



CHAPTER II

TACHILEK – KENG TUNG – MONGLA

ROAD CONDITIONS

1.) What is the Tachilek – Keng Tung – Mongla road?

The main purpose Tachilek – Keng Tung – Mongla road is to connect three countries, Thailand, the Union of Myanmar and the People's Republic of China via a roadway.

Map 2: Map of Tachilek - Keng Tung - Mongla road¹



This road begins at Tachilek, Mae Sai along the Thai – Myanmar border at the Thai – Myanmar Friendship Bridge. Heading along the road, one will come to Keng Tung, the capital of the western Shan State in Myanmar which used to be an important city for the Shans. Further along, one will reach Mongla Township, the capital of Special Region 4, which is connected to Dalou Township in China. The total distance of this road is about 249 kilometers—169 kilometers from Tachilek to Keng Tung² and another 80 kilometers from Keng Tung to Mongla.³ The Tachilek – Keng Tung – Mongla road is strategic for those countries in the Economic

¹ Available at: http://www.nesdb.go.th/econSocial/spetialDev/data_07/3_01.doc

² Information from the Institute of Transportation, Chiang Rai, “Study of Transportation between Thailand and the neighbouring countries,” Transportation Institute of Thailand, p.3.

³ *Ibid.*

Quadrangle which cooperate with Thailand, Myanmar and China. In practical terms, the construction of the road was especially difficult in that it required an accurate assessment of physical conditions which were poor. In addition, other resources like labor and funds were also limited in Myanmar.

An assessment of the road's conditions before construction found that the road was sub-standard since it was a simple dirt road. It was not only narrow but also crooked and ran through the shoulder of a hill. The narrowness of the road was such that cars could not pass one another; they needed to stop to avoid hitting one another, especially in Sakan cliff, the Phyak City Road to Keng Tung which is located among rocky mountains. The narrow road has led transportation delays and accidents when nearby rocks were blown up to widen the road.⁴

Some parts of the road did not have a proper bridge across rivers and other waterways; rather, there were simply planks of wood which only a small truck could pass. Thus, it was necessary to make several small trips across in the small truck in order to allow larger shipments to pass safely. Additionally, the dirt road was especially troublesome during the rainy season.

Therefore, the development of the road was a priority in promoting the transportation link between countries. This development included improving the road's condition, especially the bridge from Keng Tung to Mong La by exploding the rock to widen the road.

The Tachilek – Keng Tung – Mongla road was initially supported by the Chinese and Thai governments. China helped Myanmar to construct the Keng Tung – Dalou section by allowing special concessions to the Special Region. The Tachilek – Keng Tung section was constructed with Thai support. Thailand planned to lend Myanmar 300 million Baht (US\$12 million) for the project. However, because of the Thai economic crisis, Thailand was not able to give the loan to Myanmar, thus the private company working on the road could not continue and construction was halted.

⁴ Pompimol Trichote, "Myanmar and Economic Quadrangle Cooperation," *Economic Quadrangle Cooperation: Reality and Effects*, Institute of Asian Studies, Chulalongkorn University, 1997, p. 83.

As a result, Myanmar turned over the project to its own Hong Pang Company to continue with the construction because Myanmar did not have the budget to do the project. The private Hong Pang Company won the concession and took over the project.

The Hong Pang Company

Hong Pang is considered one of the largest investors in social and rural infrastructure in Myanmar and is involved in many projects. This company is owned by Wei Hsiao Kang, the largest shareholder.⁵

Wei Hsiao Kang is the number two commander of the United Wa State Army (USWA),⁶ Division 171 (one of three UWSA South divisions), located in Mong Yawn near the Thai border. “Unsettling Moves” indicates that since 1999, about 126,000 men, women, and children have relocated from China to near the Thai border. Wei was one of the leaders of this group.⁷ After relocating, he started his own businesses in the area, including The Hong Pang Company, which translates as “prosperous nation.” Wei has invested millions of dollars in the lumber, mineral smelting, pig farming, and retail trade. The Hong Pang conglomerate has branches in Keng Tung, Tachilek, Mong Yawn, throughout the Shan State.⁸

As Hong Pang is considered as one of the largest investors in social and rural infrastructure in Myanmar, Myanmar had no problem with giving the concession to build the road to Hong Pang. According to <http://www.shanland.org>, “Wei Hsiao Kang's Hong Pang has recently won the concession to upgrade the roads in Shan State. Hong Pang is due to begin its work on the Keng Tung – Tachilek road, a 102 mile

⁵Jeremy Milson, “The long hard road out of drugs: The case of the Wa,” in *Trouble in the triangle: Opium and conflict in Burma*, eds. Martin Jelsma and Tom Kramer (Chiang Mai: Silkworm, 2005), p.75.

⁶This UWSA is part of the former CPB (Communist Party of Burma) which collapsed in 1989. UWSA is considered to be the strongest ceasefire group with its own army. According to a report in the *Far Eastern Economic Review*, the UWSA was the most powerful (ceasefire group); it's headquarters are in the north which is said from to have HN-5N surface-to-air missiles from China along with 20,000 soldiers armed with heavy artillery and anti-tank weapons. UWSA promised not to attack government forces and to sever ties with other rebel groups, and in return it's was able to maintain its military and weapons stores. Moreover, have also been given unofficial permission to engage in any kind of business to sustain themselves.

⁷“Unsettling Moves,” Lahu National Development Organisation (LNDO), 2002, p.3.

⁸Bertil Lintner, *The Golden Triangle Opium Trade: An Overview*, (Asia Pacific Media Services [online], 2000), available from: http://www.asiapacificms.com/papers/pdf/gt_opi

stretch, as soon as the end of October 2001. It aims to complete the asphalt highway by the end of March 2002.”⁹

This business helps the poor and hungry in that it provides work in large feed factories and livestock enterprises which have been developed. Farmers supply maize for these factories at guaranteed prices. Having both a rice surplus and disposable income is an improvement for all of those who used to going hungry.¹⁰

On the other hand, some Myanmar watchers believe that this business was established using profits from drug trade, which may mean this illegally obtained income, is becoming an important part of the mainstream economy.¹¹ Wei was suspected to be a drug lord who operates several heroin and methamphetamine laboratories.¹² “Unsettling Moves” further indicated that “local inhabitants of the increasing Wa influence are the growing power of the UWSA and the spread of drugs. Traders and drivers with ‘passes’ from the UWSA are able to cross SPDC checkpoints with immunity.”¹³

The National Democratic Alliance Army, Eastern Shan State (NDAA), Special Region 4

The Keng Tung – Daluo section was built by the Special Region 4 group. The Special Region 4 group is governed by the National Democratic Alliance Army, Eastern Shan State (NDAA) which is the third ex-Comunist Party of Burma (CPB) group and is led by Lin Mingxian¹⁴ (Sai Lin) and Zhang Zhiming (Kyi Myint). The two were former Red Guards from Yunnan who joined the CPB as volunteers during the Cultural Revolution and have since remained. The NDAA signed a ceasefire agreement with Yangon on 30 June 1989. The NDAA has around 600 Shan, Akha, Chinese and Lahu soldiers attached to battalions 911 and 912, and a small squad assigned to its headquarters.¹⁵

⁹The Shan Herald Agency for News (S.H.A.N.), Available from: http://www.shanland.org/articles/drugs/2001/law_and_wei_win_road_constructio.htm

¹⁰ Jeremy Milson, “The long hard road out of drugs: The case of the Wa,” in *Trouble in the triangle: Opium and conflict in Burma*, eds. Martin Jelsma and Tom Kramer (Chiang Mai: Silkworm, 2005), p.73.

