

Thailand Climate Mitigation Finance: 2026 Edition

JULY 2026

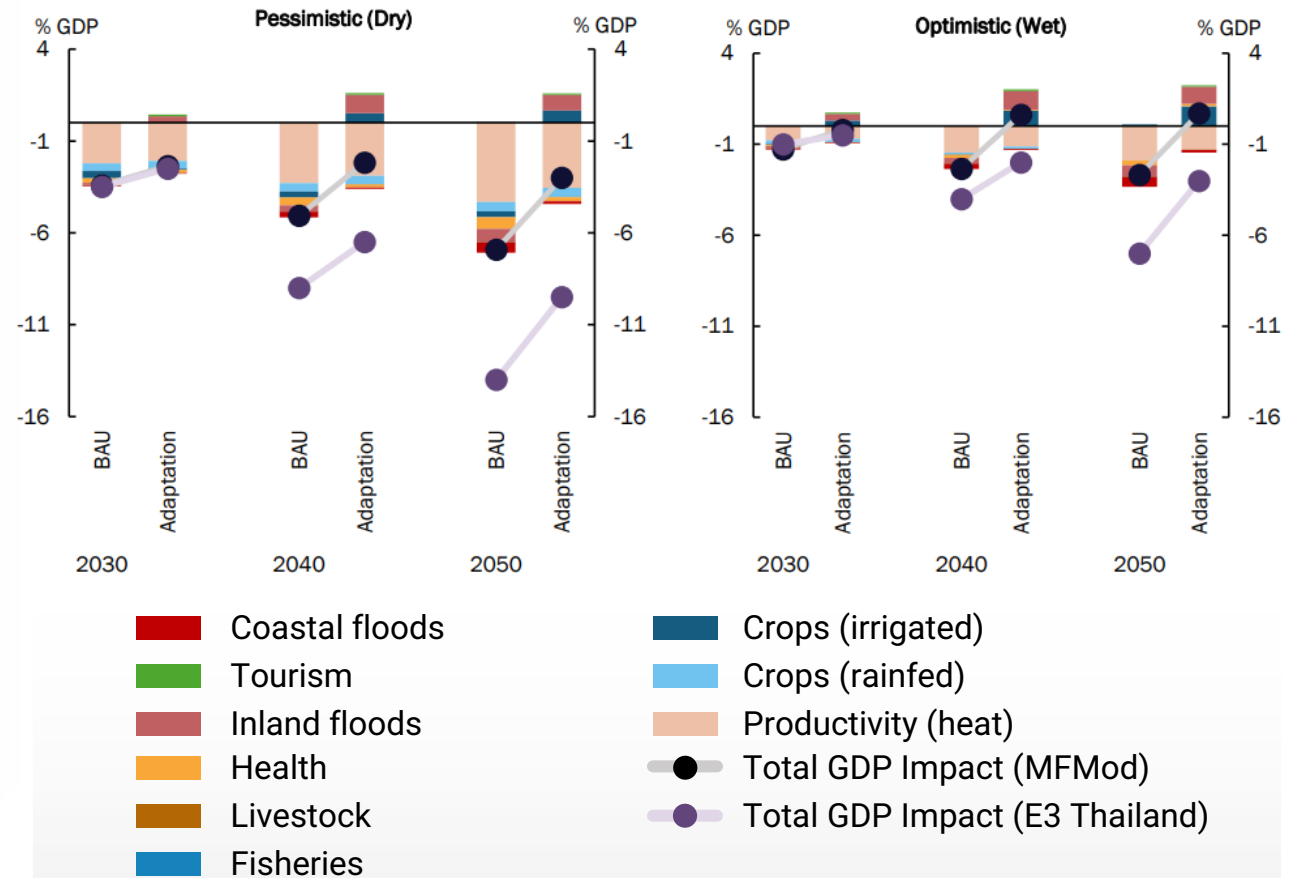
Climate Finance
Network Thailand



The damage is already here...



Impacts of climate change on GDP



Source: Global News (2025). [Hat Yai declared a disaster zone after record flooding](#)

World Bank (2025). [Thailand: Country Climate and Development Report](#),

From “How Much” to “How Well”: Mobilizing money is necessary but not sufficient

How much?

How well?



THB 2 trillion

mitigation finance, +26% from 2025 edition



THB 279.5 billion

adaptation finance, doubled from 2025 edition

*Are we investing in
the best cost-
abatement
technologies?*

*Who benefits, and
who is left out?*

*Are we investing
in enough
enabling
infrastructure?*

*Is it
maladaptation?*

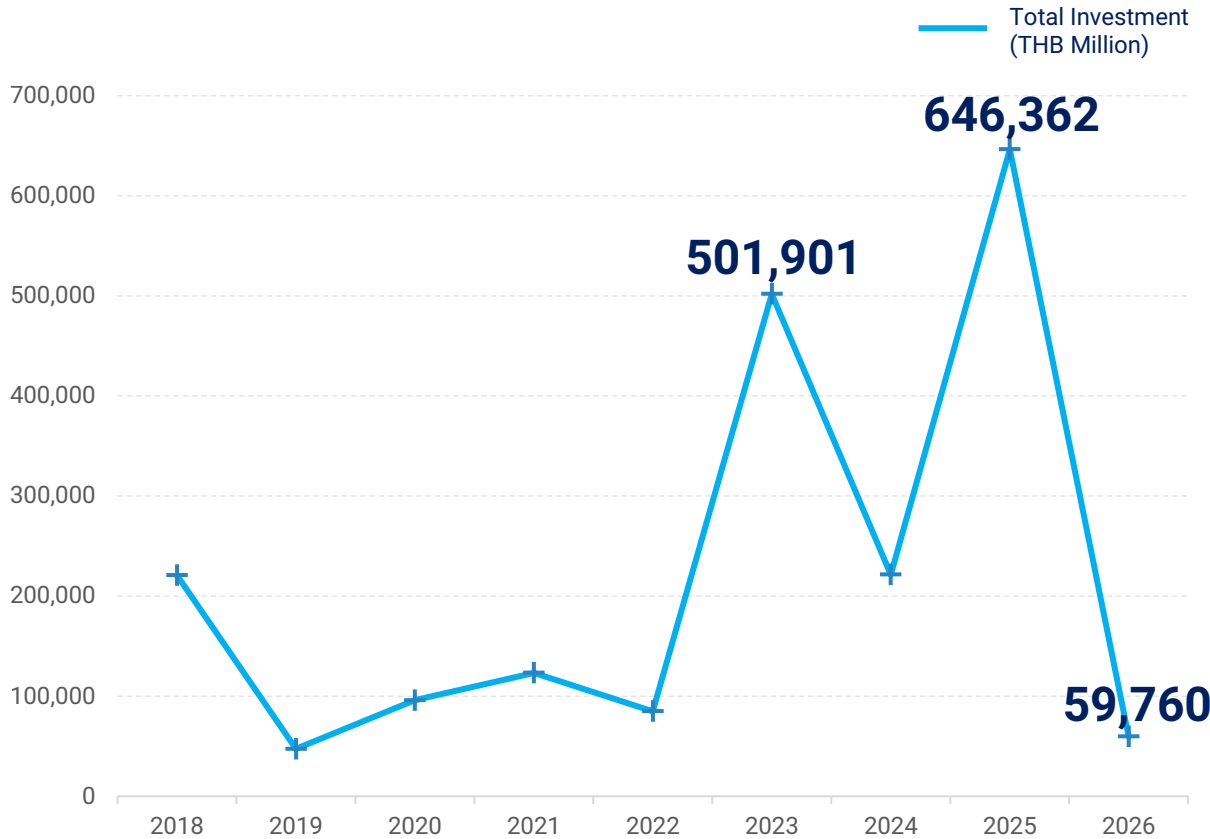
Yes, the money is moving!

