



POLICY BRIEF

Thailand-Australia Bilateral Trade, Tourism, and Diplomacy Recommendation

Prepared by:

The Trade and Tourism Thailand (TTT) Taskforce

1. Preamble: From Crisis Response to Strategic Recovery

This Policy Brief represents the final strategic output of the Trade and Tourism Thailand (TTT) Taskforce. It is submitted to the Ministry of Commerce (MOC) and the Tourism Authority of Thailand (TAT) as the culminating document of TTT's inter-organisational response to the Thailand–Australia disinformation crisis.

TTT has already completed the following actions:

- **Initial Assessment Report** — A comprehensive diagnosis of the crisis across trade, tourism, and diplomacy, including economic exposure modelling and SWOT analysis
- **Joint Statement facilitated by the United Nations** — A publicly issued bilateral declaration condemning disinformation, affirming the Thailand–Australia partnership, and committing both sides to trade continuity, tourism recovery, and people-to-people confidence rebuilding
- **"Amazing Thailand: Welcoming Everyone" Promotion Campaign** — A digital video campaign and social media rollout targeting Australian audiences, countering false narratives with verified data on Thailand's safety, inclusivity, and environmental credentials
- **Trade and Tourist Website** — An interactive digital portal showcasing Thailand's eco-tourism, cultural heritage, and export products information
- **Trade and Tourism Festival Proposal** — A formal 8-week, 8-city roadshow proposal submitted to Ministry of Finance Thailand and informed to ATTD, Royal Orchid Alliance, and TravelOz for Q4 2026 execution

These actions addressed the **immediate and short-term crisis**. Policy Brief moves beyond crisis stabilisation to provide MOC and TAT with a **medium and long-term strategic framework**. It will restore the bilateral relationship to its pre-crisis state and build a more resilient, diversified, and diplomatically credible Thailand–Australia partnership for the years ahead.

The central argument of this brief is as follows: **the disinformation crisis exposed structural vulnerabilities that existed before the boycotts began**. Trade volumes were already declining. Tourism was concentrated in a single high-value but fragile market segment. No bilateral mechanism existed to detect and counter cross-border information shocks. This brief recommends that Thailand treat the crisis not merely as a problem to be solved, but as a strategic opportunity to address these deeper vulnerabilities.

2. Strategic Situation After Initial Response

2.1 What the Initial Response Achieved

The joint statement, digital campaign, and website successfully:

- Provided both governments with a public platform to condemn disinformation without escalating bilateral tensions
- Signalled to Thai exporters, tourism operators, and students that the government was acting
- Began shifting the public narrative in Australia through the "Welcoming Everyone" campaign
- Established a working relationship between TTT and ATTDt that can serve as the foundation for longer-term cooperation

Whilst these initial measures have been effective in arresting immediate escalation, they remain insufficient as a standalone response. Sustained recovery of bilateral trade flows, tourism demand, and public confidence requires a structured, multi-phase policy framework that extends well beyond crisis stabilisation. The restoration of durable bilateral resilience necessitates deliberate institutional action across diplomatic, economic, and social dimensions — the foundation of which has been established, but the substantive work of which remains ahead.

2.2 Remaining Vulnerabilities

Despite the initial response, TTT's assessment identifies four structural vulnerabilities that persist and must be addressed through medium and long-term policy:

Vulnerability	Evidence	Risk if Unaddressed
Pre-crisis trade decline	Thailand's export ranking to Australia fell from 4th (2023) to 7th (2025); import values from Australia declined 26.1% between 2022–2025	The crisis accelerated a pre-existing trend; recovery to pre-crisis levels is insufficient
Asymmetric trade dependence	Australia runs a ~USD 8B annual trade deficit with Thailand; political pressure to "rebalance" may intensify post-crisis	Australia may use the crisis as justification for structural trade rebalancing unfavourable to Thailand
Tourism market concentration	Australian tourists represent a disproportionately high-value segment (55% higher spend per trip than global average) but the relationship has no structural protection against future shocks	A single future disinformation event could again trigger severe revenue loss

No bilateral information-resilience mechanism	No formal channel existed to detect, verify, or jointly counter cross-border disinformation before the 2026 crisis	Thailand remains exposed to future information shocks with no institutional defence
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2.3 The Strategic Opportunity

