



Sweden
Sverige



BUSINESS CLIMATE SURVEY FOR SWEDISH COMPANIES IN THAILAND 2025

A REPORT FROM TEAM SWEDEN IN THAILAND

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FOREWORD

The ongoing international trade friction and challenges to the rules-based trading system pose significant risks to global supply chains and create uncertainty for the Thai economy. Despite these worrisome trends, Swedish companies have shown remarkable resilience in their economic endeavours. Most Swedish companies in Thailand have maintained a stable outlook, are profitable, and plan to increase their investments in the coming years.

While existing businesses continue to pursue their investment and global supply chain strategies, there is a clear trend of increased caution. Swedish companies in selected industries report a slowdown in end-customer demand, delays in investment decisions, and a shift toward multi-supplier strategies to mitigate risks.

Barriers to trade and investment remain in Thailand, particularly regarding customs procedures and technical standards. The ongoing free trade negotiations between the European Union and Thailand present an opportunity to address some of these challenges, improve market access, and increase trade diversification.

The Swedish brand remains strong in Thailand, and most responding companies consider being Swedish an asset in their business operations. This provides an important foundation for continued joint trade promotion efforts by Team Sweden in Thailand.

We trust that the insights provided in this report will be valuable for your business in the coming year. Please do not hesitate to reach out to any member of Team Sweden with ideas, questions, thoughts, or requests – we are always here to support the success of Swedish businesses in any way we can.

Lastly, we would like to express our deepest gratitude to the participating companies and respondents who contributed to this report.



Anna Hammargren
Swedish Ambassador to
Thailand



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51 respondents in Thailand

Current business climate

2.9 /5

Industry turnover

73%

of Swedish companies expect their industry turnover to increase

Future investments

55%

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

Globally valued success factors

1. Cost efficiency
2. Partnerships/relationships
3. Collaboration/feedback from clients

Brand Sweden

55%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions with high satisfaction

1. Personal safety
2. Distributors
3. Physical infrastructure

Local conditions with least satisfaction

1. Transparency/equality
2. Level of digitalisation
3. Licences, permits, and approvals

Environmental considerations

24%

of respondents believe environmental considerations are a factor in their customers' purchasing decisions

Corruption

25%

of respondents have been exposed to corruption

Human rights violation and labour rights abuse

Low

exposure to human or labour rights violations

ABOUT THE SURVEY

Business Climate Surveys are conducted to evaluate the opportunities and challenges faced by Swedish companies in international markets. In 2025, the survey was carried out across 40 of Sweden’s key export markets globally, consisting of 18 standardised questions designed to enable cross-country analysis and ensure consistent comparability.

For the 2025 survey, Team Sweden identified 120 Swedish and Swedish-affiliated private entities operating in Thailand, marking an increase from previous years. Contact details were obtained for 115 entities, and the survey was completed by 51 senior representatives, resulting in a 44 per cent response rate. Thus, the survey results have a 95 per cent confidence level and a ±10 per cent margin of error. Conducted in February 2025, the survey aimed to evaluate the performance of Swedish companies in 2024 and gauge their expectations for 2025 and beyond.

Although the survey was conducted before the escalation of geopolitical tensions with the United States, follow-ups with several companies confirm that the findings remain valid. Most Swedish companies already established in Thailand have maintained a stable outlook on the local business climate, largely because the majority of these firms operate in non-manufacturing sectors.

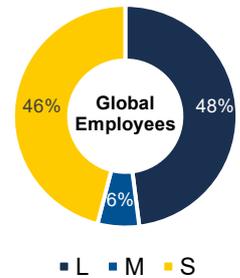
Defining what constitutes a ‘Swedish’ company can be a complex task. Team Sweden adopts a pragmatic and inclusive approach, considering various criteria such as ownership, headquarters location, presence in Sweden – including job creation and research and development – stock exchange listings, and Swedish heritage. However, a company does not need to meet all these criteria to be classified as ‘Swedish.’ The selected companies represent a diverse mix in terms of size, industry, and experience in Thailand. The interviewees also shared their perspectives on key topics such as sustainability, innovation, and long-term strategies for navigating the Thai market.

Prior to this report, Team Sweden in Thailand had previously published four Business Climate Survey reports, allowing us to track and analyse trends in the business climate. This inclusive approach provided valuable insights into Thailand’s economic landscape, market conditions, regulatory environment, and overall ease of doing business.

This report provides Team Sweden with valuable information about the opportunities and challenges faced by the Swedish business community in Thailand and constitutes an important backdrop for policy dialogue with the Thai government representatives and various Thai stakeholders. We also hope that this report will enable you to gain insights into how different companies across various industries are influenced by the dynamic business climate, both globally and domestically.

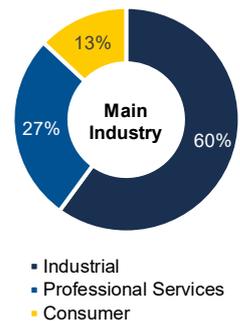
If you are interested in discussing the results or accessing Business Climate Survey reports for other markets, please feel free to contact us at ask.thailand@business-sweden.se. We would be delighted to assist you further.

SIZE OF COMPANIES

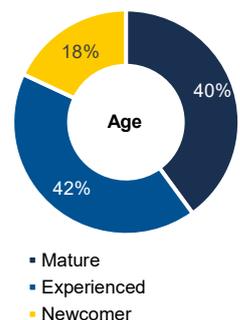


NOTE:
 Global employees
 Large >1,000 employees
 Medium 250-1,000 employees
 Small 0-249 employees

MAIN INDUSTRY



AGE OF COMPANIES



NOTE:
 Mature (-2003)
 Experienced (2004-2019)
 Newcomer (2020-)

ECONOMIC OUTLOOK

Thailand expects steady GDP growth in the coming years

Thailand is a middle-income country with a relatively mature market. The country is experiencing slower growth compared to other countries in the Asia-Pacific region.

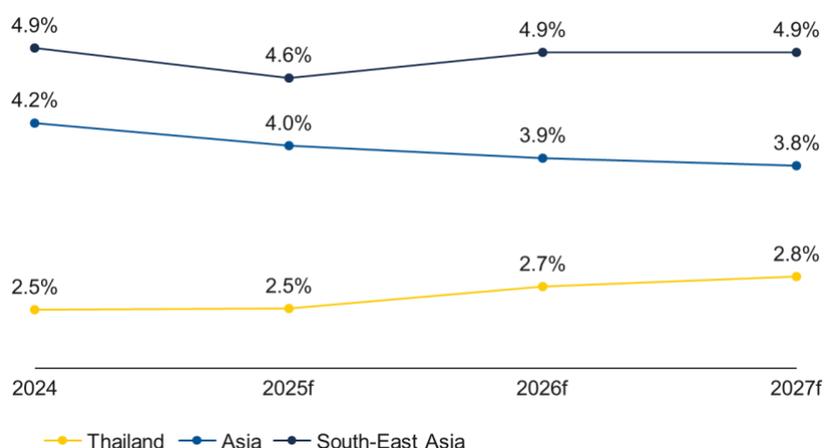
Projections indicate a gradual increase in GDP growth, from approximately 2.5 per cent in 2024 to 2.8 per cent by 2027. In contrast, the broader Asia and Southeast Asia regions are expected to grow more rapidly, with projected GDP growth of 3.9 per cent and 4.8 per cent, respectively, by 2027. However, due to ongoing geopolitical turmoil with the USA, various agencies are revising their forecasts.

Thailand's relative underperformance compared to its regional peers is explained by factors such as persistent structural challenges, an ageing population, and a global economic slowdown. Increased global protectionism and trade friction between China and the USA constitute significant risks for the trade-dependent Thai economy in 2025. Nevertheless, Thailand's accession process to the Organisation for Economic Cooperation and Development (OECD) presents a potential catalyst for advancing structural reforms.

Thailand's economic growth remains underpinned by the continued strength of its manufacturing and services sectors. Thailand has firmly established itself as a regional manufacturing hub, particularly in sectors such as automotive and electronics. This success has largely been fuelled by foreign direct investments (FDI), with long-standing partners such as Japan, and increasing investments from China in recent years. These industries contribute substantially to the country's GDP, playing a critical role in driving export-led economic growth supported by well-developed infrastructure, competitive labour, and integration into global supply chains. The services sector also plays a major role, with tourism, retail, financial services, and healthcare being key contributors.

Nonetheless, the agricultural sector, though contributing a smaller share to overall GDP, continues to be a major source of employment – particularly in rural and less urbanised areas. Thailand is a leading global exporter of several agricultural commodities, including rice, rubber, sugar, and a variety of tropical fruits.