***Effectiveness is
the open question***

New mitigation investments swing year to year, peaking in 2025



Annual mitigation investments, 2018 – May 2026



Note: Years on the x-axis indicate launch years. To capture investment trends for multi-year projects, we track commitments using the commencement date.

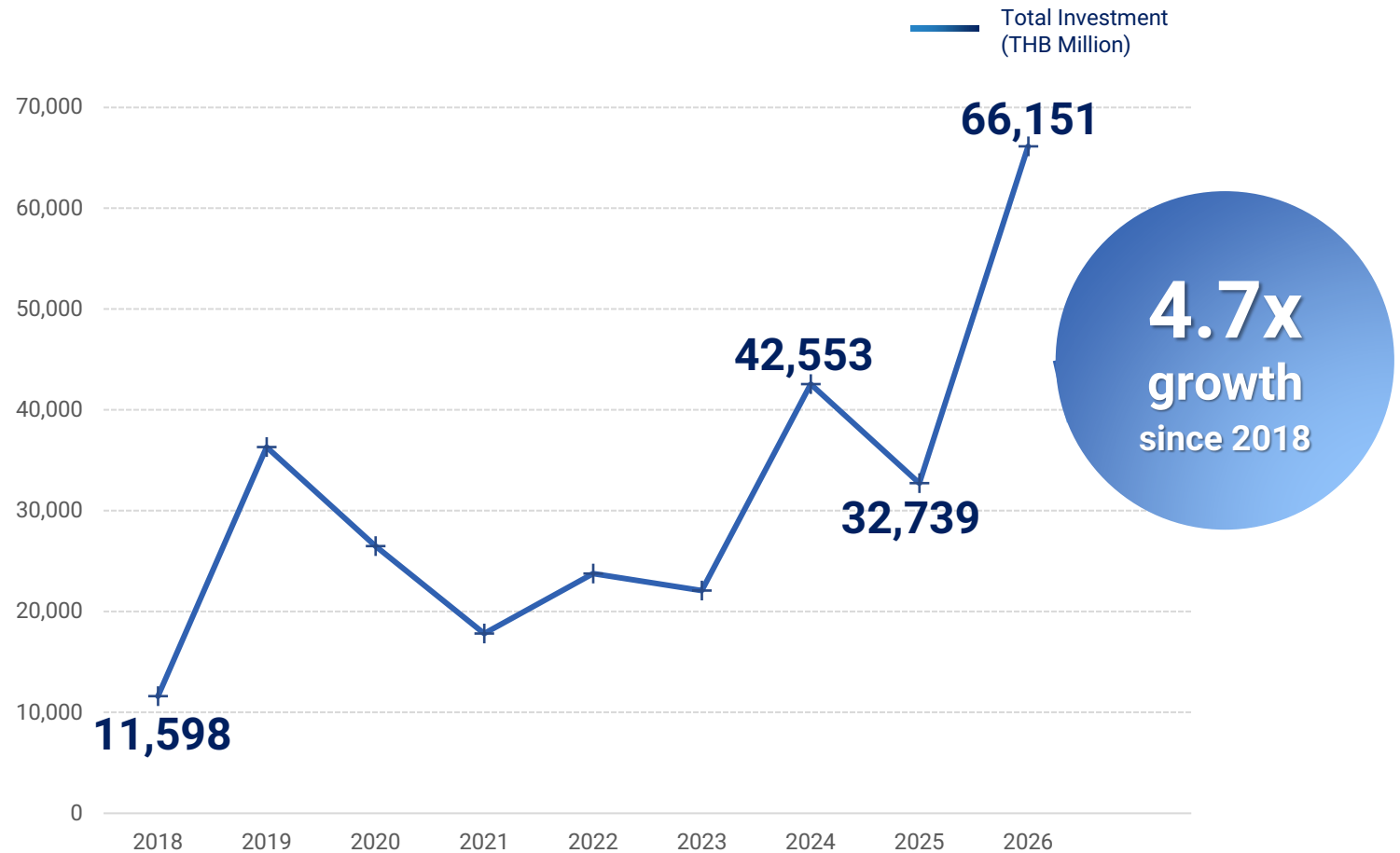
Total adaptation finance doubled from 2025 edition

Total adaptation in Thailand 2018 – May 2026

Cumulative investment
THB 279.5 billion



Annual adaptation investments, 2018 – May 2026

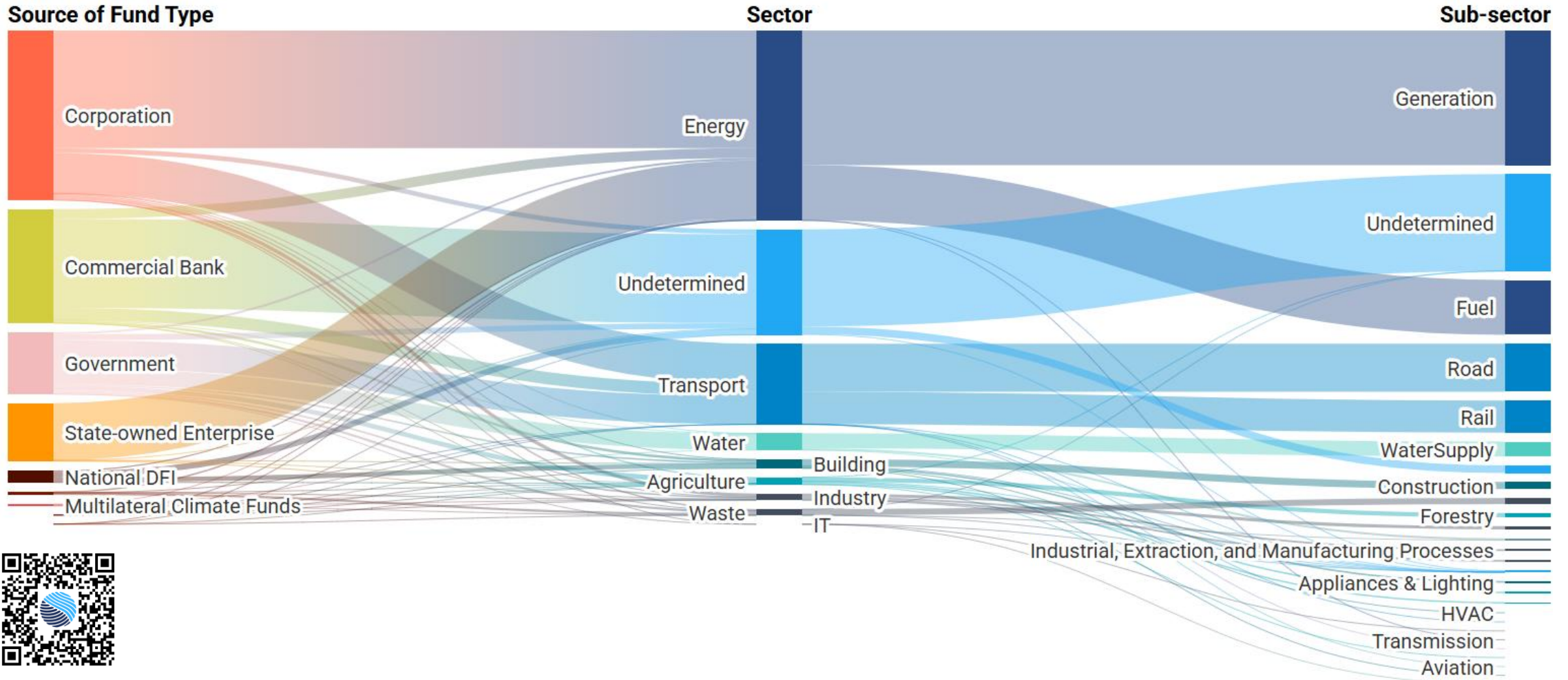


Note: Years on the x-axis indicate launch years. To capture investment trends for multi-year projects, we track commitments using the commencement date.