The crisis also created a strategic opening that Thailand should exploit:

- **Leverage window:** Thailand's critical supplier status (Australia imports USD 12B annually; 76.9% import dependency) gives Thailand meaningful negotiating power — but this leverage diminishes as Australia explores alternative suppliers. TTT must convert this leverage into durable bilateral commitments now.
- **Repositioning opportunity:** The false pollution claims, while damaging, created an opening for Thailand to proactively reposition its tourism brand around verified environmental credentials and premium eco-cultural experiences — a segment that commands higher yield and greater resilience.
- **Institutional momentum:** The joint statement and ATTDt relationship provide a platform for deeper bilateral cooperation that did not exist before the crisis.

3. Framework-Based Analysis

TTT applies three complementary analytical frameworks to structure its medium and long-term recommendations.

3.1 PESTLE Analysis — Medium and Long-Term Horizon

Dimension	Medium-Term Implication (3–12 months)	Long-Term Implication (12+ months)
Political	Both governments need visible, tangible recovery actions to manage domestic political pressure from boycott movements	Institutionalise bilateral cooperation mechanisms that are resilient to changes in government or public sentiment
Economic	USD 2.5–4.5B Thai exposure requires targeted sector support and trade continuity commitments; tourism subsidies needed to stimulate demand	Structural diversification of export markets and tourism source markets reduces asymmetric dependence
Social	Student and community distrust requires sustained people-to-people engagement, not just government statements	Embed media literacy and cultural exchange programmes that build social resilience across generations
Technological	Digital campaign must be sustained and evolved; crisis communication working group must become operational	Formalise a bilateral digital information-sharing protocol with clear escalation procedures
Legal	AANZFTA trade continuity commitments must be documented and monitored	Explore deepening of AANZFTA and potential bilateral investment framework to anchor the relationship legally
Environmental	"Welcoming Everyone" campaign must be backed by verified environmental data and real conservation programmes	Transition to certified sustainable tourism model that protects Thailand's destination brand long-term

3.2 SWOT-Driven Strategic Alignment

The following strategic directions emerge from the intersection of Thailand's strengths, weaknesses, opportunities, and threats:

SO Strategies — Leverage Strengths to Capture Opportunities

- Use critical supplier status and ASEAN regional weight to negotiate durable trade continuity and market access commitments from Australia
- Leverage the high-yield Australian tourist demographic's proven resilience (rapid post-pandemic rebound in 2022) to justify premium eco-tourism investment
- Use the AANZFTA framework and UN-facilitated credibility to anchor bilateral cooperation in institutional mechanisms

ST Strategies — Use Strengths to Mitigate Threats

- Deploy Thailand's trade surplus position and supplier leverage to deter future misinformation-driven trade barriers
- Use ASEAN regional influence to frame any future bilateral disruption as a regional confidence issue, raising the diplomatic cost of escalation for Australia
- Activate Royal Orchid Alliance and Centara Hotels as industry advocates who have direct commercial interest in bilateral stability

WO Strategies — Address Weaknesses Through Opportunities

- Use the crisis momentum and ATTDt relationship to negotiate trade rebalancing measures that reduce Australia's structural deficit concern — removing a long-term political vulnerability for Thailand
- Use the tourism repositioning opportunity to shift away from mass-market volume (which amplifies vulnerability) toward premium, community-based eco-tourism (which is more resilient)

WT Strategies — Defensive Measures Against Combined Risks

- Diversify export markets and tourism source markets to reduce over-reliance on Australia
- Institutionalise a bilateral misinformation-resilience protocol before the next crisis, not after
- Establish domestic stabilisation buffers (export support funds, tourism SME assistance) that can be activated quickly if future shocks occur

3.3 Stakeholder Engagement Framework

Effective medium and long-term policy requires sustained engagement with the right actors at the right level:

Stakeholder Tier	Actors	Engagement Strategy
Tier 1: Decision Makers	MOC, TAT, ATTDt, Thai Ministry of Finance, Australian DFAT	Formal bilateral dialogue; joint working groups; policy co-development
Tier 2: Industry Partners	Royal Orchid Alliance, TravelOz, Centara Hotels, Thai SME exporters, Australian importers	Trade and Tourism Festival; B2B networking; industry evidence partnerships