PROJECTED GDP GROWTH IN THAILAND

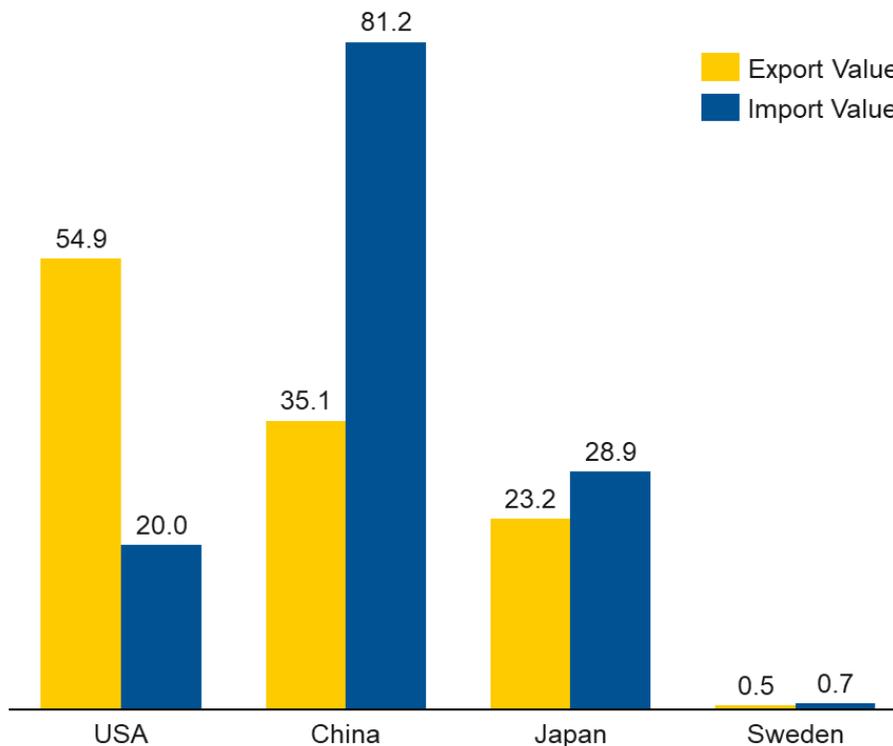


NOTE: Constant prices and exchange rate, USD
SOURCE: Oxford Economics 11 March 2025

Given Thailand's deep integration into the global supply chain through FDI and trade relationships, it is unsurprising that the country remains vulnerable to increased tariff rates imposed by the USA. The USA is Thailand's largest export market, followed by key destinations such as China, Japan, and Australia in 2024. Major exports include computers and components, mobile phones and parts, and rubber products. Thailand maintains a significant trade surplus with the USA, with exports totalling 54.9 USD billion in 2024, compared to 20.0 USD billion in imports. If higher tariffs are enacted, Thailand's export-driven growth could face considerable headwinds. Elevated tariffs would likely dampen demand, adversely affecting manufacturing output and, by extension, Thailand's GDP growth projections. Furthermore, Thailand's competitive advantage in these sectors could erode, even relative to competitors facing different tariff environments, compelling the country to adapt its production and trade strategies to sustain economic momentum. To mitigate such effects, Thailand could try to diversify its trading relationship by, for example, concluding more Free Trade Agreements (FTA) with other trading partners. The EU-Thailand FTA is currently being negotiated.

At the same time, substantial trade deficits from imports, particularly from China, have become a growing concern in Thailand. In 2024, Thailand imported 81.2 USD billion worth of goods from China while exporting only 35.1 USD billion. This trade imbalance underscores Thailand's growing dependence on Chinese imports, which may affect economic stability and pose risks to local manufacturing and employment. The increased American tariffs on Chinese goods may also have an indirect effect on the bilateral trade between China and Thailand, as Chinese manufacturers could seek to divert exports to countries in Southeast Asia.

IMPORT - EXPORT VALUE BETWEEN THAILAND AND PARTNERS IN 2024



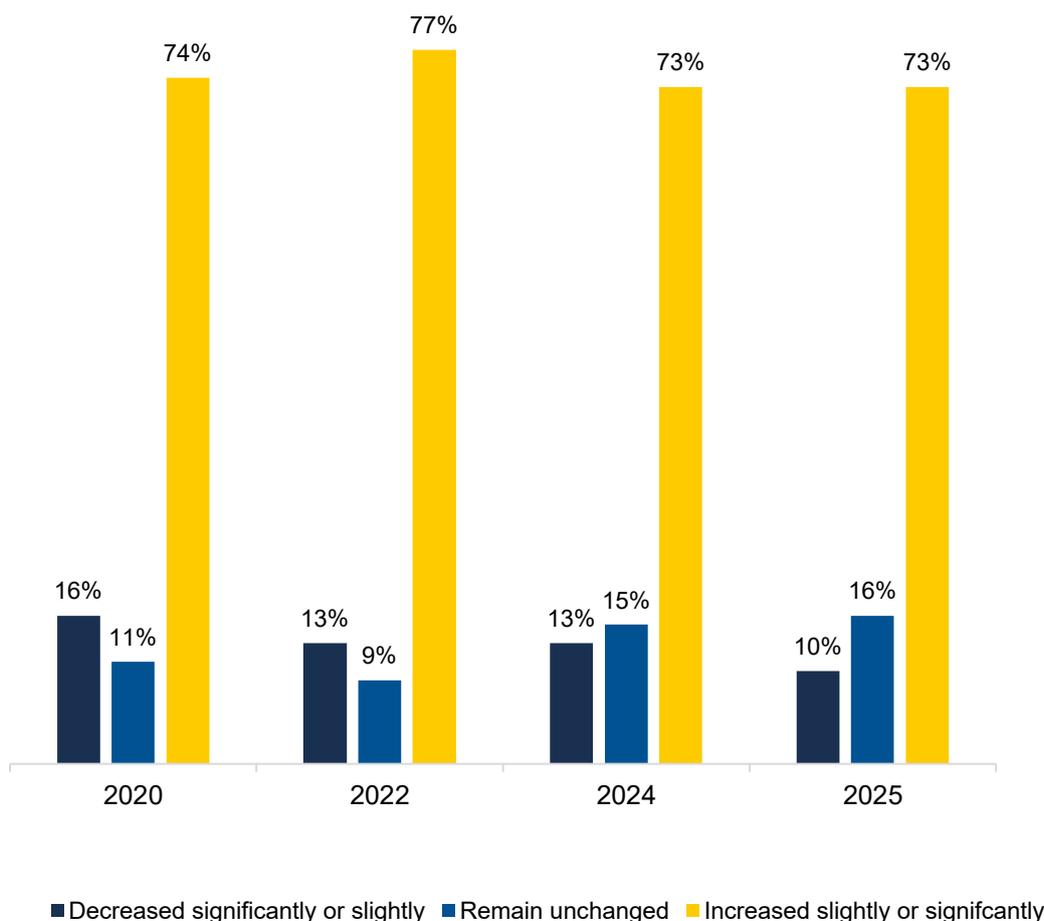
NOTE: Constant prices and exchange rate, USD billion
SOURCE: ITC Trade Map

A consistent and significant majority of Swedish companies in Thailand remain optimistic about turnover growth in the coming year

Based on the survey, Swedish companies in Thailand maintain a positive outlook for the next 12 months, with 73 per cent of respondents expecting either slight or significant growth in turnover. This aligns with the 2024 survey findings, suggesting continued growth expectations across industries in Thailand.

Since 2020, the proportion of companies anticipating increased turnover has remained consistently high, with only minor fluctuations. Despite potential economic shifts and global uncertainties, this sustained optimism reflects confidence in Thailand's market potential and Swedish companies' ability to leverage growth opportunities. While optimism has not surged significantly, the stable outlook highlights resilience and a forward-looking perspective among Swedish businesses in Thailand.

COMPARED TO DEVELOPMENTS OVER THE PAST 12 MONTHS, WHAT ARE YOUR EXPECTATIONS FOR YOUR INDUSTRY IN THAILAND REGARDING TURNOVER FOR THE NEXT 12 MONTHS?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

Swedish companies in Thailand have demonstrated consistent profitability and plans to increase investments

In the 2025 Business Climate Survey, Swedish companies in Thailand reported improved financial performance, with the proportion of profitable firms rising noticeably. Sixty-one per cent of companies reported being profitable, up from 55 per cent in the previous year. This increase was primarily driven by the profitability of large global firms in the industrial and consumer sectors. While most newly established companies experienced losses in 2024, the outlook over time is promising. Profitability was reported by 80 per cent of mature companies and 67 per cent of experienced firms, indicating that longer operational presence in Thailand increases the likelihood of profitability.