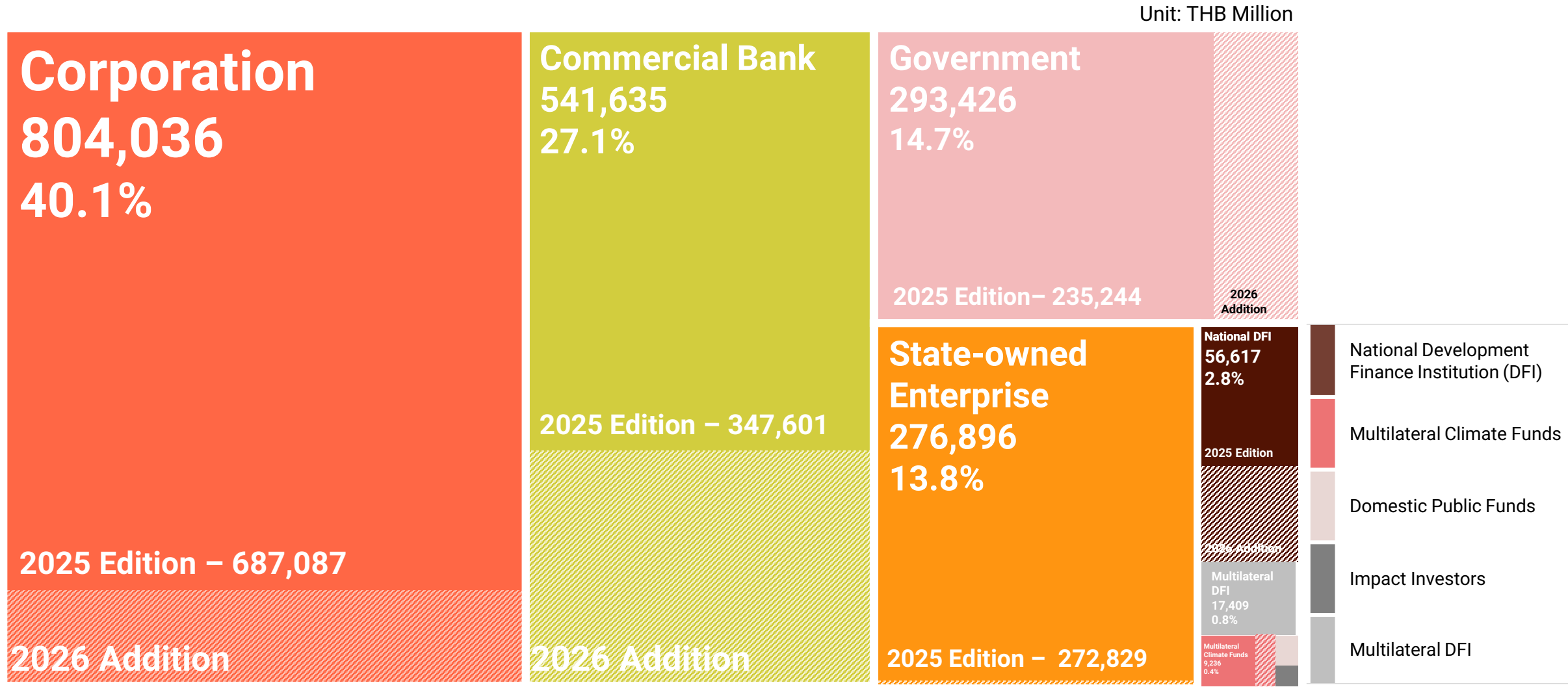
Climate Mitigation Finance in Thailand

2018 – May 2026

Total Amount: THB 2,001,992.8 million



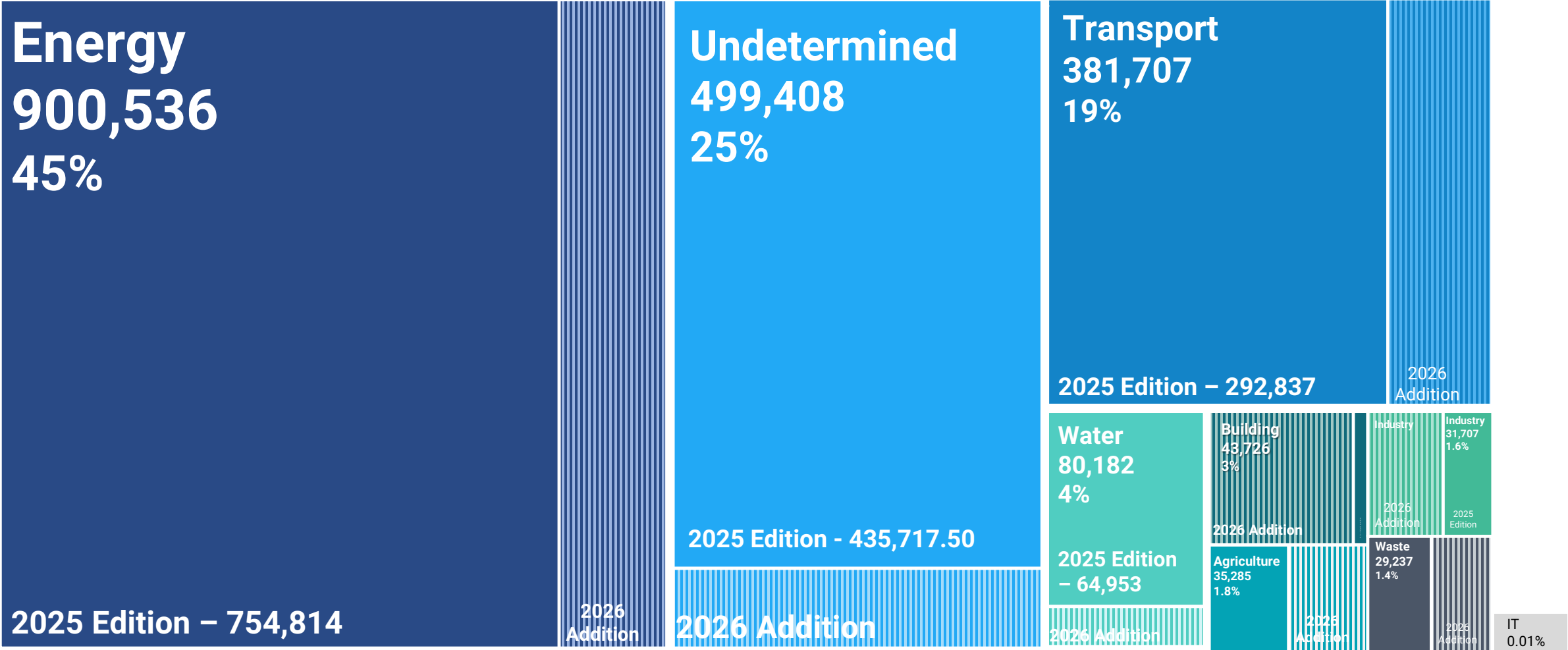
The good news : corporations and banks are leading and moving capital



Baseline refers to 2025 Climate Finance Tracker

Where the money goes: 2/3 of climate mitigation finance goes to energy and transportation sector. Undetermined sector remains large.

