. Respondents point to limited progress in reform, service liberalisation, and overall ease of doing business, noting that administrative practices remain complex and inconsistently applied. Companies in sectors such as healthcare and medical devices highlight long product registration timelines, inconsistent interpretations, and recurring import-related issues that delay market access and disrupt operations.

“There is very little progress in reform, service liberalisation, and ease of doing business, alongside a lack of affordable finance for SMEs.

Managing Director  
Swedish retail/ wholesale company

### Has your company in the past year encountered trade barriers in Thailand with a noticeably negative impact on operations, in any of the following areas?



“Thailand’s medical device sector faces long product registration timelines, inconsistent customs duty interpretations, and recurring import issues affecting critical devices. These are systemic challenges impacting many international medtech manufacturers operating in Thailand.

Country Manager  
Swedish healthcare company

NOTE: % of respondents. The number of respondents for this question was 59.  
SOURCE: Business Climate Survey for Swedish Companies in Thailand 2025-2026.

# How Swedish companies succeed in Thailand

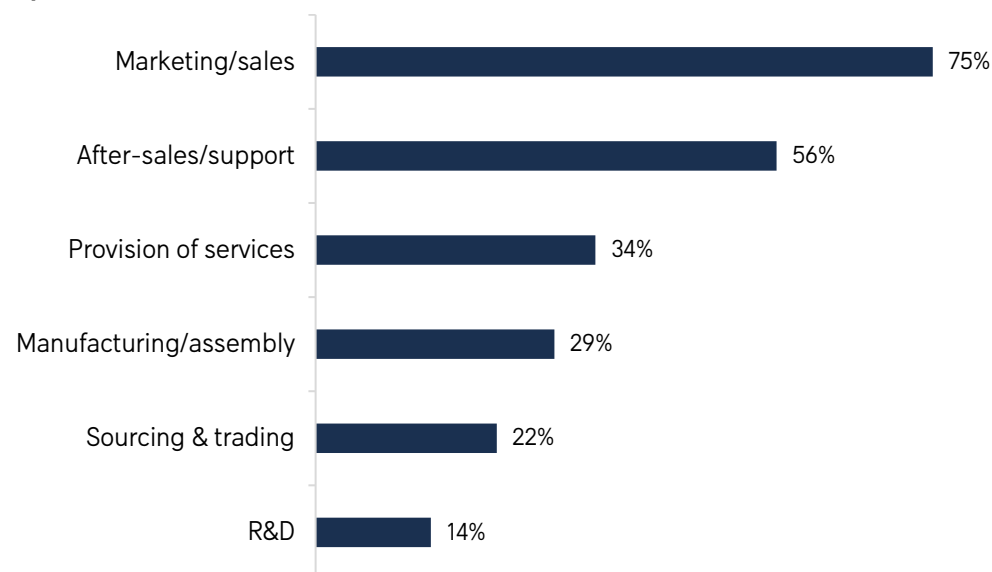
## Swedish companies primarily view Thailand as a sales market

Swedish business operations in Thailand remain predominantly focused on downstream activities. Marketing and sales account for the largest share of operations (75 per cent), followed by after-sales and support functions (56 per cent) and general service provision (34 per cent). In contrast, only 29 per cent of firms operate manufacturing or assembly facilities, while 22 per cent engage in sourcing and trading. Research and development (R&D) remains limited, with just 14 per cent of firms active in this area, underscoring the relatively low level of innovation-driven activity in the market.

Despite this traditional focus, recent global geopolitical tensions and supply-chain disruptions have increased interest in expanding manufacturing operations in Thailand. Companies increasingly view local production as a way to diversify supply chains, reduce geopolitical exposure, and enhance operational resilience. In addition, Swedish companies are considering manufacturing investments to remain close to key customers relocating or expanding in the region.

