

RIN Online Workshop 2025

Workshop III

TRADE RELATIONS BETWEEN MYANMAR-LAOS IN GREATER MEKONG SUB REGION



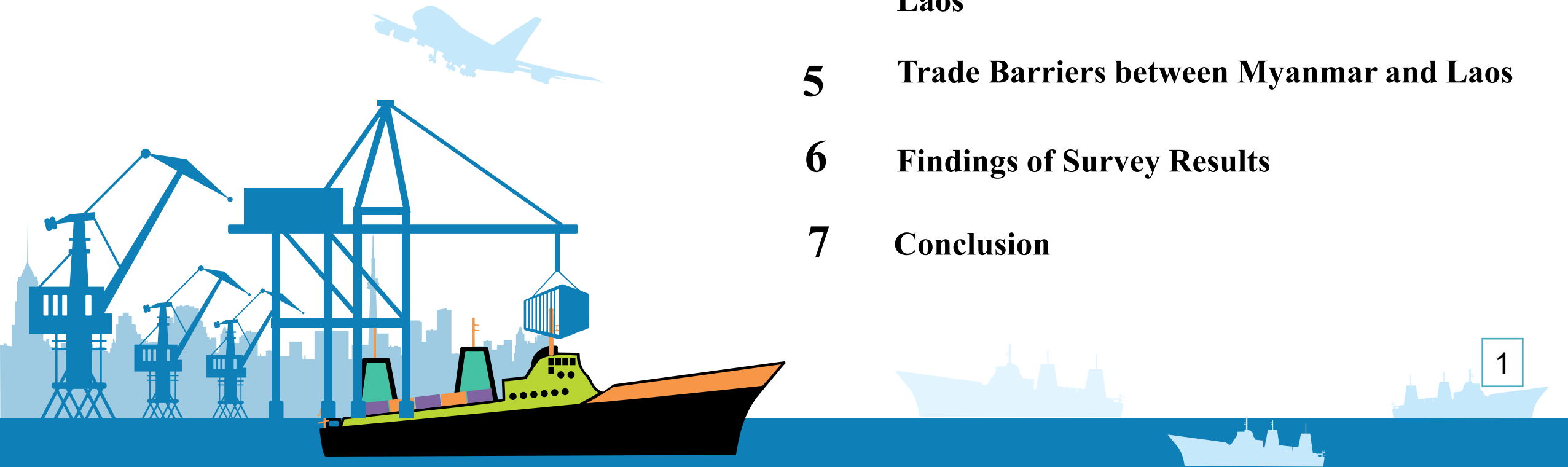
Supervised By:
Dr. Cho Cho Thein
Pro-Rector
Yangon University of Economics

Presented By:
Mr. Myo Myint Tun
EMDevS Programme (19th Batch)
Yangon University of Economics

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Outline of Content

- 1 Introduction**
- 2 Objectives**
- 3 Overview of Trade Contribution in Myanmar Economy**
- 4 Trade Relations between Myanmar and Laos**
- 5 Trade Barriers between Myanmar and Laos**
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- 7 Conclusion**



1.Introduction

Myanmar Location and Neighboring Countries

Location: Situated in mainland Southeast Asia, strategically positioned between South Asia, East Asia, and Southeast Asia.

Coastline: Borders the Bay of Bengal and Andaman Sea (approx. 2,000 km).

Neighboring Countries:

China (to the north and northeast)

India (to the northwest)

Bangladesh (to the west)

Thailand (to the southeast)

Laos (to the east)



1. Introduction

- Myanmar and Laos → Members of GMS (1992) and ASEAN (1997)
- The GMS brings together six countries: Cambodia, China (Yunnan and Guangxi provinces), Laos, Myanmar, Thailand, and Vietnam.
- According to the geographical situation, →
 - Myanmar --- -- strategic access to South Asia and the Indian Ocean, while Laos serves as a land-linked hub connecting China and mainland Southeast Asia.
 - Laos, as a land-linked country, and Myanmar, with access to the Indian Ocean, both serve as strategic gateways within the GMS corridors, including the North–South and East–West Economic Corridors to enhance cross-border trade, infrastructure development, and regional integration in mainland Southeast Asia.