Unit: THB Million



Baseline refers to 2025 Climate Finance Tracker

We examine "effectiveness" of investment by two main criteria

1

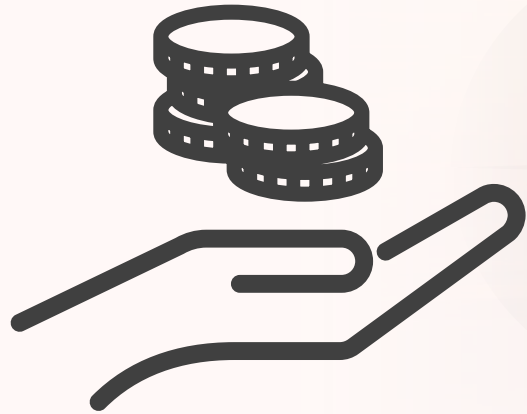
Abatement cost

$$\frac{\text{net cost of the measure} \\ (\text{investment} + \text{operating} - \text{savings})}{\text{tonnes of CO}_2\text{e avoided} \\ \text{over its lifetime}} = \text{THB} / \text{tCO}_2\text{e}$$

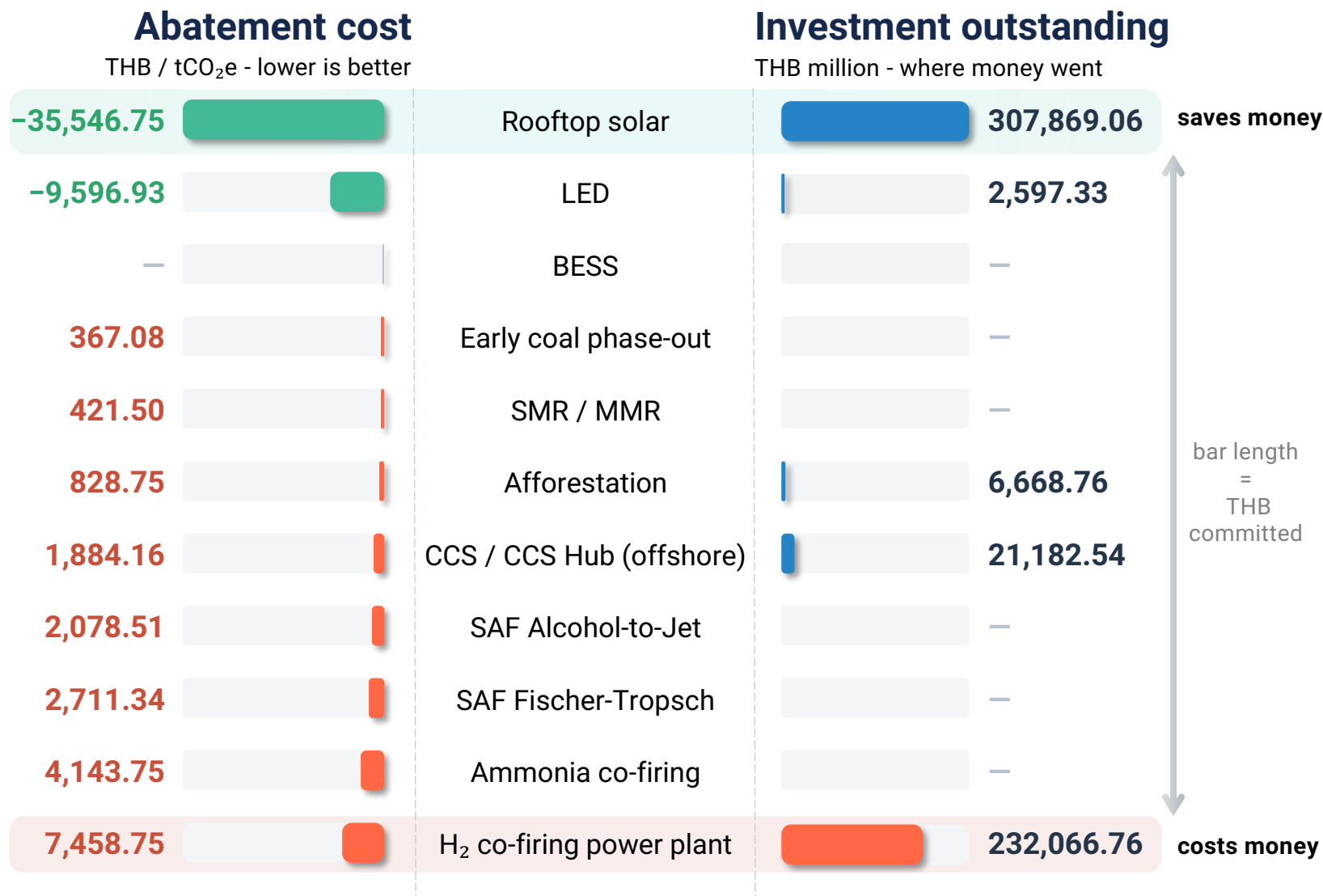
2

Investment in enabling infrastructure

Low-carbon projects committed with limited financing on enabling infrastructures



Effectiveness criteria: Abatement cost



Abatement cost

$$\frac{\text{net cost of the measure (investment + operating - savings)}}{\text{tonnes of CO}_2\text{e avoided over its lifetime}} = \text{THB / tCO}_2\text{e}$$

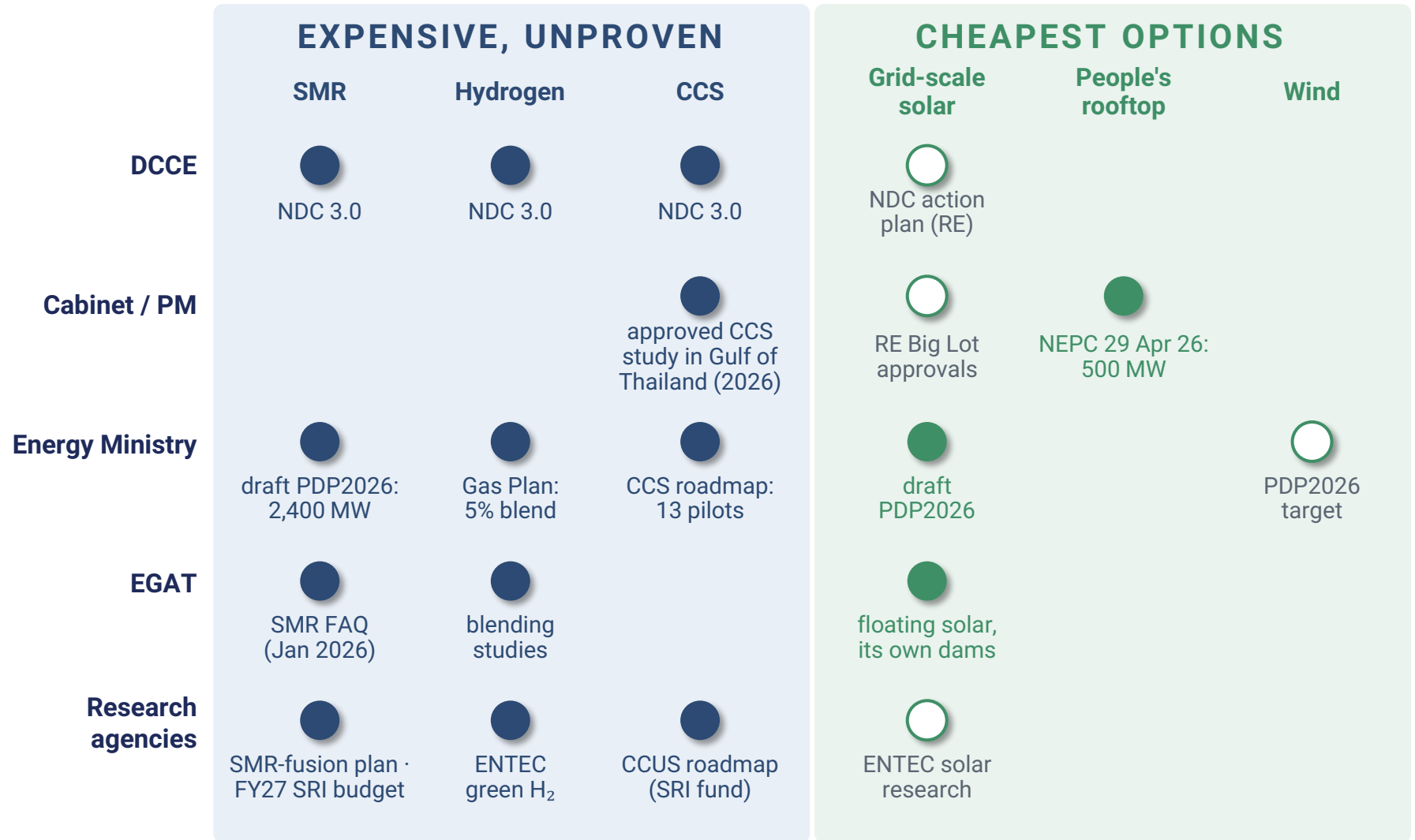
- **Negative cost** = the measure pays for itself
- **High positive cost** = expensive tonnes