Thailand's policy environment further supports this shift. The government actively promotes foreign investment in manufacturing, high-value industries, and R&D through targeted incentives. The Board of Investment (BOI) offers tax incentives, import-duty exemptions, and facilitation services, while the Eastern Economic Corridor (EEC) provides additional infrastructure support and privileges for technology-intensive industries. The Industrial Estate Authority of Thailand (IEAT) complements these efforts by supporting industrial land access, regulatory processes, and logistics connectivity. Together, these initiatives strengthen Thailand's position as an increasingly attractive base for manufacturing expansion among Swedish firms.

### Operations of Swedish firms in the market



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

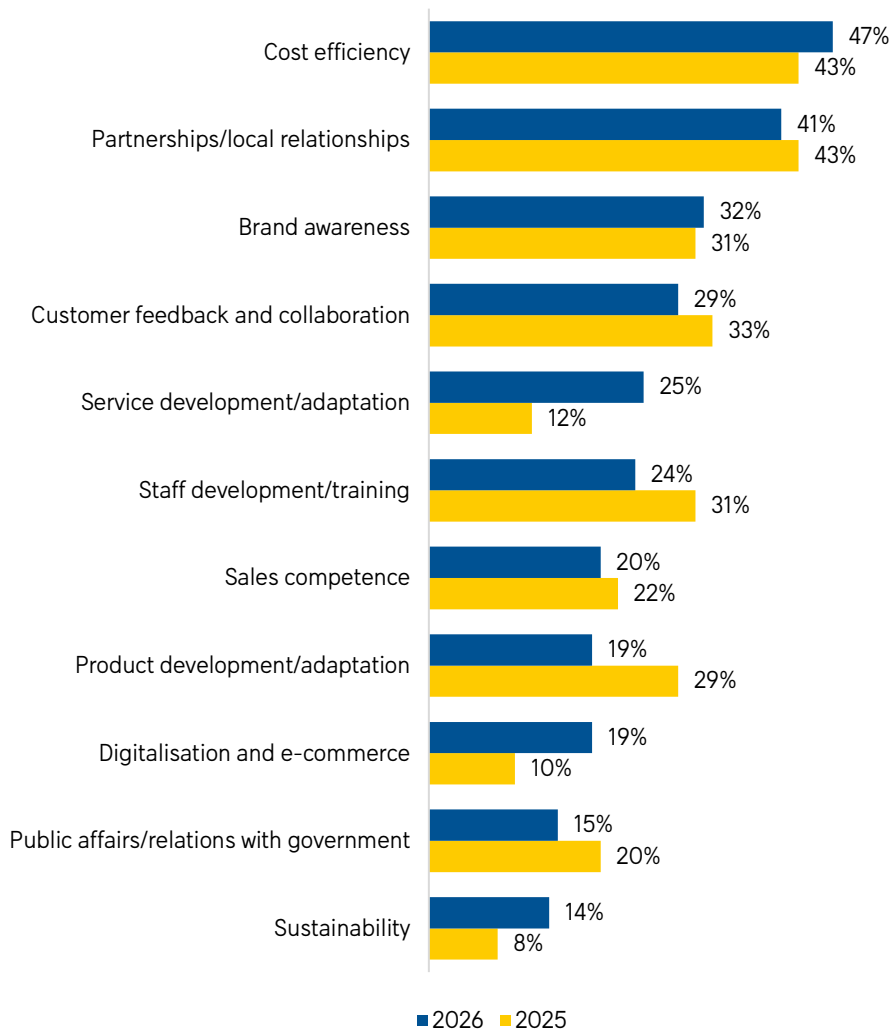
## Cost efficiency and relationships are key to competitiveness in Thailand

Cost efficiency remains the most important factor for maintaining competitiveness in Thailand, ranking highly in both survey years. In 2025, 43 per cent of respondents identified cost efficiency as a key priority, rising further to 47 per cent in 2026.

In contrast, several internally focused capability areas have declined in relative importance. Service development and adaptation fell from 25 per cent in 2025 to 12 per cent in 2026, while staff development and training decreased from 31 per cent in 2025 to 24 per cent over the same period. This reduced emphasis on capability-building may suggest that many companies perceive their current offerings, service models, and workforce capabilities as sufficiently mature for the Thai market.