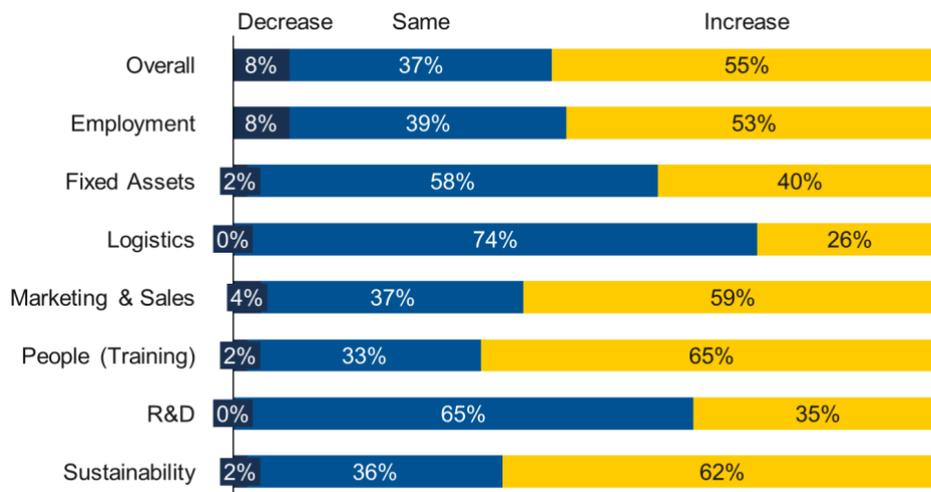
At the same time, 55 per cent of the respondents plan to increase their investments in Thailand in the upcoming year, a significant increase from the 45 per cent reported in 2024. This trend aligns with the overall cautious optimism expressed in the report regarding increased turnover in the next 12 months.

The study participants were asked about various business areas, with options to decrease, maintain, or increase investments. The responses indicate that Swedish companies are primarily focused on developing their current employees, investing more in sustainability, and enhancing their marketing & sales efforts.

Conversely, logistics and research and development (R&D) are the areas with the lowest plans for future investments, as companies primarily aim to maintain their current investment levels in these areas.

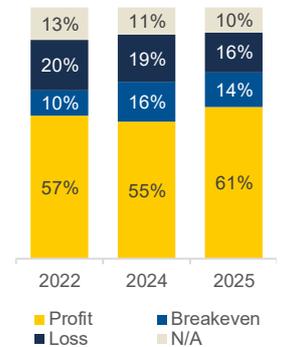
Notably, over 60 per cent of companies intend to increase their investment in sustainability. This demonstrates a strong commitment among Swedish firms towards sustainable practices and underscores their role in driving environmental and social governance (ESG) initiatives forward.

WHAT ARE YOUR COMPANY'S INVESTMENT PLANS FOR THE COMING 12 MONTHS IN THAILAND COMPARED TO THE PAST 12 MONTHS?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

HOW WOULD YOU DESCRIBE YOUR COMPANY'S FINANCIAL PERFORMANCE IN THAILAND IN 2024?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

“Although there has been a delay in investment decisions from our customers (due to potential tariffs), many are adopting a multi-supplier policy. As a result, we continue to invest in machinery to improve operational efficiency, in products with sustained demand, and in solar rooftop systems for sustainability and energy cost reduction.

CEO
Swedish packaging company

THE MARKET

The Thai market remains an attractive destination for Swedish business

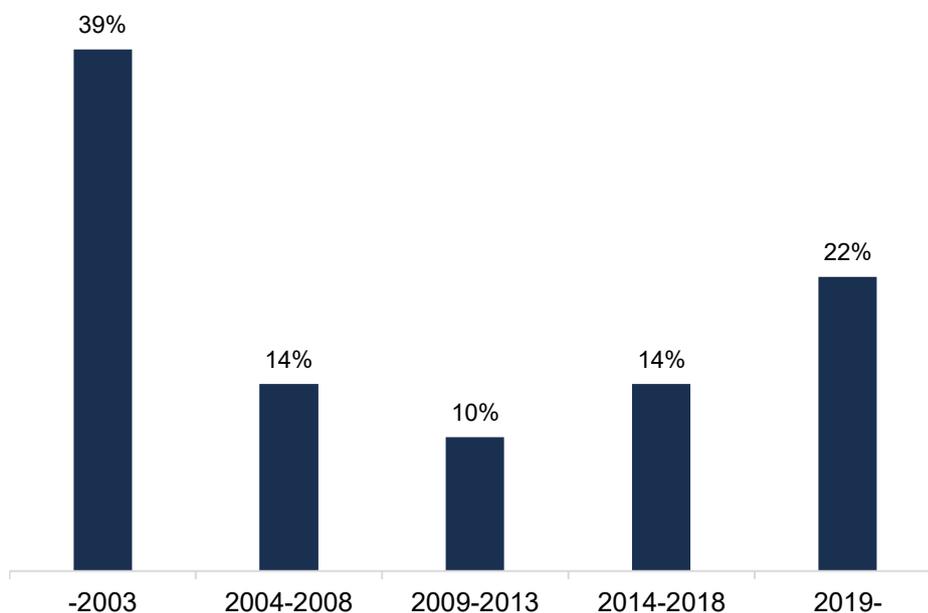
Thailand ranks as the second-largest economy within the ASEAN region, making it a key investment hub for Swedish businesses. According to the OECD and Sweden's National Board of Trade, Thailand has been one of Sweden's top destinations for investment in Southeast Asia for over 15 years, surpassed only by Singapore in recent years. Notably, 39 per cent of surveyed Swedish companies have been operating in Thailand since before 2003. This long-standing preference underscores Thailand's appeal as a strategic market for Swedish companies.

Swedish companies of different sizes operate in Thailand, primarily concentrated in the industrial equipment and energy sector. However, the subsidiaries established in Thailand mostly operate on a smaller scale, with less than five per cent of the companies employing more than 1,000 individuals. This distribution largely reflects the nature of Swedish business activities in Thailand, which are primarily focused on sales and marketing rather than large-scale manufacturing operations.

“ Thailand has had a stable middle class for a long time. While labour costs may not be the lowest, the quality of labour is consistently reliable.

CEO
Swedish automotive component company

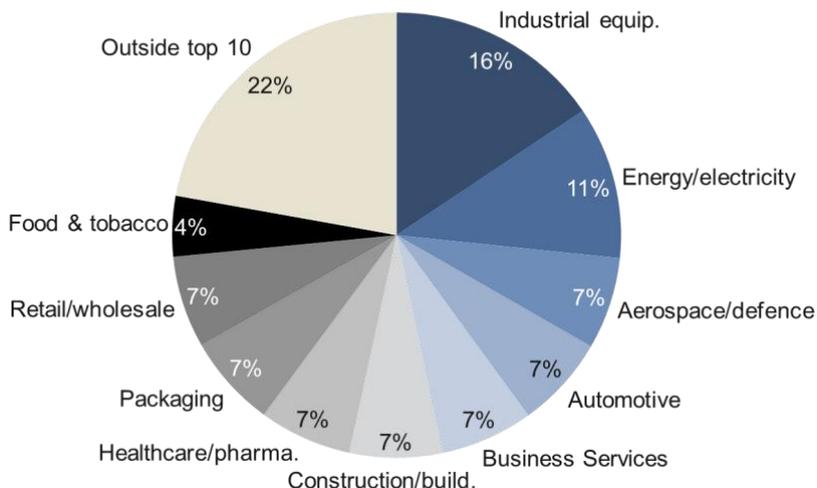
IN WHAT YEAR DID YOUR COMPANY ESTABLISH OPERATIONS IN THAILAND?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.

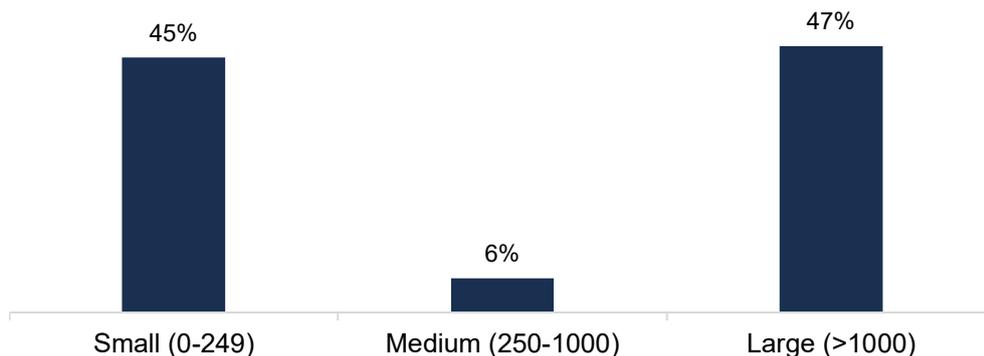
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

WHAT IS YOUR COMPANY'S MAIN INDUSTRY IN THAILAND?



