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Keywords: "Myanmar", "Economic policy", "Economic Security", "Trade Dependence"

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Trapped by Dependence: Myanmar's Trade Structure and Economic Vulnerability

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***Abstract**:* This paper examines the structural roots of Myanmar's external trade dependence and associated policy weaknesses. Despite its strategic location, the economy remains narrowly diversified and reliant on a few partners, notably China and Thailand. Using mirror trade data and Herfindahl–Hirschman-based indices, the study analyzes product and market diversification across the USDP (2011–2015), NLD (2016–2020), and SAC/SSPC (2021–2024) periods. Results show that recent export diversification reflects redistribution within existing products rather than industrial upgrading, while import dependence has become increasingly concentrated. Empirical evidence also indicates that reliance on China for imports intensified after the 2021 coup. These findings underscore the need for stronger policy coordination, industrial development, and broader economic diversification.

Keywords: Myanmar; Economic Policy; Economic Security: Trade Dependence

1. Introduction

Myanmar is often portrayed as a small country in Southeast Asia that has endured decades of authoritarian rule, protracted civil conflict, and prolonged international sanctions. While many of these characterizations are accurate, the notion that Myanmar is a small country is not. In terms of land area, Myanmar is in fact the second largest country in Southeast Asia after Indonesia, making it geographically significant within the region.

Despite its considerable size, Myanmar's economic performance has remained relatively weak. Measured by Gross Domestic Product, its economy is among the smallest in Southeast Asia. In 2024, Myanmar's total GDP in US dollar terms was higher than that of the region's poorest economies such as Cambodia, Laos, and Timor Leste. However, its GDP per capita ranked as the second lowest in Southeast Asia, only ahead of Timor Leste[1]. This contrast highlights the country's structural economic challenges, including low productivity, limited industrialization, and persistent political instability.[2]

Myanmar occupies a strategically important geographic position, sharing land borders with five countries, namely Bangladesh, China, India, Laos, and Thailand. Among these, its borders with China to the north and northeast and with Thailand to the east and southeast are by far the longest. These extensive frontiers have historically shaped Myanmar's trade patterns, migration

[1] World Bank (2024). *World Development Indicators*.
[2]World Bank (2020), *Myanmar Economic Monitor.*

flows, and security dynamics. In addition to its land connections, Myanmar possesses a long coastline along the Bay of Bengal and the Andaman Sea, providing direct access to the Indian Ocean. This maritime access further enhances its strategic importance, particularly as a potential sea gateway for southwestern China, including Yunnan Province.

Although Myanmar is widely regarded as strategically important to China, particularly for its southwestern region, Myanmar's political and economic dependence on China has become increasingly pronounced over the past decades.[3] This reliance has deepened further since the military coup in 2021. In the area of trade, such excessive dependence stems largely from Myanmar's limited product range and narrow set of trading partners. These structural weaknesses have rarely been addressed in a meaningful way through national trade policies.

Historically, Myanmar's trade policies have been highly restrictive and inward looking.[4] Policymakers have tended to prioritize short term objectives such as controlling the outflow of US dollars for import payments and maintaining price stability for key agricultural commodities, especially rice. These restrictions are imposed through strict licensing system for both imports and exports.[5] Although the previous administrations of the Union Solidarity and Development Party (USDP) and the National League for Democracy (NLD) achieved a considerable degree of trade liberalization by removing licensing requirements for the import and export of a wide range of products[6], a process that was subsequently reversed after the 2021 coup, far less attention was devoted to longer term objectives such as expanding access to new markets, strengthening export competitiveness, and promoting greater product diversification.

As a result, Myanmar has remained vulnerable to external shocks and geopolitical pressures, particularly those originating from its largest trading partner, China. The absence of a comprehensive strategy to broaden economic partnerships and develop new industries has reinforced this imbalance. Without a deliberate shift toward more open and diversification oriented trade policies, Myanmar's economic trajectory is likely to remain constrained by this overreliance.

While many countries in recent years have shifted their priorities from economic efficiency to economic security, Myanmar appears to have given insufficient attention to either objective. Current policies do not demonstrate a clear focus on strengthening competitiveness, nor on reducing strategic vulnerabilities in external economic relations. It is understandable that many Ethnic Armed Organizations operating along the Myanmar and China border have developed a heavy dependence on China. This situation is largely due to their restricted access to investment from other countries and the absence of alternative trade routes and economic partners. As a result, they are frequently subjected to various forms of political pressure and have limited ability to act independently.

However, the same justification cannot easily be applied to the central government in Naypyitaw. Unlike the Ethnic Armed Organizations, the national authorities have had greater

[3] International Crisis Group (2020), *China's Influence in Myanmar*.
[4] Kudo, T. (2016), *Myanmar's Economic Reform under Thein Sein*; Turnell (2009), *Fiery Dragons: Banks, Moneylenders and Microfinance in Burma*.
[5] OECD (2014), *Investment Policy Review: Myanmar*; World Bank (2014), *Myanmar Trade Integration Study*.
[6] Kudo, T. (2018), *Economic Reforms in Myanmar*: ADB (2017), *Myanmar: Trade and Investment Reform*.

scope to diversify diplomatic and economic relationships. Despite this, successive governments have allowed the country to become excessively reliant on one or two major partners. This overreliance reflects not only structural constraints but also long standing policy weaknesses and a failure to pursue broader economic engagement with the international community.

