



# The Bus Market Study in Myanmar

**SEP-NOV 2014  
FINAL REPORT**

*Study Prepared by*

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# Introduction

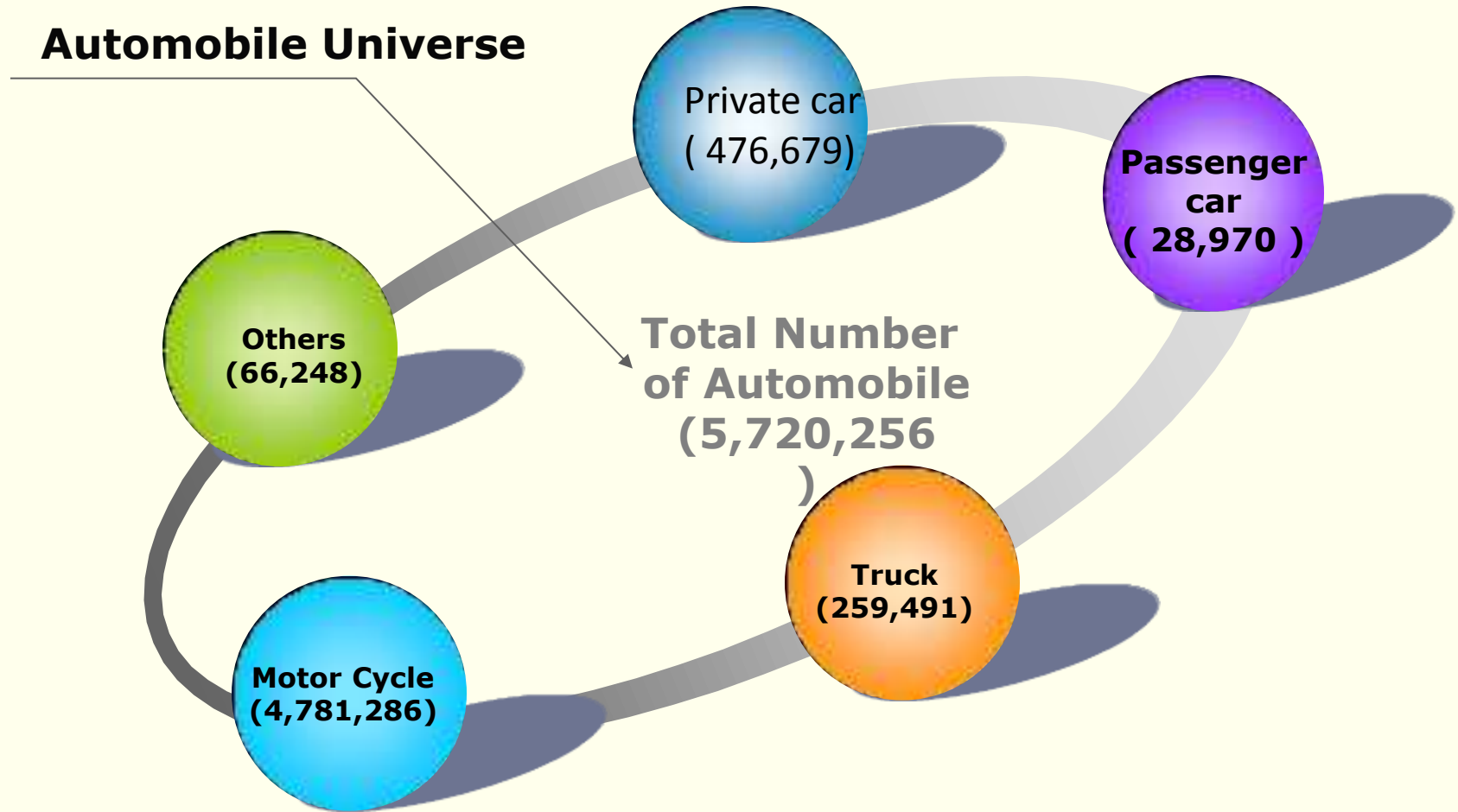
- For transportation within Yangon area, bus lines has become the major means of transportation since 1970s. However, prior to that time, the major import vehicles were Hinos from Heavy Industries and Chevelots from WWII.
- After 1988, Mitsubishi, Toyota, Hyundai and Daewoo were mostly imported especially for city bus and highway buses. After 2011 when car importation was liberalized, premium and new brands like Scania, Yutong, Nissan, King Long, etc.
- In Myanmar, Highway Express Lines had developed due to the upgrade of road infrastructure after 1988.
- According to data of Road Transport Administration Department (RTAD), 28,970 buses were registered as of June, 2016.

# Objectives of The Study

- To assess the bus market size in Myanmar
- To understand the public transportation in Yangon
- To understand the current bus market situation in Myanmar
- To understand the consumer (bus owner) usage and attitude of buses
- To assess the current market potential

# **AUTOMOBILE & BUS POPULATION IN MYANMAR**

# Automobile Universe in Myanmar June 2014



(Source: Road Transportation Administration Dept.)

- Tri-cycles, Htawlargis and Machineries are included in the group of others.

# **Yearly Trend of Registered Automobile (excluding Motorcycle)**

- The number of registered motor vehicles (excluding motorcycle) is increasing year after year.
- It is found that the number of passenger cars, buses, trucks and other machineries become more than 810,000 as of June 2016.



# (3)years Trend of Registered Buses in Myanmar

- According to Road Transport Administration Department, the number of registered buses has seen an increase to 28,970 buses in 2015-16 from 19,579 buses of 2011-12.
- From 2011-12 to 2015-16, the figure shows that there was increase in the number of buses as there were substituted imports with the old ones.
- On the other hand, in 2013-14, the number noticeably increased due to the extension of new bus lines as well as the imports of brand new ones.