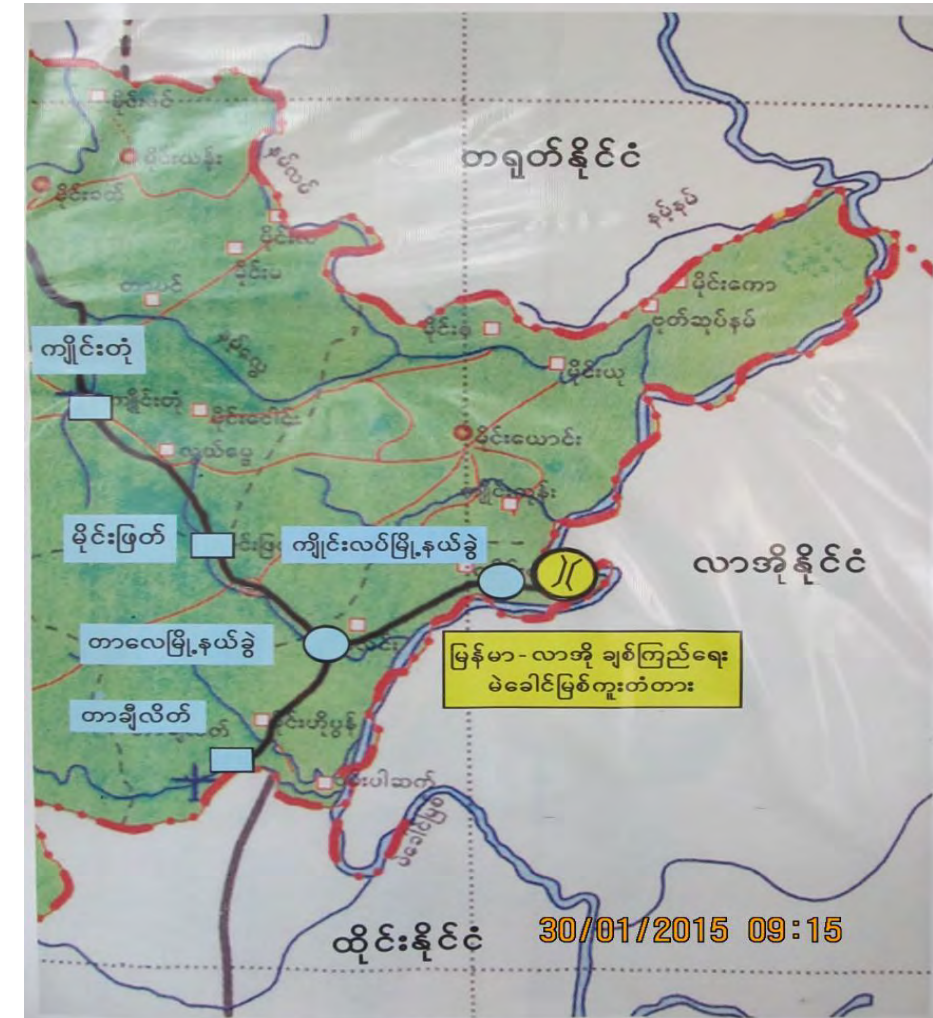
1.Introduction: BRI and Role of Myanmar

According to the geographical location, Myanmar and Laos are strategic position in BRI launched by China 2013 to enhance trade routes across Asia, Europe, and Africa.

