THE REPUBLIC OF THE UNION OF MYANMAR
MINISTRY OF TRANSPORT AND COMMUNICATIONS

Joint ESCAP-OSJD Meeting on Strengthening Railway Transport Connectivity in South and Southwest Asia

Current Status and Challenges to Facilitation of International Railway Transport in Myanmar

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New Delhi
15th March, 2017
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- Important rail lines for International Railway links to the neighboring countries
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Location

- Located at the cross roads between East and West, North and South of Asia continent
- Land-bridge and regional hub connecting Southeast Asia and South Asia as well as with China.
- Actively participating in the international cooperation.
- upgrade and develop transport by not only own resources but also Development partners.

- Area 676578 Km²
- Population - 51.4 million (2014)
- A land of hills and valleys rimmed in the north, east and west by mountain ranges forming a giant horseshoe. Enclosed within the mountain barriers are the flat lands of Ayeyawaddy, Chindwin and Sittaung River valleys where most of the country's agricultural land and population are concentrated.

Myanmar Cooperation Area

- UN
- UNESCAP
- ADB (Asian Development Bank)
- ACD (Asian Cooperation Dialogue)
- ASEAN
- GMS(Greater Mekong Subregion)
- AMBDC (ASEAN-Mekong Basin Development Cooperation)
- MGC (Mekong-Gingga Cooperation)
- BIMSTEC(Bay of Bengal Initiatives for Multi-Sectoral Technical and Economic Cooperation)
- ACMECS (Ayeyawady – Chao Phraya
- Mekong Economic Cooperation)
- CLMV
Myanmar’s involvement in Regional Railway sector

With UNESCAP
- Inter-governmental Agreement on Dry Ports – signed on 7th November 2013.

With ASEAN
- Special Working Group in Singapore-Kunming Rail Link Project
- Protocol 6: Railways Border and Interchange Stations – under the ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT) was signed on 16th December 2011 and then it has already ratified on 3rd February 2014.

With Greater Mekong Sub-region (GMS)
- Memorandum of Understanding for Greater Mekong Railway Association-GMRA was signed on 11th December 2013.
Mandalay-Yangon
Mandalay-Lashio  [ Muse (border station and break of gauge)-Rueli(China)]
Kalay-[ Tamu (border station and break of gauge)-Jiribam (India)]
Thanbyuzayat –Three Pagoda Pass (Myanmar)-Three Pagoda Pass – Namtok (Thailand)]

Yangon (maritime connection)
Important Railway Lines for International links

**Existing lines**
- Mandalay-Yangon = 617 km
- Mandalay-Lashio = 313 km
- Mandalay-Kalay = 539 km
- Bago-Dawei = 516 km

**Missing lines to neighboring countries**
- Kalay-Tamu (to India) = 127.4 km
- Lashio-Rueli (to China) = 141.8 km
- Thanbyuzayat-Three Pagoda Pass = 120 km (Thailand)
- Dawei- Htikhi (to Thailand) = 142 km
Myanmar Railways Network as 28th February 2017

Started in 1877 (140 year old)
Divided into 11 divisions

Employment strength – 19466

Single Route 5405.285 km
Double Route 705.196 km
Total Route Length 6110.481 km
Total Track Length 7942.372 km

Bridges 12102 Nos
Tunnels 12 Nos
Railway Stations 960 Nos
1000 mm gauge (Narrow gauge)

Daily train operating
(190 Inter-City, 221 Urban, 21 freight, total 432 nos. of trains)
Kalay and Tamu- 127.4 km.
F.S- Survey Team from Rail India Technical and Economics Services (RITES) in 2004.

1st Option- Tamu-Kalay (New Line) and Kalay-Gangaw-Pakokku-Chaung Oo-Mandalay (Existing Line)

2nd Option  Taum-Kalay (New Line) and Kalay-Kalaywa-Segyi-Monywa (New Line) and Monywa- Chaung Oo-Mandalay (Existing Line)

The 2nd Option is a prioried by Myanmar side.

1st JWG meeting in January, 2013, Naypyitaw.

- Discussed on establishment of the missing link, MR confirmed the alignment proposed by RITES in 2005 and both sides agreed to cooperate to prepare a Detailed Project Report by the broad gauge system.