The mismatch: the **most expensive** tonnes to abate, **H₂ co-firing**, attracts more investment than almost any other measure, **second only to rooftop solar**, while several cheaper ones sit at **zero**.

Same target, wildly different price tags

Policy is drifting toward the expensive end.

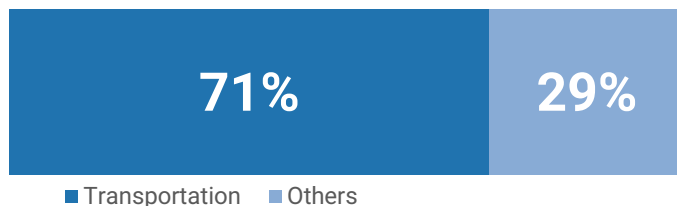
- The loud talk is all about SMR, hydrogen and CCS – all high cost, high uncertainty. Meanwhile, the cheapest route to the same target barely gets a mention. The draft plan even hands SMR alone 2,400 MW.
- The NDC 3.0 funding ask still contains no solar or wind at all.



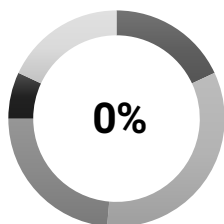
● ● flagship push ○ in plans or routine work only

Finance skews to transport without enabling infrastructure

NDC 3.0 INVESTMENT NEEDS DOMINATED BY TRANSPORT

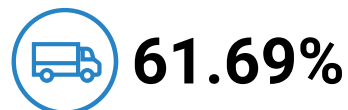


Transportation makes up 71% of the investment needs stated in Thailand's NDC 3.0



Of transportation investment needs is targeted on **vehicles without enabling infrastructure** mentioned: e-bus 24%, e-boat 17%, e-truck 13%, hydrogen truck 13%, and hydrogen train 5%

TRANSPORT RANKED 2ND IN CLIMATE FINANCE 2018-2026



THB 249,623 million of total investment mainly allocated to battery EVs and EV investment



THB 152,633 million allocated for low-carbon rail transport



THB 475 million allocated to waterway investment for new e-boat



Other transportation including aviation, policy, and urban development

ENABLING INFRASTRUCTURE IS MISSING FROM THE FLOW

0.01%

or

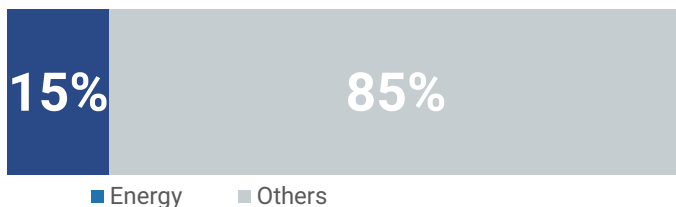
THB 142.7 million

of total investment allocated to **enabling infrastructure** (EV charger) by private investment

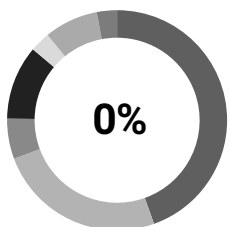
(or 0.06% of total private investment in transportation sector)

Energy sector also lacks enabling infrastructure investment

NDC 3.0 INVESTMENT NEEDS IN ENERGY SECTOR



Energy makes up 15% of the investment needs stated in Thailand's NDC 3.0



Of energy investment needs are targeted at **higher cost-abatement technologies** without enabling infrastructure such as smart grid, transmission, and battery

ENERGY RANKED 1st IN CLIMATE FINANCE 2018-2026



THB 638,387 million of total investment allocated to renewable power generation



49.61% Solar PV
(THB 316,720 million)



22.21% Multiple renewables
(THB 141,789 million)



9.43% Wind
(THB 60,170 million)



THB 259,361 million allocated for renewable fuel production



THB 2,583 million allocated to supported policy for climate mitigation in energy sector