To understand how Myanmar reached its current position of structural trade dependence and limited diversification, it is necessary to examine the historical policy choices that shaped the country's economic structure. The following section therefore reviews the key institutional and policy factors that contributed to Myanmar's relatively weak economic efficiency and its growing reliance on a narrow set of external partners.

2. Key Factors behind Poor Economic Efficiency

As a major regional power and an immediate neighbor, China has long been recognized by successive administrations in Myanmar as a country of strategic importance. During the period of the State Law and Order Restoration Council (SLORC), later reconstituted as the State Peace and Development Council (SPDC), both established by the military following the 1988 coup, Myanmar faced extensive international sanctions and diplomatic isolation. Under these circumstances, the authorities had limited access to Western financial markets, development assistance, and broader economic engagement. As a result, reliance on China increased significantly.

This observation does not imply that international sanctions were unjustified or that they alone pushed Myanmar toward China. Rather, the military regime's own policy choices and priorities at the time played a central role. The SLORC and SPDC administrations were primarily focused on consolidating political control and maintaining power, often at the expense of long term economic reform and socioeconomic development. In this context, sanctions proved less effective than intended, partly because alternative economic channels remained available.

Several neighboring countries and regional partners, including China, Thailand, and Singapore, functioned as important economic gateways during this period. Through trade, investment, and financial linkages, these countries helped sustain Myanmar's external economic relations despite Western restrictions. Consequently, rather than producing full economic isolation, sanctions contributed to a reorientation of Myanmar's external dependence toward a narrower group of regional partners, particularly China.

These developments suggest that Myanmar's external economic structure during this period was shaped not only by international sanctions but also by domestic institutional weaknesses. In particular, the absence of coordinated economic strategies limited the country's ability to translate external engagement into long-term productive development.

Within this environment, several economic practices emerged that further weakened the effectiveness of Myanmar's formal economic system and deepened reliance on informal economic channels. While Singapore had become an important financial hub where transactions for both legitimate commercial purposes and activities presented as commercial transactions were conducted through book transfers between accounts held by senders and recipients within the same

financial institution, Myanmar businesses were also able to establish shell companies there to circumvent sanctions as well as the Myanmar government's restrictive trade payment policies and price controls. At the same time, China had become increasingly important, not only as Myanmar's principal partner in both formal and informal trade, but also as a significant source of investment and a central player in shaping broader political objectives. China emerged as a major provider of financing for many state owned projects, a process that enriched numerous corrupt authorities in Myanmar as well as intermediaries of both Chinese and Myanmar origin, commonly referred to as deal makers.

Undocumented trade between Myanmar and China, as well as speculative investments by Chinese individuals and private businesses that were at times conducted under the names of Myanmar individuals or firms, had increased significantly. Owing to limited investment inflows from, and trade opportunities with, other countries, as well as connections established through bribery, authorities at the time appeared to have turned a blind eye to such undocumented activities. Myanmar lacked a coherent strategy to channel investment toward long-term productive uses, including but not limited to investments in the production of value-added goods that could have generated import substitution effects and subsequently expanded exports of higher value-added products. Nor did Myanmar possess an effective strategy to regulate the substantial volume of undocumented cross-border trade.

Beyond informal cross-border trade and financial transactions, structural weaknesses were also evident in Myanmar's investment governance framework. Myanmar's authorities largely adopted a reactive posture, rather than proactively formulating plans and strategies to achieve desired economic objectives. For instance, the Myanmar Investment Commission functioned primarily as an approving authority that responded to investment proposals submitted by interested investors. It did not adopt a proactive approach to developing and implementing strategies aimed at promoting targeted types of investment in key economic sectors or at attracting specific categories of investors.

Similar institutional shortcomings were also reflected in industrial policy implementation. At the time, the Ministry of Industry appeared to prioritize the development of state-owned industries mostly financed through debt from China. Reports suggest that many of these industries were established in suboptimal locations from a supply chain perspective and were subject to poor management and various forms of corruption, resulting in inefficiencies and financial losses. Moreover, the volume of debt obtained from China often exceeded what was required for project establishment, creating a situation in which Myanmar incurred repayment obligations, both in principal and interest, that surpassed what would have been necessary, in exchange for relatively low-quality machinery and equipment installed in these state-owned industries.

Trade policy implementation also exhibited many of the same structural limitation. Authorities responsible for trade lacked proactive strategies to support exporters in expanding into new markets, nor did they make meaningful efforts to establish bilateral trade agreements with selected countries that could have enabled exporters to benefit from lower tariffs and improved market access. Instead, they consistently adopted a reactive approach, routinely limiting their role

to issuing import and export licenses based on proposals submitted by exporters and importers, imposing taxes on both imports and exports, and frequently restricting imports, which in turn contributed to the growth of informal cross border trade. At times, exports of certain commodities were also restricted in an attempt to control domestic prices.