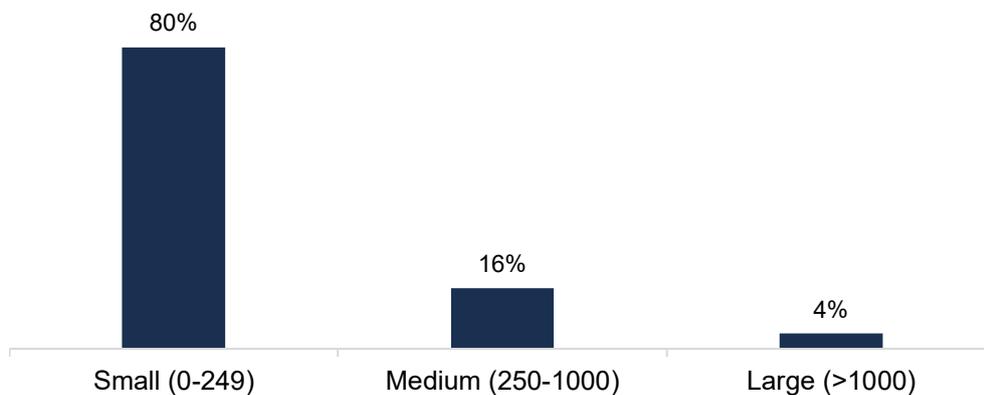
NOTE: Per cent of respondents. The number of respondents for this question was 45. "Don't know/Not applicable" responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

SWEDISH FIRMS' GLOBAL NUMBER OF EMPLOYEES IN 2025



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

SWEDISH FIRMS' LOCAL NUMBER OF EMPLOYEES IN THAILAND IN 2025



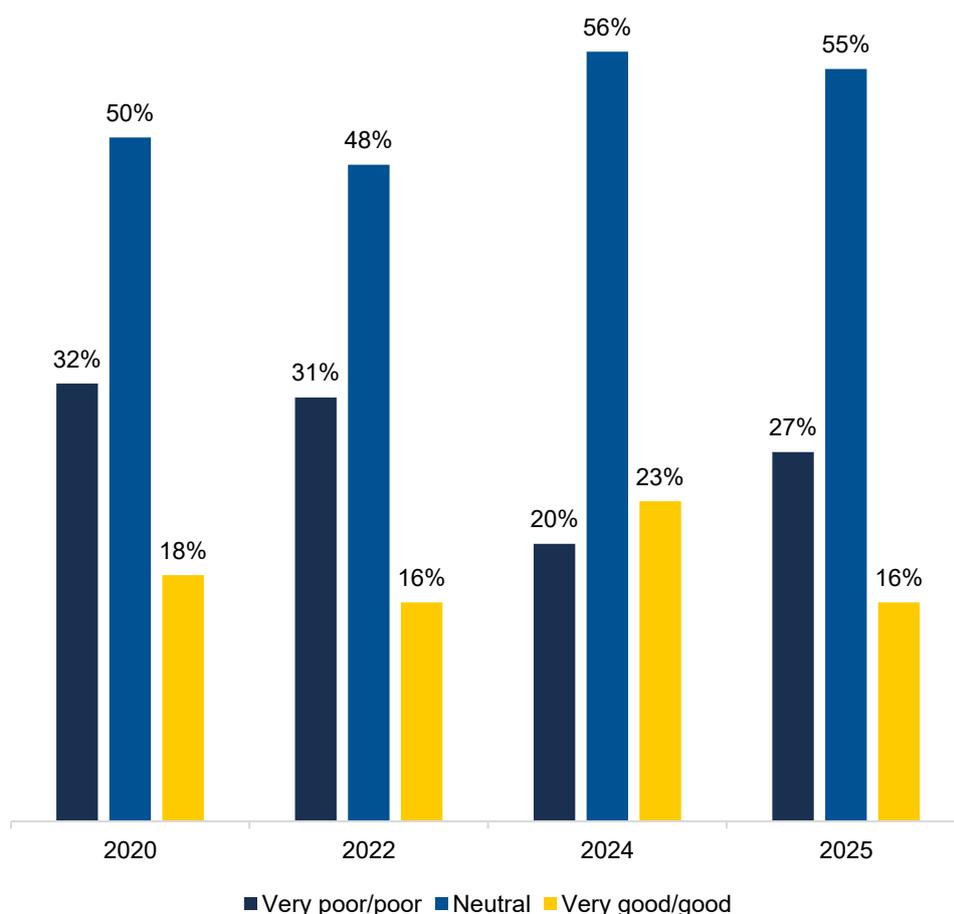
NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

Mixed perceptions about the current business climate in Thailand

A clear majority of Swedish companies in Thailand perceive the current business climate to be neutral or positive. The combined percentage of respondents viewing the climate as “Very good/good” and “Neutral” remains high in 2025, totalling 71 per cent, with a non-negative outlook, slightly below the 79 per cent reported in 2024. Nonetheless, some responding companies perceive the business climate as poor or very poor.

While Swedish companies already established in Thailand continue to follow their investment and global supply chain strategies, there is a clear trend of increased caution. Some businesses report a slowdown in end-customer industries like automotive and semiconductor, with delays in investment decisions and a shift toward multi-supplier strategies to mitigate risks. Potential market entrants have also postponed or reassessed their plans, awaiting greater clarity on the evolving economic and political landscape. While supply chain disruptions currently remain manageable, there are increased operating challenges, such as port congestion and increased freight costs. The overall sentiment reflects a more cautious approach driven by the uncertain business climate.

HOW DO YOU PERCEIVE THE CURRENT BUSINESS CLIMATE IN THAILAND?



NOTE: Per cent of respondents. The number of respondents for this question was 51. “Don’t know/Not applicable” responses are included but not shown in this figure.
 SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

“ At this point, the impact of the US’s tariffs on businesses in Thailand remains uncertain. However, we have a proactive approach to continue building a resilient global supply chain.

Country President
 Swedish healthcare company

“ The situation with the US does not affect our operations in Thailand, which are mainly sales operations. Instead, most of the impact is on shipments from our factories (located in East Asia) to the USA.

CEO
 Swedish electronics company

Business conditions in Thailand are generally satisfactory, but barriers to trade persist

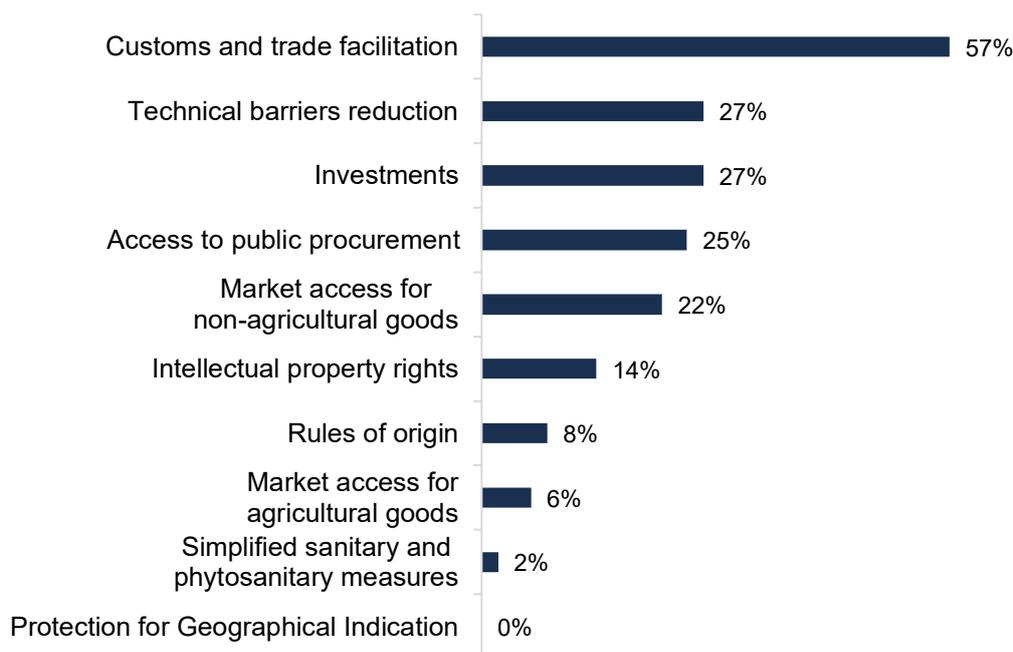
Most survey respondents expressed positive feedback about the Thai market. However, companies continue to face significant challenges and barriers to trade, particularly related to customs procedures, licensing, permits, and regulatory approvals – often linked to ownership restrictions and work permit requirements. These concerns are echoed in the priorities identified by Swedish businesses for a future EU-Thailand Free Trade Agreement: 57 per cent of respondents emphasised the need for improved customs and trade facilitation, while 27 per cent prioritised the reduction of technical and investment barriers.

While these issues are largely rooted in Thailand’s regulatory environment, it is also important to recognise that the challenges of transparency and complexities around licences and permits are not unique to Thailand but are common across other Southeast Asian markets. That said, the overall business climate in Thailand has shown considerable improvement compared to previous surveys.

However, key areas such as access to specialists and transparency have worsened in 2025. According to the survey response, these issues are largely driven by the protection of the domestic market and an uneven playing field, which often depends on personal connections. Additionally, access to specialists and key personnel has also declined. Conversations with Swedish companies and industrial estates in the Eastern Economic Corridor (EEC) indicate that these challenges have become more pronounced due to rising labour costs and a limited supply of skilled workers, as increasing numbers of companies relocating to Thailand heightened the competition for talent.