¹¹ Ibid., Milson, p.75.

¹² Bertil Lintner, *The Golden Triangle Opium Trade: An Overview*.

¹³ “Unsettling Moves,” Lahu National Development Organisation (LNDO), 2002

¹⁴ Lin Mingxian is the son-in-law of Kokang drug lord Peng Jiasheng.

¹⁵ “Zoned for heavy traffic,” *Bangkok Post*, (4 April 2004).

In 1989 Lin signed a cease-fire agreement with the central government and then started to develop the region. This special region consists of 5,000 square kilometers and 74,000 people and was founded on 30 June 1989. In 1990, Lin has asked China to help with his campaign to eradicate opium cultivation. China has since spent nearly US\$1.5 million and sent more than 1,000 agricultural experts to develop alternative livelihoods, such food processing.¹⁶ Thus, in 1997, Special Region 4 of NDAA was declared to be opium free. Sai Lin even established an opium eradication museum at his headquarters in Mongla.¹⁷

According to the *Bangkok Post*, Sai Lin is said to have close relationship with Myanmar Ex-Prime Minister Khin Nyunt.¹⁸ The *New Light of Myanmar*, Yangon's official newspaper said, "He [Sai Lin] was one of the well-wishers welcoming General Khin Nyunt at the Keng Tung airport on 18 May 2003."¹⁹

The main businesses in Special Region 4 are located in Mongla and include several casinos and night traveling places. The total revue for the region in 2002 was 80 million Yuan (US\$9.6 million). More than 80 percent of the employees of the region's government are Chinese migrants. Since 1996, there has been an annual influx of 350,000 tourists, most of them day trippers form China.²⁰

Special Region 4 made agreement with the Myanmar government to hold guns and be able to control its own territory. This is the reason why the area has very few Myanmar soldiers posted there. One Myanmar citizen said, "some Burmese who have lived under military rule since 1962 feel it is like democracy here because there are no soldiers."²¹ This quote illustrates the extent of the authority of Special Region 4 in the area.

¹⁶ "Leader of Mongla returns to face," The Shan Herald Agency for News (S.H.A.N.), available from:

http://www.shanland.org/Political/News_2003/leader_of_mongla_returns_to_face.htm.

¹⁷ J.F., "Aftershock along Burma's Mekong," Lahu National Development Organisation (LNDO), P:42.

¹⁸ *Ibid.*, Zoned for heavy traffic.

¹⁹ The Shan Herald Agency for News (S.H.A.N.), Available from:
http://www.shanland.org/Political/News_2003/leader_of_mongla_returns_to_face.htm

²⁰ *Ibid.*, shanland.

²¹ "Burmese Daze," *Time Magazine* [online], 7 September 2002, available at:
<http://www.time.com/time/asiahttp://www.time.com/time/asia>.

It is logical then that the Keng Tung – Mongla section of the road was constructed by the NDAA of Special Region 4. If the Myanmar government or another group were to have constructed the road, they would need to rely solely of permission and assistance from Special Region 4 in order to see any progress. Thus, for another group to construct would have been much more difficult.

2.) Tachilek – Keng Tung – Mongla road condition

The road was under repair from 1993 until late 2003. An opening ceremony for the road was held on 1 July 2004.²²

Photograph 1: Map of Tachilek - Keng Tung road²³



Photograph 2: Keng Tung - Mongla road²⁴



²² “Thai-China: The grand opening of Mae Sai-Yunnan road,” *Manager*, (5 July 2004).

²³ Field observation, 17-18 March 2005.

²⁴ Field observation, 17-18 March 2005.

The Tachilek – Keng Tung – Mongla road was completed by the Hong Pang Company and a company in Special Region 4. The Hong Pang Company’s responsibility was the construction the Tachilek – Keng Tung section of the road. Special Region 4 was responsible for constructing the Keng Tung – Mongla section. The road from Tachilek to Keng Tung is nine meters wide and double surfaced with two lanes.²⁵ Thanapol, a researcher who has studied the road, indicated that “this road is similar to Thai roads because it was constructed by a Thai engineer (Myanmar roads have no traffic signs). Thai roads are very flexible since they are built using proper asphalt (Ac60-70). However, in tropical countries, this type of asphalt was more easily damaged than hard asphalt.”²⁶ Supalak Ganjanakhundee, a reporter from *The Nation* (an English language newspaper in Thailand), explained that the road construction project was receiving financial support from China, but had to hand the project over to the Hong Pang Company.²⁷

The other section of the road from Keng Tung to Mongla is also two lanes, but only eight meters wide and has no shoulder.⁹ The road was constructed using “Hot Mix,” a mixture of asphalt and concrete. This made the road rigid and inflexible, which was appropriate for cold-weather countries. This section of the road was constructed using raw materials and engineers from China. Therefore, the road was similar to China’s roads—“narrow but strong.” One Thai road construction entrepreneur said that the road construction in China relied on the philosophy that “roads in China must last for a century.” This type of road construction can also be found in Laos (Greater Mekong Subregion R3A).

A study of the construction of the two sections of the road found that Myanmar relied on outside help from neighboring countries in providing engineers and raw materials as there are no specialists in road construction or instruments in Myanmar. Thus, it is unclear whether or not Myanmar will be able to maintain the road on its own in the future.

²⁵ Thanapol Buthkhunthong, “A study of the land transport route from Chiang Rai – Keng Tung – Chiang Rung,” (Master of Business Administration, Mae Fah Luang University, 2004).

²⁶ Interview with Thanapol Buthkhunthong, 25 May 2005.

²⁷ Interview with Supalak Ganjanakhundee, reporter with *The Nation*, (11 August 2005).

The researcher conducted a trial run on the road on 25 June 2005 in a personal van. During this trip, the Tachilek – Mongla section was found to be in good condition. On the Tachilek – Keng Tung section, the van was able to average about 80 kilometers per hour for three hours. Buses and trucks carrying goods which were not overloaded were able to average about 60 kilometers per hour.