At the same time, the growing importance of partnerships and local relationships highlights an increasing reliance on external networks to sustain competitiveness. This shift suggests that success in Thailand is driven not only by internal efficiency but also by the ability to navigate the local business environment through strong relationships with partners, customers, and other stakeholders.

### To date, which of the following areas have been important in maintaining competitiveness in Thailand?



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2025-2026.

## The Swedish brand remains a strong asset in Thailand

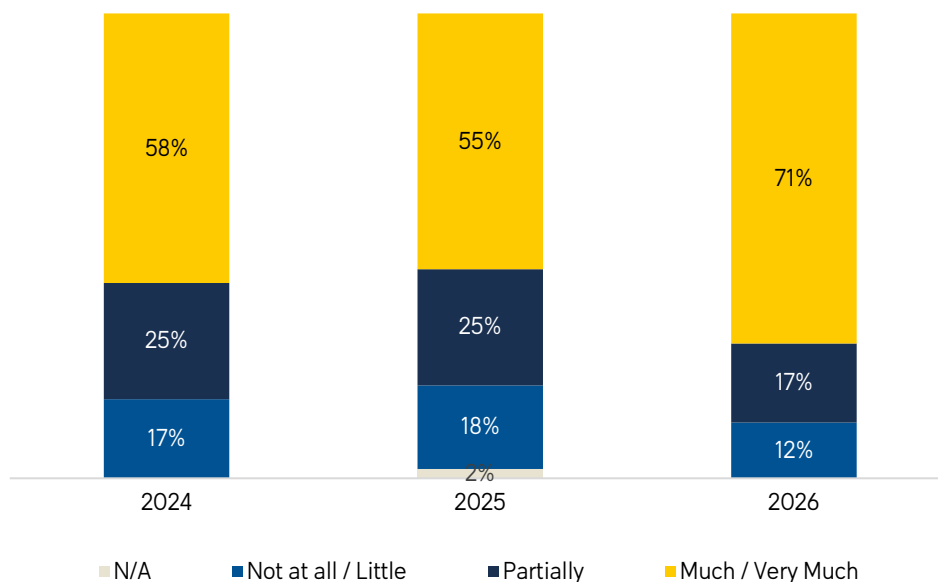
The Swedish brand continues to be a key asset for companies operating in Thailand, with its importance growing significantly. In the 2026 Business Climate Survey, 71 per cent of respondents state that the Swedish brand contributes “Much / Very Much” to their business, a sharp increase from 55 per cent in 2025—highlighting a clear strengthening of its perceived value in the Thai market.

This growing recognition has been reinforced by broader developments in bilateral relations. In 2025, Sweden and Thailand elevated their relationship to a strategic partnership, signalling a shared commitment to deepen cooperation in trade, innovation, sustainability, and defence. The agreement coincided with Thailand’s procurement of Swedish-made Gripen fighter jets, underscoring deepening trust and technological collaboration between the two countries. Together, these developments reinforce Sweden’s reputation for quality and reliability while providing a stronger institutional framework for Swedish businesses in Thailand.

While the Swedish brand provides a solid foundation, the 2026 results also point to opportunities to further enhance its impact. By actively leveraging brand-associated strengths—such as quality, reliability, sustainability, and innovation—while strengthening local relationships and clearly communicating value propositions, companies can further translate positive perceptions into tangible business outcomes.

This strengthened brand position also creates opportunities for expanded joint activities under the Team Sweden umbrella. With growing recognition among Thai stakeholders, there is increased scope for coordinated outreach, policy dialogue, and market-facing initiatives involving Swedish companies, Business Sweden, the Embassy, and other Team Sweden members. Leveraging the Swedish brand collectively through shared messaging, joint events, and targeted engagement can amplify impact, reinforce Sweden’s long-term commitment, and convert positive perceptions into concrete commercial and strategic outcomes.

### To what extent would you estimate that the “Swedish brand” contributes to your business in Thailand?



**NOTE:** % of respondents. The number of respondents for this question was 59.  
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2024–2026.