Despite these challenges, there are notable positives. Employee safety is generally assured, and Thailand benefits from a strong physical infrastructure, along with a well-established network of service providers, suppliers, and distributors.

WHAT ARE YOUR KEY PRIORITIES FROM THE FUTURE EU-THAILAND FREE TRADE AGREEMENT?



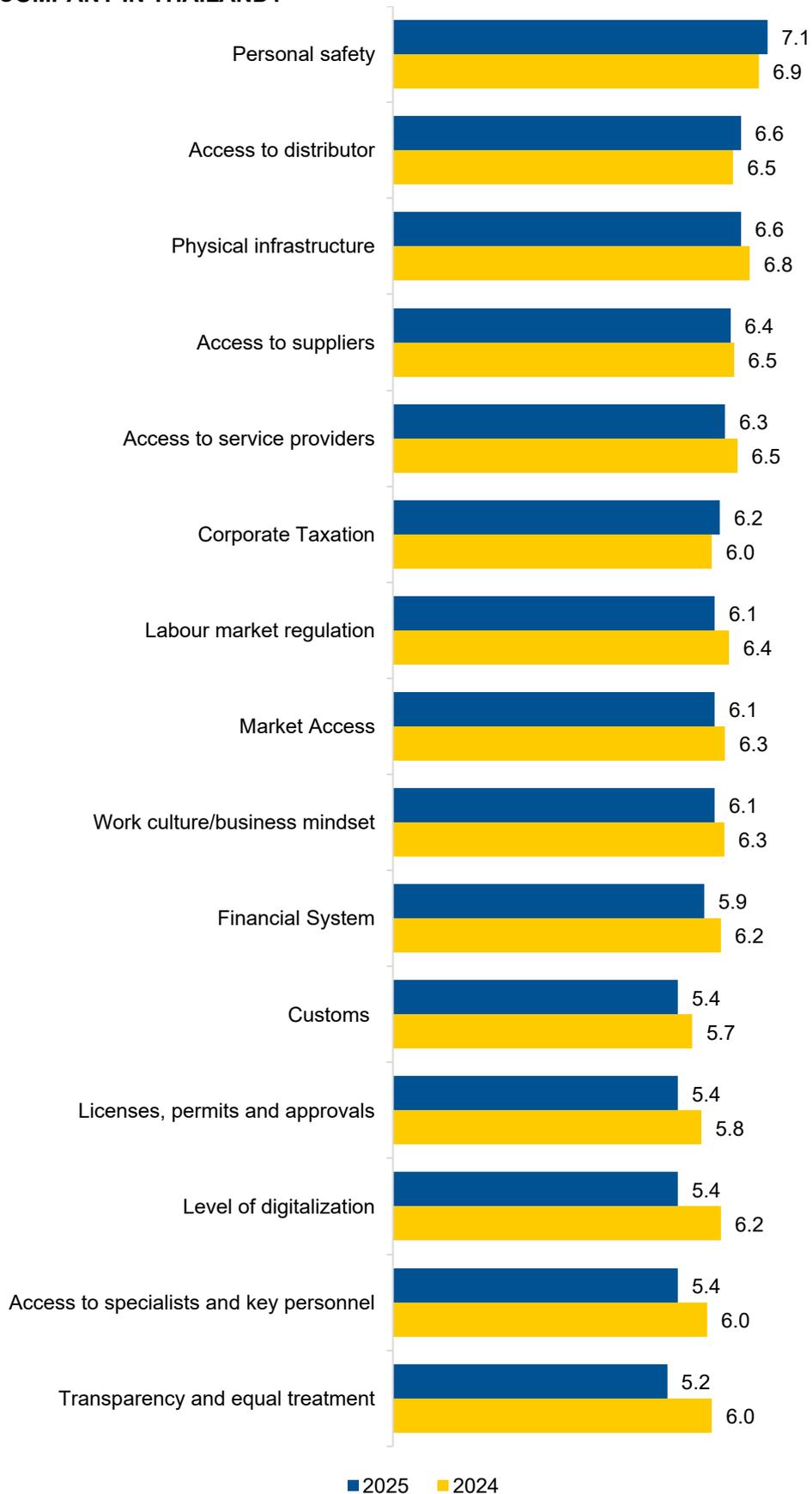
NOTE: Per cent of respondents. The number of respondents for this question was 51. “Don’t know/Not applicable” responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

“ Transparency is still a big issue for doing business in Thailand. Influencers and lobbyists are always related to politicians, no matter what party they are in.

Director
Swedish healthcare
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.

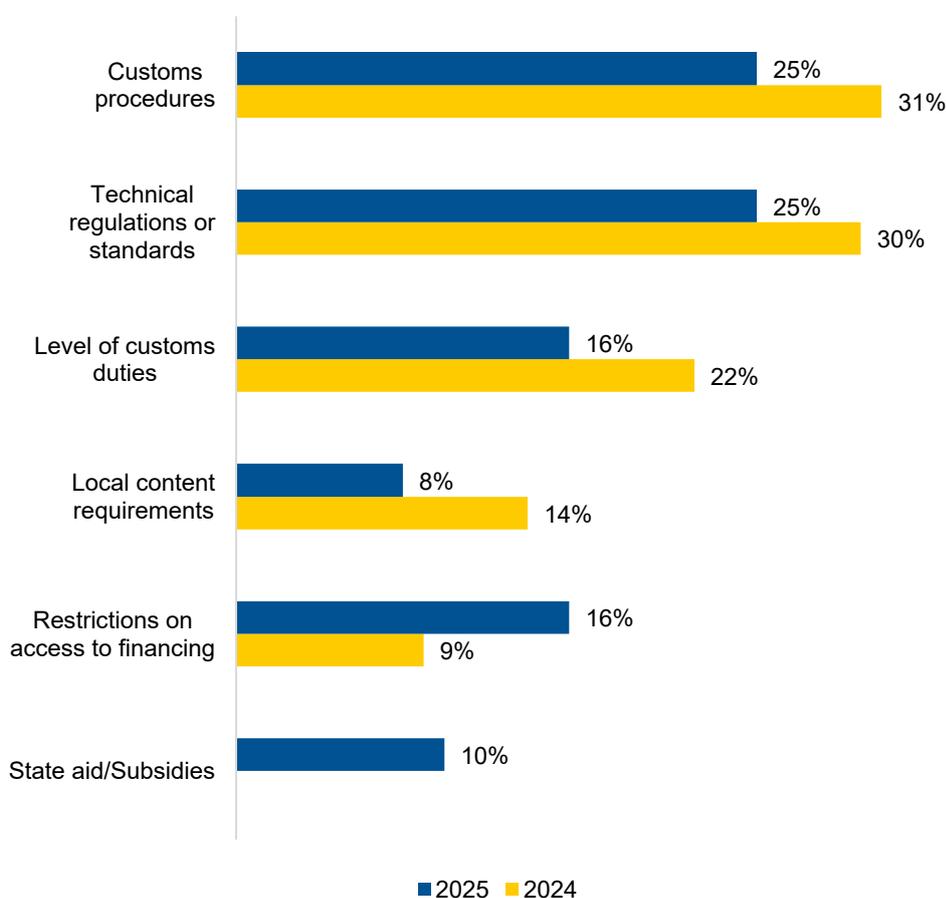
Customs-related procedures continue to complicate business

Swedish companies operating in Thailand often face several trade barriers, including customs procedures, technical regulations or standards, and customs duties. These obstacles contribute to a complex business environment, posing significant challenges for Swedish firms. However, all areas showed improvement compared to the last survey in 2024, except for access to financing.

Swedish companies have been experiencing increasing difficulties in accessing finance, likely due to stricter lending guidelines imposed by banks. These tighter norms are a result of economic fluctuations and rising delinquencies. According to the Bank of Thailand, the amount of outstanding SME loans declined at an average annual rate of 8.9 per cent from Q4 2019 to Q4 2024, while loans at risk of becoming non-performing and actual non-performing loans increased by an average of 9.7 per cent per year over the same period. This trend indicates a more cautious lending environment, potentially limiting business growth.

In the 2025 survey, we included a question regarding state aid and subsidies as an additional area of inquiry. The results indicate that this is not a significant concern for Swedish companies in Thailand.

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?