The Keng Tung – Mongla section of the road covers a more complex landscape through a mountainous region. A trip by van on 18 March 2005 found that it took two hours to make the complete trip, which corresponds with data provided by the another trip consisted of a caravan of business buses which explored the route. This caravan traveled on 18 – 23 December 2003 and was able to average about 40 kilometers per hour.²⁸

3.) Cautions and Road use limitations

Though the road is fairly good condition, there are still limitations and cautions which drivers (especially foreigners) need to be aware of. All drivers should proceed with extra care for the following reasons.

3.1. The road is crooked

Drivers must navigate the crooked, mountain road. The Tachilek – Keng Tung section follows a line of the mountains and the Lane River which are not straight. The Keng Tung – Mongla section which runs from West to East crosses a mountain range. The Myanmar landscape is very hilly at 3,000 – 6,000 meters above sea level.²⁹

Drivers navigating these roads must be careful and use low acceleration, especially on the Keng Tung – Mongla section, as this is narrower and more crooked than the Keng Tung – Tachilek section.

²⁸ Thanapol Buthkhunthong, "A study of the land transport route from Chiang Rai – Keng Tung – Chiang Rung," p.40.

²⁹ Pompimol Trichote, "Myanmar and Economic Quadrangle Cooperation," *Economic Quadrangle Cooperation: Reality and Effects*, p.103.

It likely easier for Chinese drivers to navigate these roads and the bends and curves are similar to those found on China's roads. Thai drivers, on the other hand, are not as familiar with crooked roads and need to be much more cautious.

3.2. The road is narrow

There are few protections on either side of the road. Thus, drivers cannot drive very fast. This is a rather troublesome limitation for most drivers.

The road from Tachilek to Keng Tung is only nine meters in wide, while the road from Keng Tung to Mongla is much narrower at only eight meters. This narrowness makes is very difficult for two ten-wheel trucks to pass one another. Based on the researcher's field work, most of the delivery trucks along the road are six-wheel trucks. These findings corresponded with results of a study by Yuthana which also indicated that six-wheel trucks are the main form of vehicle used for delivering products as larger trucks are not suited for the road.³⁰

3.3. No shoulder

Even though the road runs along a mountain slope, there is no fence or other protection to prevent vehicles from driving off of the cliff. This is especially on the Keng Tung – Mongla section which was built similar to Chinese roads without any type of safety measures.

While the Tachilek – Keng Tung section does have a shoulder for part of the way, the majority of the section does not have a shoulder. Therefore drivers must use extreme caution and not drive too fast while passing other cars or while navigating the many curves. Thus, all drivers must use extreme caution; this is especially true for the bigger ten-wheel truck drivers.

A survey conducted by Sirinapa Chaisri (2004) regarding tourist satisfaction with service along the Keng Tung – Mongla section found that Thai tourists were

³⁰ Yuthana Vorchuen, "The efficiency comparison in commodity transportation between Chiang Rai and Jinghong by land route and water route," (Master of Economics in Economics, Department of Economics, Chulalongkorn University, 2004), p. 83.

much more concerned with road safety than with service. Thus, it is clear that the tourists were also very concerned with the road conditions and safety.³¹

3.4. Landslides

Based on observations from the field research, sections of the road which cuts through hills were bombed in order to build the road. Thus, travelers should be aware of the possible danger of landslides, especially during rainy season. Moreover, nearby trees have also been cut down, therefore there is no longer anything holding the ground in place to naturally prevent landslides.

Photograph 3: Geography along the Tachilek - Keng Tung - Mongla road³²



Photograph 4: Geography along the Tachilek - Keng Tung - Mongla road³³



³¹ Sirinapa Chaisri, "Tourist satisfaction with service along the Keng Tung – Mongla Road," (Master of Business Administration, Mae Fah Luang University, 2004), p.49.

³² Field observation, 17-18 March 2005.

³³ Field observation, 17-18 March 2005.

3.5. No lights on the road

Driving on the road from Tachilek to Keng Tung and from Keng Tung to Mongla is quite difficult at night because there is no lighting along the way. For those drivers concerned for safety, it is better to travel in the morning and to stop or complete their trip before dusk. In order to travel from Tachilek to Mongla, drivers should leave Tachilek no later than 12 noon or 1:00 p.m. as it is more than a six hour drive.

In general, the road is not used much at night because the checkpoints (both government and private) close at 6:00 p.m. Therefore cars are unable to pass checkpoints after 6:00 p.m. and drivers must calculate their trips to ensure they arrive at their destinations before 6:00 p.m. If not, they will have to sleep in Myanmar. The lack of lighting, along with the checkpoints 6:00 closing times, is both limitations which affect the use of the road.

3.6. No convenient facilities

There are not many shops such as car shops, garages or gas stations; these can only be found in large cities such as Tachilek, Keng Tung and Mongla. Along the road, gas is sold in plastic bottles in front of small shops; it is usually just motorbikes that are able to purchase these small bottles. Therefore drivers of larger vehicles must buy gas in advance. The field work found that drivers must fill up their vehicles in Tachilek and ensure that they are in good working order before heading out on the road. If a vehicle breaks down along the way, there are no suitable facilities to help. When asked what to do when the cars break down along the road, one of the villagers said, "All of the drivers in Myanmar must know how to repair cars themselves or have an assistant to help in case of emergency. If the assistant does not know how to properly repair cars then the drivers will not bring them along."

All of the aforementioned limitations (lack of facilities, dangerous curves, limited shoulders, landslide dangers, and lack of suitable lighting) make the journey a long and tedious one. Police searches and checkpoints are also an inconvenience to travelers. All of these aspects affect the overall effective development and expansion of the Economic Quadrangle.



4.) Massive corporate investments

There is some question as to whether or not Myanmar is able to handle international business and investment and the extent of their participation in any regional economic cooperation. Based on observations from the field work, there are only two main businesses that trade internationally—the Hong Pang Company, Limited and the Agricultural Farm Business in Mongla.

4.1. Hong Pang Company, Limited

Along the Tachilek to Keng Tung section, travelers will see many fields of various plants and vegetation being grown along the roadside. These fields are part of the Hong Pang Company. The Hong Pang agricultural products are sold locally as well as exported to China and Thailand. Another noticeable feature along the road before entering Keng Tung is the very large Hong Pang pig farm.