# Bus population in Myanmar

## Registered Bus by states and regions as of June 2014

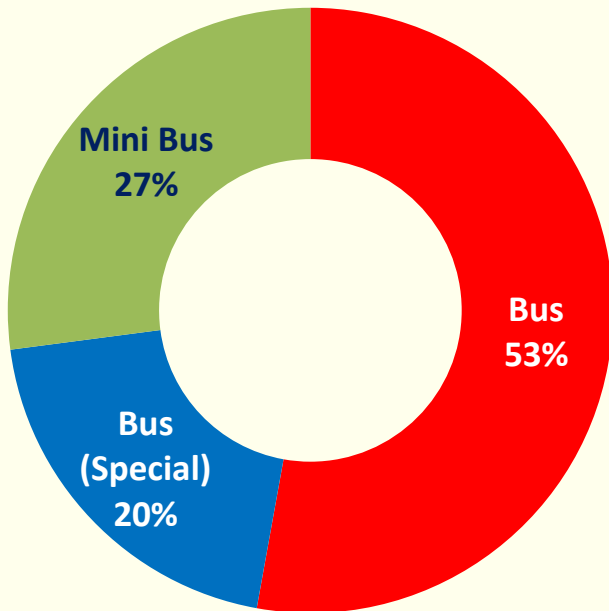
Sr.	State / Region	No. of Bus (Unit)
1	Yangon Region	15,524
2	Mandalay Region	2,985
3	Sagaing Region	3,360
4	Nay Pyi Taw	2,061
5	Ayeyarwaddy Region	1,123
6	Magway Regin	929
7	Bago Region	882
8	Shan State(South)	348
9	Tanintharyi Region	447

Sr.	State / Region	No. of Bus (Unit)
10	Shan State(North)	273
11	Mon State	275
12	Shan State(East)	153
13	Kachin State	161
14	Kayah State	145
15	Rakhine State	157
16	Kayin State	99
17	Chin State	36
	<b>Total</b>	<b>28,970</b>

Source: Department of Road Transport Administration (RTAD)

# **PUBLIC TRANSPORTATION IN YANGON**

# No. of City Bus Lines in Yangon (June 2014)



Sr.	Type of Bus	No. of bus line	No. of Buses
1	Bus	121	2,090
2	Bus (Special)	46	994
3	Mini Bus	62	1029
Total		229	4,113

Source: Central Supervisory Committee for Motor Vehicles

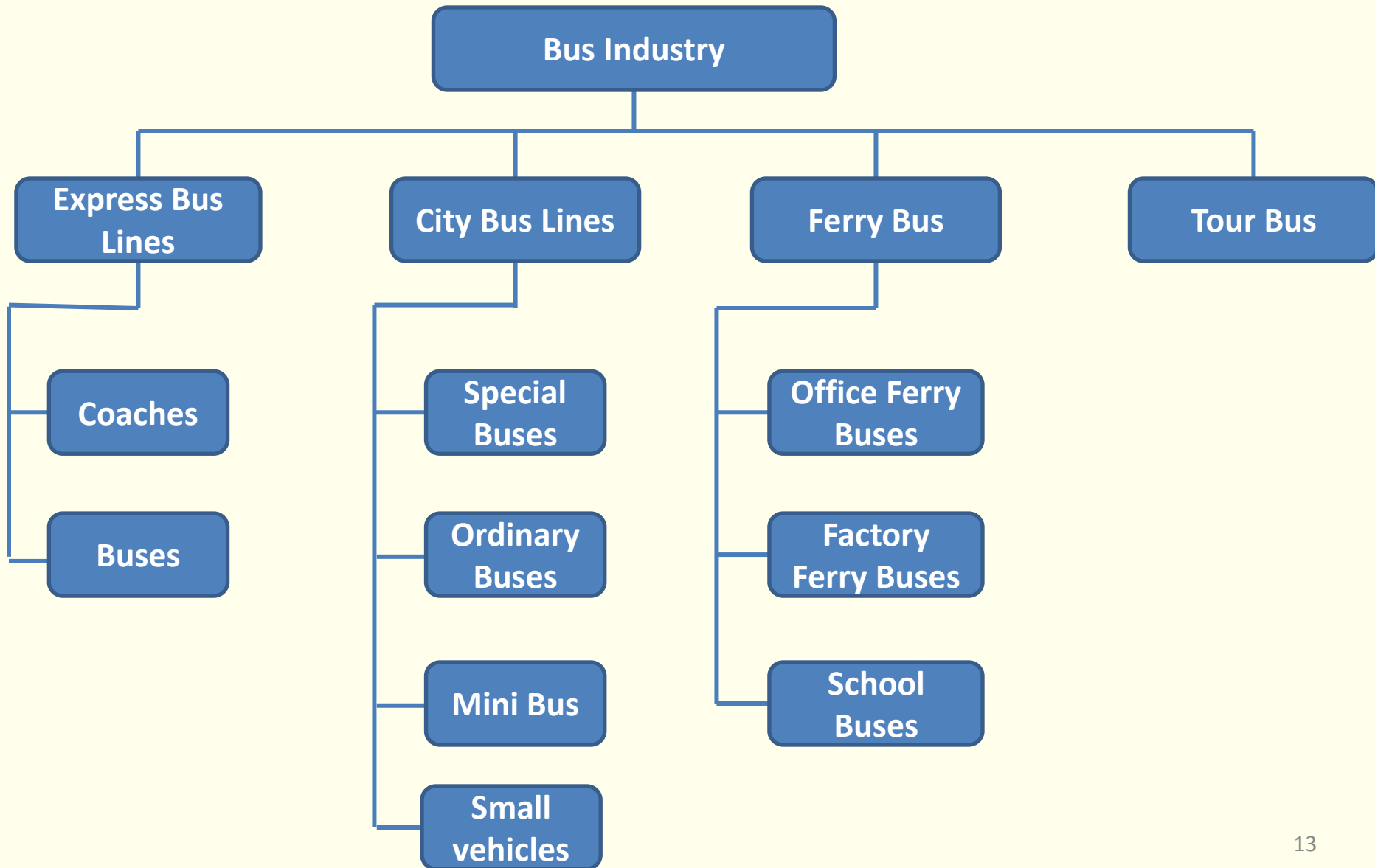
- According to Yangon Region Central Supervisory Committee For Motor Vehicles and Vessels, altogether 229 bus lines were registered in Yangon.
- Among them, the number of ordinary bus line accounts for 121, Special bus lines for 46 and mini bus for 62. Special buses are with air conditioning system and that carry passengers no more than seating capacity, higher bus fare than normal bus.