NOTE: Per cent of respondents. The number of respondents for this question was 51.
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

HOW SWEDISH COMPANIES SUCCEED IN THAILAND

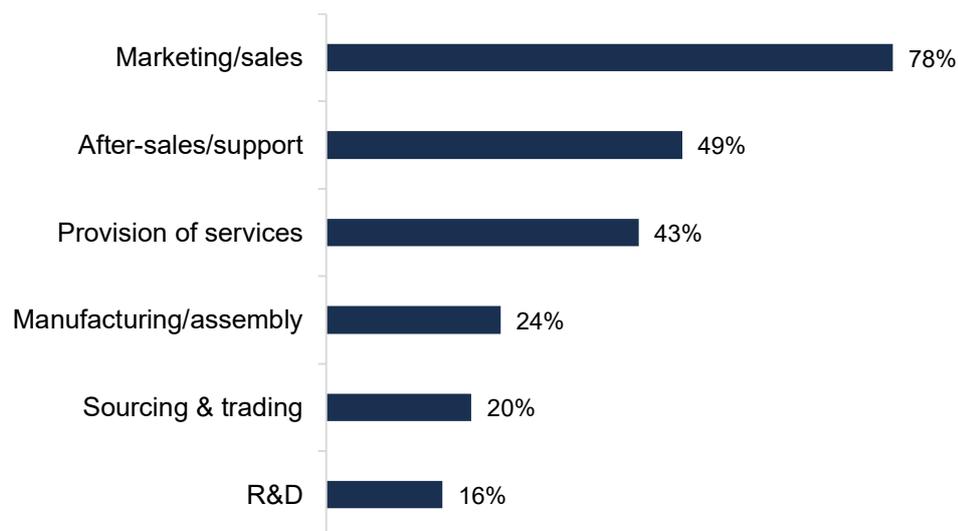
Swedish companies established in Thailand view the country as a sales market

Swedish business operations in Thailand have traditionally focused on sales and services, with 78 per cent of Swedish firms primarily engaged in marketing and sales activities. In contrast, only 24 per cent operate manufacturing and assembly facilities, and just 16 per cent focus on research and development (R&D), indicating limited innovation activities.

However, recent global geopolitical tensions have prompted more Swedish firms to consider establishing manufacturing operations in Thailand to diversify supply chains, reduce risks, and enhance production resilience. Additionally, Swedish companies are exploring manufacturing in Thailand to be closer to customers who are relocating their own manufacturing operations. The combination of government incentives, strategic location, and a well-developed industrial ecosystem makes Thailand an increasingly attractive destination for expansion.

The Thai government has actively introduced policies to attract foreign investment, particularly in manufacturing, high-value industries, and R&D. The Board of Investment (BOI) offers tax breaks, import duty exemptions, and investment facilitation services to foreign companies. The Eastern Economic Corridor (EEC) provides additional incentives, infrastructure support, and special privileges for high-tech industries. Meanwhile, the Industrial Estate Authority of Thailand (IEAT) assists companies with industrial land allocation, streamlined regulations, and improved logistics connectivity. These initiatives have positioned Thailand as a competitive destination for global investors.

OPERATIONS OF SWEDISH FIRMS IN THE MARKET



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.

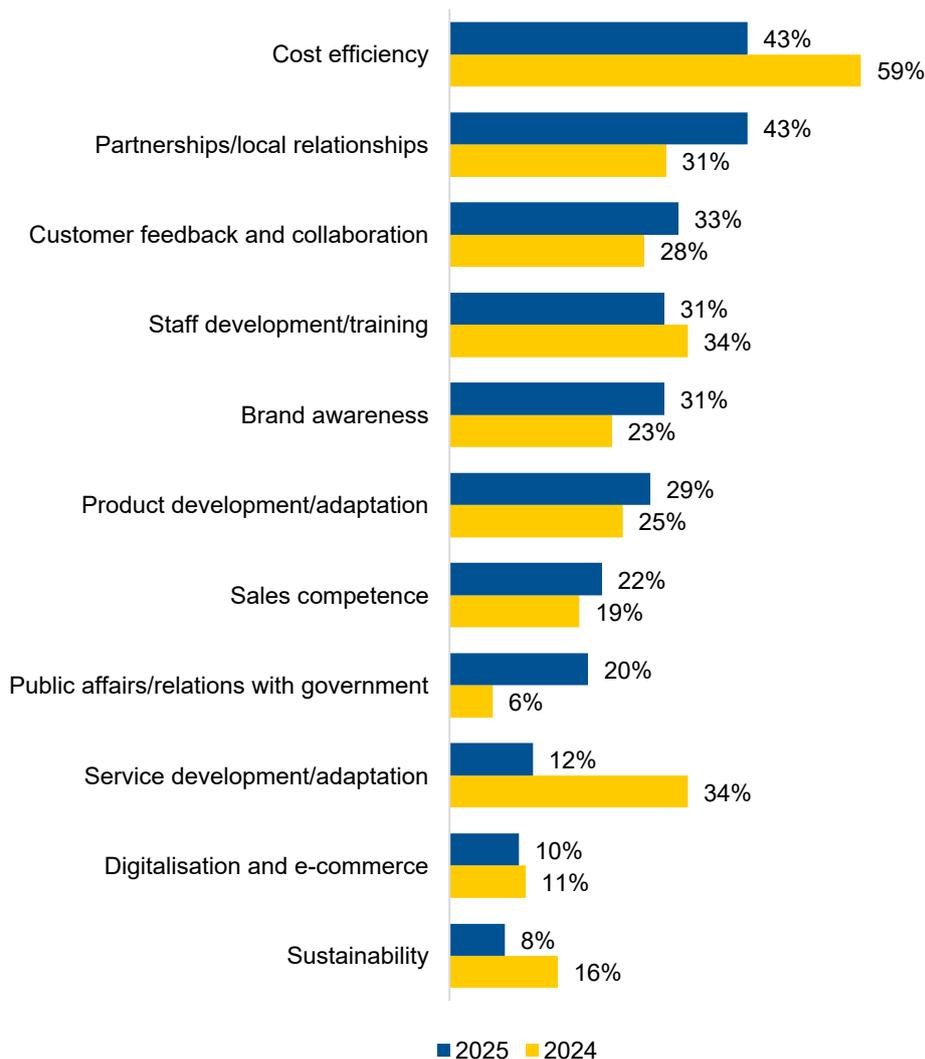
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

Cost efficiency and relationships are the most important areas to remain competitive in Thailand

Cost efficiency remains the top priority for sustaining competitiveness in the Thai market, as consistently highlighted in both the 2024 and 2025 Business Climate Surveys. However, a notable shift has occurred, with partnerships and local relationships increasing significantly in importance. These were cited by 31 per cent of respondents in 2024 and rose to 43 per cent in 2025, now equally as prominent as cost efficiency.

The decreased emphasis on service development and adaptation, cited by 34 per cent in 2024 and dropping to 12 per cent in 2025, along with staff development and training, which decreased from 34 per cent in 2024 to 31 per cent in 2025, could indicate growing confidence among companies regarding their current operations and offerings. Nevertheless, the substantial increase in the importance of partnerships underscores the critical role that strong relationships play in achieving continued competitive success in Thailand.

TO DATE, WHICH OF THE FOLLOWING AREAS HAVE BEEN IMPORTANT IN MAINTAINING COMPETITIVENESS IN THAILAND?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

“ We market our services as Swedish-branded, which is a key differentiator for our customers and often serves as both an order qualifier and a winning criterion.

CEO
Swedish services company

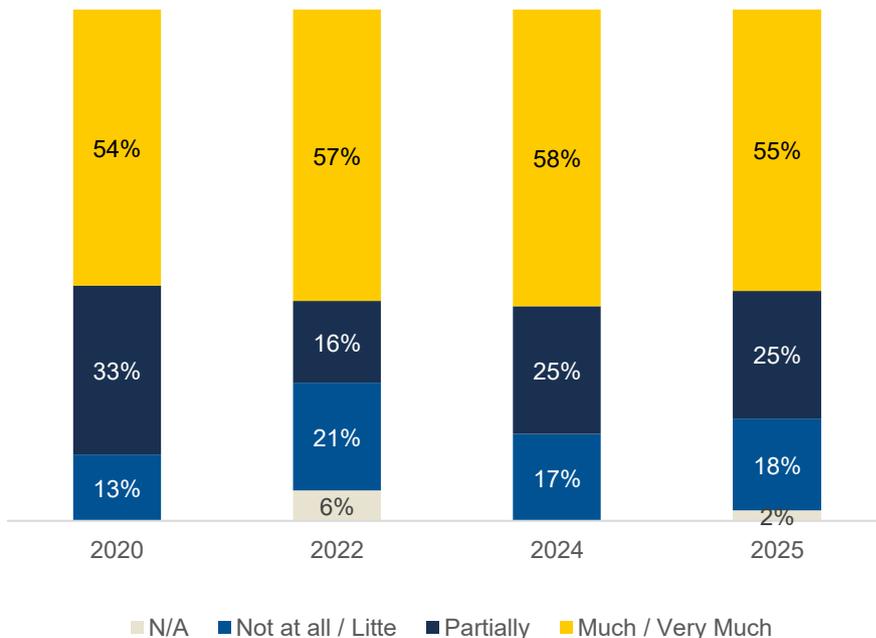
The Swedish brand continues to stand strong in the Thai market

The ‘Swedish Brand’ remains an asset for Swedish companies operating in Thailand, consistently contributing to their business success. The 2025 Business Climate survey highlights this, with 80 per cent of respondents indicating that the Swedish brand contributes at least partially to their business and 55 per cent considering it to be of “Much / Very Much” importance.