# Acting sustainably

## While environmental awareness is growing, cost remains the dominant factor

The 2026 Business Climate Survey shows that environmental considerations are gaining importance in customer purchasing decisions in Thailand. In 2026, 56 per cent of respondents indicate that environmental aspects play a partial or substantial role when customers choose products or services. This confirms a gradual increase in market awareness compared to previous years.

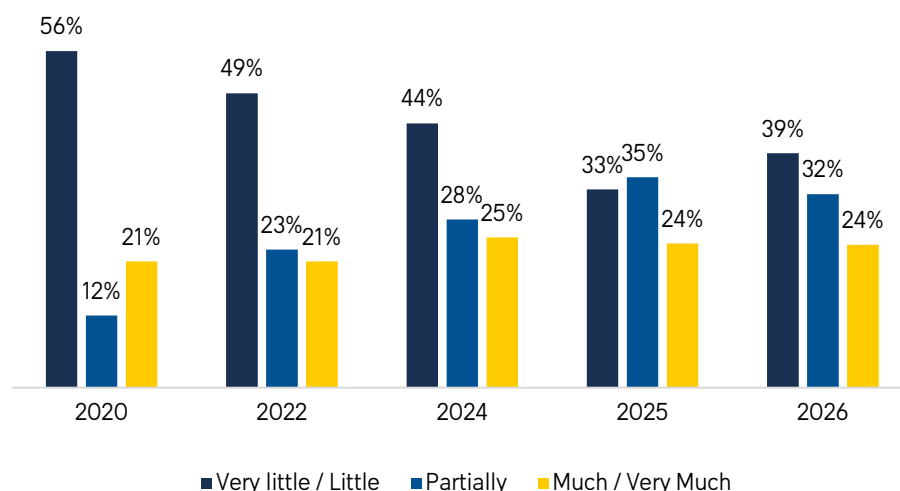
At the same time, price sensitivity remains decisive. Cost considerations often outweigh environmental factors, particularly when sustainability is not clearly linked to tangible economic benefits. This suggests that while awareness is rising, environmental attributes alone rarely drive purchasing decisions.

Survey responses indicate that demand for sustainable products and services is still largely driven by multinational corporations. Many local companies—particularly SMEs—place less emphasis on environmental considerations. Sustainability requirements are often viewed as compliance rather than a differentiating factor, with certifications seen as box-ticking rather than value-creating. Respondents emphasise that customers prioritise immediate economic benefits unless sustainability is directly tied to cost savings, quality, or regulatory necessity.

While government initiatives and sustainability frameworks are becoming more visible, their influence on purchasing behaviour remains uneven. Awareness is increasing—particularly among larger companies, younger consumers, and internationally exposed segments—but has yet to translate into consistent demand across the broader market.

As a result, a gap persists between policy ambition, corporate sustainability narratives, and day-to-day purchasing behaviour. This is notable given Thailand's updated Nationally Determined Contribution and its increased climate ambition. Respondents suggest that stronger enforcement, clearer incentives, and continued education will be required to turn sustainability from a stated priority into a mainstream commercial driver.

### To what extent do customers in Thailand consider environmental aspects of a product or service in their purchasing decision?



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2020-2026.

“Sustainability adds layers of cost—regardless of meaningful impact—which can reduce product competitiveness.”

Managing Director  
Swedish automotive company

## Corruption remains a tangible risk for Swedish companies in Thailand

Corruption continues to be a concern in Thailand. The country's score in Transparency International's Corruption Perceptions Index (CPI) declined from 36 in 2022 to 33 in 2025, placing Thailand 116th globally. This deterioration reflects persistently weak performance across several underlying indicators related to institutional integrity, regulatory quality, and rule of law.