# **No. of City Bus Lines in Yangon (June 2016)**

Type of Bus	No. of bus line	No. of Buses
City buses	83	Est 4000

- According to Yangon Region Transport Authority , altogether 83 bus lines were registered in Yangon.
- Among them, there are different groups of cars in city buses ( ranging from below 1995 to 2008 model ) and brand new one.
- And also , there are so many mini buses ranging from 2000-2006 model.

# Classification of Bus in Yangon



# Definition of Each Bus Type

**Bus:** The passenger transportation vehicles, sitting capacity of 15 & above. There are four types of buses in Yangon according to their transportation function:

- **Express Bus:** The buses that transporting the passenger between one city to another one or more cities (Highway bus). Most of the express buses are coach type.
- **City Bus:** The buses that transporting the passenger inter city. In Yangon, there are 4 types of city buses & vehicles as follow:
  - **Ordinary Bus:** The city bus without air-condition system that carrying the passenger more than number of seat. Most of the passenger taking the bus by standing and bus fees is 100 ks. Most of the buses are old model.
  - **Special Bus:** The city bus with air-condition system that carry the passenger more than number of seat. The bus fees is 200 ks. Most of the buses are ranging from 2006 to brand new one. Some new city buses are facilitated with CCTV and AFC.
  - **Mini Bus.** The city bus with 15-30 sitting capacity.
  - **Small vehicles:** The passenger transportation vehicles in Yangon such as light truck and pickup. (They are being substituted with mini bus)



# Definition of Each Bus Type

- **Ferry Bus:** The buses that transporting the company staffs, employees and students to their office, factory, and schools.
- **Tour Bus:** The buses that use for transporting the tourists. Tour Buses need to apply Tour Bus license and these buses can use only for travel & tour business with different name plates.

# Classification of City Bus in Yangon

## City Bus (ordinary)

- Brands; Isuzu, Hyundai, Nissan, Hino Mitsubishi
- Length: 33 to 35 feet (10-12m)
- Capacity (Normal) : 40-60 passengers, seating capacity is round about (40)
- Capacity in Peak time : 80 to 110 passengers
- Bus fare : 100 Kyats per passenger for any distance
- Numbers of city buses- around 3000-4000 units



# Classification of City Bus in Yangon

## City Bus (Special)

- **Brands;** Daewoo, Hyundai, Scenia, and Chinese brands (Yutong, Higher and Kinlong)
- **Length:** 33 to 35 feet (10-12m)
- Including air conditioning system
- **Capacity :** 27-33 Seaters with passenger
- **Bus Fare:** 200 Kyats per passenger for any distance
- Numbers of city buses- around 500-1000 units





# Classification of City Bus in Yangon

## Mini bus

- **Brands;** Mitsubishi (Rosa), Toyota (Coaster), Nissan (Civilian), Hino (BM- mostly old car), Hyundai (County )
- Length: 20 to 22 feet (6-7 m)
- **Capacity (Normal):** 30 Seaters  
Capacity in Peak time : 40-50 passengers
- **Bus fare:** 100 Kyats per passenger for any distance
- Numbers of mini buses- around 1000 units



# Small vehicle (Light Truck)

- **Brands;** Toyota (Dyna/Light truck), Mitsubishi (Canter)
- **Length:** 14 - 16 feet (4.5 - 5m)
- **Capacity(Normal):** 20 Seater  
**Capacity in Peak time :** 45-50 passenger  
( Most of them already replaced )



# Former Break down of city bus in Yangon by organization and private

No	Organization	Special Bus	Bus	Mini Bus	Number of Bus
1	Ma Hta Tha (Yangon)	356	700	219	1,275
2	Eastern District	5	278	243	526
3	Western District	78	226	301	605
4	Southern District	8	260		268
5	Northern District	123	194	46	363
6	Parami (Bandoola)	272	116		388
7	Than Myan Thu	1	83	75	159
8	Kandaryawaddy		12		12
9	Shwe Myin Pyan		25		25
10	Sit Hmu Dan Hong			95	95
11	Shwe Yangon	65	166	50	281
12	Shwe Inn Wa	6	24		30
13	Shwe Ae Thal	80			80
14	YCDC		6		6
	<b>Total</b>	<b>994</b>	<b>2,090</b>	<b>1,029</b>	<b>4,113</b>



# Short Term Solution with a Long Term Vision

- ❑ Short term Bus Reorganization and Bus Lanes ( Restructuring of Existing Bus Operation )
- ❑ Medium term with First Mass Transit Line ( BRT )
- ❑ Long term Mass Transit Network ( MRT/ Metro+BRT )

# The Seven Components for Bus Modernization

- Bus Industry reform/Capacity building
- Bus route restructuring
- Bus fleet renewal/ maintenance
- Bus terminals/ facilities improvement
- Bus corridor traffic management
- Bus transport sector management ( YRTA )
- Development of bus operation ( BMS )/  
management information system ( MIS )

# Current Situation of Bus Operation in Yangon

## YUTA Plan for Public Transportation in Yangon

Sr	Company	No of Vehicles	Remark
1	Vandula Co.,LTd		Variable
2	YPPC+North Yangon Public Transport Co.,Ltd		Variable
3	Omni Focus Services Co.,Ltd		Variable
4	Shwe Myotaw Passenger Public Transportation Co.,Ltd		Variable
5	Yangon Urban Public Transportation Co.,Ltd ( YUPT )		Variable
6	Tran Link Co.,Ltd+ Khint Thit Bayintnaung Co.,Ltd		Variable
7	San Waalla Public Transportation Co.,Ltd+Khitthit Peace Public Transportation Co.,Ltd+ SRT1	430	
8	Power 11 Public Co,Ltd+East Than Lwin Public Transportation Co.,Ltd+FGRT Co.,Ltd+Shwe Innwa+ Shwe Lann Khinn Public Transportation	300	