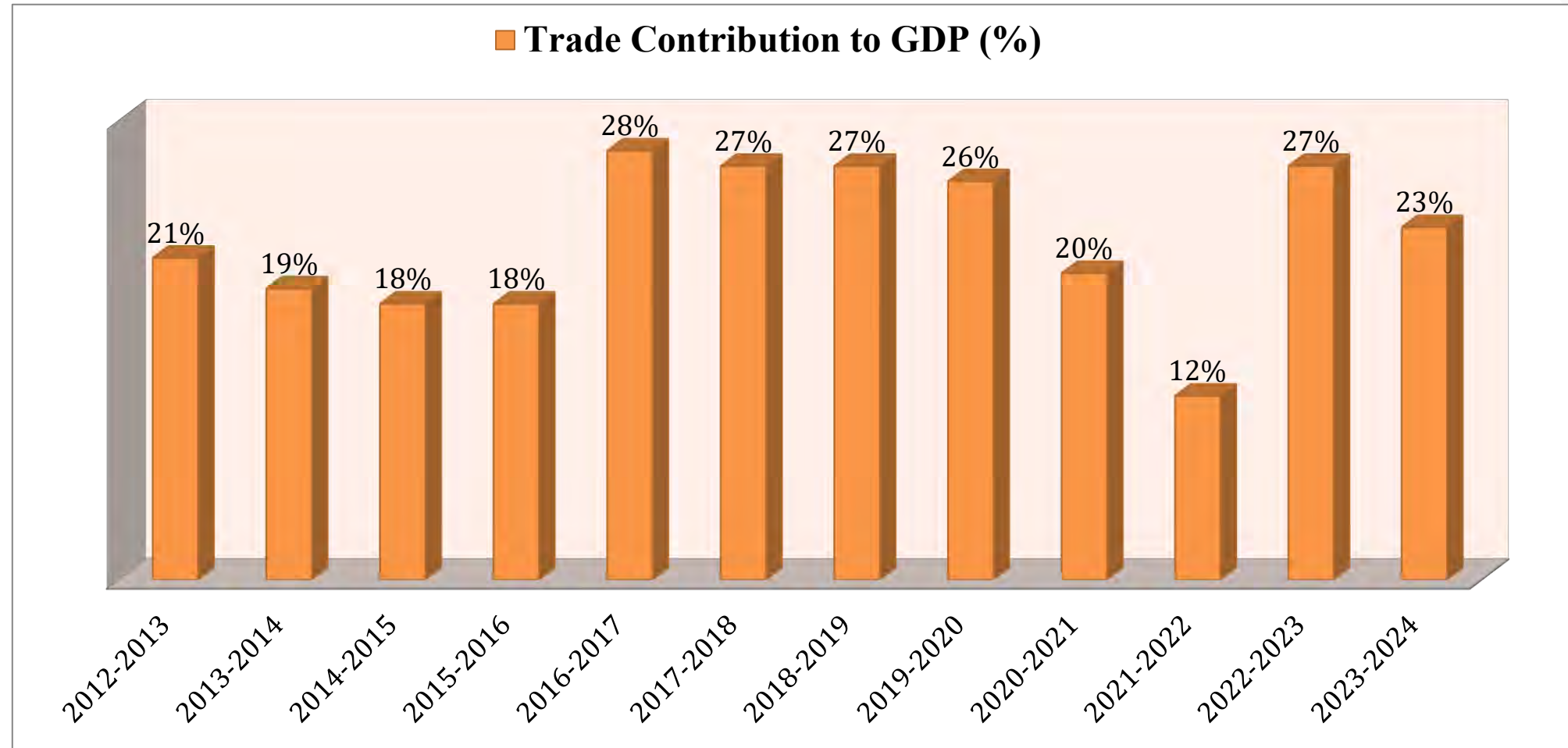


2.Objectives

- (1) To describe the trade relations between Myanmar and Laos**
- (2) To identify major border trade barriers between Myanmar and Laos**



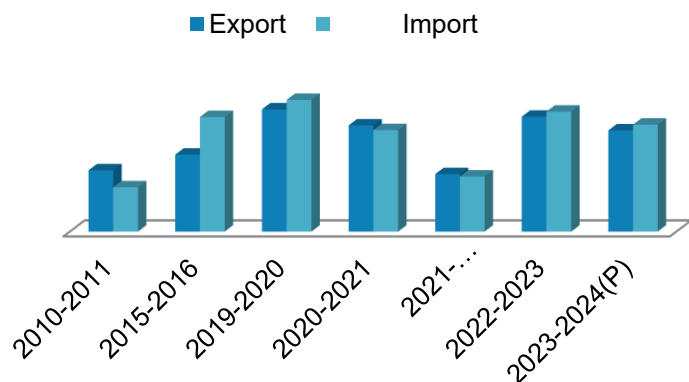
3. Overview of Trade Contribution in Myanmar Economy



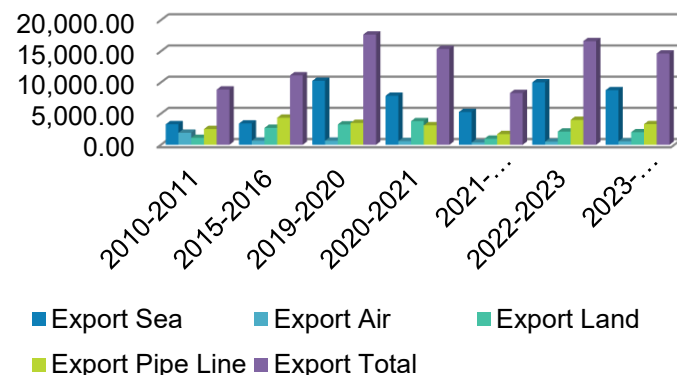
Source: World Bank, 2024, WITS, 2022, Central Statistical Organization, 2024

Trade Pattern Of Myanmar

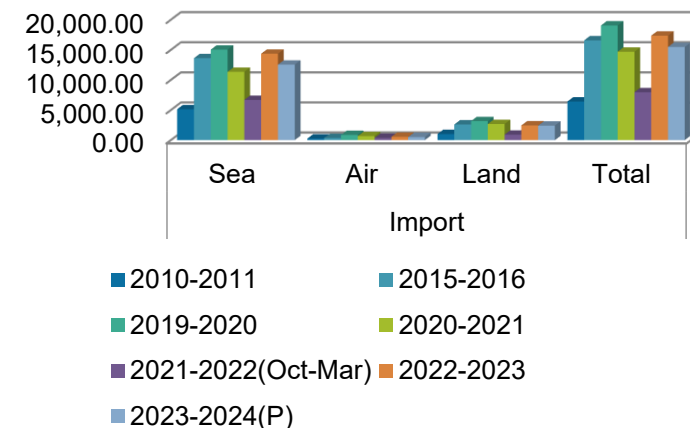
Myanmar International Trade Value by Year