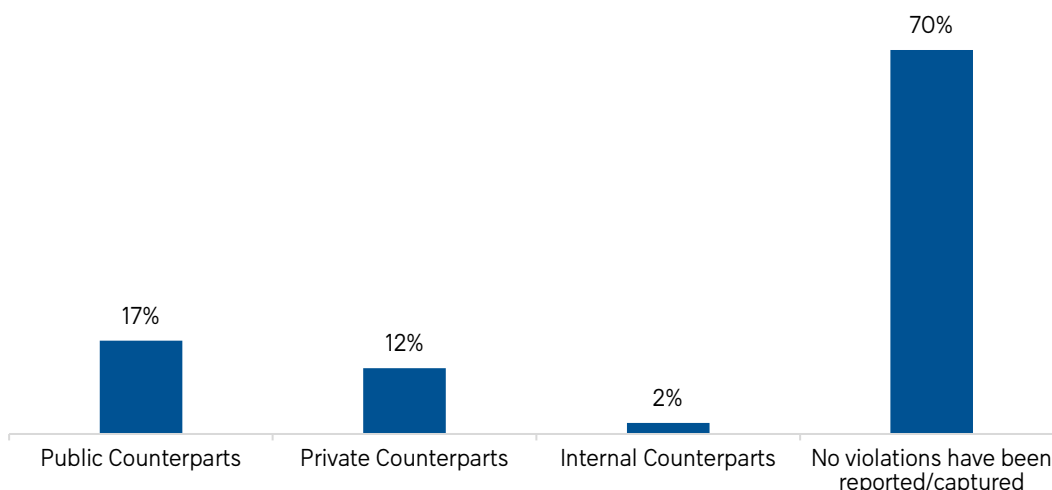
In the 2025 CPI, Thailand scores particularly low in sources such as the PRS International Country Risk Guide, the PERC Asia Risk Guide, and the World Justice Project Rule of Law Index, all of which report results in the low-to-mid-30s range. The country also underperforms in the IMD World Competitiveness Yearbook—one of the CPI's core benchmarks for the business environment—where scores remain below those of higher-ranked regional peers. Together, these factors continue to weigh on Thailand's overall CPI performance.

This trend is consistent with findings from the 2026 Business Climate Survey. Nearly one quarter of Swedish companies report having been exposed to corruption, most commonly in interactions with public counterparts. Exposure is less frequent in dealings with private actors, while incidents involving internal counterparts remain rare.

Survey comments illustrate that complex administrative procedures—such as acquiring land outside designated industrial estates—often involve multiple layers of approval, increasing the risk of informal payments being requested to expedite the process. Similar concerns in previous survey rounds suggest that these challenges are structural rather than isolated.

Overall, corruption risks remain a material consideration for Swedish companies operating in Thailand. The risk is particularly pronounced in interactions with public authorities and in regulatory processes characterised by complexity, discretion, and fragmented oversight.

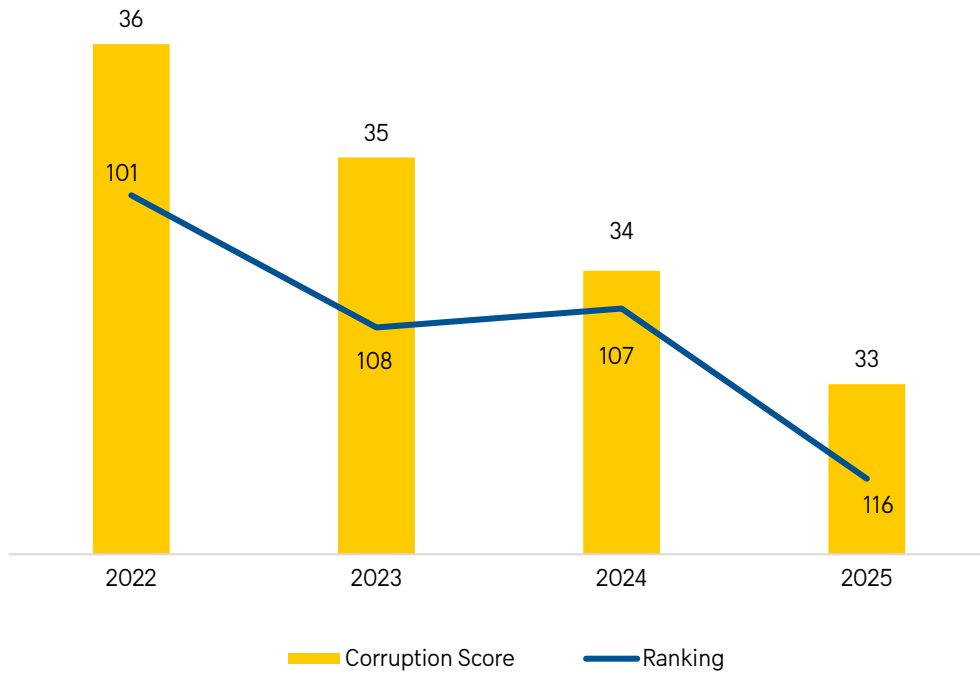
### Has your company in Thailand been exposed to corruption such as, but not limited to, attempts of bribery or fraud in contacts with any of the following areas?