# **HIGHWAY EXPRESS LINE IN SELECTED CITIES**

# Number of Highway Express Lines in Selected cities

Sr.	City	Number of Bus Lines (area based)	Number of Bus	Average buses per bus line
1	Yangon	91	1,033	11
2	Mandalay	80	807	10
3	Naypyitaw	13	198	15

- There are (2) major bus terminals in Yangon. The first one, Aung Mingalar, is situated in North Okkalapa Township. The second one named as Dagon Ayer Terminal is located in Hlaing Tharyar Township.
- In Mandalay, there are two major terminals named Thiri Mandalar Terminal and Pyi Gyi Myatshin Terminal.
- In Naypyitaw, Bawga Thiri Terminal and Myo Ma Market are major gates.
- In the list mentioned above, the number of buses are just the ones based in Yangon, Mandalay and Naypyitaw, not including the buses based in other regions and states. If they have to be counted in, there are over 3000 express buses in and out through Yangon, 2000 buses in Mandalay and 800 buses in Naypyitaw.

# Top 10 Highway Express lines and No. of Buses per bus line in Yangon

Sr.	Bus Line Operator	No. of Buses
1	Elite	75
2	Shwe Sin Sat Kyar	66
3	Mandalar Minn	56
4	Say Ta Man	32
5	Myat Mandalar Tun	25
6	Ye' Aung Lan	24
7	Shwe Lown Pyan	22
8	Taung Paw Thar	21
9	Khaing Mandalay	20
10	Lonebani	20
11	Others	672
	<b>Total</b>	<b>1,033</b>

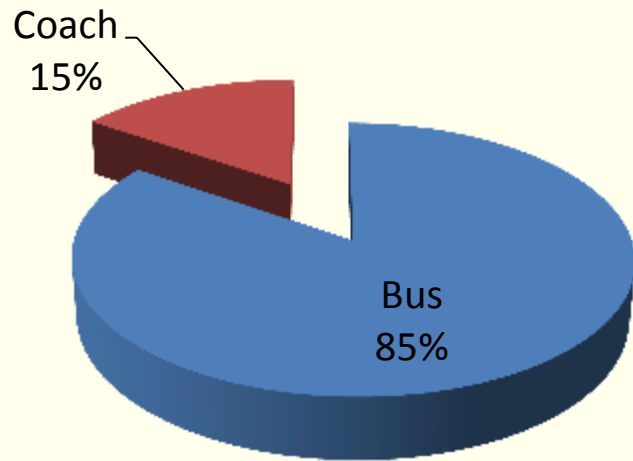
Source: Ma Hta Tha (Highway)

- Among Yangon-based Express Lines, Elite, with the largest number of operating buses, run not only major routes like Yangon-Mandalay and Yangon-Naypyitaw but also to other cities. All the express cars used are of Scania brand.
- Shwe Sin Sat Kyar and Mandalar Minn Express Lines are operating in Yangon, Mandalay, Naypyitaw and other cities.



# No. of Express Bus Line in Yangon

## Registered and Market share by Type

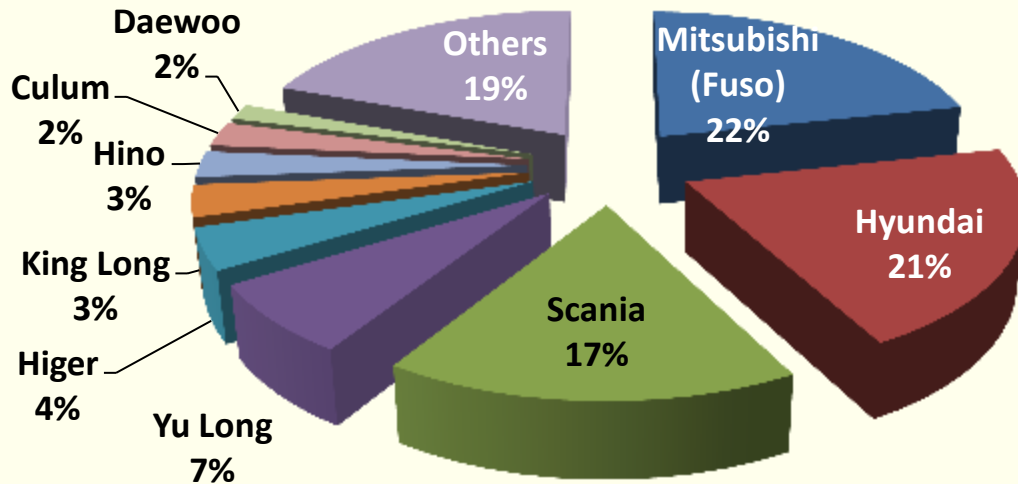


Base: 1,033 buses

Sr.	Type of Bus	No. of Bus Lines	No. of Buses
1	Bus	77	740
2	Coach	14	293
Total		91	1,033

- According to the list registered at Yangon Region Central Supervisory Committee for Motor Vehicles and Vessels (Highway), 91 Express Lines with 1,033 vehicles are in operation
- Out of that total number, 77 Express Lines are using 740 Buses and the rest 14 Express Lines are using 293 Coaches to run the operations.
- That total number only represents the buses based in Yangon. If all the buses coming in and out of Yangon, which are based in other cities, to be included, the number reaches over 3,000 buses.