Efforts to expand export markets through bilateral trade arrangements would likely have resulted in increased imports, an outcome that trade authorities sought to avoid. In this context, it would have been more effective for trade authorities to coordinate with industry and investment agencies to direct investment toward specific industries capable of competing with imported products in terms of both quality and price. Such an approach would have enabled domestic firms not only to compete more effectively in the local market but also to enter international markets over time. Furthermore, coordinated efforts could have been made to attract investment not only in primary industries but also in tier one, tier two, tier three supporting industries, etc., that produce intermediate components and parts, thereby reducing reliance on foreign supply chains and enhancing economic security.

Taken together, these sector-specific weaknesses reflected a broader institutional problem within Myanmar's economic governance system. Government agencies under different ministries tended to act reactively within institutional silos rather than coordinating across ministries to pursue shared economic objectives. (This was precisely the challenge that the Myanmar Sustainable Development Plan (MSDP) issued during the NLD administration sought to address by establishing common goals and strategies and requiring inter agency collaboration through clearly defined action plans assigned to each agency. Unfortunately, many government agencies struggled to fully understand not only the broader objectives of the MSDP but also the specific responsibilities assigned to them under its implementation framework.)

A new phase began when Myanmar initiated political and economic reforms in 2011. When the USDP administration took office in 2011, the authorities implemented a series of reforms that led to growing international recognition. As a result, Myanmar began to attract investment from a more diverse range of countries, and many partners expressed greater willingness to expand trade relations with the country. However, these authorities were bogged down more with relaxing restrictions imposed by its predecessing SPDC regime, which was undoubtedly a good thing; however, they still lacked coordination among different government agencies to pursue a common goal to improve economic efficiency and reduce reliance in terms of trades and investments on certain countries with a veiw to improve economic security.

However, authorities at the time attempted to control undocumented trades by establishing mobile teams in which interagency authorities were involved and with which undocumented trades were spotted and confiscated along various smuggling routes. However, undocumented trades were not effectively mitigated although corruptions increased due to which the mobile teams were dismantled later.[7] An intergovernmental committee, headed by a Vice President, was also established to engage with businesses at the Union of Myanmar Federation of Chambers of

[7] Set Aung, W. (2026). *Shadow Economies and State Disconnection: Myanmar's Policy Paradox*, IDE Discussion Paper, Institute of Developing Economies, JETRO, Japan.

Commerce and Industry (UMFCCI) building in Yangon, where representatives from various firms shared the challenges they faced and proposed policy adjustments or reforms. However, the authorities who attended these committee meetings often ended up defending existing policies rather than seeking solutions to the issues raised by private businesses. At the same time, some firms called for greater protectionism instead of improvements in efficiency and quality through healthy competition. As a result, the committee chaired by the Vice President made limited progress at the time.

The subsequent transition to the NLD administration introduced a different reform emphasis. During the NLD administration, efforts to enhance transparency and competition had a significant impact on many successful local businesses that had become accustomed to crony capitalism, which had enriched them through connections, bribery, and favoritism. The new procurement regulations that prioritized transparency and competition were particularly unpopular among many traditionally oriented businesspeople, as they perceived that they would lose opportunities to foreign companies with stronger financial and technical capacities, which was indeed the case.[8]

During the negotiations for the Regional Comprehensive Economic Partnership (RCEP), the Myanmar commerce authorities focused primarily on reservations and the duration for which these reservations could be maintained. However, there was little coordination among the commerce, industry, and investment authorities on how to prepare the domestic market before the expiry of these transitional periods. In particular, there was no clear strategy to strengthen domestic industries by enhancing their capacity, encouraging partnerships or other forms of collaboration with foreign investors through improved industrial linkages, or taking initiatives to expand access to new markets.

In retrospect, it was not wrong for the USDP administration to attempt to open up the economy through liberalization, particularly in the trade and investment sectors, and for the NLD administration to follow a broadly similar trajectory by emphasizing increased transparency and competition. Nor was it entirely misguided for many businesses to feel unprepared for such liberalization and to seek greater protection. In my view, what was problematic was the timing and sequencing of reforms. Myanmar did not adequately take these considerations into account when it should have. In other words, the country missed the critical window during which it needed to prepare for liberalization and competition, effectively moving to the second stage of reform before completing the first. However, this is precisely the purpose of reservations in multilateral agreements such as RCEP. Yet the lesson appears not to have been learned, as the relevant authorities have still not developed collaborative efforts to prepare domestic industries before these reservations expire.