ENABLING INFRASTRUCTURE IS MISSING FROM THE FLOW



<0.01%

or

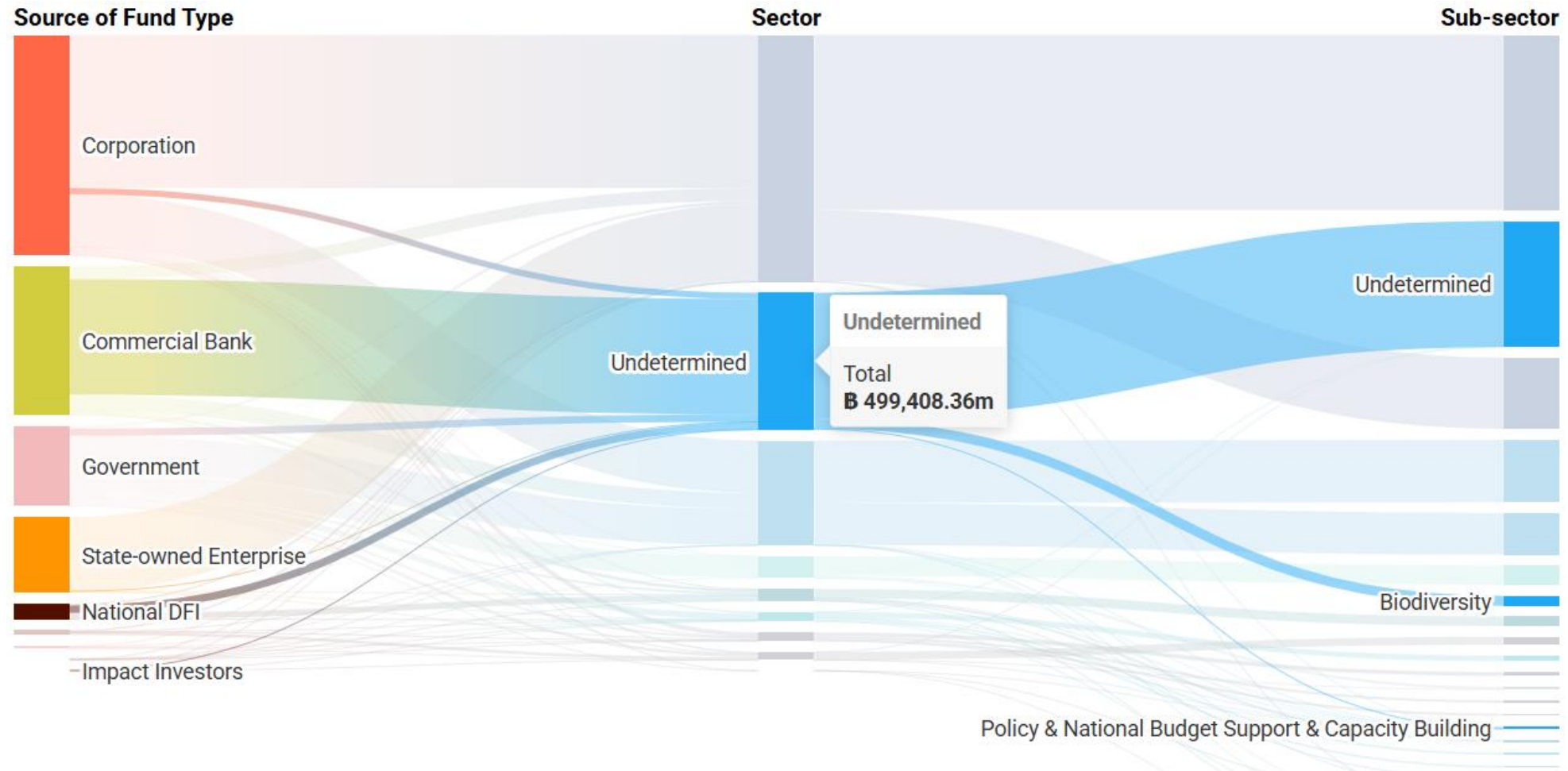
THB 78.5 million

of total investment allocated to **transmission** by private investment

(or 0.006% of total private investment in energy sector)

Call for transparency: a case for more consistent disclosure

"You can't prove effectiveness for money you can't see"



Some proposals for more effective climate investment



1. Effective Public Investment

Prioritize country's investment by abatement cost and enabling infrastructure as funding criteria.



2. Effective Private Investment

Announce mandatory carbon pricing for the energy sector, via a carbon tax and/or ETS, under the Climate Change Act.

10 Climate Finance Policy Recommendations



3. Lower Borrowing Costs

BOT cuts risk weights for renewable energy and efficiency lending from 100% to 50%, drawing private capital in by reducing risk.



4. Effective Household Investment

On-Bill Financing through PEA/MEA lets households install solar with no upfront cost.

Thailand Climate Adaptation Finance: 2026 Edition

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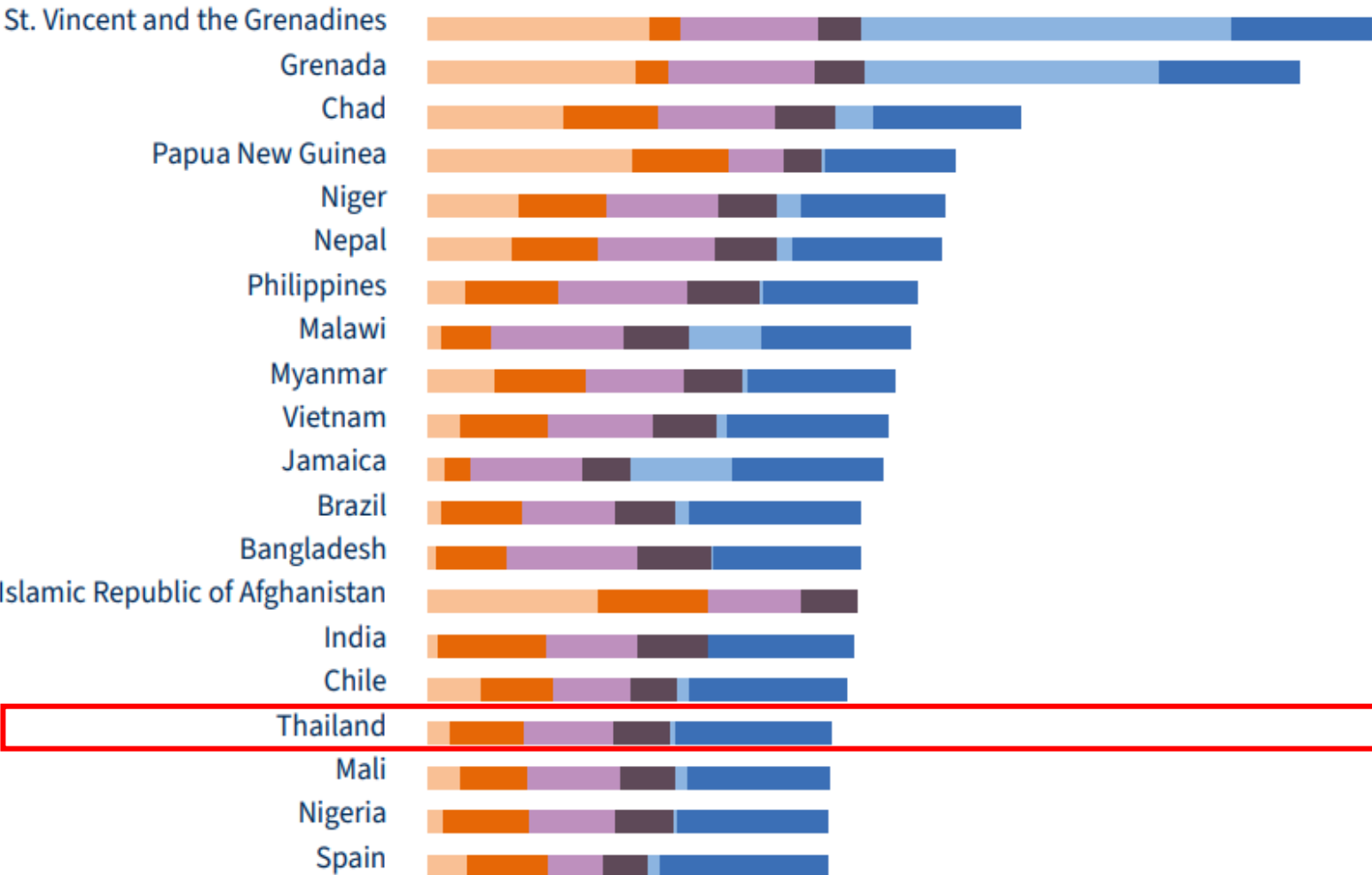
Climate Finance
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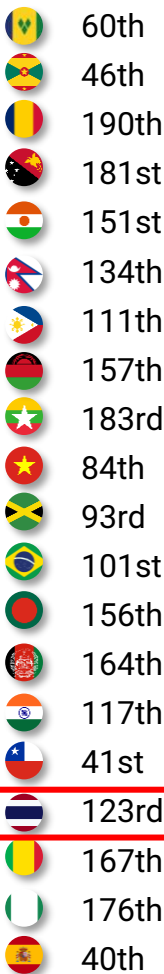
Thailand situation: high risk but not ready