Photograph 5: Hong Pang farms along the road³⁴



According to a report in www.mekongtimes.com (News center for Mekong subregion), there are many kinds of products from the Hong Pang Company. Hong Pang operates several large plantations which include the following:

- *Yo Pong plantation*: approximately 1,000 acres, grows lamyais and macadamia nuts;
- *Wan Hong plantation*: over 3,000 acres;
- *Nam Jam plantation*: approximately 8,000 acres, grows lamyais and oranges;
- *Wan Pong plantation*: 1,980 acres, grows lamyais and oranges;
- *Ta Way plantation*: about 3,150 acres, grows lamyais, oranges and lychees;

³⁴ Picture from Mekong News center, available at: <http://www.mekongtime.com>

- *Loi Hsan Hsum plantation*: 1,200 acres, grows coffee;
- *Tang Yan plantation*: 10,000 acres, grows oranges, lychees, and macadamia nuts;
- *Thi Baw plantation*: 3,000 acres;
- *Hwe Aw plantation*: 3,000 acres; and,
- *Mong Mao plantation*: 200 acres.

In total, the Hong Pang Company owns and operates 35,380 acres of plantations growing a variety of products.

Some of the products are packed under the Hong Pang packaging which includes the company's phone number and website. These products are sold locally as well as in China. Some products, however, are not packed, but shipped to Thailand.³⁵

4.2. Agricultural Farming Business in Mongla

Ten kilometers outside of Mongla one will see a large fruit plantation. The CP Manager in Myanmar indicated that this plantation grew assorted fruits and vegetables including corn, mangos and lychees. These plantations are very organized and their products are healthy and beautiful.

Photograph 6: Special Region 4's farm along the road³⁶



In an interview with a Mongla tour guide, he indicated that the seeds are imported from China. The Chinese assist in the growth of the produce to encourage farmers to grow fruits and vegetables rather than illegal drugs such as opium. Reports

³⁵ "Shan State: new relocation movements of Wa and opening 10 Hong Pang farms," 26 September 2004, available at <http://www.mekongtime.com>.

³⁶ Field observation, 17-18 March 2005.

from the *Mae Nam Kong*³⁷ in 2004 indicated that Yunnan province in China had donated five million yuan for these agricultural projects. This funding was given ten years ago to encourage farmers to grow produce instead of opium and other drugs.

The Yunnan government sent over one million seeds to the Special Economic Zones One and Four. These zones include some land in Laos. Yunnan also sent specialists to give advice and demonstrations in how to effectively cultivate produce. This training helped to increase productivity up to 1,200 kilograms per rai. A tour guide from Mae Salong Tours stated that, “the mangoes grown here comes from a smaller tree, though the mangos are actually much bigger than normal. For example, one mango tree has twenty mangos. One worker may take ten off and leave another ten on the tree. The guide tour indicated that this is the technique to make products are bigger and healthier, and can be sold in the Mongla market.” China agreed to buy an allocated amount of products from these plantations. Therefore, the cultivation area surrounding Mongla was established under an agreement between Myanmar and China regarding Special Region 4. In addition, China has helped improve and develop the economy of Mongla to help it become a main area of cultivation and a source of raw materials. China has also helped in developing industrial estates, electrical plants, hospitals, irrigation systems, bridges and roads throughout Special Region 4 to discourage opium growth.³⁸

Those two business are run by the same people who also own the roads, which suggests that there are just a very small number of businesses in this area, as they are all operated by the same group. These same companies also control much of the business in Shan area as well.

³⁷ *Mae Nam Kong*.(Kunming, Vol. 4, 2004), p. 24.

³⁸ *Ibid.*

5.) Regulations for road use

While the road has been finished for almost two years now, there are still no standardized rules and regulations for how to properly and legally use the road.

The Economic Quadrangle is not involved much in this area. Rather, the most concrete agreement is the GMS Cross-border transport agreement (GCBTA). The GCBTA was designed to be adopted by all GMS members which include Cambodia, China (Yunnan), Myanmar, Laos, Thailand, and Vietnam, for facilitation of the cross-border transport of goods and people.

The GMS agreement is a concise and comprehensive multilateral instrument which covers all relevant aspects of cross-border transport facilitation. These include:

- single-stop or single-window customs inspection;
- cross-border movement of persons (i.e. visas for those engaged in transport operation);
- transit traffic regulations (including exemption from physical customs inspection, bond deposit, export, and phytosanitary and veterinary inspection);
- requirements for vehicle eligibility in qualifying for cross-border transport;
- exchange of commercial traffic rights; and,
- infrastructure (including road and bridge design standards, road signs and signals).³⁹

This agreement was firstly signed on 30 April 2004 and allowed four years for signing countries to fully implement all aspects of the Agreement along with its Annexes and Protocol. Thus, is expected that requirements outlined in the agreement will be fully implemented by 2008.

The Greater Mekong Region meeting was held in Bangkok on 23 – 25 May 2005. At this meeting, Myanmar and Thailand signed a memorandum of understanding (MOU) which will help to pave the way for cross-border freight

³⁹ Asia Development Bank, available at: <http://www.adb.org/GMS/agreement.asp>.

deliveries between Myanmar and Thailand, including the Mae Sai – Tachilek road as well.³⁹

The signing of this MOU followed with talks in Yangon on 17 – 18 May between the Asian Development Bank (which sponsored the Bangkok meeting) and officials from the ministries of Transport, Railways and Immigration in Myanmar.

“Myanmar and Thailand were the first of the neighboring GMS countries to sign a MOU on cross-border transportation,” said U Aung Kyaw Min, chairman of the Myanmar International Freight Forwarders Association.⁴⁰

U Aung Kyaw Min also mentioned that “as an initial step, 80 trucks from both Myanmar and Thailand would be permitted to deliver freight in either country by the end of 2005. Myanmar expected to sign MOUs on cross-border transportation with China’s Yunnan province and Laos before the end of the year as well.” He mentioned the ambitions of Myanmar to implement these agreements in full by 2008. “MOUs between the GMS members which share borders were necessary to implement a Cross-Border Transportation Agreement which was expected to be finalized by 2008.”⁴¹ This is the most concrete agreement between the two countries to encourage high levels of road utilization.⁴²

While China has not yet signed a GCBTA agreement with Myanmar, it is thought that they China may already have some sort of MOU with Myanmar already. The movement of China is to attempt to persuade Myanmar to formalize the Mongla gate as an international checkpoint. Currently, the Daluo - Mongla checkpoint is informal, and there are still many problems with the passage and carriage of products here. This is one reason why China is pushing for Myanmar to open Mongla as a formal checkpoint.

⁴⁰ Ye Lwin, “MOU signed with Thailand for road freight shipments,” available at: <http://www.myanmar.com/myanmartimes/MyanmarTimes14-268/n004.htm>.

⁴¹ *Ibid.*

⁴² It was reported from Myanmar’s newspaper that the agreement was signed already, but it was suggested by one GMS official that there are not yet any agreement was signed in GCBTA.

However, during his field visit to China, the Xishuanbanna vice-governor still indicated that Myanmar had yet agree to open it as a formal checkpoint. Despite this, China continues to use the road regularly and has built a new border gate which is expected to be a standardized gate which would upgrade the checkpoint to a formal gate.

