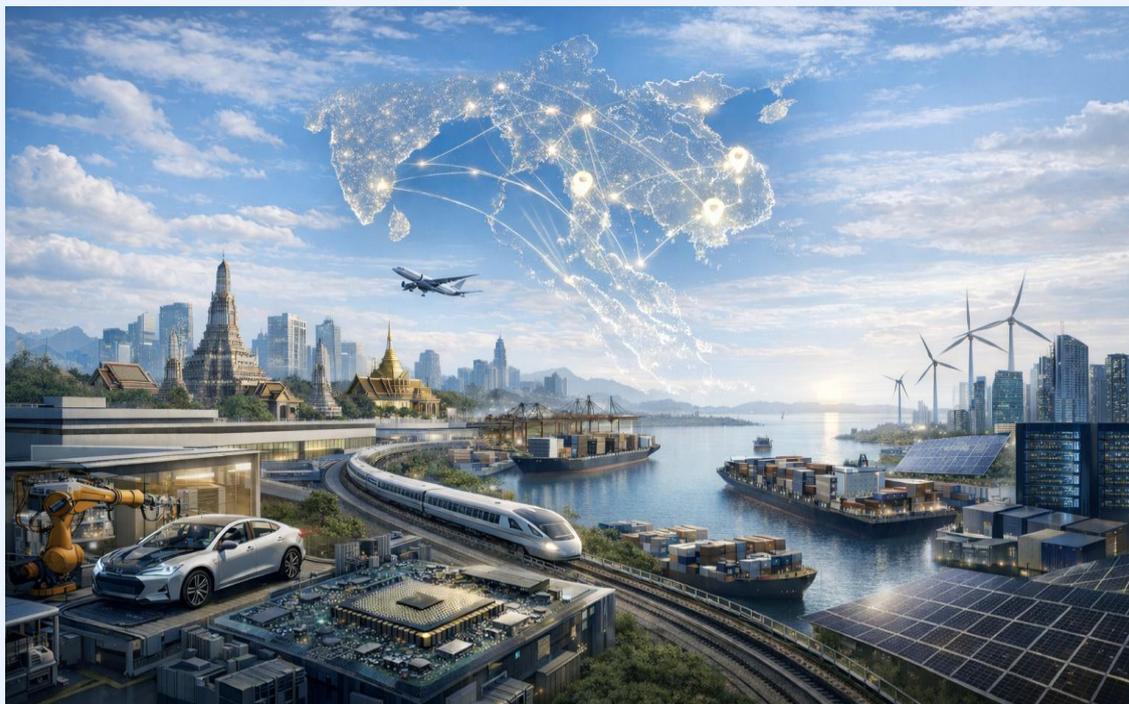


## Thailand's FDI Surge in 2025: Repositioning Within ASEAN's Emerging Investment Core



“Thailand’s 2025 FDI surge signals more than recovery—it marks the emergence of a new economic core driven by digital infrastructure and next-generation industries.”

### FDI Momentum Signals Renewed Investor Confidence

In 2025, foreign direct investment (FDI) applications for investment promotion in Thailand expanded sharply in both volume and value, pointing to renewed confidence in the country’s medium-term industrial outlook. A total of 2,421 foreign projects applied for investment promotion, accounting for 72% of all submitted projects, with a combined investment value of approximately THB 1.36 trillion, also representing 72% of total applications.

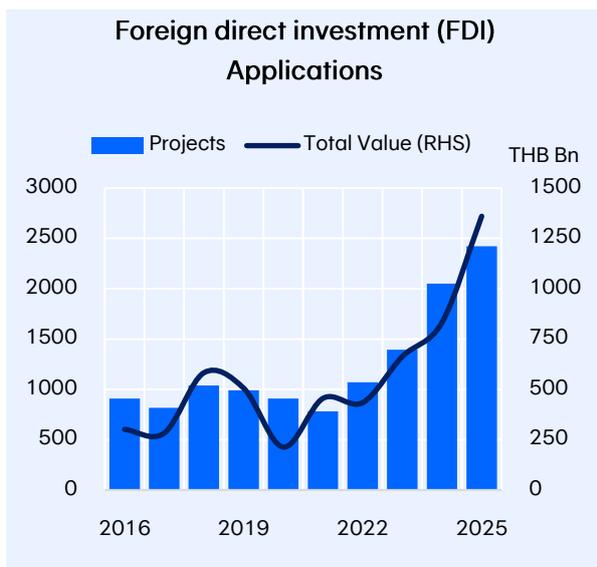
Compared with the previous year, the number of projects increased by 21%, while the value of investment surged by 66%. The disparity between project growth and capital expansion suggests that the scale of investment entering Thailand is increasing significantly, reflecting a shift toward larger and more technologically intensive projects.