- No more progress yet.
Missing link between Myanmar and China

Lashio-Muse – Rueli (141.8km)
Missing Link in Myanmar
(Thanbyuzayat- Three Pagoda Pass) –(120 km)

Missing Link in Thailand
(Three Pagoda Pass – Namtok) (135km)
The 23rd ASEAN Land Transport Facilitation Working Group meeting was held in August 2014 in the Philippines and the new alignment of Dawei–Hti khi of Myanmar and Ban Phu Nam Ron – Kanchanaburi of Thailand was proposed instead of the old line of Thanbyuzayat- Three Pagoda Pass–Namtok.

Thailand has already done the F/S for its portion and now Detailed Design is under budgeting. Myanmar is seeking for the Technical Assistance for Feasibility Study for its portion, and also Financial Assistance from Development Partners.
Current Status and Challenges to Facilitation of International Railway Transport

Current Status
- Railway Performance is declining in both of Passenger and Freight Transport due to insufficient infrastructure and assets.
- No railway connection to Neighboring countries.
- There are missing links to three neighboring countries. (India, China, Thailand)
- The first two priority Dry Ports have been implemented on the edges of Yangon-Mandalay Railway Corridor.

Challenges
- Road (Land) Infrastructure Development is rapidly improved in everywhere.
- Policy allows the Importing License of Motor Vehicles for Passenger & Freight transport)
- Different gauge (1000 mm) utilization against neighbouring countries.
- Requirement of Feasibility Studies (T/A) for expected railway projects.
Transport Master Plan

Japanese Government, JICA has already provided the National Transport Development Plan (NTDP) in 2014.

Rail Transport Sector Vision

“Develop safe rail network and services along the designated major economic development corridors in order to fulfill social and economic transport needs of the nation in a coordinated manner with other modes of transport to achieve higher inter-modality; contribute to the environmental improvement through introduction of low carbon technologies, and build preferred business environment through provision of safe, punctual, comfort and high capacity rail transport services with affordable yet reasonable prices.”
### Policy Components – Strategic objectives (Rail Transport sector)

<table>
<thead>
<tr>
<th>RWY-01</th>
<th><strong>Develop effective asset management measures and mechanisms</strong> to fully utilize the existing assets.</th>
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<td>RWY-02</td>
<td><strong>Rehabilitate the existing rail infrastructure and associated systems</strong> along the designated development corridors and to/from major transport nodes to a higher standard.</td>
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<td>RWY-03</td>
<td><strong>Develop all-weather and disaster-free trunk rail network and services</strong> along the designated development corridors.</td>
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<td>RWY-04</td>
<td><strong>Reduce</strong> the number of <strong>rail accidents</strong> to the level of advanced countries, as soon as possible.</td>
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<td>RWY-05</td>
<td><strong>Introduce environmentally-friendly technology</strong> in the rail infrastructure and rail transport industry.</td>
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<td>RWY-06</td>
<td><strong>Increase participation of the private sector</strong> in developing rail and rail-related infrastructure and businesses such as ICD development and operation and rail-based freight forwarding business.</td>
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<td>RWY-07</td>
<td><strong>Improve MR’s business performance</strong>, focusing on market-driven freight transport services.</td>
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<td>RWY-08</td>
<td><strong>Be prepared for early introduction of High Speed Railway</strong> (HSR) Passenger Service.</td>
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<td>RWY-09</td>
<td><strong>Encourage and promote business and industrial activities</strong> along rail corridors, that can yield stable demand of both passenger and freight.</td>
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<td>RWY-10</td>
<td><strong>Reduce operational and management costs</strong> by streamlining the institutions, the number of staffs, etc.</td>
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Corridor-based Development Approach

10 Major Corridors

A  Central North-South Corridor
B  East-West Corridor
C  Northern Corridor
D  Mandalay - Tamu Corridor
E  Second East-West Corridor
G  East-West Bridging Corridor
H  Delta Area Network
J  Southern Area Development Corridor
K  Western North-South Corridor
L  Eastern North-South Corridor

Priority corridors for urgent investment
10 Priority Projects and Actions for Rail Sector