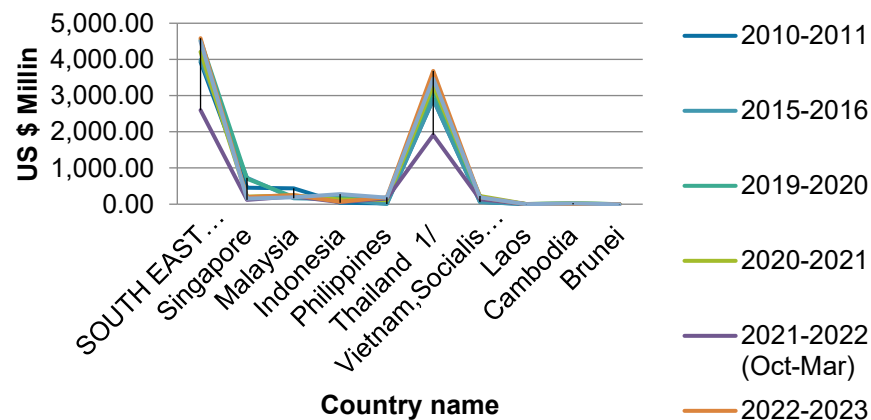
Export by Air, Sea, Land and Pipeline



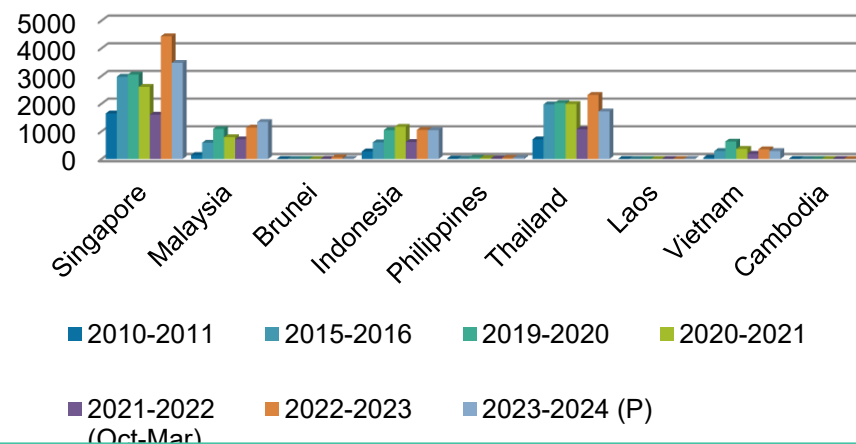
Import by Air, Sea and Land



Direction of Export to South East Asia



Direction of Import form Southeast Asia



No.	Name of Trade Post	Country	Opened Date	Remark
1	Muse (105) mile	China	12.1.1998	GMS Region
2	Lwejel	China	23.8.1998	GMS Region
3	Chinshwehaw	China	19.10.2003	GMS Region
4	Kanpaiti	China	1.5.2000	GMS Region
5	Kenglap	Laos	15.3.2015	GMS Region
6	Tachileik	Thailand	16.3.1996	GMS Region
7	Myawaddy	Thailand	16.9.1998	GMS Region
8	Hteekhee	Thailand	11.5.2013	GMS Region
9	Mawtaung	Thailand	8-5-2013	GMS Region
10	Mese	Thailand	1-6-2014	GMS Region
11	Kawthaung	Thailand	1.6.1996	GMS Region
12	Kengtung	Thailand	1994	GMS Region
13	Myeik	Thailand	1.7. 1999	GMS Region
14	Tamu	India	12.4.1995	Non-GMS Region
15	Rhi	India	10.12.2003	Non-GMS Region
16	Sittwe	Bangladesh	11.12.1998	Non-GMS Region
17	Maungdaw	Bangladesh	5.9.1995	Non-GMS Region

Myanmar Border Trade Post

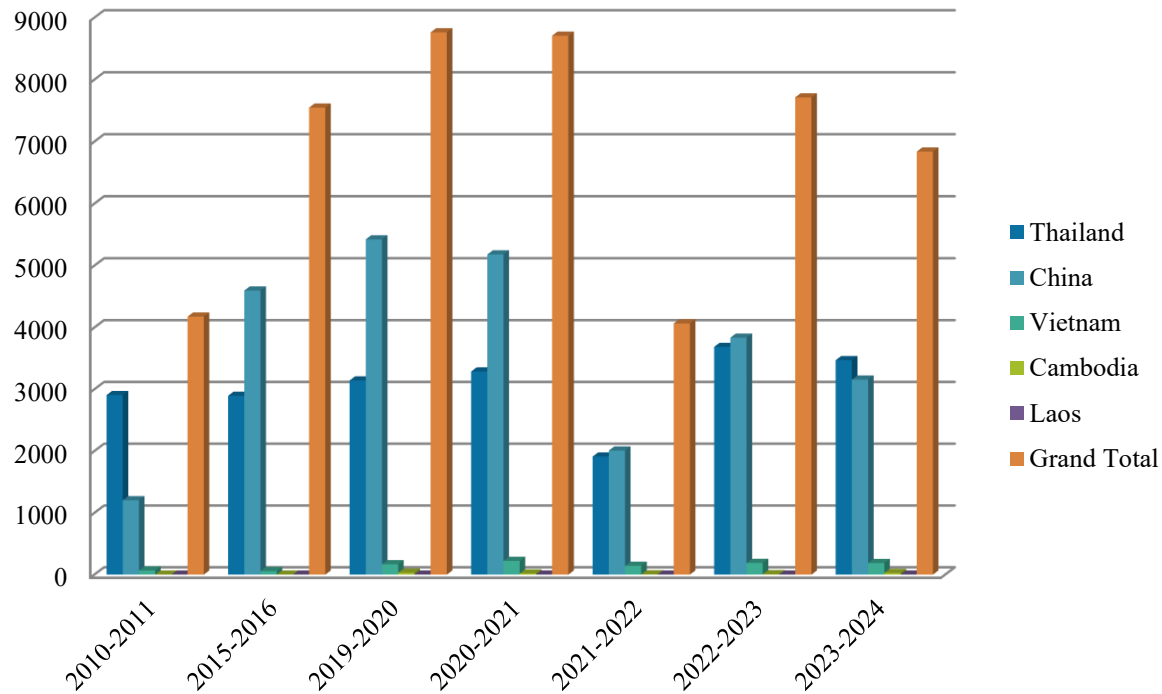
There are 17 different border trade routes in Myanmar. Among of them, 13 are GMS countries and 4 are non-GMS countries.

