



INLAND WATER & COASTAL CARGO TRANSPORT INDUSTRY

2019 Report



POWERED BY 



Check the updates of MMRD Research Division's Syndicated Products at www.mmrd.com/syndicated-research/

Disclaimer

MMRD Research Division produces syndicated products to those needs. All rights reserved. No part of these data or documents may be reproduced or redistributed without the written permission of MMRD Research Division. MMRD Syndicated data/reports can be subscribed subject to the condition that it shall not be resold, lent, hired out or otherwise circulated without the prior written consent of MMRD Research Division.

About this publication

MMRD Research Division offers range of syndicated products with the aim to support the needs of our clients. We are a pioneer in researching logistics industry on a quarterly basis in Myanmar. Our goal is to provide up-to-date information of the logistics sector by producing quarterly reports and data. With that, our objectives are to identify the freight rates in various modes of transport, make quarterly comparison in the freight rates to highlight the trends and changes in the logistics sector, underline the issues experienced by the local transporters and traders in each logistics sector and make quarterly forecast over the potential trends in the Myanmar transport and logistics sector.

Table of Contents

Abbreviations.....	4
Units of Measurement.....	4
Exchange Rate.....	4
Abstract.....	5
Key Findings.....	6
Overview of Industry.....	7
Logistics Hubs	8
Types of Vessels operating in Inland Water and Coastal Cargo Transport Industry.....	10
Market Condition.....	12
Comparison of Transport Rates	16
Costs of Transport Service Providers	20
Main Issues in Inland Water & Coastal Transport	22
Short-term Outlook	24

Figures

Figure 1: Inland Water & Coastal Cargo Transport Routes.....	8
Figure 2: Comparison for Transport Rates by Main Routes in Inland Water Transport.....	17
Figure 3: Comparison for Transport Rates by Main Routes in Coastal Routes Transport	19
Figure 4: Operation Cost by Main Routes.....	22

Tables

Table 1: Number of Ports and jetties by Major Cities	11
Table 2: Total Operation Routes and Length of Inland Water Transport.....	11
Table 3: Permissible Maximum Deadweight Tonnage by Types of Vessels transporting along Coastal Routes.....	12
Table 4: Changes in the Demand on the Flow of Cargo by Main Routes.....	15
Table 5: Comparison of Transport Rates per Rates/kg by Main Routes	16
Table 6: Comparison of Transport Rates per Rates/tonne/km by Main Routes	18
Table 7: Fuel Consumption by Main Routes in Mandalay	20
Table 8: Comparison of Total Operation Cost per Vessel	21

Abbreviations

- DWT Deadweight tonnage
- BRI Belt and Road Initiative
- DWIR Directorate of Water Resources and Improvement of River Systems
- FEU Forty foot container
- GRT Gross Registered Tonnage
- IWT Inland Water Transport
- JICA Japan International Cooperation Agency
- MITT Myanmar International Terminals Thilawa
- MOTC Ministry of Transport and Communication
- MPA Myanmar Port Authority
- PPP Public-private partnership
- SEZ Special Economic Zone
- TEU Twenty-foot Container

Units of Measurement

- 1 gallon (imperial gallon) = 4.56 litres
- 1 tonne= 1,000 kilograms
- 1 mile = 1.6 kilometres
- 1 viss = 1.62 kilograms

Exchange Rate

- 1 USD = 1,320 MMK (Oct'17)
- 1 USD = 1,320 MMK (Feb'18)
- 1 USD = 1,347 MMK (May'18)
- 1 USD = 1,473 MMK (Aug'18)
- 1 USD = 1,570 MMK (Nov'18)

Abstract

The sector report intends to provide the industrial-wide overview of the inland water and coastal cargo transportation in Myanmar. The survey approached major stakeholders in the industry in the market across the hubs in the country to gain rich sources of information to conduct the study report. The study focuses on the quarterly comparison in the transport rates and operation costs and changes in market demand to highlight the trends on the major freight transport routes in 2018-19. Moreover, the report underlines the issues experienced by the local vessel operators in the inland water and coastal cargo transport industry.

Keywords: inland water routes, coastal routes, vessels, river transport, jetty, deep sea port, Chindwin River, Ayeyarwaddy River, ports, barge, crew members

Inland Water & Coastal Cargo Transport Industry (2018-2019 Report)

Key Findings

- The inland water transport worsened due to limited navigability of the rivers during the peak of the dry season. Starting from February, the water levels receded restricting the movement of vessels in the rivers.
- However, there was a higher demand on some coastal transport routes, i.e. Dawei, Myeik in Tanintharyi Region due to good weather condition during the dry season.
- Rising fuel charge, one of the challenges of higher operation costs.
- Transporting cargo on the Yangon-Dawei water route will likely to be diminished in 2020 due to the flourished road condition, as assumed by an operator in the survey.
- The infrastructural impediments (over-aged vessels and jetties) and high labour cost still remain as the main challenges in this transport mode. However, the MOTC is undertaking many developments to improve the inland water cargo transportation.
- The Monywa-Homalin water route was suspended in early October 2018.
- New rules and regulations for shipping to operate on the Chindwin and Ayeyarwaddy Rivers are investigated.
- The study has revealed the port development project ongoing in Mandalay.
- The development of the Kyauk Phyu deep sea port project, a strategic location along the coast of the Bay of Bengal will move forward.
- Survey revealed that there will be a development project of inland jetty including river view hotels and restaurants along the Ayeyarwaddy River.