### Sectoral Composition Reflects Rising Capital Intensity

projects, the machinery and automotive industry recorded the highest activity, followed by electrical appliances and electronics, and the metal and materials sector.

However, when measured by investment value, the digital sector dominated, accounting for nearly half of total FDI. Electrical appliances and electronics ranked second.

This divergence between project numbers and capital value indicates that Thailand is increasingly attracting large-scale, capital-intensive investments, particularly in data centers, digital infrastructure, and advanced technology industries. Rather than relying predominantly on incremental expansion in traditional manufacturing, the investment landscape is gradually shifting toward sectors



Source: The Board of Investment of Thailand.



Source: UN Trade and Development (UNCTAD).

that require substantial upfront capital and technological capability.

**Investment Sources Highlight Dual Roles in the Regional Economy**

The origin of foreign investment reveals Thailand’s dual role within regional production and financial networks. China recorded the highest number of FDI applications, with 982 projects, representing 41% of total foreign projects. This underscores Thailand’s continued role as a key production base within evolving Asian supply chains.

By contrast, Singapore ranked first in terms of investment value, contributing approximately THB 547 billion, or around 40% of total foreign investment value. Hong Kong, Japan, and the United Kingdom followed.

This pattern reflects the structure of international investment flows in Asia, where financial centers often serve as holding or intermediary hubs for multinational investments. Thailand therefore functions not only as a manufacturing location but also as a regional investment destination connected through global financial networks.

**Geographic Concentration Reinforces the Role of the EEC**

Most FDI projects were concentrated in the Eastern and Central regions, particularly within the Eastern Economic Corridor (EEC). The corridor continues to function as Thailand’s primary hub for targeted industries such as digital infrastructure, advanced electronics, and next-generation manufacturing.

A significant share of these projects is export-oriented, further integrating Thailand into global production networks.

In 2025, approved investment projects totaled 2,259 with a combined investment value of approximately THB 1.14 trillion. This represented an 18% increase in the number of projects and a 57% rise in investment value compared with the previous year, supporting employment generation, export expansion, and deeper domestic supply-chain linkages.

**ASEAN’s Rising Position in Global Investment Flows**

Thailand’s performance should also be viewed within the broader regional context. According to data from the United Nations Conference on Trade and Development, FDI inflows into ASEAN reached roughly USD 225 billion in

2024, accounting for around 15% of global FDI and continuing an upward trend since the pandemic.

ASEAN is increasingly perceived not merely as a low-cost production base but as a strategic hub within diversified global supply chains. This transformation reflects the China+1 supply chain strategy and broader geopolitical rebalancing, as multinational firms seek economies that offer macroeconomic stability, reliable infrastructure, and strong trade connectivity.

### Thailand's Strategy Toward a "New Economic Core"

Thailand's recent FDI trajectory aligns closely with its strategy to build a "New Economic Core," aimed at shifting the economy from traditional manufacturing toward higher value-added, technology-driven industries. The strategy centers on five key pillars:

- Bio-Circular-Green (BCG) industries, including renewable energy and sustainable resource management.
- Electric vehicles and key components, including batteries, motors, and charging infrastructure.
- Semiconductor and advanced electronics industries.
- Digital industries, particularly data centers, cloud services, and technology platforms.
- International Business Centers serving as regional headquarters and service hubs.

The concentration of investment in digital infrastructure, advanced electronics, and EV-related industries during 2025 provides early evidence that this structural transition is beginning to take shape. The clustering of projects within the EEC further highlights the role of infrastructure readiness in supporting long-term industrial transformation.

### From Manufacturing Hub to Strategic Technology Node

Taken together, the sustained expansion of FDI in Thailand and across ASEAN signals a broader structural shift in the region's role within the global economy. Southeast Asia is gradually moving beyond its traditional identity as a manufacturing base toward a more technology-driven and strategically integrated position in global value chains.

For Thailand, the surge in capital-intensive investment sectors suggests that the current phase is not merely a cyclical recovery. Instead, it reflects a deeper process of economic repositioning toward an economy anchored in technology, sustainability, and deeper integration with global production networks.

Archawee Eiamsoonthonchai

[Archawee.Eiamsoonthonchai@bangkokbank.com](mailto:Archawee.Eiamsoonthonchai@bangkokbank.com)

Research Department