Examining the trend from 2020 to 2025, the positive impact of the Swedish brand has remained strong. Although there have been some fluctuations in the “Much / Very Much” category, the overall percentage of companies recognising the brand’s contribution has consistently stayed high. This sustained recognition underscores the enduring positive associations with Sweden in the Thai business environment.

While the Swedish brand provides a strong foundation, the survey data also suggests opportunities for further strengthening its influence within the Thai market. By strategically leveraging the inherent strengths of the Swedish brand, cultivating stronger local relationships, and effectively communicating the unique value propositions of Swedish companies, there is potential to amplify its impact and recognition in Thailand, ultimately driving greater business success.

TO WHAT EXTENT WOULD YOU ESTIMATE THAT THE ‘SWEDISH BRAND’ CONTRIBUTES TO YOUR BUSINESS IN THAILAND?



NOTE: Per cent of respondents. The number of respondents for this question was 51.
SOURCE: Business Climate Survey for Swedish Companies in Thailand 2020 – 2025 (The survey was conducted bi-annually until 2024).

ACTING SUSTAINABLY

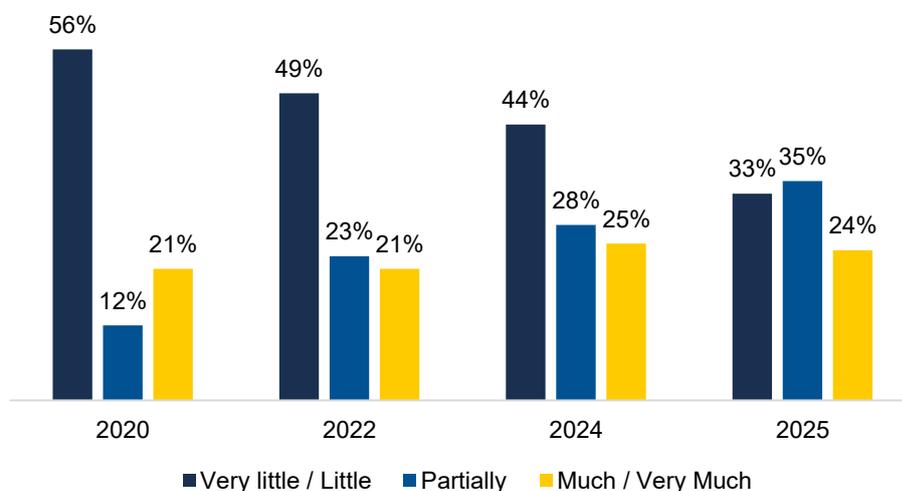
While environmental consciousness is growing, cost remains a dominant factor

The Business Climate Survey in 2025 indicated a growing awareness of environmental factors influencing purchasing decisions among Thai customers. A significant portion, 59 per cent of respondents, believe environmental aspects play a partial or substantial role in customer choices. This suggests an increasing market sensitivity to sustainability compared to previous years. However, the survey also highlights that cost considerations remain a primary driver for many customers, often overshadowing environmental concerns unless a clear economic benefit is evident.

Furthermore, comments from survey respondents suggest that multinational corporations are currently a stronger driving force behind the demand for sustainable products compared to local companies. The respondents also highlighted the critical role of the Thai government’s policies and infrastructure development in fostering a more robust market for sustainable products and services. Examples of such initiatives include the emphasis on Green Public Procurement, which supports environmentally friendly certifications like the Thai Green Label, Carbon Footprint, and Energy Saving labels, and the Bio-Circular-Green (BCG) Economy Model, driving sustainable practices and innovation across key sectors to achieve long-term carbon neutrality goals. This year, the Thai government will update its National Determined Contributions (NDC) in line with the Paris Climate Accords and is currently drafting a national climate legislation.

Despite these efforts, some respondents noted current limitations in the implementation and impact of these policies. While environmental awareness is reportedly on the rise, translating this into widespread and consistent purchasing behaviour requires further development and education across all levels of the market.

TO WHAT EXTENT DO CUSTOMERS IN THAILAND CONSIDER ENVIRONMENTAL ASPECTS OF A PRODUCT OR SERVICE IN THEIR PURCHASING DECISION?



NOTE: Per cent of respondents. The number of respondents for this question was 51. “Don’t know/Not applicable” responses are included but not shown in this figure.
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

“ If sustainability comes with cost savings, they will happen naturally.

CEO
Swedish services

“ We continue to focus on research and sustainability, as we clearly recognise their importance to our long-term success regardless of geopolitics.

CEO
Swedish electronics company

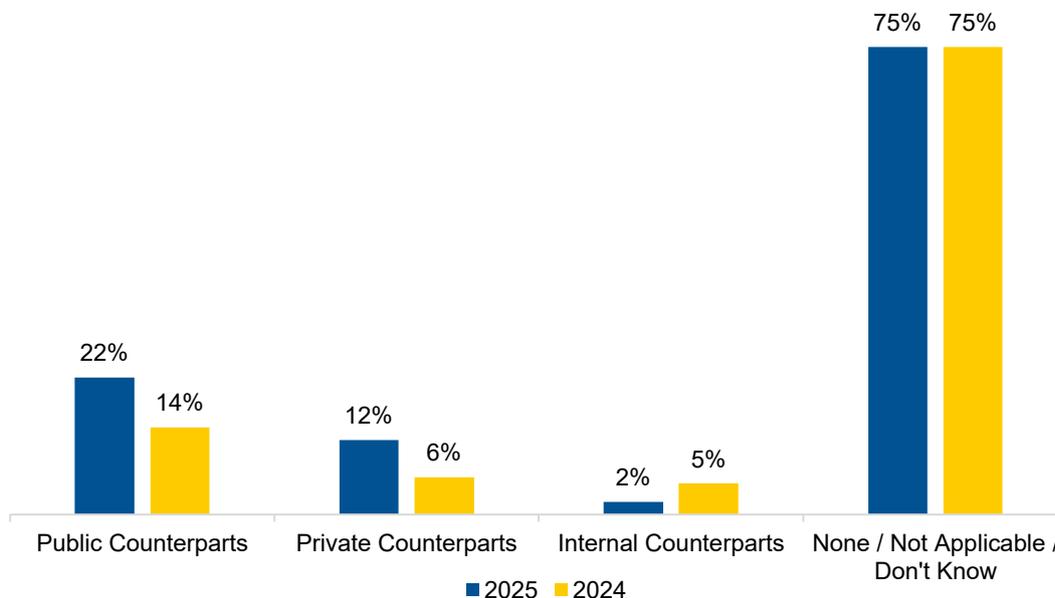
Corruption remains a tangible risk for Swedish companies in Thailand

Thailand's global corruption score has gradually declined from 36 in 2022 to 34 in the latest Transparency International Corruption Perception Index (CPI), placing the country 107th globally. A key factor contributing to this year's score decline is Thailand's rating in the IMD World Competitiveness Yearbook 2024, where government efficiency, particularly within the Institutional Framework and Business Legislation sections, was the main source of score deduction.

This trend aligns with the findings of the recent 2025 Business Climate Survey, where 25 per cent of the 51 responding Swedish companies reported exposure to corruption, with public counterparts being the most frequently cited. As illustrated by a conversation with one Swedish company, acquiring land outside industrial estates can lead to a more complex process involving numerous approvals from local stakeholders, potentially creating opportunities for bribery requests to expedite procedures. The Business Climate Survey has shown a similar level of concern in previous years, reinforcing the persistence of these challenges.

In conclusion, corruption risks remain a relevant concern for Swedish companies operating in Thailand, particularly in their interactions with public sector entities and navigating complex regulatory processes.