As a result, Myanmar and its domestic industries continue to lack efficiency and have become increasingly dependent on trade with, particularly imports from, a handful of countries, most notably China and Thailand. This has led to greater vulnerability in both trade and investment, as economic outcomes are closely tied to the country's political and economic relations with these

[8] Set Aung, W. (2026). *Shadow Economies and State Disconnection: Myanmar's Policy Parad*ox, IDE Discussion Paper, Institute of Developing Economies, JETRO, Japan.

partners. Moreover, Myanmar's political vulnerability to China appears to have exceeded its economic dependence, given China's considerable influence over certain Ethnic Armed Organizations (EAOs), through which it can exert additional political pressure on the country.

Despite these structural vulnerabilities, successive governments were not entirely unaware of the risks associated with excessive dependence on a limited number of external partners. Various policy initiatives were therefore undertaken to mitigate these vulnerabilites, although their effectiveness remained limited.

3. Efforts to mitigate vulnerabilities

Authorities under successive administrations recognized Myanmar's vulnerabilities to these countries, particularly its dependence on China, and attempted to mitigate them in various ways. However, despite the awareness and intent, they continued to lack effective coordination among relevant sectoral authorities, especially those responsible for commerce, industry, and investment, in taking into account the timing and sequencing of their reform efforts.

For instance, the USDP administration sought to strengthen engagement with other countries in order to reduce Myanmar's overreliance on China and Chinese investment. One prominent example is the manner in which the Thilawa Special Economic Zone ultimately became a government to government project between Myanmar and Japan, rather than being developed as a project predominantly financed by China, despite a Chinese-linked Myanmar conglomerate having been the initial proponent. This project was first proposed to President Thein Sein by a prominent and well connected businessman who is most closely linked to China and Chinese financing. It was proposed by himself through a presentation delivered during the President's delegation visit to China. The project was approved in principle by the President at that time, even before a formal proposal was presented by the Japanese side. There was considerable debate among authorities between those who favored Chinese investment in Thilawa and those who sought to diversify by inviting Japanese participation. The President ultimately sided with the latter group, leading to the project becoming one of the most successful flagship initiatives of cooperation between Myanmar and Japan.

The indefinite postponement of the Chinese backed Myitsone Dam project was another significant example of the USDP administration's attempt to reduce Chinese involvement in key and sensitive projects in response to public sentiment. Furthermore, the USDP administration also engaged in negotiations with China to revise the extensive borrowing commitments that Myanmar had undertaken during the SPDC period, particularly as alternative and more affordable sources of financing became available. Despite these efforts, the USDP administration managed to maintain a generally positive relationship with China. However, during negotiations for some projects such as Kyaukphyu deepsea port, it encountered difficulties due to differing approaches. While Myanmar authorities sought to adopt a more people centered approach that took into account the views of various stakeholders, Chinese counterparts tended to focus more on government to government arrangements with comparatively less emphasis on public perceptions.

During the NLD administration, efforts were made to maintain a constructive relationship with China, as policymakers were fully aware of its significance from geopolitical, political, and economic perspectives. At the same time, the administration sought to avoid a reactive approach to approving investment projects proposed under the Belt and Road Initiative (BRI). This did not imply a lack of support for the BRI; rather, the intention was to take a more proactive stance by selecting investment projects that aligned with national development priorities, with a view to both national and regional development, instead of approving proposals on a purely reactive basis. Accordingly, the Ministry of Planning and Finance maintained that projects proposed under the BRI should be consistent with the Myanmar Sustainable Development Plan (MSDP), demonstrate commercial viability in order to avoid potential "white elephant" projects, and be subject to transparent and competitive procurement processes for the selection of developers.

Additionally, the NLD administration decided to renegotiate the Kyaukphyu deep sea port and SEZ projects, which were considered among the most significant BRI initiatives, with a view to facilitating their development in a more appropriate and sustainable manner. This was not a renegotiation of contracts signed by the preceding USDP administration, which had conducted the tender process for the selection of a concessionaire and awarded the project to the China International Trust and Investment Corporation (CITIC Group) in December 2015, three months before the NLD administration took office. Rather, it involved revisiting the conditions set out in the tender documents before proceeding to sign the concession agreement and the shareholders agreement. The Deputy Minister of Planning and Finance, who also served as Chairman of the Thilawa SEZ Management Committee, was appointed to additional roles as Chairman of the Kyaukphyu SEZ Management Committee and designated as the chief negotiator with the CITIC Group for the development of the deepsea port and SEZ projects. The negotiations proved successful, ultimately leading to the signing of the concession and shareholders agreements in November 2018.

Despite the NLD administration's commitment to transparency and competition in line with its newly issued procurement regulations, Chinese investors, particularly Chinese state owned enterprises, proved to be highly competitive in securing several major projects, largely due to their access to more favorable financing compared to private international or multinational firms from other countries. A tender for the development of the Yangon Elevated Expressway Project was conducted, and China Communications Construction Company (CCCC) emerged as the leading candidate among shortlisted bidders from Japan and Thailand, although the selection was not finalized, despite the winner having initially been scheduled for announcement by October 2019.