6.) Check points

There are many checkpoints on the road along the 249 kilometers from Tachilek. These checkpoints serve different functions such as to collect money, for stamping, and for processing documents.

These checkpoints are important in that all drivers must stop and pay in order to pass; vehicles are also searched at these checkpoints. Based on field research, there are sixteen checkpoints, three of which belong to the government. It takes time to search the vehicles at the government checkpoints. Other checkpoints do not take so much time. Generally drivers must pay a fee to pass checkpoints, though some are free of charge. Regardless of the fee, drivers must check in and out of each checkpoint.

Thus, to examine these checkpoints, offices, and gates, they have been divided into four different types:

- 1) Government checkpoints and offices;
- 2) Investigation offices;
- 3) Private gates/ checkpoints (Hong Pang company toll gates, and Special Region 4 checkpoints); and,
- 4) Others gates.

6.1. Government checkpoints and offices

Government checkpoints are those which are administered by government soldiers in order to check goods, passengers, and cars passing through the checkpoint. These types of checkpoints include many different departments such as the police, narcotics control, customs, military intelligence. Some checkpoints must have representation for all of the aforementioned departments, but some have only two or three (depending on the importance of each checkpoint).

Every vehicle, including bicycles and motorbikes, must pass through these gates and passengers must show their identity cards or border pass (both local people and foreigners) at each customs point. After that, an official will stamp and indicate the date and time of passage on the appropriate document(s) in order to confirm the passenger's departure. This stamp is very important when passengers wish to return; without the stamps they will not be allowed to come back. The driver must also sign the document.⁴³

These signing and stamping are very important. If any cars pass the checkpoints without the appropriate signs and/or stamps, the drivers must drive back to get the signatures and stamps. In addition, some checkpoints also have a large shelf to inspect the goods being transported. Vehicle must pull into the gate with the shelf where official will check for any illegal products.

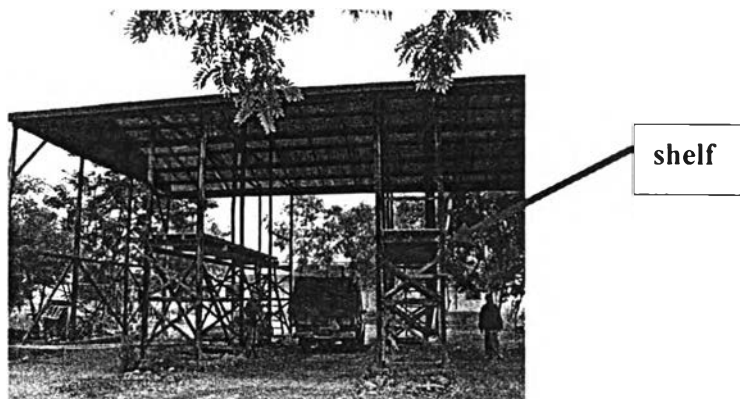
**Photograph 7 and 8: Gate at Mak Yang checkpoint
and Mong Phyak checkpoint⁴⁴**



⁴³ J.F., "Undercurrent: Monitoring Development on Burma's Mekong," Lahu National Development Organisation (LNDO), (January 2005), p. 13.

⁴⁴ Mae Sai Customs powerpoint presentation (unpublished).

Photograph 9: Gate with shelf at Mak Yang checkpoint ⁴⁵



Along the Thachilek – Keng Tung – Mongla Road there are seven government checkpoints and offices. The checkpoints are gates along the road where all vehicles need to stop for inspection. The offices are usually located in main cities such as Keng Tung or Mong Phyak and all vehicles wishing to travel to other towns must go to the offices to inform them of their departure.

1. *Tachilek office*: The Tachilek office is located at the Mae Sai – Tachilek Bridge. This is an important office consisting of the following five departments: 1) Myanmar Police; 2) Myanmar Customs; 3) Myanmar Economic Bank; 4) Myanmar Immigration Check Point; and, 5) Myanmar Travel & Tours. Foreign passengers and cars wishing to go into Myanmar or to travel along this road must inform and prepare their border pass at this office.
2. *Mak Yang checkpoint*: The checkpoint which is located thirteen kilometers from Tachilek. This check point has two shelves to inspect for illicit products. All passengers must show their border pass or identity card (for Myanmar citizens) and then an official will stamp the document. Based on field research for this project, passengers must also pay a fee of 2,000 Kyatt.

⁴⁵ Mae Sai Customs PowerPoint presentation (unpublished).

3. *Mong Phyak checkpoint*: This checkpoint is located 83 kilometers from Tachilek. It is considered to be a major checkpoint as it is located halfway between Tachilek and Keng Tung. In addition, this checkpoint allows passengers to connect easily to Mong Yawn (another important town near the Chinese border). The Mong Phyak checkpoint consists of five departments which include the anti-narcotics department, customs, immigration, forest department, and the office. This checkpoint is one of two checkpoints that have shelves. It has two shelves with four gates. All vehicles must pass the gate, but only goods are checked. Based on the field research for this project, cars are not checked but they do need to get a stamp and pay a fee of 400 Kyatt.
4. *Keng Tung checkpoint*: This checkpoint is located approximately five kilometers outside of Keng Tung. There are (at least) two departments here—customs and immigration which check vehicles traveling in and out of Keng Tung. This is another important checkpoint where travelers must get the appropriate stamp; there is no fee.
5. *Keng Tung immigration office*: The Keng Tung immigration office is a government office in Keng Tung. All vehicles wishing to travel to Tachilek or Mongla must contact this office. This office is responsible for contacting other checkpoints and informing them about passengers who are planning to travel to and from particular towns. The office is a two story building; the upper story is for foreigners and lower story is for Myanmar citizens. There are several different departments within this building.
6. *Taping checkpoint*: The Taping checkpoint is the last checkpoint before entering Special Region 4. This checkpoint is about 30 miles from Keng Tung or about midway between Keng Tung and Mongla. Passengers coming through this checkpoint must get a stamp as they pass through.

7. *Mongla immigration office*: The Myanmar immigration office in Mongla.

Additionally, interviews conducted with concerned personnel in the area indicated that there were different types of payments which helped to facilitate a hassle-free passage at the different checkpoints. One tour guide said, “The important checkpoints that passengers cannot miss are the Mak Yang checkpoint, the Mong Phyak checkpoint, the Keng Tung checkpoint, and the Keng Tung office. Additionally, there are many *kong fak* (gifts) which are given to the regular checkpoint to facilitate the ease of the transportation process.” This checkpoint is important because if they fail to stop and submit the proper list, they will need to return later; the next checkpoint will not allow them to pass without the proper documentation.

