



Thailand and Saudi Arabia Strengthen Trade and Investment Cooperation

On 18 September 2025, the Saudi-Thai Coordination Council convened virtually under the Ministry of Commerce Permanent Secretary Vuttikrai Leewiraphan, setting forth a comprehensive plan to expand bilateral trade and economic cooperation for 2025–2026. The meeting underscored the commitment of both governments to deepen ties through new industry development, trade facilitation, and enhanced collaboration in high-growth sectors.

The joint plan outlines initiatives including the organisation of trade fairs and promotion activities, as well as strategic collaboration in emerging industries such as robotics, new-generation vehicles, and artificial intelligence. Cooperation will also extend to halal products, pharmaceuticals, herbal goods, and elderly care services, reflecting both Saudi Arabia's high demand for agricultural and halal products and Thailand's policy to expand exports to high-purchasing-power markets. Importantly, both sides agreed to negotiate an agreement on the elimination of double taxation and to develop a memorandum of understanding on customs cooperation, aimed at streamlining cross-border trade and reducing administrative barriers for businesses.

Saudi Arabia has long been a strategic trade partner for Thailand. In 2024, it ranked as Thailand's 19th largest trade partner globally and the second largest in the Middle East, with bilateral trade valued at US\$7.56 billion. Thai exports totaled US\$2.86 billion, comprising mainly automobiles, auto parts, wood products, and rubber products, while imports stood at US\$4.9 billion, driven by crude oil, fertilizers, and chemicals. In the first half of 2025 alone, trade between the two nations reached US\$3.85 billion, reinforcing the importance of Saudi Arabia as a high-income market with strong purchasing power.

The renewed commitment between Thailand and Saudi Arabia is expected to create a more predictable and transparent environment for trade and investment. Businesses operating in or seeking entry into either market should closely monitor the progress of the double taxation agreement and customs cooperation framework, as these instruments will play a pivotal role in reducing compliance costs and enhancing market access. For Thai exporters, particularly in the halal and agricultural sectors, the strengthened partnership offers expanded opportunities to tap into Saudi Arabia's growing demand, while investors may benefit from collaboration in technology-driven industries and healthcare services.