Top 20 most affected countries in 2024



Readiness ranking

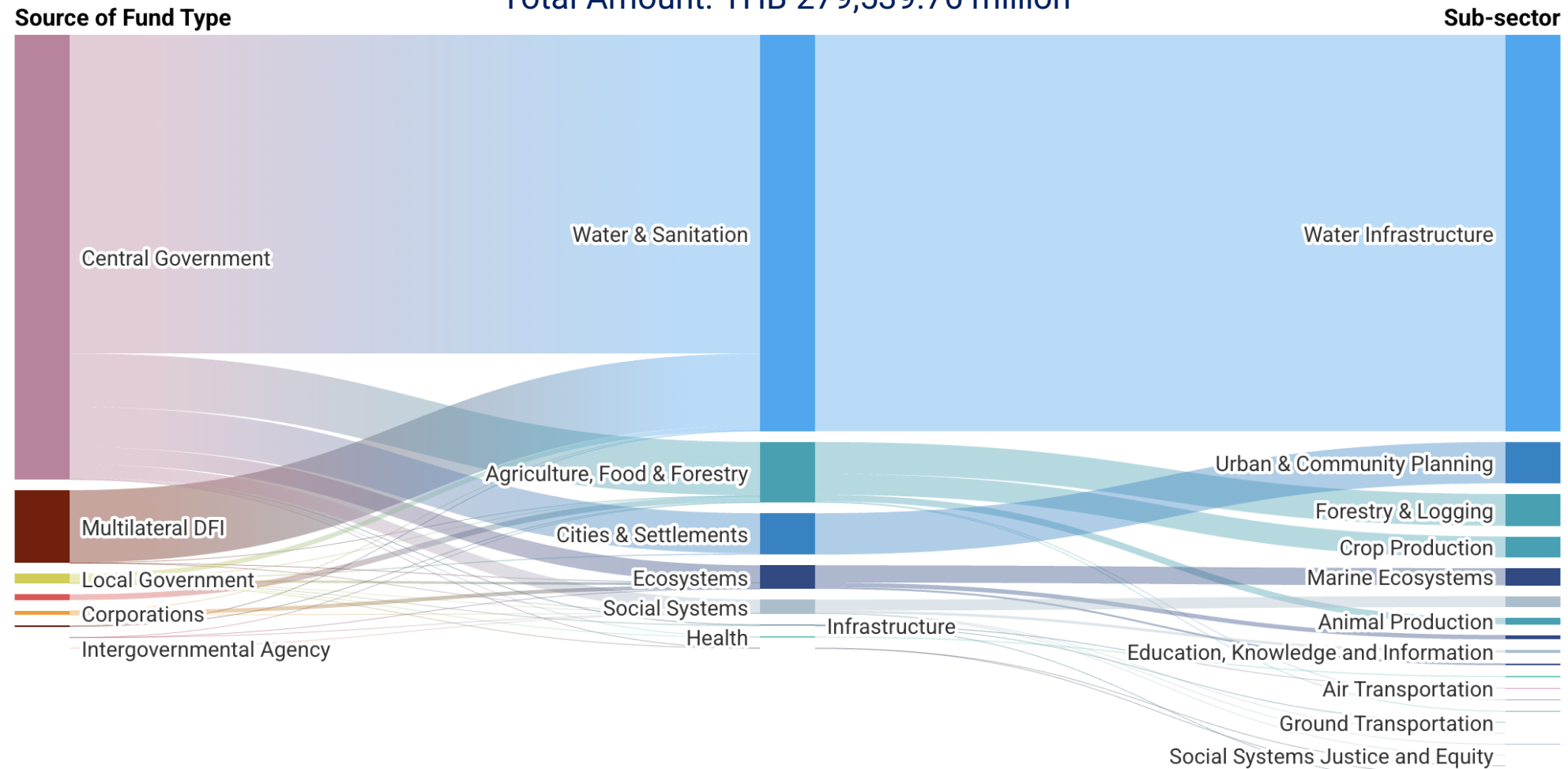


Adaptation finance is almost entirely carried by the government

Climate Adaptation Finance in Thailand

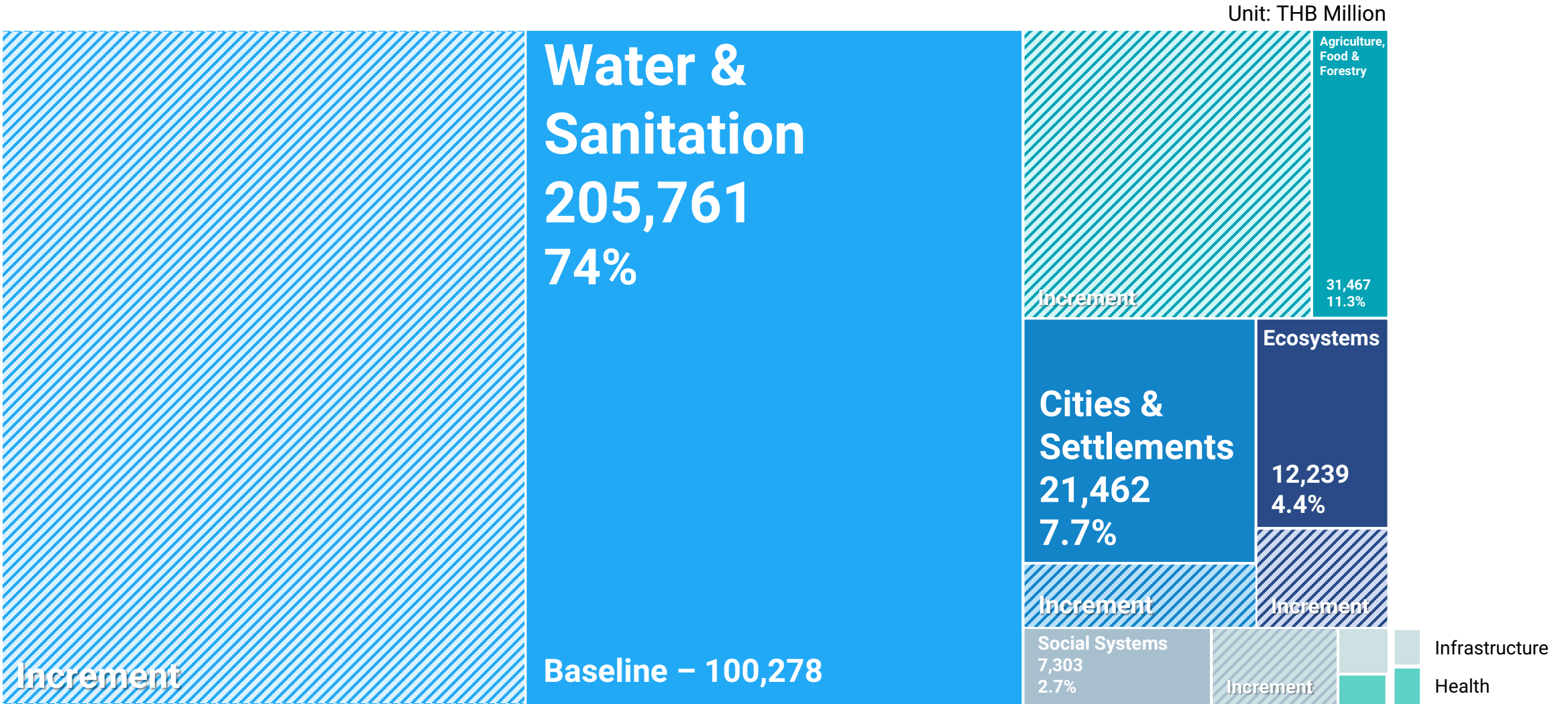
2018 – May 2026

Total Amount: THB 279,539.76 million



Where the money goes: water infrastructure

Hold the 74%. Don't forget what we just saw water do to a city that had invested heavily in water infrastructure.



Baseline refers to 2025 Climate Finance Tracker

Key problem #1: Policy gap in the vulnerable groups



Committed on NDC paper, Underfunded in practice.

Linkage to SDG: Thailand's NDC prioritizes protecting vulnerable groups—women, youth, children, and people of determination—demonstrating its commitment to diverse perspectives in climate action. The NDC 3.0 assessment of the SDGs ensures that these efforts foster social equity and strengthen resilience against climate impacts.