6.2. Investigation office

The investigation office is the office where passengers and/or drivers who travel along the road need to stop and submit a list of passenger names. The passengers do not need to pay any fees or have anything inspected, it is simply to give a list names for people in the car to officials at the office. The investigation office is not an obvious official building—it looks like a normal house—but it is important for drivers to know where the office is.

Along the Tachilek – Keng Tung – Mongla road there are a total of two investigative offices. They include:

1. *Ta Lerh village office*: This office is located just 500 meters from the intersection with Keng Lab (the road which links with Laos). It is a small, normal house on a small six meter hill.
2. *Mong Phyak office*: The investigative office at Mong Phyak also looks like a house. All drivers must park their vehicles and walk about three minutes to submit their paperwork.

The investigative offices are significant in that they thoroughly investigate the movement of people and check the routes of travel for everyone using the road.

6.3. Private company gates and checkpoints

6.3.1 Hong Pang Tollgate

There are a total of three private toll gates, all of which are run by the Hong Pang Company. The Hong Pang toll gates weigh all of the vehicles which pass and calculate the fee based on this weight. The toll gates open at 6:00 a.m. and close at 6:00 p.m. Operating hours are clearly indicated in the wooden bar which is kept down when the gate is closes. Vehicles are not allowed to pass before 6:00 a.m. or after 6:00 p.m.

Photograph 9: Keng Tung toll gate⁴⁶



The three Hong Pang toll gates are in the following locations:

1. *Tachilek toll gate*: this toll is located thirteen kilometers from Tachilek and has a total of six gates;
2. *Ta Lay toll gate*: this toll is located near Ta Lerh village has six gates; and,
3. *Keng Tung toll gate*: this toll is located just before entering Keng Tung and has two gates. (See photo above.)

⁴⁶ Mae Sai Customs powerpoint presentation (unpublished).

Hong Pang charges a standardized transit fee system which is calculated based on weight. This fee system is used at all three toll gates along the Tachilek – Keng Tung Road. The table below illustrates the fees charged at the toll gates.⁴⁷

Vehicle Type	Fee (in Kyat)*	
	Tachilek and Ta Lay	Keng Tung
Motorcycle	100	200
Car (less than 1 ton)	250	500
Pick-up truck (1-2 tons)	1,000	2,000
Bus	1,500	3,000
Truck (10 tons)	3,000	6,000
Truck (20 tons)	6,250	12,500
>20 tons	750/ton	750/ton

* 24 Kyat = 1 baht (June 2004)

The transit fees are not posted by the Hong Pang Company, thus, drivers do not know the fee until after they are weighed.

The Thai Ministry of Commerce has requested that the Hong Pang Company consider reducing their transit fees. However, Hong Pang representatives have said that they are unable to do so as the current fees are not excessive. This is especially true because of the low value of the Myanmar Kyatt (materials were bought using Thai Baht). Thus, Hong Pang is unable to lower fees at this time. Right now, Hongpang has a 30 year contract, which is rather short term in that it does not allow enough time to receive the maximum benefits of the road. Therefore, they need to keep the fees high. If the Hong Pang Company was able to negotiate a 50 year agreement with the government, prices could be reduced.⁴⁸

⁴⁷ Thanapol Butkhunthong, "Interview with Mr. Ko Kyaw Naing. Hong Pang Construction Company toll gate official on 27 April 2004."

⁴⁸ This interview was conducted by the Thai Ministry of Commerce on an official visit to Tachilek regarding a "consultation to agree on how to use the road." 17 March 2005.

6.3.2. Special Region 4 gates

There are two gates in Special Region 4. The first is the Hua Muang (Head of the City) Gate. Upon entering Mongla, the Hua Muang Gate is considered the frontier gate; officials check the passenger names before allowing vehicles to pass. Hua Muang is located about one kilometer outside Mongla. All vehicles who pass must submit a passenger name list (which they have already received from the Keng Tung immigration office). Hua Muang officials will then check the name list submitted to the driver with the list they have already received from Keng Tung officials. If the two lists correspond, passengers will be allowed to pass. The Hua Muang checkpoint is strict only for entering Mongla. In situations where vehicles are departing, officials are not strict and sometimes do not require any documentation at all.

The second gate is located at the Mongla – Daluo border checkpoint; all cars wishing to exit to Daluo or enter to Mongla must pass this gate and pay taxes to the authorities.

Tourists entering Mongla must use the Shwe Lin Star Travel and Tours (owned by Special Region 4' authority) which is the agency responsible for all of those passengers who enter. This agency plays an important role in that all passengers must contact Shwe Lin Star if they wish to travel in or out of Special Region 4 (because Mongla authorities have full control in this area). The agency will prepare the appropriate return documents; taxes and fees are required to be paid to Shwe Lin Star. It appears that the Shwe Lin Star (the only Special Region 4) is responsible for all tourist activities in Mongla.

6.4. Other checkpoints

In addition to official checkpoints, there are also many illegal checkpoints which require a special fee. These illegal checkpoints consist of a simple wooden bar across the road and are usually located in important towns such as Ta Lerh, Mong Phyak, and others outside of Keng Tung. These unofficial gates only collect fees from vehicles which are entering the towns; there is no departure fee. Some unofficial checkpoints indicate that the fees are used to help maintain roads and wash cars as there are no cars washing services. However, regardless of whether or not you have your car washed, you must pay the fee before being allowed to enter the town.

The fees at these illegal gates are not much, typically just 100 – 200 Kyatt per car. It does make travel somewhat troublesome in that drivers must stop often, as there are two to three illegal gates along the road.

It is not clear who is responsible for the administration of these illegal gates. Some tour drivers have indicated that they may be run by villagers who wish to make some additional income from vehicles passing through their village. However, local drivers and villagers indicated they understood the illegal gates to belong to government soldiers working in the area. The illegal gates are not far from the official government checkpoints. In fact, some are quite close; in one instance, the illegal gate is just ten meters from the Keng Tung checkpoint.