4 stations facilitate commerce with China, 8 stations with Thailand, 2 stations with India, 2 stations with Bangladesh and 1 with Laos.

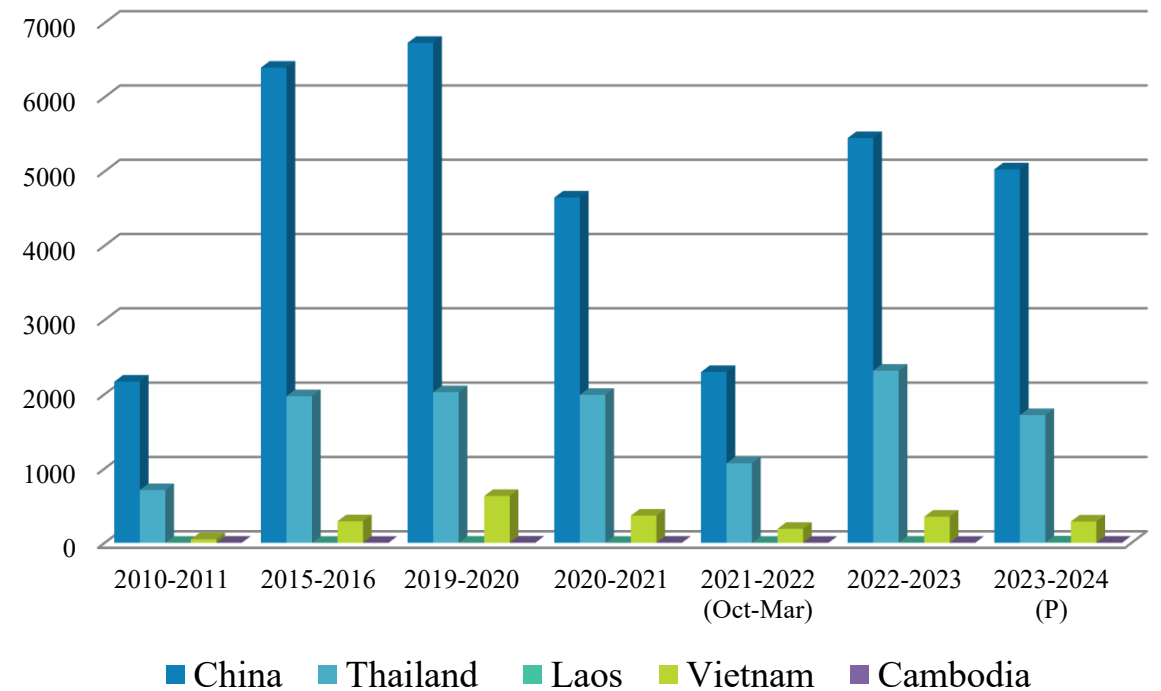
Kenglap trade post is officially opened in 2015 with the border line of Laos.

Trade Relations with GMS Region

Direction of Export to GMS Region



Direction of Import from GMS Region



Source: Central Statistical Organization, 2024

US in Million

4.Trade Relations between Myanmar and Laos

Export Relation between Myanmar & Laos
(US\$ in Million)

Year	Total Export to GMS Countries	Export to Laos
2010-2011	4175.83	0.02
2015-2016	7547.22	0.4
2019-2020	8761.86	0.61
2020-2021	8708.28	0.34
2021-2022	4064.74	0
2022-2023	7713.17	0.08
2023-2024	6838.96	0.16

Import Relation between Myanmar & Laos
(US\$ in Million)