Source: UNFCCC (2025). [Thailand NDC 3.0](#)

- THB 44 million for social systems, justice and equity subsector, out of THB 279.5 billion tracked.
- There is no adaptation sector in Thailand NDC. Only a single sentence in the NDC, no dedicated budget.
- Thailand ranks in UNICEF's lowest band for providing budget to support child-sensitive climate policy, while Thailand turns super-aged in 2026.



Key problem #2: Dominance of grey infrastructure

≈100%

of Thailand's tracked water adaptation spending is single-purpose grey infrastructure

little green or hybrid · no systematic safeguards

1

Ineffective at the extremes

Grey protection collapses under extreme rainfall; green/hybrid outperforms

2

Lock-in

Big concrete narrows future options and can entrench inequities

3

Safe-development paradox

Protection invites development into risk zones; large losses grow when defenses fail

Hat Yai as exhibit of the failure of grey water infrastructure

Re-read it through the maladaptation lens.

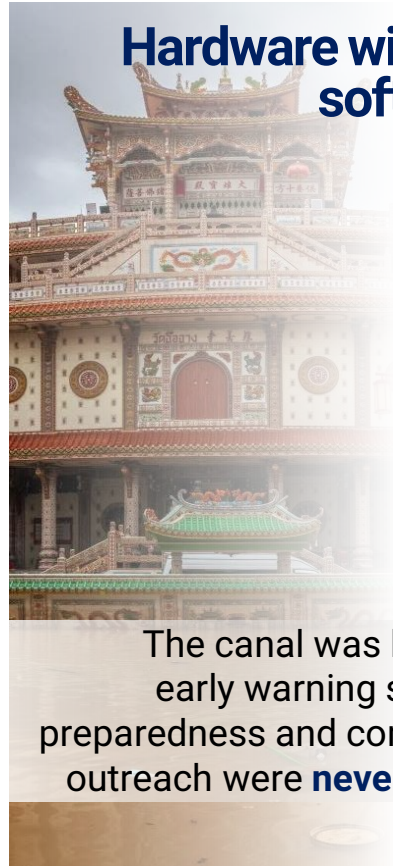
Design limits



The 1,200 m³/s canal met a 300-year rain and lost. Severity **overrides** grey infrastructure's function

Image Courtesy of Stpat Cha

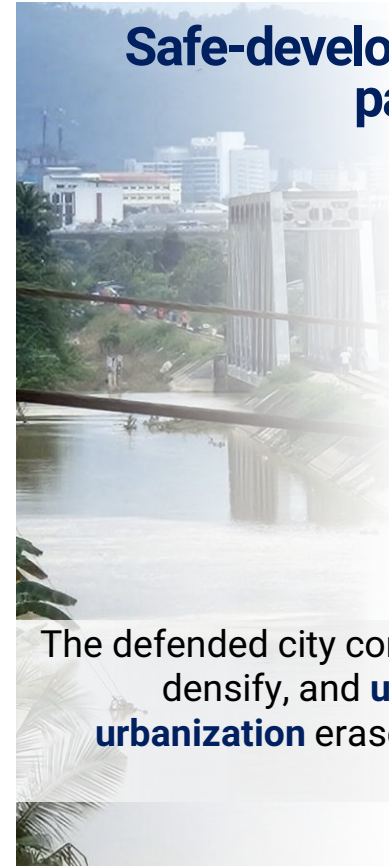
Hardware without software



The canal was built, but early warning systems, preparedness and community outreach were **never funded**

Image Courtesy of ศิริษฐ์ ช่างเขียน

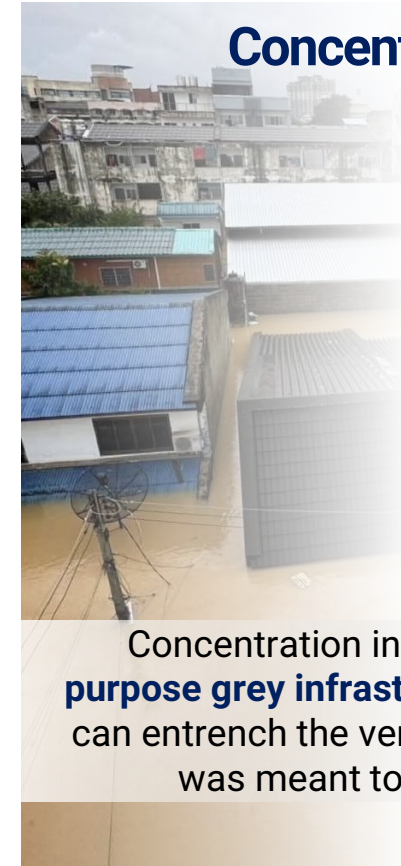
Safe-development paradox



The defended city continued to densify, and **unchecked urbanization** erased natural drainage

Image Courtesy of Noor-nee'z Hemman

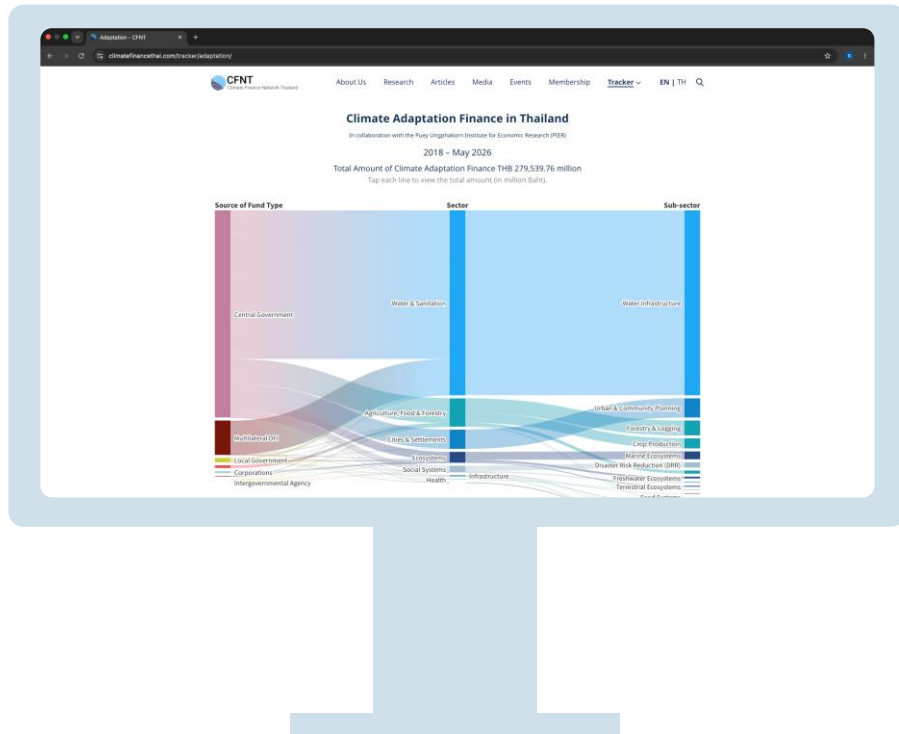
Concentration



Concentration in **single-purpose grey infrastructure** can entrench the very risk it was meant to reduce

Image Courtesy of น.เนต อาศัย

We need to attract private finance, target the vulnerable, avoid grey infrastructure



Screen and rebalance water infrastructure

Assess watersheds, favor green-grey solutions, undergo rigorous pre-disbursement screening, fund early warning alongside concrete infrastructure.



Target the vulnerable at community level

Transition from high-level commitments, such as the National Adaptation Plan (NAP), to sector-specific budgeted programs. Heat-health plans and stress maps for children and the elderly, anchored in the NDC.



Crowd in capital beyond the public finance

Microinsurance, climate swaps, blended finance, and bundled access to Loss & Damage funds.

2026

CLIMATE FINANCE TRACKER

Time to Walk the Talk