Tier 3: People-to- People	Thai and Australian universities, student bodies, cultural organisations, diaspora communities	Scholarship programmes; university dialogue; cultural exchange; youth forums
Tier 4: Multilateral Support	UN facilitator, UNESCO, UNCTAD, UN Tourism, UN ESCAP, WTO	Advisory credibility; technical support; long-term resilience frameworks

4. Policy Recommendations

4.1 Medium-Term Recommendations (3–12 Months): Restore and Strengthen

MT-1: Execute the "Amazing Thailand: Welcoming Everyone" Trade and Tourism Festival

Rationale: The Festival is TTT's most powerful tool for converting diplomatic goodwill into tangible economic recovery. It bypasses social media noise, creates direct B2B connections, and provides a visible, public symbol of bilateral renewal.

Action:

- Execute the proposed 8-week, 8-city national roadshow across Australia (October–November 2026)
- Venues: Accor Stadium (Sydney), GIO Stadium (Canberra), Marvel Stadium (Melbourne), MyState Bank Arena (Hobart), Adelaide Oval, Optus Stadium (Perth), TIO Stadium (Darwin), Suncorp Stadium (Brisbane)
- Three exhibition zones per venue: Sustainable Trade Pavilion (MOC), Welcoming Everyone Travel Hub (TAT/ROA/TravelOz), Cultural Exchange Main Stage

Budget: 800,000,000 THB total (100,000,000 THB per city), cost-shared with Royal Orchid Alliance, TravelOz, and ATTD

Partners: Royal Orchid Alliance (subsidised freight and flights), TravelOz (on-site booking conversions), ATTD (permit facilitation and co-marketing)

Expected Outcome: Direct export contracts between Thai SMEs and Australian buyers; real tourism bookings generated on-site; public narrative shifted from boycott to partnership

MT-2: Deploy Targeted Aviation and Hospitality Subsidies

Rationale: Financial incentives are required to stimulate immediate demand from the high-yield Australian demographic and offset lingering consumer hesitation. The tourism revenue projections show that a 10–30% growth scenario is achievable with proactive intervention, generating 68.5–80.95 billion Baht in revenue.

Action:

- MOC and TAT jointly propose short-term subsidies for direct flight routes between Sydney, Melbourne, and Brisbane and key Thai destinations (Bangkok, Phuket, Chiang Mai)
- Royal Orchid Alliance to offer promotional hospitality packages exclusively for Australian travellers
- Subsidies to be time-limited (6–12 months) and tied to verified booking data

Budget Source: Joint MOC–TAT allocation; Ministry of Finance approval required

Expected Outcome: Lowers financial barrier for Australian travellers; directly supports 10–30% growth targets; demonstrates tangible government commitment beyond rhetoric

MT-3: Secure and Document Trade Continuity Commitments

Rationale: The joint statement established verbal commitments to trade continuity. These must now be formalised, documented, and monitored to protect Thailand's USD 11.95B export baseline and prevent misinformation-driven non-tariff barriers from emerging.

Action:

- Through the TTT–ATTDT crisis communication working group, formalise the following commitments in writing:
 - Australia maintains existing tariff schedules and import procedures
 - No new sector-specific restrictions on Thai goods without official evidence and bilateral consultation
 - Streamlined customs processing for key Thai export sectors (automotive, electronics, food)
 - Mutual recognition of quality and safety standards where applicable
- Thailand reciprocally commits to equivalent treatment of Australian goods, services, tourists, and students

Expected Outcome: Protects Thai exporters from informal market barriers; provides a documented baseline for monitoring and enforcement; reduces political risk of future trade disruption

MT-4: Launch Student and Education Reassurance Programme

Rationale: The crisis caused a 28% drop in student exchange enquiries, an 18% stall in university partnership discussions, and a 52% spike in reassurance requests. Education ties are a long-term channel for people-to-people trust and must be actively restored.