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

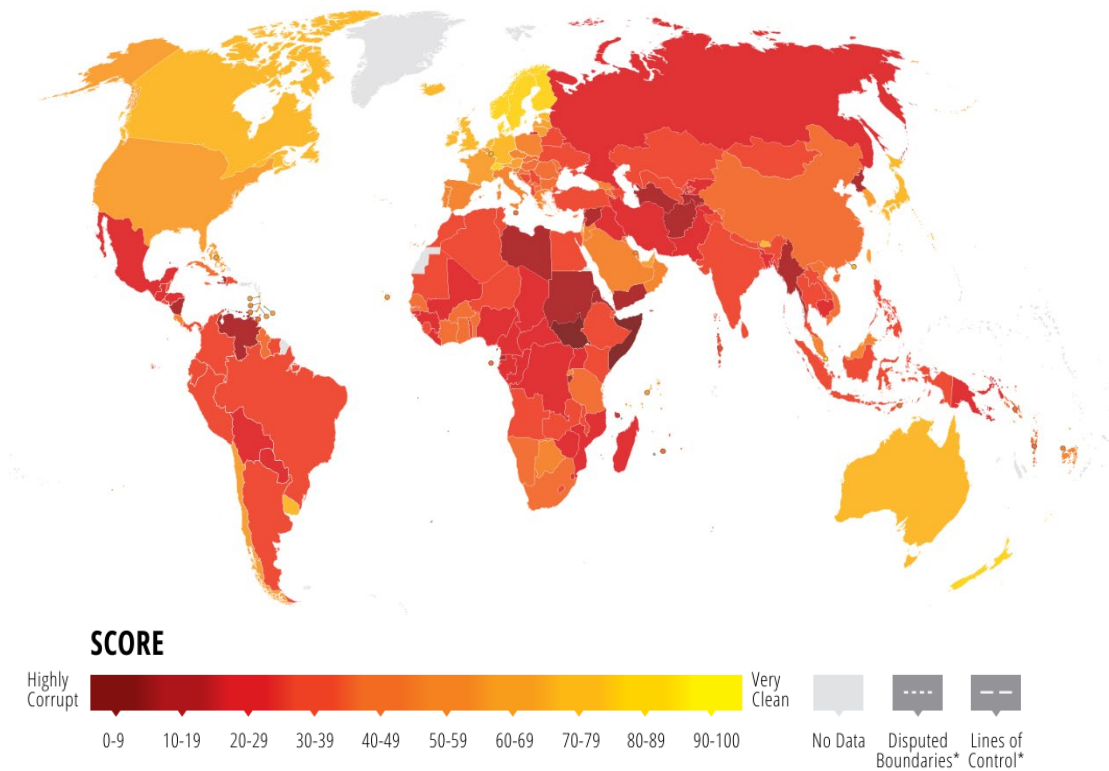
**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

### Corruption perception index for Thailand 2022-2025



**NOTE:** Transparency International Corruption Perception Index, Thailand 2022-2025 Global Ranking and Corruption Score.  
**SOURCE:** Transparency International.

### Corruption perception index 2025



\*The designations employed and the presentation of material on this map follow the UN practice to the best of our knowledge as of January 2026. They do not imply the expression of any opinion on the part of Transparency International concerning the legal status of any country, territory, city or area or of its authorities or concerning the delimitation of its frontiers or boundaries.