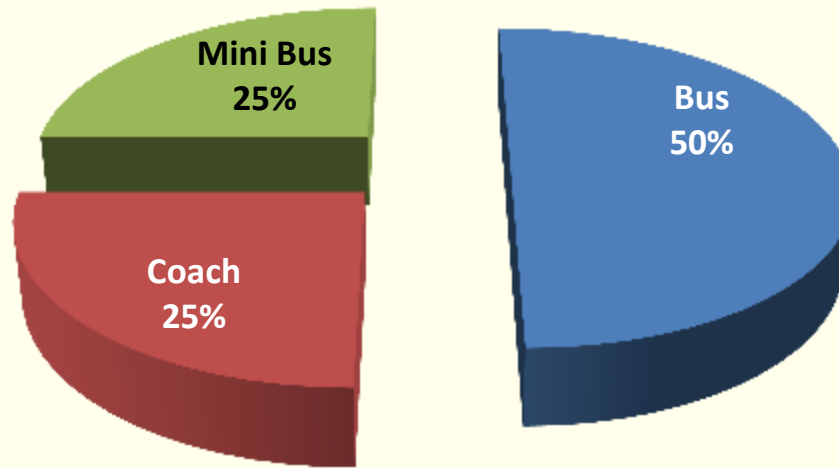
# Market Share by Brand in Yangon based Express lines



Base: 1,033 buses

- In respect of Yangon-based Express Lines, Mitsubishi (Fuso) brand leads the market with 22% market share followed by Hyundai and Scania sequentially.
- Daewoo brand is found occupying 2% market share.
- Nowadays, local owners happen to use Japanese brands and Korean brands mostly. Despite this, advanced technology cars become popular and experience higher demand lately.

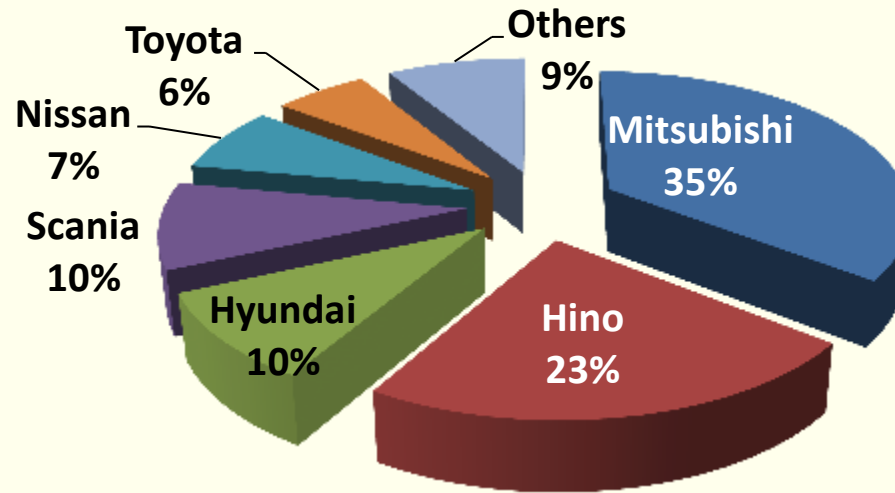
# No. of Express Bus Line in Mandalay and Market share by Type



Base: 807 buses

- According to the study, 80 Express Lines with 807 buses are in operation
- That total number only represents the buses based in Mandalay. If all the buses coming in and out of Mandalay, which are based in other cities, to be included, the number reaches over 2,000 buses.
- Some mini bus are operating to small cities from Mandalay.

# Market Share by Brand in Mandalay based Express lines



Base: 422 buses

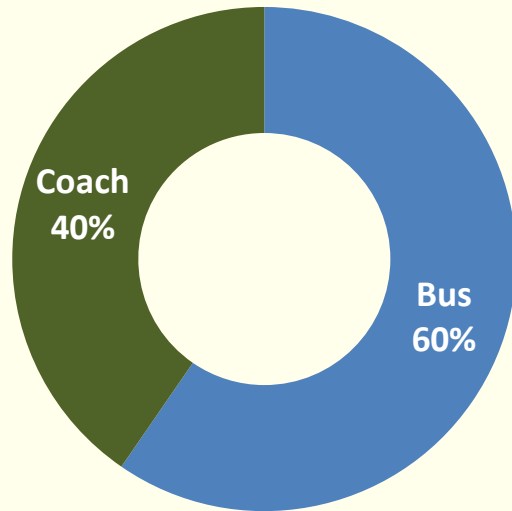
- In respect of Mandalay-based Express Lines, Mitsubishi (Fuso) brand leads the market with 35% market share followed by Hino, Hyundai and Scania sequentially.



# Some of the Express Lines in Mandalay



# No. of Express Bus Line in Naypyitaw registered and Market share by Type



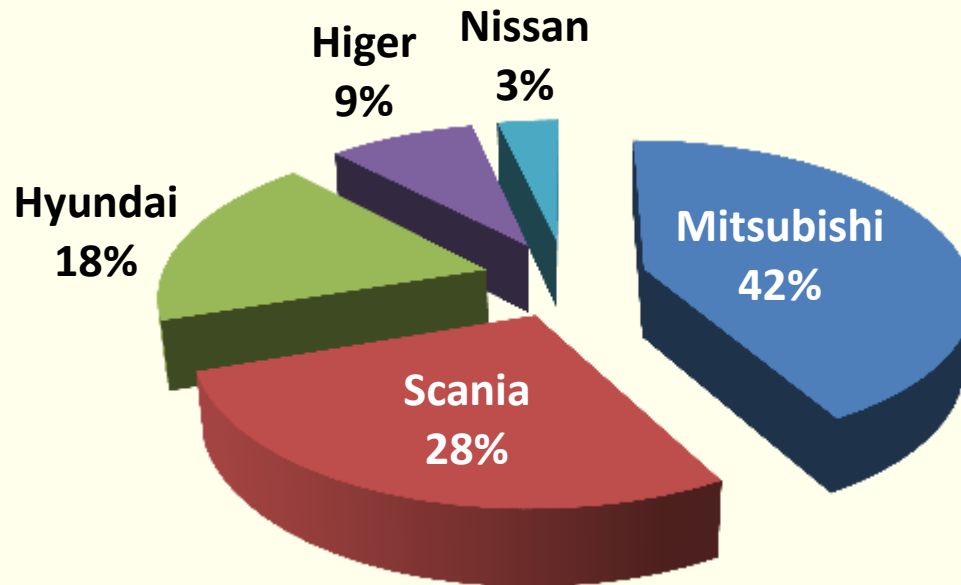
Sr.	Type of Bus	No. of Bus Lines	No. of Buses
1	Bus	9	118
2	Coach	4	80
Total		13	198

