

Commercial Transport Report

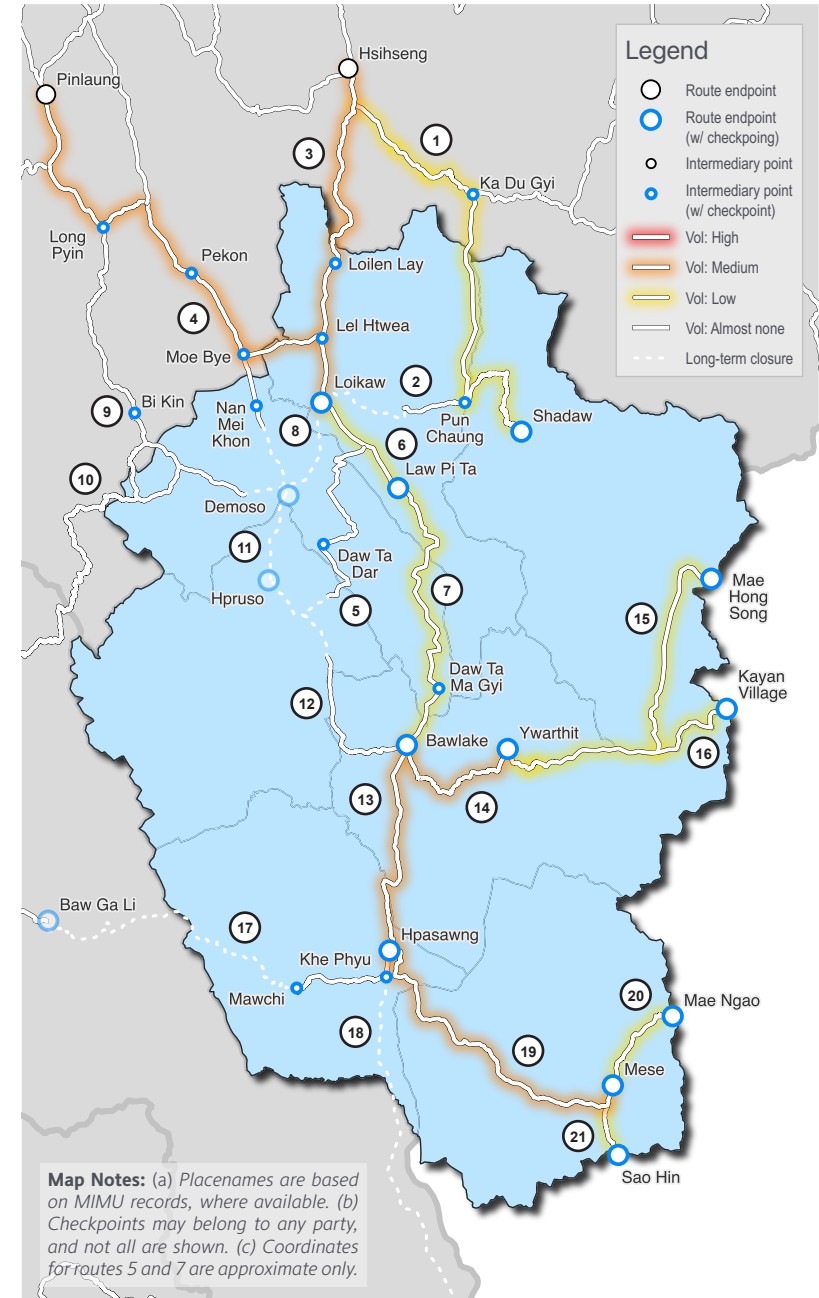
Market Analysis Unit (MAU)

The MAU monitors transport routes to track the flow of commercial goods between major towns and border crossings. Data are based on KIIs with market actors. Some route depictions may not be exact. Reports are available online at www.themimu.info/market-analysis-unit.