Map 1: Checkpoints, gates, and offices along Tachilek- Keng Tung- Mongla road

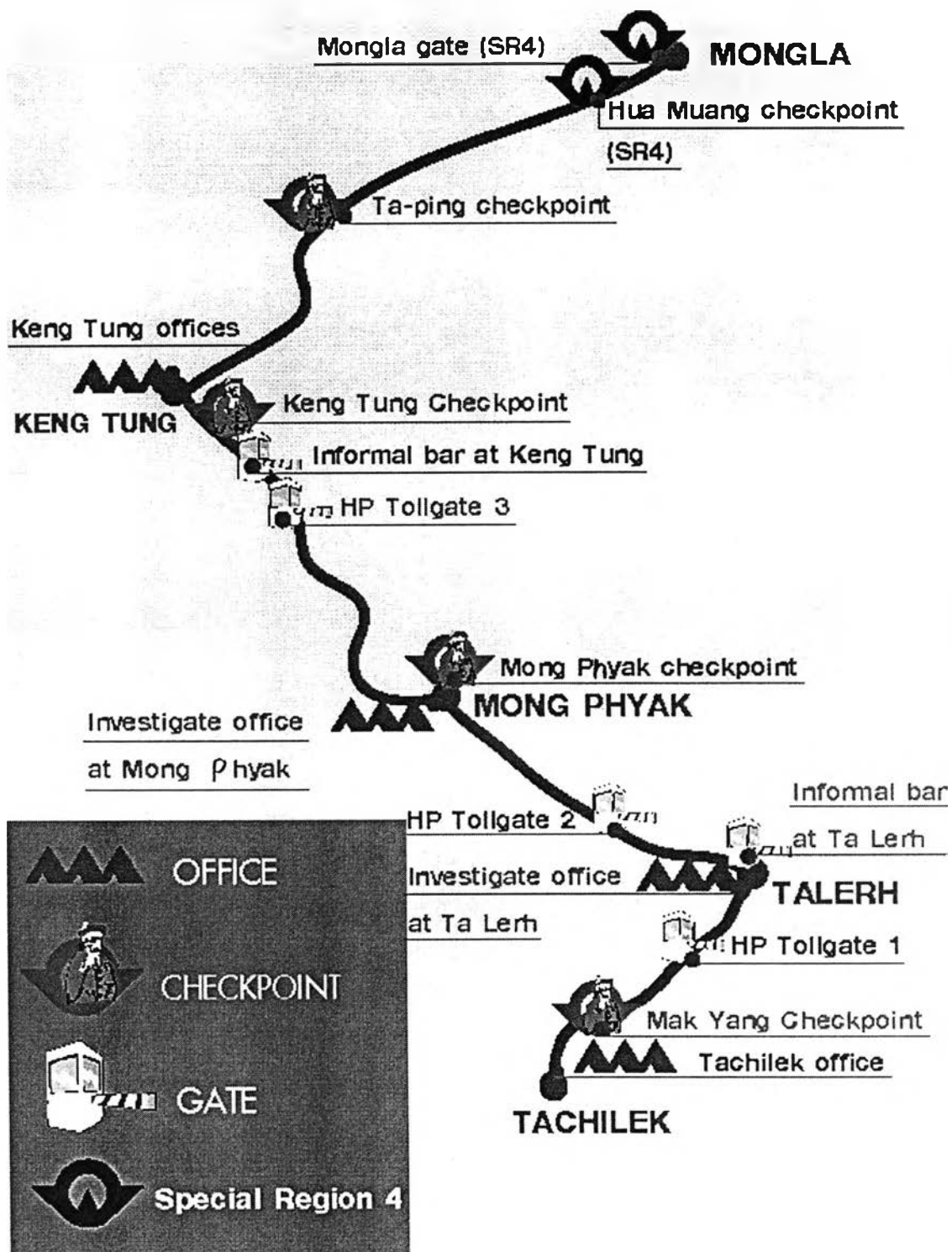


Table 1: Checkpoints summary

Checkpoint – gate - office	Functions
1. Tachilek office	<ul style="list-style-type: none"> • Five departments: 1) Myanmar Police; 2) Myanmar Customs; 3) Myanmar Economic Bank; 4) Myanmar Immigration checkpoint; and, 5) Myanmar Travel and Tours. • Responsible for border passes and other documents for passengers wishing to enter Myanmar; collect transit fee of US\$10 per passenger and 5% tax on products.
2. Hong Pang toll gate 1	<ul style="list-style-type: none"> • Collects transit fee based on weight of car.
3. Mak Yang checkpoint	<ul style="list-style-type: none"> • Checks passenger list and stamps border pass. • Two shelves to check for illicit products.
4. Ta Lerh investigative office	<ul style="list-style-type: none"> • Collects list of passenger names (from the driver). • Checks the movement of cars and passengers.
5. Informal gate at Ta Lerh	<ul style="list-style-type: none"> • Collects a transit fee.
6. Hong Pang toll gate 2	<ul style="list-style-type: none"> • Collects transit fee based on weight of car.
7. Mong Phyak checkpoint	<ul style="list-style-type: none"> • Five departments: 1) anti-narcotics; 2) customs; 3) immigration; 4) forests; and, 5) administration. • Two shelves to check for illicit products.
8. Mong Phyak investigative office	<ul style="list-style-type: none"> • Collects list of passenger names (from the driver).
9. Hong Pang toll gate 3	<ul style="list-style-type: none"> • Collects transit fee based on weight of car.
10. Informal gate at Keng Tung	<ul style="list-style-type: none"> • Collects extra fee (for road protection and car wash) just before entering Keng Tung.
11. Keng Tung checkpoint	<ul style="list-style-type: none"> • Important stamping point with no fee.
12. Keng Tung office	<ul style="list-style-type: none"> • Immigration office responsible for documenting all foreign passengers leaving Keng Tung, including those going to Tachilek and Mongla. • Office prepares transit documentation for passengers and informs other relevant checkpoints of their planned trip.
13. Ta Ping checkpoint	<ul style="list-style-type: none"> • Stamps border pass.
14. Special Region 4 gate (Hua Muang)	<ul style="list-style-type: none"> • Checks name list provided by driver with list provided over the phone by officials from Keng Tung office.
15. Shwe Lin Star Tourism	<ul style="list-style-type: none"> • Prepares return documentation for returning passengers. • Responsible for all tourist activities in Special Region 4. • May also be responsible for all transportation in the region as well.
16. Mongla Gate	<ul style="list-style-type: none"> • Connected to Daluo gate. • Checks people and cars going to China.

Field research report

On 25 June 2005, the researcher traveled along the road from Tachilek to Keng Tung, and then returned to Tachilek from Keng Tung. The researcher traveled in a group of three people including the researcher, a research assistant, and a driver from Myanmar. They traveled by taxi and the trip took approximately seven hours.

The data gathered on this trip regarding the checkpoints, gates, and offices is summarized in the table below.

Table 2: Field research data summary⁴⁹

Checkpoint – gate – office	Details
1. Tachilek office	This office prepares the border pass which is a pink paper. This paper is important in that it needs to be stamped as the passenger passes various checkpoints; these stamps record the time of passage. The pass costs US\$10.
2. Hong Pang Tachilek toll gate	There are a total of six gates at this point, but only two were open during the research—one for entering and the other for returning. There were two staff on duty—one collected the fees and the other remained in the office to operate the computer and gate machine. The cost to the researcher's group in a taxi was 1,000 Kyatt.
3. Mak Yang checkpoint	This is a large checkpoint where passengers need to get their pink papers stamped. Trucks carrying products need to be checked, while bicycles or motorcycles must inform officials of their arrival as well. There were about eight to ten officials working at this checkpoint. During the trip, the researcher's groups in the taxi needed to pay a fee of 2,000 Kyatt. Bicycles and motorcycles did not have to pay.
4. Ta Lerh investigative office	This office is located on a small hill and only requires a list of passenger names. The process takes about five minutes.
5. Informal gate at Ta Lerh	There were two staff working at this illegal wooden bar gate. One collected the money and the other opened the gate. The fee was 100 Kyatt.
6. Hong Pang Tarlay toll gate	There are a total of six gates at this point, but only two were opened. There were two staff on duty. The fee for the researcher's group in the taxi was 1,000 Kyatt for 1,190 kg.