Corridor A

**On-going:**

1. Yangon – Mandalay Railway Improvement Project by JICA’s ODA Loan
2. Yangon Station Signal and Communication System Improvement by JICA’s Grant
3. Railway Maintenance Capacity Improvement by JICA’s T/A
4. Yangon Station Area Development (International competition in 2014/2015 by MR/MRT) (PPP)
5. Yangon Circular Railway Line Upgrading Project by JICA’s ODA Loan

**To be implemented:**

1. Dry Ports (Yangon and Mandalay area) (PPP)
2. Rehabilitation and Modernization (Myohaung – Myitkyina) by Korea’s EDCF Fund

**Corridor B:** Bago – Mawlamyine Railway Rehabilitation and Modernization

**Corridor H:** Yangon – Pathein Railway Line upgrading

**Corridor F/K:** Yangon – Pyay Rehabilitation and Modernization

Waiting for external Assistance
Customs Transit System in Trade

- Myanmar Customs adopted customs transit rules and procedures in accordance with the Sea Customs Act Section (2), Paragraph (43 A).
- Myanmar Customs specified transit trade routes by applying Land Customs Act Paragraph (4) as follows:

1. India-Myanmar-Thailand Transit Trade Route (Tamu-Mandalay-Kawkareik-Myawaddy)
2. India-Myanmar-China Transit Route (Tamu-Mandalay-Lashio-Muse)
3. Bangladesh-Myanmar-China Transit Trade Route (Maungdaw-Sittwe-Mandalay-Lashio-Muse)
4. Bangladesh-Myanmar-Thailand Transit Trade Route (Maungdaw-Sittwe-Yangon-Myawaddy)
   (Maungdaw-Sittwe-Yangon-Kawthaung)
   (Maungdaw-Sittwe-Yangon-Taunggyi- Tachileik)
5. Thailand-Myanmar_China Transit Trade Route
   (Myawaddy-Mandalay-Lashio-Muse)
   (Kawthaung-Yangon-Mandalay-Lashio-Muse)
   (Tachileik-Taunggyi-Mandalay-Lashio-Muse)
   (Tachileik-Kyaing Tong-Mailar)
Myanmar Customs plan to assess transit taxes and duties based on the 2.5% of CIF value by US dollar.

In addition, Department of Trade will collect transit fees depends upon 5% of the License value.

In particular, transit taxes and duties have been exempted within the trade of ASEAN due to the ASEAN FRAMEWORK AGREEMENT ON THE FACILITATION OF GOODS IN TRANSIT.

Transit vehicle was registered and exempted as temporary importation without paying tax and duty.
At present, Myanmar Customs has been established ASEAN Customs Transit System (ACTS) to be in line with the WCO Guideline, Revised Kyoto Convention, and World Trade Organization Trade Facilitation Agreement (TFA). (Protocol 7)
Conclusion

- Myanmar has not yet come into the Inter-governmental Agreement on Trans-Asian Railway Network.
- Myanmar has been conducting the Internal Processes for signing Inter-governmental Agreement on Trans-Asian Railway Network in future.

However,

- Feasibility Study for missing link of Myanmar and India was done in 2004, but no more progress yet.
- Feasibility Study for missing link of Myanmar and China not yet started.
- Feasibility Study for missing link of Myanmar and Thailand – Thanbyuzayat – Three Pagoda Pass-Namtok was done by KOICA in 2005, but not feasible and then the said link had been put off in the meeting of Singapore-Kunming Railway Link in ASEAN infrastructure Connectivity. Instead of it, the Dawei-Htiki (Myanmar)-Ban Phu Nam Ron – Kanchanaburi (Thailand) missing link has been discussed in SWG-SKRL Meetings.
Main Railway Corridor of Yangon-Mandalay Railway Line and Bago – Dawei Railway Line are being upgraded, and also Dry Ports in Yangon and Mandalay are going to be established soon.

Myanmar is enthusiastic about participating in Regional Integration such as the Development of Asian Highway and Trans-Asian Railway Network for Europe – Asia Transport Linkage.

Dry Ports Establishment – to reduce and eliminate the delay actions in Cross Border Transport and Transit Transport.

Finally,

Myanmar need a Financial Assistance, Technical Assistance (F/S) and Various Trainings Courses for the above mentioned Plans.

UNESCAP is kindly requested to provide the requirements of Myanmar related to TAR improvement.
Thank you for your attention