Similarly, the New Yangon City Project, which had been drawn up by CCCC and for which a USD 1.5 billion Framework Agreement had been signed between the Yangon Region Government's New Yangon Development Company (NYDC) and the company, was later required by the Union Government to undergo a Swiss Challenge tender process in 2020. CCCC again

emerged as the leading bidder in the financial evaluation stage; however, the selection was not finalized or awarded before the process was ultimately stalled following the 2021 coup.[9]

Hence, the authorities at the time had to reconsider whether project selection should be based solely on technical and financial efficiency or whether economic security considerations should also be taken into account by attracting investments from a more diversified group of partner countries in order to mitigate potential vulnerabilities. This was one of the reasons why the Ministry of Planning and Finance at the time planned to collaborate with Infrastructure Asia of Singapore, an official Singapore government platform for intrastructure development, to support the selection process for certain strategic projects in Myanmar. It was intended that the selection of developers for these projects would be conducted through a targeted approach, whereby Infrastructure Asia would help the ministry invite proposals from selected companies originating from selected partner countries, from which one would ultimately be chosen for implementation. This approach was designed to allow Myanmar to retain greater control over the source and composition of foreign investment, rather than relying solely on open tender processes that had often resulted in the selection of companies from a single country due to their comparatively strong financial and technical competitiveness.

Although the authorities under both the USDP and NLD administrations sought to mitigate vulnerabilities, their efforts were not consistently proactive. It was not until 2019–20 that certain NLD authorities began to adopt a more deliberate approach by considering from which countries investment should be sourced for selected strategic projects. This period also marked the first time that NLD authorities attempted to take a more assertive role in steering project selection in line with Myanmar's national development plan, which had been formulated with due consideration of regional connectivity. It is evident that both the USDP and NLD administrations, albeit through different approaches, sought to mitigate economic vulnerabilities arising from asymmetrical geopolitical influence exerted by certain partner countries. However, these initiatives were left incomplete following the 2021 coup, which drove the country into profound instability and significantly deepened Myanmar's economic vulnerabilities.

While the preceding discussion has examined policy dynamics and institutional factors, empirical evidence is necessary to evaluate the extent of Myanmar's external economic dependence. The following section therefore analyzes trade data to assess patterns of dependence and diversification across different administrations.

Given the limitations related to the availability, reliability, and frequency of data for Myanmar, the only dataset that can be analyzed with a reasonable degree of confidence is trade data, particularly that compiled from international sources such as UN Comtrade based on partner country reporting. Accordingly, the following analysis employs trade data to assess Myanmar's

[9] Recent reports indicate that the SAC may consider granting development concessions for the New Yangon City Project to investors with close ties to the military, including Chinese business interests and domestic conglomerates such as the Shwe Than Lwin Group, which had originally submitted an unsolicited proposal for a similar project during the SPDC period.

dependency or vulnerability arising from limited market diversification and to evaluate the degree to which dependence on particular trading partners has heightened its economic exposure.

4. Analysis on Myanmar's Trade Dependence

External trade, including both exports and imports, constitutes a central pillar of Myanmar's economy and provides a useful basis for evaluating the degree of trade dependence on specific partner countries across different administrations. According to Myanmar's official data, average export growth during the USDP (2011–2015) and NLD (2016–2020) administrations was around 9 percent, but this dropped significantly to negative 3 percent during the SAC/SSPC administration from 2021 to 2024. Similarly, average import growth increased by 21 percent during the USDP administration, as external investment flowed into Myanmar following the historic opening of its economy, which led to increased imports of capital goods. However, average import growth slowed to only 2 percent during the NLD administration and then declined sharply to negative 7 percent during the SAC/SSPC administration.

However, when data reported by Myanmar's trade partners are taken into account, a significant discrepancy becomes evident between Myanmar's reported trade data and that reported by its partners, beyond the normal differences attributable to FOB and CIF valuation methods. This suggests that Myanmar's trade data have often been either underreported or overreported. These discrepancies are largely attributed to trade activities that are undocumented on the Myanmar side but recorded by neighboring trading partners across border checkpoints, as well as the widespread practice of under- and over-invoicing through transactions routed via shell companies in third countries.[10]