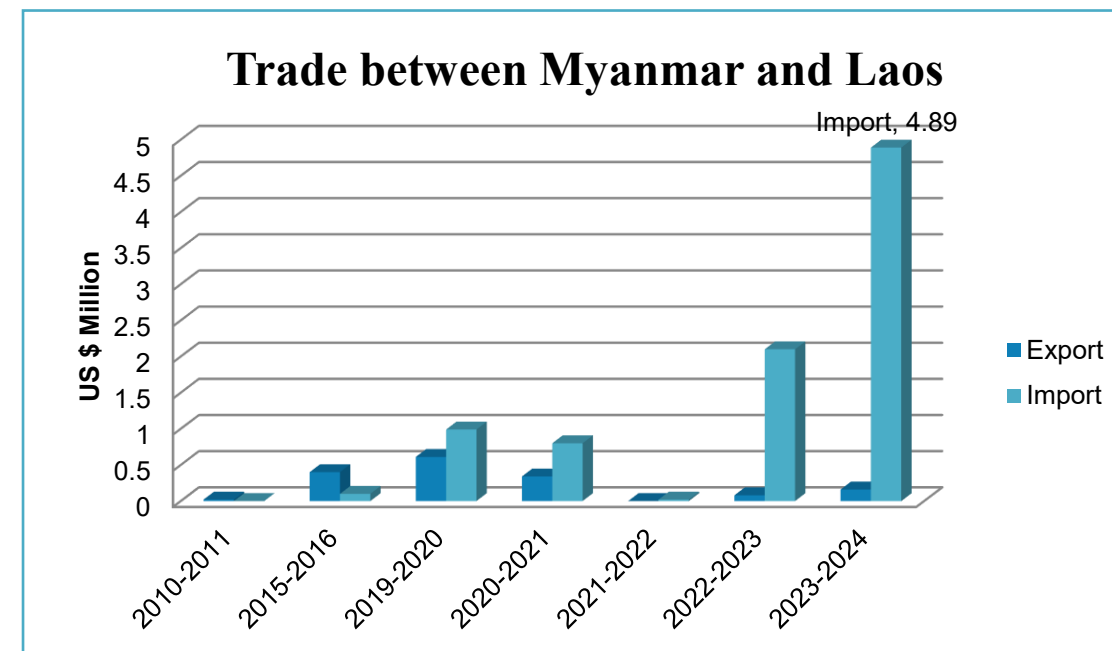
Year	Total Import from GMS Countries	Import from Laos
2010-2011	2926.02	0
2015-2016	8659.53	0.1
2019-2020	9388.14	0.99
2020-2021	7004.26	0.8
2021-2022	3557.58	0.02
2022-2023	8117.79	2.1
2023-2024	7037.26	4.89

Source: Central Statistical Organization, 2024

4.Trade Relations between Myanmar and Laos

Trade between Myanmar and Laos (US\$ in Million)

Year	Export	Import	Trade Volume	Trade Balance
2010-2011	0.02	0	0.02	0.02
2015-2016	0.4	0.1	0.5	0.3
2019-2020	0.61	0.99	1.6	(-) 0.38
2020-2021	0.34	0.8	1.14	(-) 0.46
2021-2022	0	0.02	0.02	(-) 0.02
2022-2023	0.08	2.1	2.18	(-) 2.02
2023-2024	0.16	4.89	5.05	(-) 4.73



Source: Central Statistical Organization, 2024

4. Trade Relations between Myanmar and Laos

–Myanmar–Laos Border Trade (Kenglap)

Trade Volume

- Extremely low → peak at USD 1.71 million (2018–2019).
- Declining in recent years despite GMS framework.
- Laos = small share; Myanmar mainly trades with Thailand & China.

Trader Profile

- Majority have 5+ years' experience.
- Stable but few new entrants (barriers discourage growth).

Export Products

- Crops & fruits (main).
- Marine products, livestock, forest items.

Import Products

- Electrical goods.
- Construction materials.
- Consumer products.

5.Trade Barriers between Myanmar and Laos

- **Conduct survey along the Myanmar-Laos border route by using structures questionnaire (Five points Likert Scale)**
- **To identify Trade barriers**
- **interview with stakeholders: merchants, businessmen, officials of the respective departments from MoC , Custom, border trade post**
- **7 parts in questionnaire:**
 - **Tariff barriers**
 - **Non-tariff barriers**
 - **transportation infrastructure**
 - **Custom clearance and Congestion**
 - **Supply Chain & Logistic Issues**
 - **Asses to digital trade & communication**
 - **Security Risks & Border area stability**

Findings of Survey Results

Major Border Trade Barriers between Myanmar and Laos

Tariff Barrier at Border Trade

Sr.	Tariff	Mean	Standard Deviation
1	Tariff rates at Kenglap significantly reduce the competitiveness of my products.	4.04	0.522
2	Changes in tariffs create unpredictability in my business operations at Kenglap.	4.10	0.730
3	The current tariff policy at Kenglap is not transparent and easy to understand.	1.68	1.151
4	Tariff costs do not exceed my initial estimates when trading at Kenglap.	3.90	0.627
5	Myanmar's tariffs at Kenglap are same as compared to other border trade posts.	4.42	0.973
	Overall Mean	3.628	

Source: Survey Data, 2025

Non-Tariff Barrier at Border Trade

Sr.	Non-Tariff	Mean	Standard Deviation
1	Documentary and licensing requirements cause frequent delays at Kenglap.	4.26	0.579
2	Technical standards and quality checks are difficult to comply with at Kenglap.	2.33	1.264
3	Non-tariff restrictions at Kenglap increase the cost of doing business.	3.67	0.792
4	Regulatory differences between border trades complicate trade route.	4.25	0.869
5	Product inspections at Kenglap often lead to shipment rejection or penalties.	4.29	0.686
	Overall Mean	3.76	

Source: Survey Data, 2025

Findings of Survey Results

Major Border Trade Barriers between Myanmar and Laos

Transportation Infrastructure

Sr.	Transportation Infrastructure	Mean	Standard Deviation
1	The road infrastructure leading to Kenglap is in poor condition.	4.33	0.533
2	Poor infrastructure often causes transportation delays.	4.27	0.584
3	Infrastructure limitations significantly increase logistics costs at Kenglap.	4.23	0.709
4	Poor road conditions have led to cargo damage.	4.36	0.644
5	Better transport infrastructure would improve trade efficiency at Kenglap.	4.33	0.726
	Overall Mean	4.30	