Base: 198 buses

- According to the list registered at Naypyitaw Central Supervisory Committee for Motor Vehicles and Vessels (Highway), 13 Express Lines with 198 vehicles are in operation
- Out of that total number, 9 Express Lines are using 118 Buses and the rest 4 Express Lines are using 80 Coaches to run the operations.
- That total number only represents the buses based in Naypyitaw. If all the buses coming in and out of Naypyitaw, which are based in other cities, to be included, the number reaches over 1,000 buses.



# Market Share by Brand in Naypyitaw based Express lines



Base: 198 buses

- In respect of Naypyitaw-based Express Lines, Mitsubishi (Fuso) brand leads the market with 42% market share followed by Scania and Hyundai sequentially.

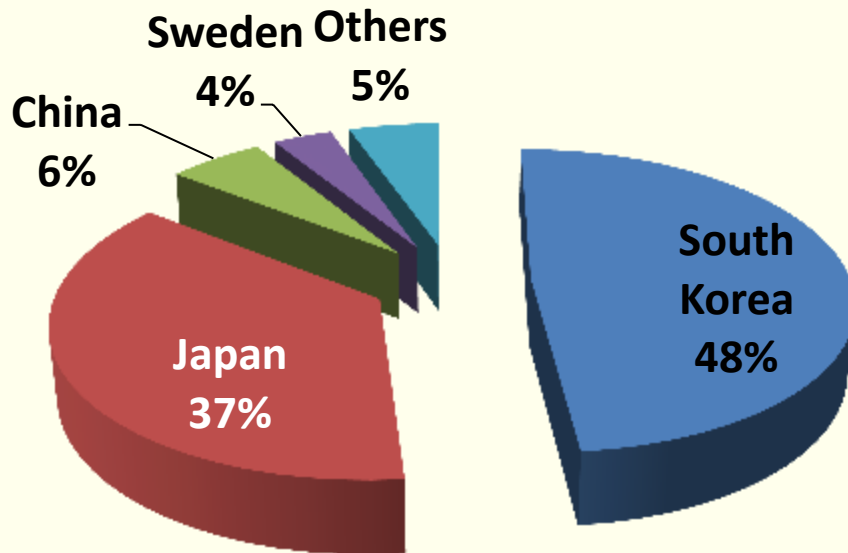
# Some of the Express Lines in Naypyitaw



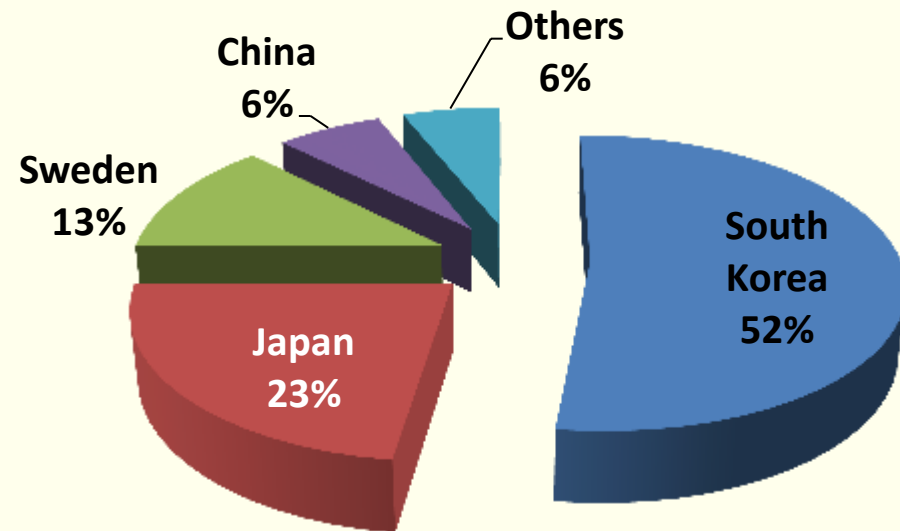
# **BUS IMPORT TO MYANMAR**

# All Bus import market share by country

## Market Share by Volume



## Market Share by Value



(Source: Customs Dept.)

- From the point of market share by country, South Korea gets the largest market share for the imports of Hyundai, followed by Japan for its Toyota, Mitsubishi and Nissan.
- In volume, China takes the third largest market share and in value, Sweden gets the third largest market share for its Scania.

# Import regulation of used buses and RHD bus

Sr.	Type of Bus	Show room/ Individual import	
		Steering system (Driving system)	Model Year
1	Mini Bus (10-15/16-25 Passengers ) passengers)	Not specify ( Need Old car substitute )	Between 2007 to 2014
		Must be left hand side steering system	Between 2007 to 2017
2	City Bus	Must be left hand side steering system	Between 2007 to 2012
3	Express bus (Coach)	Not specify ( Need Old car substitute )	Between 2007 to 2014
		Must be left hand side steering system	Between 2012 to 2017