**SOURCE:** Transparency International.

## Limited reported human rights exposure in Thailand

Upholding universal human rights remains a critical global concern, and Thailand continues to face structural challenges related to civil, political, and labour rights. According to Freedom House's latest assessment, Thailand remains classified as "Not Free," with a Global Freedom Score of 33 out of 100 and an Internet Freedom Score of 39 out of 100.

Migrant labour plays a significant role in the Thai economy, particularly in labour-intensive sectors. A substantial share of migrant workers lacks formal legal status and operates within the informal economy, increasing their vulnerability. Common challenges include limited access to social services and heightened risks of exploitation. While efforts to strengthen migrant worker protection are ongoing—through government agencies and international cooperation—enforcement gaps persist. Broader labour rights challenges also remain, including weak enforcement of regulations related to wages, working hours, and occupational health and safety.

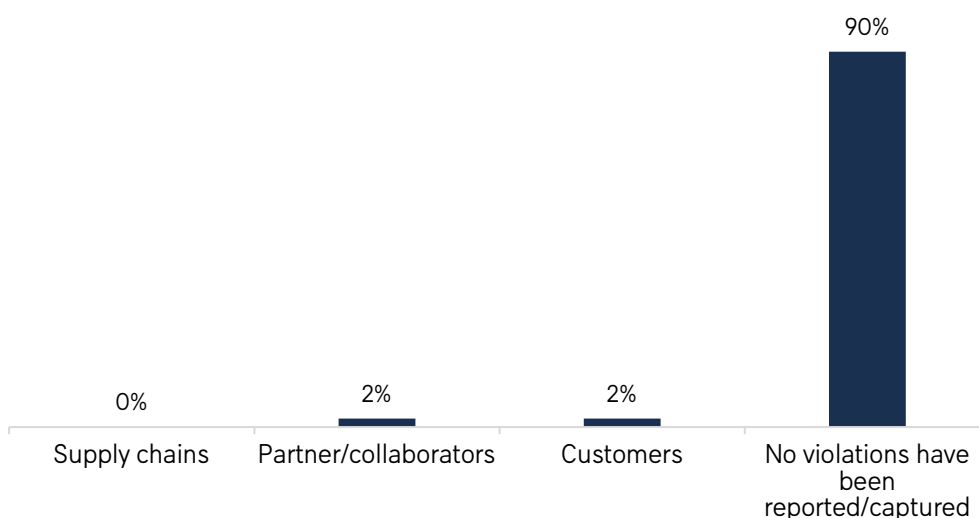
According to the International Organization for Migration (2025), migrant labour remains vital to Thailand's economy, particularly in agriculture, construction, and manufacturing, where migrants — many from Myanmar, Cambodia, and Lao PDR — contribute an estimated 4–6 per cent of GDP. Nearly half of the more than four million Myanmar nationals in Thailand are undocumented, leaving many excluded from legal protections and social services. The International Labour Organization (2025) notes that, despite measures such as bilateral labour agreements and regularisation efforts, enforcement gaps remain.

Migrant workers continue to face risks, including wage theft, excessive working hours, and unsafe conditions. Similarly, the Business & Human Rights Resource Centre (2025) reports that many employers fail to register migrant workers for mandatory social security, leaving them unprotected in cases of workplace accidents.

Against this backdrop, the Business Climate Survey 2026 indicates a low level of reported direct exposure among Swedish companies. Ninety per cent of respondents report no identified or recorded human or labour rights violations in their supply chains, and only one company reported encountering issues involving partners or customers. However, the sensitive nature of these topics may affect both reporting and awareness.

Overall, while Swedish companies report limited direct exposure, broader national and international assessments highlight the need for continued vigilance. Robust due diligence, responsible business conduct, and active supply-chain monitoring remain essential for companies operating in Thailand.

### Has your company in Thailand encountered any form of human rights violations and/or labour rights abuse in contacts with any of the following areas?



**NOTE:** % of respondents. The number of respondents for this question was 59. "Don't know/Not applicable" responses are included but not shown in figure.

**SOURCE:** Business Climate Survey for Swedish Companies in Thailand 2026.

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