#	Route (point A - point B)	Route Status as of May 2022 (compared to Jan. 2021)	Closures	Commercial Volume		
				Change	Total	Direction
1	Shadaw - Hsihseng (Shan) via Ka Du Gyi	Shadaw's only supply route. Goods come from Shan State.	Frequent	—	●	←
2	Shadaw - Loikaw via Pan Chaung	Closed from recent infrastructure damage. No longer Shadaw's main supply route.	Long-term	▼	○	←
3	Loikaw - Hsihseng (Shan) via Loilen Lay	New main supply route for Loikaw. Goods come from Shan State.	Frequent	▼	●●	←
4	Loikaw - Pinlaung (Shan) via Pekon	Now secondary supply route for Loikaw (previous main route). Goods come from Shan State.	Frequent	▼	●●	←
5	Loikaw - Hpruso via Daw Ta Dar	Closed from recent infrastructure damage. Previously a backup village route to Hpruso.	Long-term	▼	○	←
6	Loikaw - Law Pi Ta	Main supply route for Law Pit Ta. Previously rarely used.	Frequent	▼	●	→
7	Law Pi Ta - Bawlake via Daw Ta Ma Gyi	Northern supply route to Bawlake. Previously a backup route only. Detour option passes via Daw Ta Dar.	Frequent	—	●	→
8	Demoso - Loikaw	Closed from recent infrastructure damage. Previously Demoso's main supply route.	Long-term	▼	○	←
9	Demoso - Pinlaung (Shan) via Long Pyin	Closed from recent infrastructure damage. Previously rarely used.	Long-term	▼	○	←
10	Demoso - Taungoo (Bago) via Leiktho	Closed from recent infrastructure damage. Previously rarely used.	Long-term	▼	○	←
11	Hpruso - Demoso	Closed from recent infrastructure damage. Previously main supply route for Hpruso.	Long-term	▼	○	←
12	Hpruso - Bawlake	Closed from recent infrastructure damage. Previously main supply route for Bawlake.	Long-term	▼	○	←
13	Bawlake - Hpasawng	Main supply route for Bawlake during monsoon. Goods come from Thailand.	Frequent	▼	●●	←
14	Bawlake - Ywarthit	Main supply route for Bawlake during summer/winter. Goods come from Thailand.	Rare	▼	●●	←
15	Ywarthit - Mae Hong Song	Main supply route for Ywarthit. Goods come from Thailand.	Frequent	▲	●	←
16	Ywarthit - Kayan Village	Secondary supply route for Ywarthit. Goods come from Thailand.	Frequent	▲	●	←
17	Hpasawng - Baw Ga Li (Kayin) via Maw Chi	Longstanding closure. Rarely used in the past.	Long-term	▼	○	←
18	Hpasawng - Hpapun (Kayin) via Khe Phyu	Longstanding closure. Rarely used in the past.	Long-term	▼	○	←
19	Hpasawng - Mese	Now Hpasawng's main supply route. Goods come from Thailand.	Frequent	▼	●●	←
20	Mese - Mae Ngao	Main supply route for Mese. Goods come from Thailand.	Rare	▲	●	←
21	Mese - Sao Hin	Secondary supply route for Mese. Goods come from Thailand.	Rare	▲	●	←

Table Notes: (1) Light-grey route names indicate long-term closure.



Key Findings

- **Transport volumes are low or nonexistent in much of the north** and moderate in the south;
- **Commercial transport has partly returned to Loikaw**, but many northern routes are closed;
- **Local transport patterns shift frequently as events unfold**, particularly in the north where transport is limited to poor-quality backup routes and rotating detours;
- **Transport from northern to southern Kayah is infrequent** and requires remote village routes;
- **Supply to the south now comes mainly from Thailand**, although routes are largely unchanged;
- **Transport in the state is exclusively inbound** and largely limited to meeting essential needs;
- **Monsoon rains may increasingly impact transport** due to growing reliance on seasonal routes.

Closures and Checkpoints

Most routes between major towns in the north are closed indefinitely, although routes in the south are generally open. Routes serving Demoso and Hpruso have closed due to recent infrastructure damage and/or ongoing conflict, as has the route between Loikaw and Shadaw. Repairs have reopened routes in some cases, but the use of poor-quality backup routes is common. In the south, routes near the Thai border are generally open, but routes between Bawlake and Mese close periodically. Checkpoints are ubiquitous in towns and many intermediary villages.

Route Dynamics

Transport in the state increasingly relies on local village routes which may shift often. In the north, closures (or fear of danger) have led to the adoption of local detours which shift regularly. The closure of the Loikaw-Hpruso highway has also shifted southbound transport to village routes. Goods which used to reach southern Kayah via Demoso and Hpruso now flow to Bawlake via Law Pi Ta and village routes in Shadaw and Demoso Townships. Transport is permitted on these areas but very limited.

Some routes shift during monsoon when roads are closed or impeded by weather. Routes to Shadaw, Ywarthit and Mese involve river-crossings

that are impossible or unsafe in heavy rain. These routes are generally impassable by car and rely on boat-transfers. As a result, Bawlake receives more goods via Hpasawng in monsoon when the Thanlwin River is not crossable at Ywarthit.

Source and Volume of Goods

South Shan State remains the main source of supply for the north, while Thai imports now supply the south. Route closures around Demoso and Hpruso divide supply to Kayah State into northern and southern halves. The three northern townships of Loikaw, Demoso and Shadaw receive supply from South Shan State via Pinlaung and Hsihseng. In the past, many goods arrived via Pinlaung, but Hsihseng is now a more common source of supply. The south used to receive supply from Loikaw District but now relies on border trade with Thailand.

Transport volumes are generally low on routes in the south and low or nonexistent in the north. Volume is down on almost all routes in the state, particularly in the north. Supply to Loikaw has returned in recent months but remains well-below 2020 levels. Volume on routes in the south is also down, albeit less so than in the north. Increased border trade via Ywarthit and Mese has partly replace the loss of supply from Shan State.