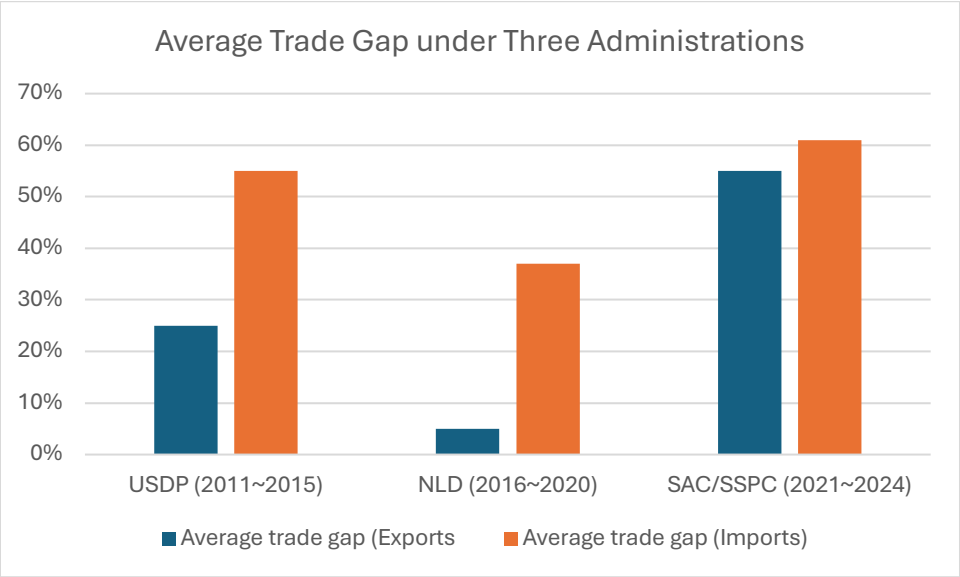
The average export gap ratios during the USDP, NLD, and SAC/SSPC administrations were approximately 25 percent, 5 percent, and 55 percent, respectively. For imports, the corresponding average gap ratios were 55 percent, 37 percent, and 61 percent[11]. These findings suggest that the average gap ratio, which is used here as a proxy for undocumented trade, declined during the NLD administration but rose sharply to its highest level under the SAC/SSPC administration. This increase is likely linked to restrictive economic policies, which left many businesses with limited options other than to rely more heavily on the shadow economy, a trend that has intensified since the 2021 coup.

This gap is more pronounced in imports, as imports have been more heavily restricted by the SAC/SSPC authorities, which appear to believe that such restrictions would help conserve much needed foreign exchange and support a current account surplus, which they consider to be critically important for the economy. These restrictions have contributed to rising prices even for basic consumer goods such as toothpaste, toothbrushes, and detergents, as domestic production has been insufficient to meet local demand and product quality has often fallen below that of imported alternatives. Over time, this situation has resulted in the disappearance of many products from

[10] Set Aung, W. (2026). *Shadow Economies and State Disconnection: Myanmar's Policy Paradox*, IDE Discussion Paper, Institute of Developing Economies, JETRO, Japan.
[11] Calculation based on UN Comtrade data

store shelves. As a consequence, more businesses have had to rely on informal cross border imports, not only for consumer goods intended for domestic sales but also for raw materials and components needed for domestic production. The following graph illustrates how undocumented exports and imports, as reflected in average trade gaps, have become more significant following the 2021 coup under the SAC/SSPC administration.

Figure 1: Average Trade Gap under Three Administrations

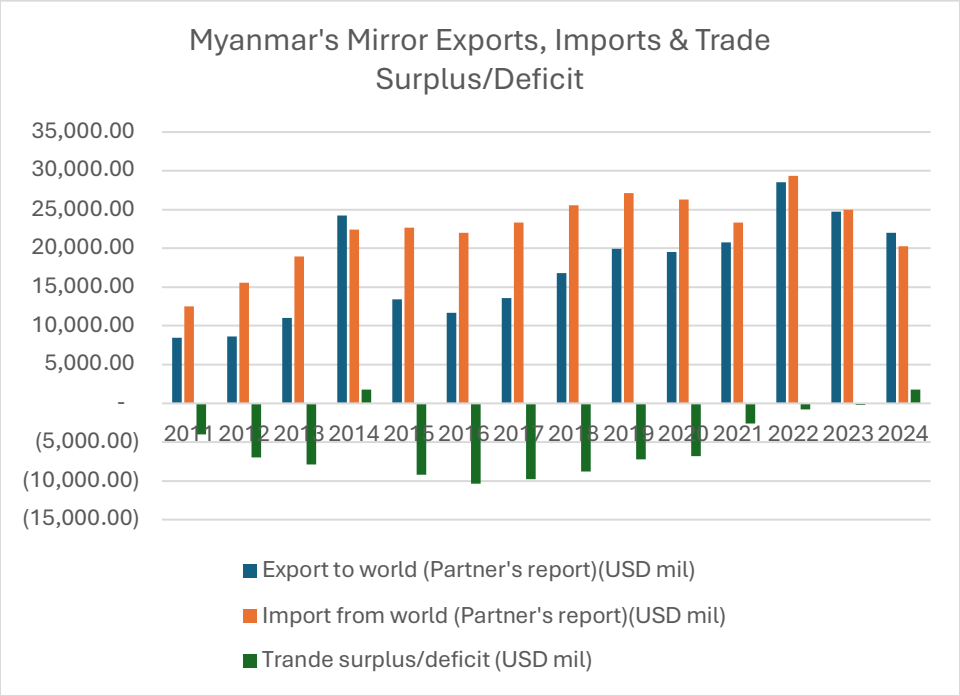


Based on the above findings, it is considered that export and import values recorded by Myanmar's trading partners may better reflect the actual trade situation than trade values reported solely by Myanmar but not by its partners, although it is acknowledged that some trade flows may remain undocumented on both Myanmar's side and that of its trading partners. Accordingly, the trade analyses presented in the following sections are based exclusively on data reported by trading partners rather than on data reported by Myanmar.