Source: Survey Data, 2025

Customs Clearance & Congestion

Sr	Customs Clearance & Congestion	Mean	Standard Deviation
1	Customs clearance at Kenglap is often time-consuming.	4.32	0.601
2	Congestion at Kenglap causes frequent delays in cargo processing.	4.32	0.737
3	Customs procedures are inconsistent and unclear at Kenglap.	1.55	0.702
4	Staffing shortages in customs result in slower clearance times.	3.70	0.674
5	Informal payments are sometimes necessary to speed up clearance at Kenglap.	4.21	0.782
	Overall Mean	3.42	

Source: Survey Data, 2025

Findings of Survey Results

Major Border Trade Barriers between Myanmar and Laos

Supply Chain & Logistics Issues

Sr.	Supply Chain & Logistics Issues	Mean	Standard Deviation
1	Reliable logistics services are hard to access at Kenglap.	4.39	0.584
2	Storage and warehouse facilities at Kenglap do not meet trade demands.	4.53	0.594
3	Logistics costs at Kenglap are too high compared to other trade routes.	4.19	0.662
4	Coordination between logistics companies and customs is not efficient.	4.10	0.859
5	Transport vehicle shortages during peak season disrupt shipments.	4.29	0.608
	Overall Mean	4.30	

Source: Survey Data, 2025

Limited Access to Digital Trade & Communication

Sr.	Limited Access to Digital Trade & Communication	Mean	Standard Deviation
1	Limited access to digital platforms makes trade operations inefficient.	4.49	0.610
2	Poor internet connectivity affects communication between traders and customs.	4.49	0.522
3	Internet connectivity at Kenglap is not stable and reliable.	4.52	0.559
4	Digital systems for customs and logistics are not effectively used at Kenglap.	4.55	0.539
5	Online trade platforms are not secure and user-friendly at Kenglap.	4.47	0.559
	Overall Mean	4.50	

Source: Survey Data, 2025

Findings of Survey Results

Major Border Trade Barriers between Myanmar and Laos

Security Risks & Border Instability

Sr.	Security Risks & Border Instability	Mean	Standard Deviation
1	Security concerns often delay or stop shipments at Kenglap.	4.51	0.502
2	Armed conflicts in the region discourage trade through Kenglap.	4.43	0.517
3	I have experienced cargo theft or losses linked to security risks.	2.47	1.218
4	Political or military instability affects my trading decisions at Kenglap.	3.86	0.752
5	Border closures due to instability are common at Kenglap.	4.30	0.772
	Overall Mean	3.91	

Source: Survey Data, 2025

Findings of Survey Results

Major Border Trade Barriers between Myanmar and Laos

Sr	Overall Mean	Mean
1	Tariff Barrier at Border Trade	3.628
2	Non-Tariff Barrier at Border Trade	3.76
3	Transportation Infrastructure	4.30
4	Customs Clearance & Congestion	3.42
5	Supply Chain & Logistics Issues	4.30
6	Limited Access to Digital Trade & Communication	4.50
7	Security Risks & Border Instability	3.91
	Overall Mean Score	3.97

According to the survey data to find the research objective, the result show the main challenges affecting border trade, with an overall mean score of 3.97, indicating moderate to high impact.

The most significant barrier is Limited Access to Digital Trade & Communication (mean 4.50), followed by Transportation Infrastructure and Supply Chain & Logistics Issues (both 4.30). These suggest that infrastructure and technology gaps are the top concerns.

Other notable challenges include Security Risks & Border Instability (3.91), Non-Tariff Barriers (3.76), and Tariff Barriers (3.63). Customs Clearance & Congestion scored the lowest (3.42), but still reflects a meaningful concern. Overall, the data shows that improving digital access, infrastructure, and logistics systems is key to enhancing border trade performance.

Source: Survey Data, 2025

Findings of Survey Results

Findings – Myanmar–Laos Border Trade (Kenglap)

Key Barriers

Tariff Issues: unclear/inconsistent tax regulations.

Non-tariff barriers: burdensome licensing, excessive inspections.

Poor infrastructure: weak road networks, lack of logistics facilities → high cost, damaged cargo.

Customs clearance: delays, inconsistent procedures, staff shortages.

Storage/logistics gaps: no proper warehouses, supply chain disruptions.

Digital gap: weak internet, no secure e-trade platforms.

Security risks: armed conflicts, political unrest, border closures.

Conclusion

In summary, the findings underscore that Myanmar-Laos border trade suffers from systemic challenges ranging from inadequate infrastructure and unclear regulations to digital and security-related constraints.

Without targeted reforms and strategic investment particularly in transport, digital systems, and institutional coordination the potential for enhanced economic cooperation between the two countries will remain untapped.

Conclusion: Ways forward to Enhance Myanmar–Laos Border Trade (Kenglap)



Infrastructure Development

Build all-weather roads, modern warehouses, and transport hubs.
Reduce logistics costs, cargo damage, and delays.