Action:

- Both governments issue coordinated public messaging affirming that Thai and Australian students, academics, and communities remain welcome
- Clear visa information updates distributed through university networks and student associations
- Thai and Australian universities invited to co-host a dialogue series on ASEAN-Australia relations, responsible digital communication, and misinformation resilience
- Explore a joint scholarship programme between Thai and Australian universities as a visible, long-term commitment to education exchange

Expected Outcome: Reverses the decline in student exchange enquiries; restores stalled university partnerships; builds a generation of Thai and Australian graduates with direct personal ties to each other's countries

MT-5: Activate Domestic Sector Support for Affected Industries

Rationale: While diplomatic and promotional actions address the external dimension of the crisis, Thai exporters, tourism SMEs, and hospitality operators need direct domestic support to survive the transition period.

Action:

- MOC establishes a temporary export promotion support fund for Thai businesses most exposed to the #NotTheBaht boycott (processed foods, consumer electronics, textiles, automotive aftermarket parts)
- TAT provides targeted marketing support and partnership-building assistance for hospitality operators in Phuket, Krabi, and Bangkok
- Thai Airways and Centara Hotels receive coordinated government support to maintain Australian route frequency and occupancy during the recovery period

Expected Outcome: Protects employment in export-dependent industries; prevents permanent market exit by SMEs; maintains the commercial infrastructure needed for full bilateral recovery

4.2 Long-Term Recommendations (12+ Months): Build Structural Resilience

LT-1: Institutionalise a Bilateral Misinformation-Resilience Protocol

Rationale: The 2026 crisis demonstrated that no bilateral mechanism existed to detect, verify, or jointly counter cross-border disinformation before it caused economic damage. This gap must be permanently closed.

Action:

- Formalise the TTT–ATTDT crisis communication working group into a permanent bilateral mechanism with a clear mandate, governance structure, and annual review cycle
- Develop agreed protocols covering: shared social media monitoring; escalation thresholds; pre-approved response language; joint fact-checking procedures; and coordinated public communication
- Engage the Thai Ministry of Digital Economy and Society and Australia's Digital Platform Regulators Forum (DP-REG) as technical partners
- Reference UNESCO's media literacy frameworks and UN ESCAP's regional digital cooperation mechanisms as guiding standards

Expected Outcome: Reduces future response time from weeks to hours; prevents a repeat of the 2026 scenario; demonstrates to both publics that governments are proactively protecting bilateral confidence

LT-2: Diversify Export Markets and Tourism Source Markets

Rationale: Thailand's over-reliance on Australia as a single high-value market creates systemic vulnerability. The pre-crisis decline in trade volumes (Thailand's export ranking fell from 4th to 7th between 2023 and 2025) indicates that structural diversification is necessary regardless of the crisis.

Action — Trade:

- MOC develops a strategic market diversification plan identifying alternative high-income markets for key Thai export sectors
- Priority markets: United Kingdom, European Union, Middle East, and expanded ASEAN intra-regional trade
- Strengthen Thailand's position in regional value chains through ASEAN and Indo-Pacific economic frameworks

Action — Tourism:

- TAT develops targeted campaigns for high-yield markets beyond Australia: United Kingdom, Germany, Scandinavia, Japan, and South Korea
- Focus on markets with similar behavioural profiles to Australian tourists (extended stays, premium spending, cultural interest)
- Reduce concentration risk while maintaining Australia as a priority market

Expected Outcome: Structural economic resilience; reduced leverage asymmetry in future negotiations; lower vulnerability to single-market disruptions

LT-3: Transition to a Sustainable and Premium Tourism Model

Rationale: The false pollution claims directly targeted the environmental dimension of Thailand's tourism brand. Rather than simply defending the status quo, Thailand should use this crisis as a catalyst to proactively transition toward a certified sustainable tourism model — one that is both more resilient and more aligned with the values of the high-yield Australian demographic.

Action:

- TAT implements a national community-based tourism certification programme for hospitality operators in key destinations
- Invest in eco-tourism infrastructure in Phuket, Krabi, and Chiang Mai: coral restoration programmes, ethical wildlife sanctuaries, green hospitality standards
- Develop verified environmental credentials that can be publicly communicated and independently audited
- Align with UN Tourism's responsible tourism frameworks and ASEAN sustainable tourism standards

Strategic Logic: The Australian tourist demographic already values extended stays and premium cultural experiences over cheap mass-market transit. A sustainable tourism model captures higher revenue per arrival, reduces environmental pressure, and creates a destination brand that is far more resilient to future reputational attacks.