4.1. Analysis on Trade Diversification

Average growth in Myanmar's mirror exports, based on data reported by its trading partners, has shown a declining trend across successive administrations, from 26 percent under the USDP to 9 percent under the NLD and further to 5 percent under the SAC/SSPC administration. Similarly, average import growth has also declined, from 16 percent to 3 percent and then to negative 5 percent across the respective administrations. Except for 2014, the current account remained in deficit throughout the period until 2024, when a surplus of approximately USD 1.7 billion was recorded, representing 7.92 percent of total exports in 2024. While the SAC/SSPC authorities have highlighted this surplus as a policy achievement, available evidence suggests that it was largely driven by restrictions on foreign currency access for import transactions, as well as direct import controls. The trends in Myanmar's mirror exports, imports, and trade balance are illustrated in the following graph.

Figure 2: Myanmar's Mirror Exports, Imports & Trade Surplus/Deficit



Although export and import trends under the SAC/SSPC administration exhibited a clear downward trajectory, their absolute values were found to be higher than those recorded under previous administrations expecially for exports. This raises the question of whether the underlying drivers were increased product diversification, reflected in a broader range of exported products, and or increased market diversification, reflected in expanded export destinations such as Russia and Belarus, with which the SAC/SSPC authorities have sought to strengthen economic relations. To better understand these underlying dynamics, it is necessary to move beyond aggregate trade values and examine how trade is distributed across products and partner countries.

To assess whether the SAC/SSPC administration has achieved greater trade diversification in terms of both product variety and destination or source countries, product diversification and country or market diversification indices are calculated. Product diversification refers to the distribution of trade across products, while country or market diversification refers to the distribution of trade across trading partners. These measures are calculated separately for exports and imports, as the underlying structural drivers of export and import patterns often differ.

Product and country diversifications are calculated using the Herfindahl Hirschman Index (HHI) as follows:

$$Diversification = 1 - HHI$$

where

$$HHI = \sum_{i=1}^{N} s_i^2$$

where

s_i = share of product i in total exports or imports

N = number of products

A higher HHI indicates greater concentration, while a higher value of one minus HHI indicates greater diversification. In addition, country or market diversification is calculated using the same analytical framework, substituting product shares with partner country shares, as follows:

$$Diversification = 1 - HHI_{Country}$$

where

$$HHI_{Country} = \sum_{j=1}^{M} c_j^2$$

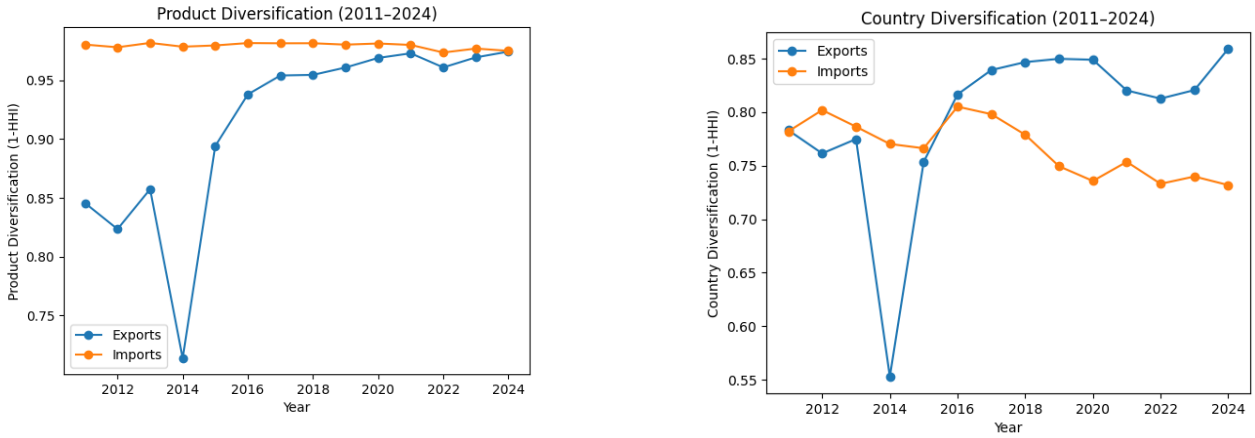
where

c_i = share of country j in total exports or imports

M = number of trading partner countries

The temporal trends in product and country diversification across exports and imports are presented in the following graphs.

Figure 3: Myanmar's Trends of Product and Country Diversification



4.1.1. Product diversification

On the export side, product diversification exhibits an upward trajectory over the period 2011–2024, with a notable deviation in 2014. The most pronounced disruption occurs in that year,

when diversification declines sharply. Closer inspection reveals that this drop is driven by an extreme concentration in HS71 (precious stones, particularly jade), which accounted for more than half of total exports. This concentration coincides with large-scale jade auctions that attracted a substantial number of buyers from China, resulting not only in product concentration but also in a parallel concentration of export destinations.