Permanant Route Features

#	Route (point A - point B)	Mode	Distance (Hrs)	Quality	Monsoon Conditions
1	Shadaw - Hsihseng (Shan) via Ka Du Gyi	Road	4	★	×
2	Shadaw - Loikaw via Pan Chaung	Road	2	★★★★	→
3	Loikaw - Hsihseng (Shan) via Loilen Lay	Road	2	★★★★★	→
4	Loikaw - Pinlaung (Shan) via Pekon	Road	3	★★★★	→
5	Loikaw - Hpruso via Daw Ta Dar	Road	2	★	↷
6	Loikaw - Law Pi Ta	Road	1	★★★★★	→
7	Law Pi Ta - Bawlake via Daw Ta Ma Gyi	Road	3	★	↷
8	Demoso - Loikaw	Road	1	★	→
9	Demoso - Pinlaung (Shan) via Long Pyin	Road	7	★	↷
10	Demoso - Taungoo (Bago) via Leiktho	Road	8	★★★★	- →
11	Hpruso - Demoso	Road	1	★	→
12	Hpruso - Bawlake	Road	1	★	→
13	Bawlake - Hpasawng	Road	1	★★★★	→
14	Bawlake - Ywarthit	Road	2	★★★★	→
15	Ywarthit - Mae Hong Song	Road	5	★	×
16	Ywarthit - Kayan Village	Road	5	★	×
17	Hpasawng - Baw Ga Li (Kayin) via Maw Chi	Road	4	★	×
18	Hpasawng - Hpapun (Kayin) via Khe Phyu	Road	7	★	×
19	Hpasawng - Mese	Road	2	★★★★	→
20	Mese - Mae Ngao	Road	2	★★★	×
21	Mese - Sao Hin	Road	3	★★★	↷

Route Quality

Route quality is often poor in Kayah State and has deteriorated further in the past year. Extensive damage to infrastructure (e.g., bridges) has degraded many routes in the north, particularly those surrounding Loikaw, Demoso and Hpruso. Some routes may not be passable even absent armed conflict. In the south, route quality is more

of a concern on minor roads near the Thai border which may be unsafe in monsoon season. While much road infrastructure remains open and intact in the south, border trade is vulnerable to weather conditions due to poor route quality.

Implications

- **Recent infrastructure damage will continue to limit transport, even in stable conditions.** Damaged roads and bridges will hamper transport around Loikaw, Demoso and Hpruso even if the security situation improves;
- **Prices and availability of essential goods will differ significantly in the north and south.** Supply from South Shan State and Thailand will likely result in different prices and availability;
- **Southern Kayah State may face supply constraints in monsoon season when routes close.** As monsoon rains restrict poor-quality routes to the Thai border supply options will be fewer.

Route Indicators

Indicators are estimated based on KIIs. They are intended to provide a qualitative impression rather than exact measures.

Closures – Frequency of closures on route since Jan. 2021.

- Rare** - Closed less than twice per year
- Occasional** - Closed 2-5 times per year
- Frequent** - Closed 6 or more times per year
- Long-term** - Closed indefinitely

Volume (change) – Change in volume on route since Jan. 2021.

- ▲ **Increased**
- **Stable**
- ▼ **Decreased**

Volume (total) – Current commercial volume on route, relative to routes in Jan. 2021. Excludes raw materials and illicit trade (e.g., timber, drugs).

- **High**
- **Medium**
- **Low**
- **Almost none**

Volume (direction) – Portion of volume in each direction (null if volume is “almost none”).



Mode – Route modality (e.g., road, waterway).

Distance – Route length, measured as hours of travel by standard car/boat (incl. checkpoints). Travel times vary; this is intended only as a rough measure of relative distance.

Quality – Route quality in dry season based on infrastructure, relative to elsewhere in state.

- ★★★★★ **Very good**
- ★★★★☆ **Good**
- ★★★☆☆ **Poor**
- ★☆☆☆☆ **Very poor**

Monsoon Condition – Route conditions in monsoon season.

- **Good** - Stable in monsoon
- > **Variable** - Weather-dependent
- ↘ **Poor** - Poorer in monsoon
- ✗ **Closed** - Closed in monsoon

Market Analysis Unit (MAU)

The Market Analysis Unit provides development practitioners, policymakers and private sector actors in Myanmar with data and analysis to better understand the impacts of Covid-19, conflict and other crises on:

- Household purchasing power, including coping mechanisms, safety nets and access to basic needs;
- Supply chains, including trade, cross-border dynamics and market functionality (particularly as it relates to food systems);
- Financial services, including financial services providers, household and business access to finance and remittances; and
- Labor markets (formal and informal), with a focus on agricultural labor and low-wage sectors (e.g., construction, food service).

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