Expected Outcome: Higher revenue per arrival; stronger alignment with Australian traveller values; a defensible, verified environmental brand; long-term destination competitiveness

LT-4: Embed UNESCO Media Literacy, Joint Research, and Youth Exchange

Rationale: Durable bilateral trust cannot be built by governments alone. It requires people-to-people connections that are resilient to political fluctuations and information shocks. This recommendation addresses the social foundations of the bilateral relationship.

Action:

- Partner with UNESCO to develop media literacy curriculum content for Thai and Australian secondary and tertiary education, focused on identifying and resisting cross-border disinformation
- Establish a joint research programme between Thai and Australian universities on how disinformation affects trade, tourism, public perception, and crisis diplomacy
- Launch an annual youth exchange and virtual forum programme connecting Thai and Australian students, young professionals, and cultural organisations
- Support Thai cultural events in Australia and Australian cultural engagement in Thailand as ongoing soft-power investments

Expected Outcome: A generation of Thai and Australian citizens who understand each other's cultures and are resistant to manipulative narratives; academic knowledge base that strengthens future policy responses; durable social trust that does not depend on government statements alone

LT-5: Deepen AANZFTA and Explore a Bilateral Investment Framework

Rationale: The current bilateral trade architecture, while functional, does not fully reflect the depth of the economic relationship or provide sufficient protection against politically motivated disruptions. Deepening the legal and institutional framework creates stronger mutual stakeholder interests in bilateral stability.

Action:

- Explore expanded access for Australian dairy, wine, beef, and services in exchange for Thai manufacturing and services market access — addressing Australia's structural trade deficit concern and reducing political pressure for rebalancing
- Initiate discussions on a bilateral investment framework or treaty that attracts Australian capital into Thai green infrastructure, sustainable tourism, and digital economy sectors
- Consider a joint infrastructure co-investment proposal as a tangible symbol of long-term economic partnership

Expected Outcome: A more balanced and legally anchored bilateral trade relationship; new Australian stakeholders with vested interests in Thai economic stability; reduced political vulnerability from Australia's trade deficit concern

4. Conclusion

The 2026 Thailand–Australia disinformation crisis has served as a critical stress test of the bilateral relationship. It has exposed not only the speed at which unverified digital narratives can generate measurable economic harm, but also the degree to which Thailand's trade and tourism architecture remains structurally exposed to single-market disruptions, asymmetric dependencies, and the absence of institutional safeguards against information shocks.

TTT's initial response — the joint statement, the "Welcoming Everyone" campaign, the tourist guide website, and the Trade and Tourism Festival proposal — has demonstrated that coordinated inter-organisational action can arrest escalation and restore a foundation of bilateral confidence. These actions were necessary. They were not sufficient.

The recommendations set out in this Policy Brief proceed from a single analytical conclusion: the vulnerabilities this crisis exposed pre-date the boycotts themselves. Pre-crisis trade decline, market concentration, and the absence of a bilateral information-resilience mechanism were structural conditions, not crisis-induced anomalies. A policy response that restores Thailand to its pre-crisis position without addressing these conditions would constitute a missed strategic opportunity of significant consequence.

Accordingly, TTT urges MOC and TAT to adopt a recovery framework oriented around three durable policy objectives:

- Institutional deepening — formalising the bilateral relationship through documented trade commitments, a permanent misinformation-resilience protocol, and a strengthened AANZFTA framework that anchors both parties' long-term economic interests in bilateral stability
- Strategic repositioning — transitioning Thailand's tourism and export brand toward higher-yield, lower-vulnerability segments that are aligned with verified environmental credentials and premium cultural value, reducing exposure to future reputational shocks
- Structural diversification — reducing asymmetric dependence on Australia as a single high-value market through deliberate expansion into complementary trade and tourism source markets, without diminishing the bilateral relationship itself

The Thailand–Australia partnership carries substantial mutual economic value — an estimated USD 23.95B in combined bilateral trade and tourism flows annually. Protecting and expanding that value over the long term requires more than the management of individual crises. It requires the construction of a bilateral architecture that is resilient by design, institutionally anchored, and capable of withstanding future disruptions — whether economic, political, or informational in origin.