

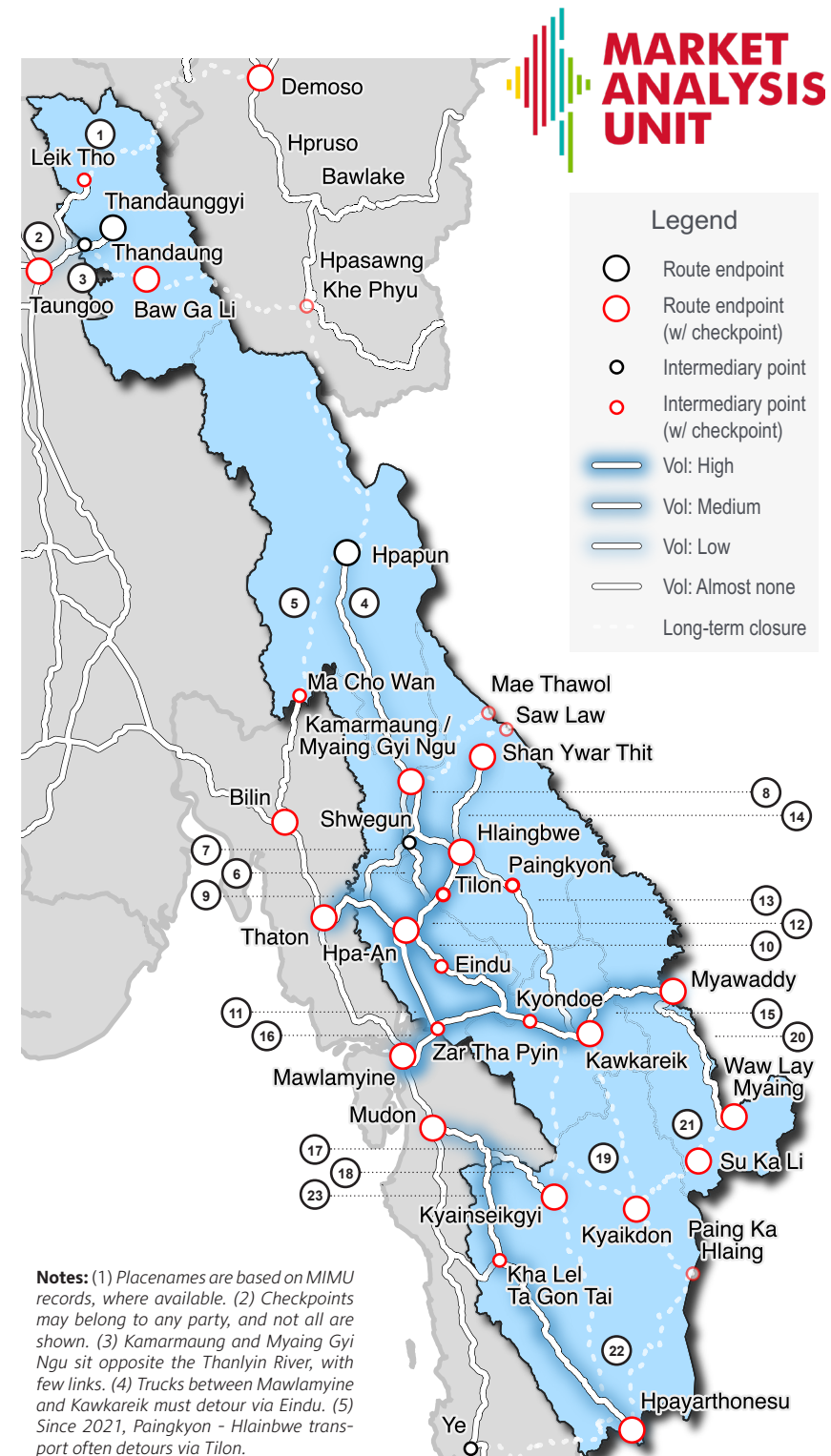
# Karen/Kayin State (June 2023)