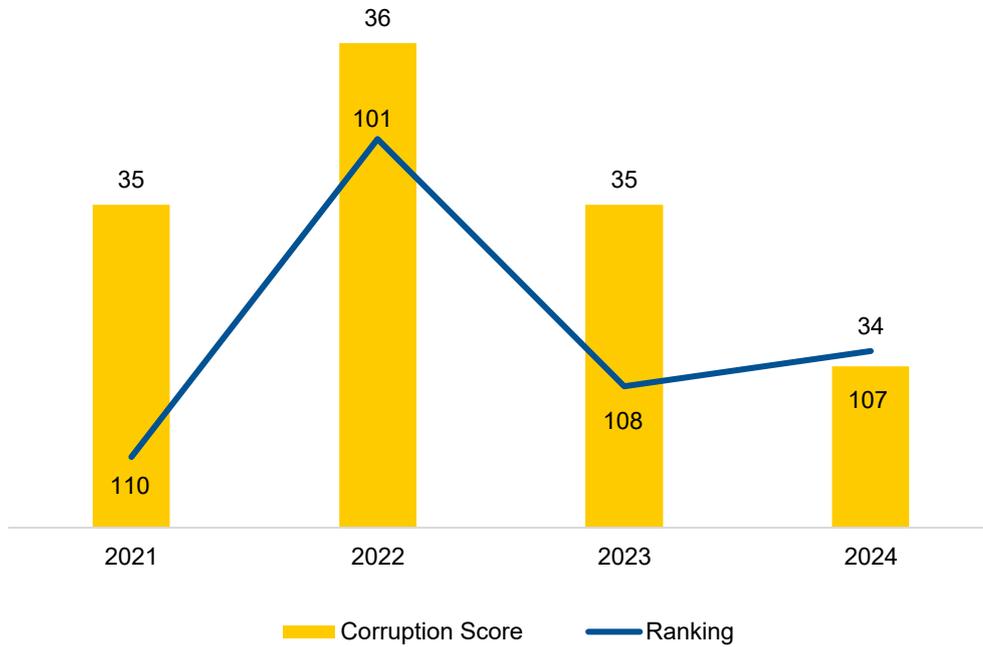
HAS YOUR COMPANY IN THAILAND BEEN EXPOSED TO CORRUPTION, SUCH AS, BUT NOT LIMITED TO, ATTEMPTS OF BRIBERY OR FRAUD IN CONTACT WITH ANY OF THE FOLLOWING AREAS?



NOTE: Per cent of respondents. The number of respondents for this question was 51. "Don't know/Not applicable" responses are included but not shown in this figure.

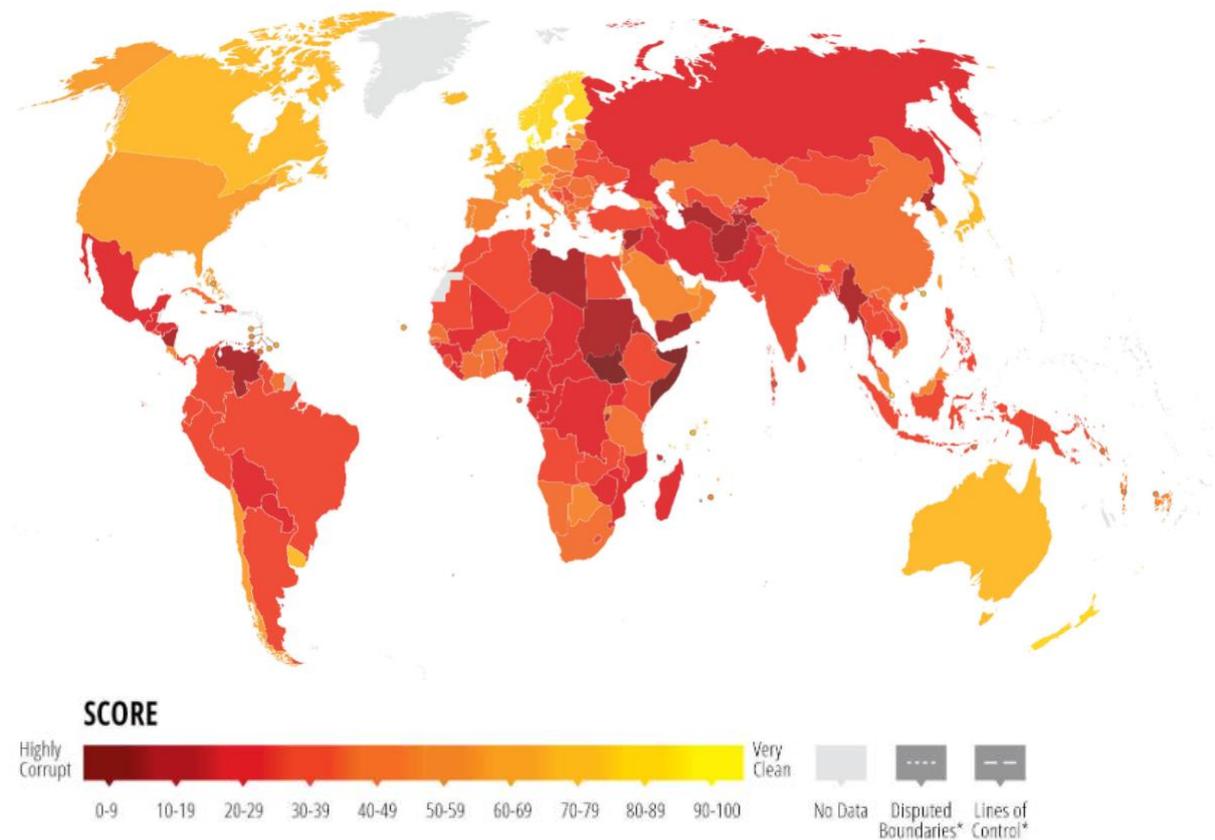
SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

CORRUPTION PERCEPTION INDEX FOR THAILAND 2021-2024



NOTE: Transparency International Corruption Perception Index, Thailand 2021-2024 Global Ranking and Corruption Score.
SOURCE: Transparency International.

CORRUPTION PERCEPTION INDEX 2024



*The designations employed and the presentation of material on this map follow the UN practice to the best of our knowledge as of January 2025. 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.

Low human rights violation awareness for Swedish companies in Thailand

Upholding universal human rights remains a critical global concern. Thailand continues to navigate complex issues related to civil and political rights. According to the 2025 assessment from the democracy institute Freedom House, Thailand’s status remains “Not Free,” with a Global Freedom Score of 34/100 and an Internet Freedom Score of 39/100. While the 2023 general elections offered a comparatively open and competitive process, the subsequent challenges in forming a government and the dissolution of the biggest opposition party underscore the ongoing political dynamic.

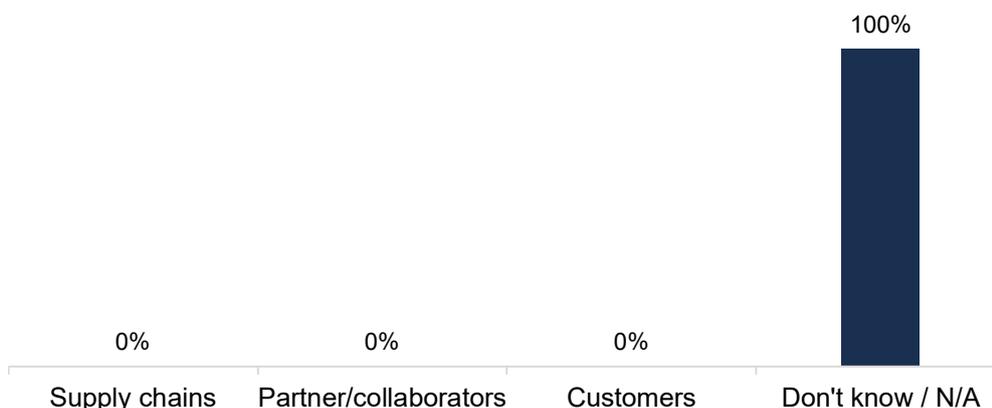
Migrant labour remains a significant feature of the Thai economy, contributing to various sectors. Many migrants lack legal status and form an unofficial workforce. Often, they face challenges such as limited access to social services and the risk of exploitation. Efforts to protect migrant worker rights are ongoing, with both international organisations and governmental bodies involved in initiatives aimed at safeguarding this vulnerable population. Other labour rights challenges include weak enforcement of worker protection laws, which can result in issues related to wages, working hours, and safety standards.

In the US State Department’s 2024 Trafficking in Persons (TIP) Report, Thailand maintains a Tier 2 ranking, acknowledging the Thai government’s efforts to combat human trafficking, including increased law enforcement actions. However, the report also points to persistent concerns, such as official complicity and the continued prevalence of forced labour and sex trafficking, particularly affecting migrant workers.

Nonetheless, the Business Climate Survey in 2025 revealed that 100 per cent of responding Swedish companies are not aware of any human or labour rights violations or labour rights abuse in contact with partners, customers or in their supply chains. This indicates a lower level of reported encounters compared to 2024, where a few instances of human or labour rights violations were noted in supply chains and with partners. It should be noted that the sensitivities around these topics could potentially influence the respondents’ replies.

Despite the low direct encounter rate reported by Swedish companies, the broader context of human rights challenges in Thailand, as highlighted by Freedom House and the TIP Report, emphasises the continued importance of due diligence and responsible practices for businesses operating in the country.

HAS YOUR COMPANY IN THAILAND ENCOUNTERED ANY FORM OF HUMAN RIGHTS VIOLATIONS AND/OR LABOUR RIGHTS ABUSE IN CONTACT WITH ANY OF THE FOLLOWING AREAS?



NOTE: Per cent of respondents. The number of respondents for this question was 51. Don't know/Not applicable" responses are included but not shown in this figure.

SOURCE: Business Climate Survey for Swedish companies in Thailand 2025.

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