Digital Transformation

Improve internet & digital platforms for customs, licensing, and registration.
Train officials and traders in digital tools for smoother transactions.

Customs & Regulatory Reform

Implement unified, transparent framework.
Standardized documents, risk-based inspections, real-time tracking.
Establish Myanmar–Laos joint border trade coordination committee.

Conclusion: Ways forward to Enhance Myanmar–Laos Border Trade (Kenglap)



Security & Stability

- Strengthen cooperation between border forces.
- Develop early warning/conflict management systems.
- Bilateral agreements for trader and cargo protection.

Integration with BRI & GMS Corridors

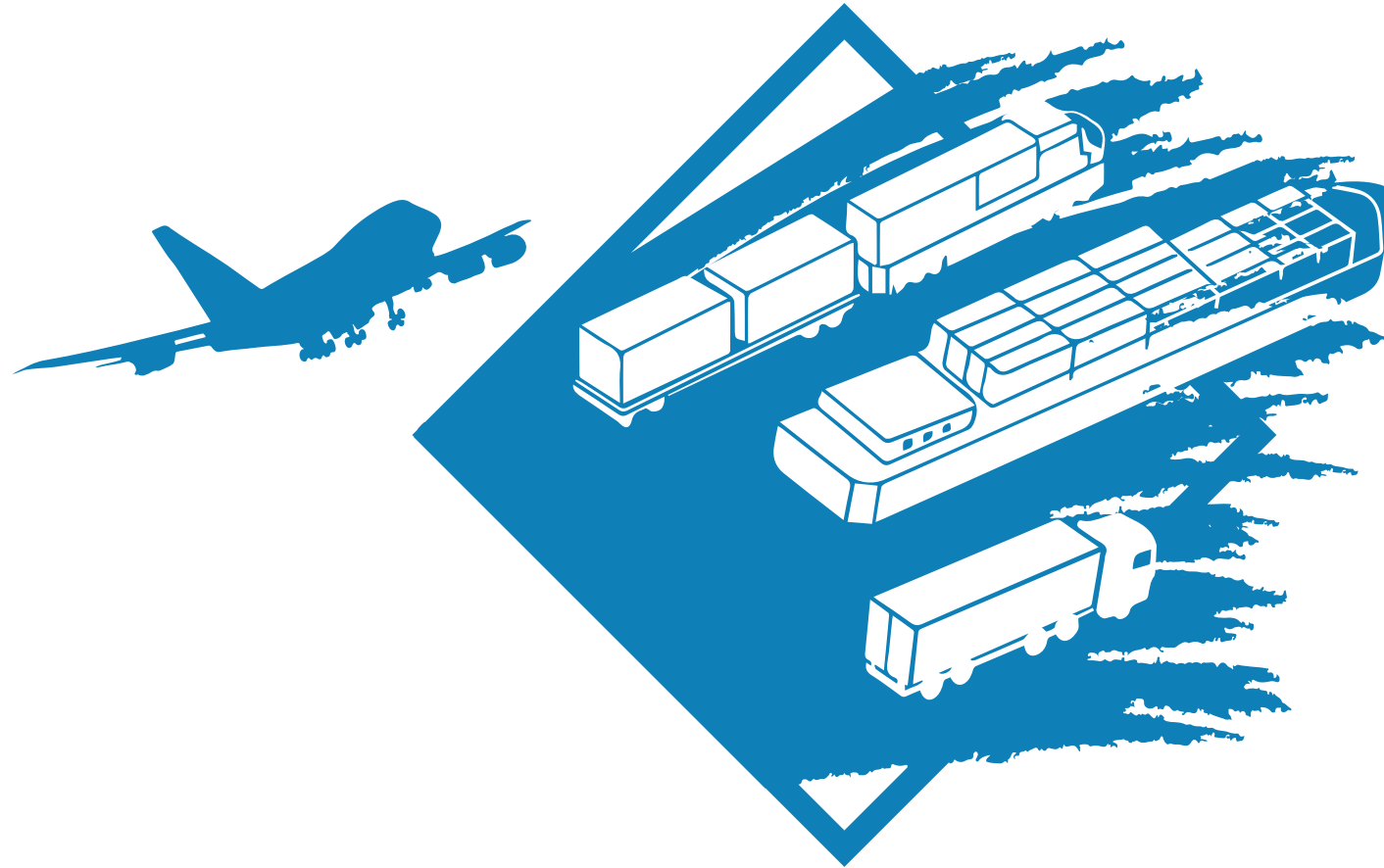
- Link Kenglap post to BRI and East–West Economic Corridor.
- Enhance trade connectivity with China, Thailand, and Vietnam.

One-Stop Services & Trade Facilitation

- Simplify border procedures via one-stop service centers.
- Harmonize customs rules & digitalize processes.

Conclusion

- Therefore, revitalizing Myanmar-Laos border trade requires a comprehensive approach involving infrastructure development, digital modernization, policy reform, and international cooperation. By addressing these areas strategically, both countries can unlock new economic potential, contribute to regional stability, and foster inclusive growth.
- Moreover, Myanmar and Laos should enhance bilateral relations by increasing government-level collaboration, formalizing agreements through MoUs, and expanding tourism.



Thank you for your attention