# 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](http://www.themimu.info/market-analysis-unit).

#	Route (point A - point B)	Route Status as of June 2023 (compared to June 2022)	Closures		Commercial Volume		
			Now/Change	Total/Change	Direction		
1	<b>Taungoo (Bago) - Demoso (Kayah)</b> via Leik Tho	Connects Taungoo to Kayah State, but closed between Leik Tho and Demoso	Long-term	▲	N/A	▼	←
2	<b>Thandaunggyi - Taungoo (Bago)</b> via Thandaung	Still Thandaunggyi's main supply route. Goods come from Yangon/Mandalay.	Frequent	▲	●	▼	←
3	<b>Baw Ga Li - Taungoo (Bago)</b>	Still Baw Ga Li's main supply route, but mostly closed. Goods come from Yangon/Mandalay.	Long-term	▲	N/A	▼	←
4	<b>Hpapun - Kamarmaung</b>	Still Hpapun's main supply route, and trade has risen. Goods come from Hpa-An.	Frequent	—	●	▲	←
5	<b>Hpapun - Bilin (Mon)</b>	Still Hpapun's secondary supply route and link to Mon State, but largely closed within Kayin State.	Long-term	—	N/A	—	←
6	<b>Kamarmaung - Hpa-An</b>	Still Kamarmaung's main supply route. Goods come from Yangon/Myawaddy.	Occasional	▲	●	—	←
7	<b>Myaing Gyi Ngu - Hpa-An</b>	Still Myaing Gyi Ngu's main supply route. Goods come from Yangon/Myawaddy.	Rare	—	●●	—	←
8	<b>Myaing Gyi Ngu - Hlaingbwe</b>	Still Myaing Gyi Ngu's secondary supply route. Goods come from Hpa-An/Kawkareik.	Rare	—	●●	—	←
9	<b>Hpa-An - Thaton (Mon)</b>	Still one of two main supply routes for Hpa-An. Goods come from Yangon via Bilin.	Rare	—	●●●	—	←
10	<b>Hpa-An - Kawkareik</b>	Still one of two main supply routes for Hpa-An. Goods come from Thailand via Myawaddy.	Occasional	▲	●●●	—	←
11	<b>Hpa-An - Mawlamyine (Mon)</b> via Zar Tha Pyin	Connects Hpa-An to Mawlamyine. Most goods are passing from Thailand to Mon State.	Rare	—	●●●	—	←
12	<b>Hlaingbwe - Hpa-An</b>	Still Hlaingbwe's main supply route. Goods come from Yangon/Myawaddy.	Rare	—	●●●	—	←
13	<b>Hlaingbwe - Kawkareik</b> via Paingkyon	Still Hlaingbwe's secondary supply route, but trade is down. Goods come from Thailand.	Frequent	—	○	▼	←
14	<b>Shan Ywar Thit - Hlaingbwe</b>	Still Shan Ywar Thit's main supply route. Goods come from Hpa-An/Kawkareik.	Occasional	▲	●	—	←
15	<b>Kawkareik - Myawaddy</b>	Still Kawkareik's main supply route and Kayin's primary border crossing with Thailand.	Occasional	—	●●●	—	←
16	<b>Kawkareik - Mawlamyine (Mon)</b> via Zar Tha Pyin	Still the main route for Thai imports to Myanmar. Goods come from Myawaddy.	Rare	—	●●●	—	←
17	<b>Kyainseikgyi - Kawkareik</b>	No longer Kyainseikgyi's main supply route. Goods come from Thailand via Myawaddy.	Long-term	▲	N/A	▼	←
18	<b>Kyainseikgyi - Mudon (Mon)</b>	Now Kyainseikgyi's main supply route due to closures. Goods come from Yangon via Mawlamyine.	Frequent	▲	●	▼	←
19	<b>Kyaikdon - Kyainseikgyi</b>	Still Kyaikdon's main supply route, but largely closed. Goods come from Mudon and Kawkareik.	Long-term	▲	N/A	▼	←
20	<b>Waw Lay Myaing - Myawaddy</b>	Still Waw Lay Myaing's main supply route, but largely closed. Goods come from Thailand.	Frequent	▲	○	▼	←
21	<b>Su Ka Li - Waw Lay Myaing</b>	Still Su Ka Li's main supply route, but largely closed. Goods come from Thailand.	Long-term	▲	N/A	▼	←
22	<b>Hpayarthonesu - Kyainseikgyi</b>	Formerly Hpayarthonesu's main supply from Thailand via Kawkareik, but largely closed.	Long-term	▲	N/A	▼	←
23	<b>Hpayarthonesu - Mudon (Mon)</b>	Now Hpayarthonesu's main supply route. Goods come from Yangon/Dawei via Mawlamyine.	Frequent	▲	●●	▲	←