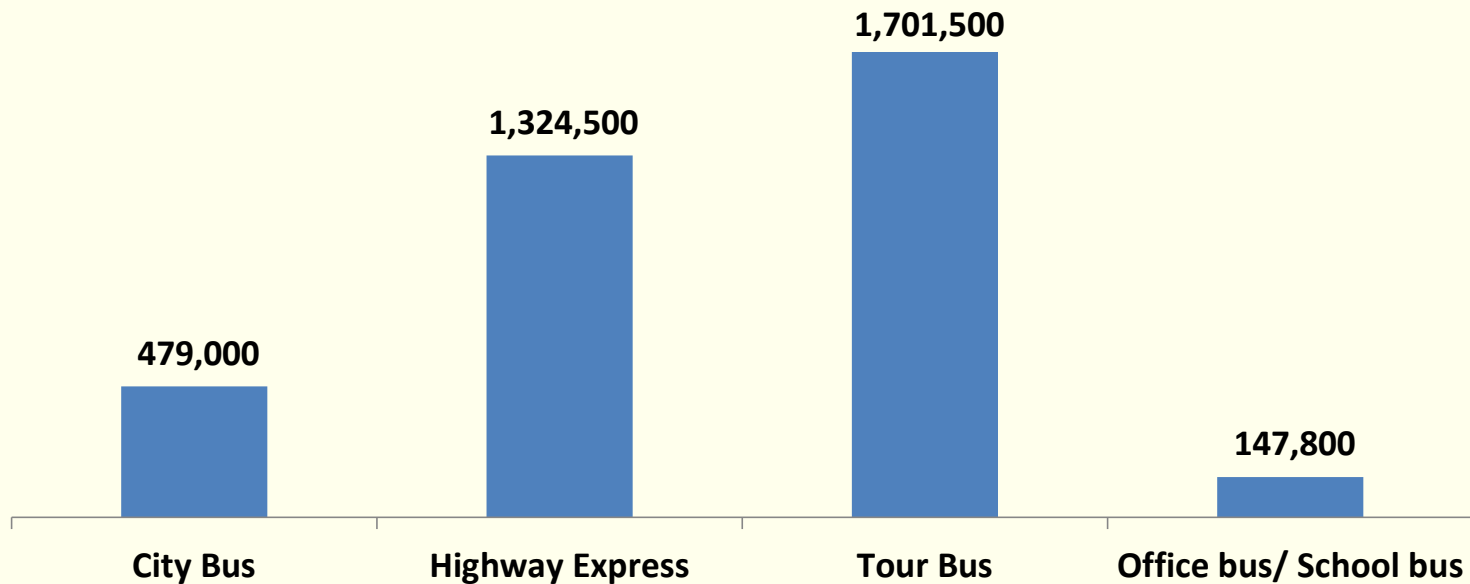


# Tax & Tariff on import of Bus & Minibus

Sr.	Tax & Tariff for bus import	Tax amount (% of CIF value)
1	Customs duty (CBU)	3%
2	Commercial Tax	5%
3	Registration fees (RTAD tax)	5%
4	Advance income tax	2%
	<b>Total</b>	<b>15%</b>

- The tax is levied in accord with the CIF value.
- In addition, CD (Custom Duty) 3%, CT (Commercial Tax) 5%, RTAD tax 5% have to be paid.
- If the model of imported car is not re condition, Kyat 100,000 will be fined.

# Annual Taxes & Tariff for business operation (Kyats)



Sr.	Type of Tax & Tariff	City Bus	Highway Express	Tour Bus	Office bus/ School bus
1	Average License fees	137,900	135,500	105,600	70,500
2	Average income tax	150,000	30,000	250,000	53,700
3	Average Wheel tax	47,800	27,000	55,900	23,600
4	Average annual membership fees	143,200	1,132,000	1,290,000	
	<b>Total average Tax &amp; Tariff</b>	<b>478,900</b>	<b>1,324,500</b>	<b>1,701,500</b>	<b>147,800</b>

# **ASSESSING MARKET POTENTIAL**



# Enumeration Population in Myanmar in March, 2014

Sr.	State/Region	Male	Female	Total	%
1	Kachin	854,633	788,421	1,643,054	3%
2	Kayah	143,461	143,277	286,738	1%
3	Kayin	739,234	763,670	1,502,904	3%
4	Chin	230,005	248,685	478,690	1%
5	Sagaing	2,518,155	2,802,144	5,320,299	11%
6	Tanintharyi	700,403	706,031	1,406,434	3%
7	Bago	2,324,214	2,539,241	4,863,455	10%
8	Magway	1,814,993	2,097,718	3,912,711	8%
9	Mandalay	2,919,725	3,225,863	6,145,588	12%
10	Mon	986,454	1,063,828	2,050,282	4%
11	Rakhine	992,906	1,106,057	2,098,963	4%
12	Yangon	3,517,486	3,837,589	7,355,075	15%
13	Shan	2,908,259	2,907,125	5,815,384	12%
14	Ayeyawady	3,010,195	3,164,928	6,175,123	12%
15	Nay Pyi Taw	565,181	593,186	1,158,367	2%
	<b>Union</b>	<b>24,225,304</b>	<b>25,987,763</b>	<b>50,213,067</b>	<b>100%</b>

Source: population and housing census 2014

- The above data is only for citizens residing in the country excluding citizens who live overseas and others who live in the country without any permission. If they were included, the population in Myanmar was estimated to be about 54 million in 2014.

# Length of Road networks in union, state & regions

Sr.	State/Region	Concrete	Bituminous	Metal	Gravel	Earth	Mule	Total (Km)
1	Kachin State	18.91	605.72	677.94	1,013.69	675.12	736.28	3,727.64
2	Kayah State	0.10	361.80	59.95	175.62	363.71	-	961.18
3	Kayin State	-	651.58	134.98	133.17	924.97	-	1,844.71
4	Chin State	-	514.59	449.81	30.58	932.21	44.86	1,972.05
5	Sagaing Region	16.09	1,930.01	519.64	771.28	801.25	325.09	4,363.35
6	Tanintharyi Region	-	882.73	392.48	-	81.27	-	1,356.48
7	Bago Region	263.53	1,434.13	152.69	221.49	121.10	-	2,192.93
8	Magwe Region	-	2,245.74	225.41	404.35	644.34	-	3,519.84
9	Mandalay Region	202.98	1,700.07	177.33	78.15	17.10	-	2,175.63
10	Mon State	-	617.79	7.04	75.44	33.39	-	733.66
11	Rakhine State	5.03	851.54	550.19	198.75	217.46	-	1,822.98
12	Yangon Region	56.53	700.87	130.96	25.95	118.09	-	1,032.39
13	Shan State	5.33	4,254.20	1,488.34	2,051.11	3,177.55	-	10,976.53
14	Ayeyarwady Region	17.50	1,311.92	215.95	611.85	435.23	-	2,592.45
15	Nay Pyi Taw Council	108.83	223.50	0.60	1.81	23.74	-	358.48
	<b>Total (Km)</b>	<b>694.84</b>	<b>18,286.17</b>	<b>5,183.31</b>	<b>5,793.24</b>	<b>8,566.54</b>	<b>1,106.22</b>	<b>39,630.32</b>