⁴⁹ Information was gathered during field research observation. The number of staff is the number of person the researcher observed on the trip. During this trip, the researcher also interviewed other drivers and passengers who use the road regularly; those who have used the road more than 20 times were interviewed.

Checkpoint – gate – office	Details
7. Mong Phyak checkpoint	There are five departments at this checkpoint with about two to three staff working in each department. There were also two groups of ten soldiers. This checkpoint has two shelves and was collecting 400 Kyatt per car.
8. Mong Phyak investigative office	This office requires a name list of passengers. There was about two staff on duty.
9. Hong Pang Keng Tung toll gate	This is the smallest of the Hong Pang toll gates. The fee, however, is more expensive. The Keng Tung toll gate collects fees which are double that of other toll gates. Since the Mong Phyak toll gate is not yet finished, the fees for the Mong Phyak gate are collected at the Keng Tung gate—thus the transit fee for Keng Tung is double. During the researcher's trip, there were a total of two gates, both of which were open. The fee was 2,000 Kyatt for the taxi which weighed 1,260 kg.
10. Informal gate at Keng Tung	This gate collects money for road protection and a car wash before entering Keng Tung. This gate charges about 200 Kyatt per car. There was about three staff on duty.
11. Keng Tung checkpoint	There is ten staff working in customs and immigration at this checkpoint. Drivers need to sign the government paperwork and receive a stamp on their pink papers. This checkpoint does not have any shelves. There are some small shops which sell snacks.
12. Keng Tung offices	The immigration office of Keng Tung is located inside the town. Passengers need to show all of the travel documents they have. They must also request documentation to return to Tachilek. The office prepares this return documentation. Passengers need to prepare five to ten copies of this documentation, as they will need to present it at all of the checkpoints and offices on their return trip.

7.) Check points and Strategy

7.1. Politics and road utilization

To ensure convenient and efficient use of the road, it is important to examine the different ruling powers in the area.

Map 2: Areas under the control of ceasefire groups and pro-junta militia groups



Source: <http://www.shanland.org>

Politics on the road between Tachilek and Mongla can be divided into two sections, the first between Tachilek and Keng Tung and the second between Keng Tung and Mongla. The first section is considered a pro-junta military area, while the second section is mid-way from Keng Tung to Mongla and is considered Special Region 4.

The first pro-junta militia area means that it is controlled by the junta who has set up battalions and cooperates with pro militia groups (Lahu groups are the main pro-militia groups in this area). In controlling the villages, the government will select a headman to control the people. There are many government soldiers in this area.

However, a source from Shan State mentioned that this area still has some insurgency movements such as the Shan State Army- South (SSA-S) and some Wa groups.⁵⁰ Even though the center of the UWSA-south is located in Mong Yowng (to the west of Tachilek), politically and economically the Wa still have influence over government soldiers and militias along this road. This means that the Myanmar military does not have full control of this area.

The area mid-way from Keng Tung to Mongla is under the NDAA (Special Region 4). Here the junta is not able to fully control the area because of a ceasefire agreement. The NDAA is able to bear arms and create their own armies. The government can only establish an office, post some soldiers and check the movement of people there.

7.2. Strategy

Myanmar has always been under international pressure international regarding the expanding drug trade within its borders, particularly in the Shan state which is a former opium-rich area. In an attempt to reduce this pressure, Myanmar has tried to prevent and control the illegal drug business within its borders.

The checkpoints with shelves are a good mechanism for Myanmar to best control the movement of goods, and confirm the route is not being used to traffic drugs or other illegal products.

It appears that checkpoints have been set up at suitable locations. Firstly, the Mak Yang checkpoint (midway between Tachilek and Ta Lerh) is important in that it inspects all products traveling from Tachilek which are intended to enter Myanmar. Any forbidden products from Thailand are checked here.⁵¹

⁵⁰ Interview with Kuensai Jaiyen, director of The Shan Herald Agency for News (S.H.A.N.), 23 August 2005.

⁵¹ According to Ministry of commerce, Government of Union of Myanmar order 9/99 Yangon, 26th November 1999, it addressed the list of prohibited commodities. (All prohibited following items will be amendment for import, depending on the domestic market situations. The products including of seasoning powder, sweet/ soft drinks, all kinds of biscuits, chewing gum, cake, wafer, chocolate, canned food (meat&fruits), all kinds of noodles, liquor, beer, cigarettes, fruits(green) of all kinds, all kinds of plastic materials for household and personal use, controlled items according to the existing laws, all kind of umbrella, battery raw stage, rubber footwear, Chinese medicine, all kind of paints, all kinds of ceramics, all kind of tile sheet, gunny bags&PVC bags, all kinds of refrigerators, all kinds of washing machines, all kinds of batik, battery.

Secondly, the Mong Phyak checkpoint is considered the main checkpoint. It is located where roads from Keng Tung, Ta Lerh, and Mong Yawng come together. This checkpoint was constructed so that any cars wishing to go Keng Tung, Mong Yawng or Tachilek townships must pass inspection at this checkpoint. Thus, for security reasons, it is necessary for this checkpoint to have shelves.

The Keng Tung checkpoint is located before entering Keng Tung and is only to check the movement of people, not goods; there are no shelves at this checkpoint.

Ta-ping checkpoint inspects all passengers and goods to and from Mongla. This checkpoint does not have any shelves.

Apart from the checkpoints, due to the instability of this area, the Myanmar government has also set up investigative offices along the road. These offices are a means of monitoring the movement of people, the movement of minority groups, rebel groups, and even spies that come to this area. In addition, the area is not yet able to fully communicate with the outside world. Myanmar seeks a balance in finding a way to make best use of the road. Cars and passengers from neighboring countries can use the road, but can not stray from the road.

Another aspect of the area is that it includes many groups of people. Some groups have much bargaining power with the Myanmar authorities. As a result of these unofficial and sometimes illegal activities, there are many illegal gates and checkpoints that the government is unable to control. These illegal checkpoints are able to collect money and fees as they wish and are the result of the situation in Myanmar where the roadways are not under the sole control of legal government authorities because of security issues throughout the area.