## Key Findings

- **Route closures grew more frequent across Kayin State due to increased conflict**, particularly in the north and south but also in central Kayin State near major trade routes;
- **Trade volumes were largely unchanged along Kayin State’s main trade corridor**, although trade was down sharply throughout the south;
- **Long-term closures limited transport in the south**, particularly in Kyainseikgyi Township;
- **Route quality worsened in Kayin State due to road and bridge damage from conflict**, and while many bridges were repaired by mid-2023 route quality may worsen in monsoon season;
- **Increased closures on/near major supply routes may spark further price and supply shocks.**

## Closures and Checkpoints

**Half of all routes monitored in Kayin State closed with greater frequency in the past year.**

Long-term closures remained in place for routes linking Kayin State to Demoso in Kayah State and Bilin in Mon State (1, 4), while increased conflict in late-2022 also led to additional long-term closures in the south.<sup>1</sup> Most routes in Kyainseikgyi Township remained closed as of June 2023 (17, 19, 21, 22). Other routes in southern Kayin State were open but saw more frequent short-term closures, including those which supply the region with goods from Thailand (20) and central Myanmar (18, 23). Even in central Kayin State—where major trade disruptions are rarer—short-term closures increased on routes near to the state’s main trade corridor (6, 10, 14).

**The impact of checkpoints on trade in Kayin State was largely unchanged in the past year.**

In 2022 there were already checkpoints at most towns, intermediary villages, and major junctions in Kayin State, and this continued to be true. However, in some cases wait-times at checkpoints increased, such as the Than Lwin Bridge crossing near Hpa-an.

## Source and Volume of Goods

**Trade was stable on the Myawaddy corridor, but volume was down in southern Kayin State.**

Trade volumes remained high along Kayin State’s main trade corridor linking Thailand with Mon State and central Myanmar. Trade on the major Myawaddy-Kawkareik-Mawlamyine line remained undiminished (15, 16), however traders reported a slight decline in trade on the secondary branch of this route which links Kawkareik to Thaton via Hpa-an (9, 10, 16). Trade also dwindled on the Kawkareik-Hlaingbwe route (13) due to frequent road closures south of Paingkyon. Route closures have dramatically reduced trade volumes on all routes south of Kawkareik—noteably those supplying goods to Kyainseikgyi and Kyaidon (17, 18, 19, 22). The only volume increases in Kayin State were on routes leading to Hpayarthonesu (23) and Hpapun (4), as these serve as backup-supply routes when others in the state face long-term closures.

**The main sources of goods in Kayin State were unchanged, with supply arriving from Thailand and central Myanmar.** Kayin State’s largest flows of commercial goods continued to consist of imports arriving from Thailand via the Myawaddy border crossing and goods arriving from central Myanmar via Thaton and Mawlamyine in Mon State. The direction of trade on routes in Kayin State shifted only very slightly in some cases, and the general flow of trade was largely unchanged even in cases of increased conflict.

