

► Thailand

National policy dialogue on trade and decent work

January 2026

► Context

On 25 November 2025, the EU-ILO Managing a Decent Future of Work Together Asia-Pacific project ("**Future of Work APAC**") with the support of ILO Country Office for Thailand, Cambodia and Lao People's Democratic Republic, hosted a National Policy Dialogue on trade and decent work ("**Policy Dialogue**") in Bangkok, Thailand.

This Policy Dialogue entitled ***Harnessing Thailand's Potential for Global Competitiveness*** – brought together over 60 participants from the Ministry of Labour, worker and employer organization leaders, academic institutions and sectoral associations to discuss the convergences between trade competitiveness, economic

development, labour standards, decent work and just transition in Thailand.

Five interconnected thematic sessions were organized that featured a range of interactive panel discussions and presentations from ILO, national and international experts. In particular, the Policy Dialogue explored the challenges and opportunities arising from the on-going trade policy uncertainty and aimed to foster a deeper understanding among participants on how decent work and international labour standards could serve as strategic driver of Thailand's trade competitiveness.

► Evidence and strategies to advance trade and decent work in Thailand



Labour standards and trade: Ratifying and applying freedom of association conventions

In a tripartite panel discussion, social partners in Thailand assessed strategies and barriers to **removing the obstacles in ratifying and applying ILO Conventions relating to freedom of association** in Thailand, including Convention No.87¹ and Convention No.98.²

The panel highlighted that amendments to the labour legislations such as the **Labour Relations Act and the State Enterprise Labour Relations Act** would need to take place prior to the ratification of ILO Conventions. Importantly, tripartite constituents in Thailand have been working diligently to that end, including the formation of a dedicated tripartite working group. There was clear recognition of the importance for Thailand to **comply with international labour standards and ratification of ILO Conventions**. Such progress would act as a critical enabler for Thailand's trade competitiveness, bolster supply chain integration and act as a catalyst for better working conditions.



Integrating just transition principles into Thailand's BCG economic model

The tripartite panel evaluated how Thailand could harness the bio-circular-green ("BCG") economic model to achieve sustainable and inclusive economic growth.

Panel members highlighted the **key role of Micro, Small and Medium-sized Enterprises ("MSMEs") in ensuring success of the BCG model**. The panellists called for national efforts to create awareness and accelerate change of mindset of MSMEs owners to transition from low margin subcontracting services to higher value-added activities within global supply chains. To do so efforts are needed to provide (i) financial assistance to MSMEs to better navigate the just transition process; (ii) technical coaching and detailed sectoral roadmaps with a strong BCG focus to operationalize sustainability practices among MSMEs. Together these would make Thailand enterprises cleaner, smarter, more productive and competitive in international, regional and domestic markets.

1 Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

2 Right to Organise and Collective Bargaining Convention, 1949 (No.98)



Trade and decent work: Workforce development as a catalyst for trade competitiveness and decent work

As of 2023, according to ILO estimates, **nearly 42 per cent of employment in Thailand is trade dependent**. Indeed, with 70 per cent of Thailand's GDP arising from exports, millions of jobs have been created in export-oriented sectors such as electronics, automotive, textile and food processing. Yet, real wages growth for low-skilled workers remained flat or negative when adjusted for inflation, underscoring that export growth alone does not guarantee decent working conditions for workers in Thailand.

This underscores the need to adapt workforce development policies to address challenges and leverage opportunities arising from shifting trade patterns.

Three strategies to harness trade growth in creating quality jobs were explored, including:

- Promote labour provisions in trade agreements, including specific commitments based on International Labour Standards, coupled with robust conflict resolution mechanism and labour cooperation funds;
- Create a competitive and inclusive workforce through broad access to life-long learning to workers of all skill levels, including targeted support to workers at risk of displacement, emphasizing future-ready technical skills and other core competence in the digital era; and
- Strengthen social dialogue mechanisms and the overall collective bargaining environment

► Conclusion and next steps

The Policy Dialogue reflected the critical role of decent work and international labour standards in enhancing Thailand's trade competitiveness, fostering sustainable economic growth, and improving working conditions.

It highlighted concrete pathways for progress: strengthening the legal and institutional foundations for freedom of association, embedding just transition principles into industrial policy, leveraging the potential of MSMEs through targeted support, and developing a skilled and adaptable workforce capable of navigating technological, environmental and trade-related transitions.



Global tools and evidence to navigate trade and decent work

The last session examined the trends and impacts of labour provisions in trade agreements from both the legal and economic perspective, highlighting the increasing number of trade agreements (1 out of 3) involving labour provisions with varying features in terms of normative commitment and implementation mechanism in trade agreements among trading nations around the world.

Global research in this area points to the fact that **labour provisions do not reduce or divert trade, but they can, depending on their design, also contribute to improving labour legislation**, the effective implementation of ILO Fundamental Conventions as well dialogue among the parties and social partners. The *ILO Labour Provisions in Trade Agreements Hub*, a comprehensive and structured tool covering labour provisions in more than 100 bilateral and plurilateral regional trade agreements involving 140 economies, enables policymakers, tripartite constituents and the public to navigate and analyse labour provisions across different trade partners.

Related, the *Trade Intelligence and Negotiation Adviser (TINA)*, an online resource developed by UNESCAP to provide policymakers and researchers with insights on tariff and non-tariff measures, including impact simulations on different trade preferences and scenarios.

Moving forward, proactive policy reforms, sustained tripartite cooperation and strategic investment in skills, enterprise development and compliance systems will be essential. By aligning trade strategies with decent work priorities and international commitments, Thailand can not only secure its economic competitiveness but foster a more inclusive, resilient and future-ready labour market that benefits workers, enterprises and society at large.

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