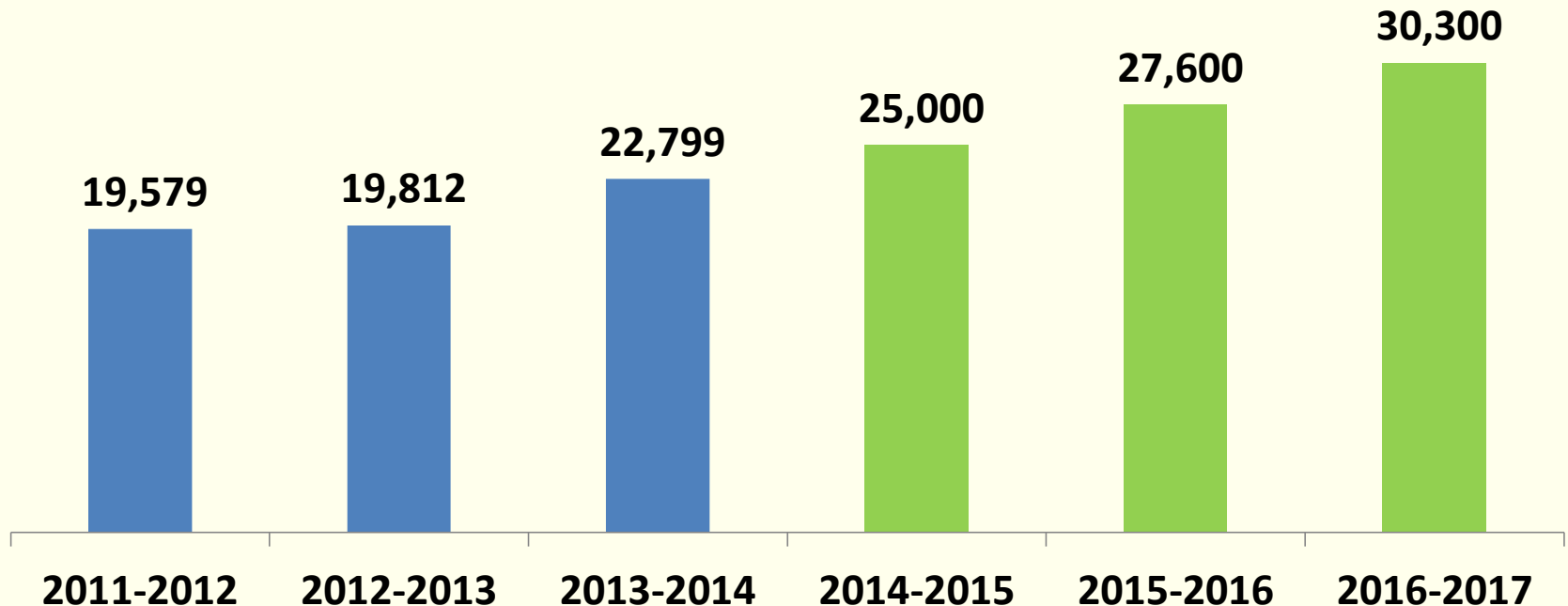
**Source: Ministry of Construction, Public Works, March 2013**

# Tourist arrival

- ❖ The number of tourist arrival has increased sharply since 2012, and is expected to reach 3 million in 2014, according to Union of Myanmar Tourist Association (UMTA).
- ❖ Travel and tourism is expected to be one of the growth segments for the importation of buses.



# Prospect for future bus market (demand forecast)



- ❖ the number of buses registered in the country has steadily increased since after 2011.
- ❖ It tends to increase by average 10% annually. With that growth rate, the number of buses is estimated to be more than 30,300 in 2016-17 FY.

# Key Finding

1. In city bus market, buying the used CNG cars from Korea mainly Hyundai
2. The Yangon Region Government plan to buy 1000 units of new city bus from China.
3. In Express Lines, coaches are used, instead of previous ordinary buses, on the major routes such as Yangon-Mandalay, Yangon-Naypyitaw. The previously-used buses are moved for the operations in other city destinations.
4. In the coach market, Scania competitively penetrates the market by offering insurance, credit and other promotions.
5. Chinese brands, Yutong and Higer, are trying to penetrate the local market.
6. Korea brand, Daewoo are trying to penetrate the local market by planning to make the manufacturing plant in Myanmar

# Key Finding

7. The trend of Bus import sees a growth year by year.
8. Most of the potential buyers want to spend Kyats 20 Million for city bus, Kyats 100 Million for express and Kyats 52 million for tour bus on average for future purchase.

# **Prospect for future bus market (demand forecast)**

1. Currently, in Yangon, all the city buses ranging from below 1995 to 2005 models are being substituted with old and new ones. And the demand for CNG city buses are increasing.
2. In the major Express Lines, ordinary buses are being replaced with coaches in a competitive manner and, as a result, that demand becomes higher too.
3. Nowadays, demand for the buses is rising mainly because of the potential extension of new bus lines in Yangon area and other cities.
4. Therefore, it can be forecast that bus demand will see an annual growth.



**Thank You!**