## Permanant Route Features

#	Route (point A - point B)	Mode	Distance (Hrs)	Quality	Monsoon Conditions
1	Taungoo (Bago) - Demoso (Kayah) via Leik Tho	Road	8	★★★★	- →
2	Thandaunggyi - Taungoo (Bago) via Thandaung	Road	2	★★★★	→
3	Baw Ga Li - Taungoo (Bago)	Road	4	★★	- →
4	Hpapun - Kamarmaung	Road	5	★★	→
5	Hpapun - Bilin (Mon)	Road	10	★	- →
6	Kamarmaung - Hpa-An	Road	2	★★★★	→
7	Myaing Gyi Ngu - Hpa-An	Road	2	★★★★	→
8	Myaing Gyi Ngu - Hlaingbwe	Road	1	★★★★	→
9	Hpa-An - Thaton (Mon)	Road	2	★★★★★	→
10	Hpa-An - Kawkareik	Road	3	★★★★★	→
11	Hpa-An - Mawlamyine (Mon) via Zar Tha Pyin	Road	2	★★★★★	→
12	Hlaingbwe - Hpa-An	Road	1	★★★★	→
13	Hlaingbwe - Kawkareik via Paingkyon	Road	4	★★	- →
14	Shan Ywar Thit - Hlaingbwe	Road	3	★★	- →
15	Kawkareik - Myawaddy	Road	2	★★★★★	→
16	Kawkareik - Mawlamyine (Mon) via Zar Tha Pyin	Road	3	★★	→
17	Kyainseikgyi - Kawkareik	Road	3	★	→
18	Kyainseikgyi - Mudon (Mon)	Road	2	★★★★	→
19	Kyaikdon - Kyainseikgyi	Road	2	★	→
20	Waw Lay Myaing - Myawaddy	Road	4	★	→
21	Su Ka Li - Waw Lay Myaing	Road	3	★	- →
22	Hpayarthonesu - Kyainseikgyi	Road	4	★★★★	→
23	Hpayarthonesu - Mudon (Mon)	Road	5	★★★★	→

## Route Quality and Seasonal Effect

**Route quality in Kayin State worsened in the past year, due largely to infrastructure damage from conflict.** Damage to roads and bridges from ongoing conflict in Kayin State degraded infrastructure and increased travel times between towns.

<sup>1</sup>Routes are deemed to be “closed” on a short-term or long-term basis when one or more parties has prohibited regular commercial transit on the route.

In southern Kayin State, bridge damage hindered routes linking Kyainseikgyi with Kawkareik and Kyaikdon (17, 19) as well as routes in southern Myawaddy Township (20, 21). Route quality also worsened on still-functional routes in central Kayin State which link Hpa-an to Kamarmaung (6), Kawkareik (10), and Mawlamyin (11). Route damage—along with checkpoint delays—doubled travel times on many routes in central Kayin State, however as of June 2023 some damaged bridges have also been fully repaired.

**Damage from conflict may worsen the effects of monsoon rain on route quality in coming months.** Absent infrastructure improvements, poor-quality routes in northern Kayin State and near the border with Thailand remain vulnerable to monsoon conditions. Moreover, conflict-related damage may render some routes in central Kayin State more vulnerable to rains as well (13, 14). In particular, monsoon-season rain may inhibit river-crossings where bridge damage has yet to be completely repaired.

## Implications

- **Southern Kayin State may face goods shortages.** Long-term closures continued to isolate the south from major supply networks, complicating the supply of essential goods.
- **Increased closures on major supply routes may lead to price and supply shocks.** Frequent route closures between Hpa-an and Myawaddy may increase shipping costs and reduce supply.
- **Infrastructure damage may indefinitely complicate market access and aid delivery.** Absent infrastructure repairs, supply will continue to depend on longer and less-direct routes.

## 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 June 2022.

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

**Closure / Volume (change)** – Change in closures or volume on route since June 2022.

- ▲ Increased
- Stable
- ▼ Decrease

**Volume (total)** – Current commercial volume on route, relative to routes in June 2022. 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.

- ✗ **Closed** - Closes in monsoon
- ↘ **Poorer** - Worsens in monsoon
- > **Variable** - Weather dependent
- > **Good** - Stable 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).

### **CONTACT**

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