Importantly, this episode does not reflect a structural shift in Myanmar's export composition. Rather, it represents a temporary surge in resource-based exports, heavily dominated by jade and directed predominantly toward a single external market. As such, the 2014 dip should be interpreted as an outlier driven by exceptional circumstances, rather than evidence of underlying de-diversification.

Following this shock, export diversification rebounds and stabilizes. From around 2016 onward, the diversification index remains relatively high and shows only modest variation. This suggests that Myanmar's export structure has not undergone substantial transformation toward new product categories. Instead, the observed stability reflects continued reliance on a relatively fixed set of export products. The gradual increase observed after 2021 is therefore more attributed to a redistribution of export shares across existing product lines, which reduces the dominance of a few major sectors, rather than to the emergence of new export industries.

On the import side, product diversification remains high and stable across different administrations throughout the period up to 2024, particularly when assessed using partner mirror trade data that capture flows not fully recorded on the Myanmar side. This stability points to a sustained and broad-based import structure, reflecting Myanmar's continued reliance on a wide range of foreign goods to meet domestic consumption, production, and investment needs. Unlike exports, imports do not exhibit sharp fluctuations, suggesting that underlying demand patterns and supply constraints have remained relatively stable over time.

Importantly, this apparent diversification at the product level coexists with a growing concentration at the partner level, most notably toward China. In other words, while Myanmar imports a wide variety of goods, an increasing share of these goods originates from a single dominant partner. This dual pattern, product diversification alongside partner concentration, highlights a deepening structural dependence on China as a primary source of supply. It also suggests that Myanmar's import patterns, encompassing both formal and informal channels, are sustained not by diversification of trade partners but by the dominance and scale of Chinese trade networks. While this configuration enables continuity in the flow of goods, it reflects a growing structural dependence on a narrow set of external partners rather than a balanced and diversified sourcing strategy.

Consequently, despite political and economic transitions and the imposition of import restrictions, the overall structure of imports has remained relatively stable and less prone to abrupt fluctuations compared to the export sector. However, this stability should not be interpreted as a sign of strength. Instead, it points to an underlying concentration that increases Myanmar's exposure to external risks. Heavy reliance on one or two dominant partners, particularly in a context where economic relations may be influenced by geopolitical considerations, creates

conditions under which trade can be leveraged for strategic or political purposes. In this sense, the observed pattern of stability may in fact conceal a deepening vulnerability, as Myanmar's import dependence becomes increasingly tied to the interests and policy directions of a limited number of external actors. This divergence between product-level diversification and partner-level concentration points to the need for a closer examination of how Myanmar's trade relationships are ditributed across countries.

4.1.2. Country or market diversification

On the import side, country diversification exhibits a declining trend over the period, reflecting increasing concentration of imports among a small number of key suppliers. This pattern is driven primarily by the rising dominance of China, whose share of Myanmar's imports increases over time. As China's share grows, the relative importance of other supplier countries diminishes, even though imports may still be sourced from a wide range of partners. The data show that changes in diversification are closely linked to changes in the largest supplier's share rather than to the number of supplier countries. In other words, even when Myanmar imports from many countries, diversification declines if one country accounts for a disproportionately large share.

On the export side, country diversification follows a more volatile pattern. A sharp decline is observed in 2014, corresponding to the same event identified in the product analysis. In that year, exports were highly concentrated both geographically and by product, with China accounting for more than 60 percent of total exports and absorbing nearly all exports of HS71 item that is Jade. This created a dual concentration effect, resulting in a significant drop in diversification.

After 2014, export diversification improves steadily, reaching relatively high levels during the late 2010s and early 2020s. This improvement is driven not by expansion into new markets, but by a more balanced distribution of exports across existing partner countries. In particular, the relative dominance of China declines over time, while the shares of secondary markets such as Thailand, India, Japan, and several European countries increase.

Overall, the results indicate that country diversification in Myanmar is highly sensitive to changes in the dominance of a small number of key trading partners. On the import side, increasing reliance on China drives a gradual decline in diversification. On the export side, diversification improves when export shares are more evenly distributed across markets but can quickly deteriorate when a single country becomes dominant. These findings highlight that diversification outcomes are driven less by the number of trading partners and more by the distribution of trade shares among them.

Taken together, the evidence from both product and country diversification reveals a consistent pattern. While Myanmar's trade structure appears diversified in terms of products and the number of trading partners, the distribution of trade is increasingly concentrated among a small number of dominant actors. In particular, China emerges as the most significant partner, especially on the import side. This raises the question of whether Myanmar's trade structure reflects a deeper and more systematic dependence on China.

4.2. Myanmar's Trade Dependance on China

4.2.1. Myanmar's dependence on China for imports

Myanmar has remained consistently reliant on China in its trade relationships across successive administrations, exposing the country to heightened geopolitical risks. This dependence is particularly pronounced on the import side, where reliance on external supply is more critical. Given Myanmar's limited domestic production capacity, the country depends heavily on imported goods ranging from production-critical inputs to everyday consumer products. As a result, disruptions in trade with a dominant partner such as China could have widespread implications for both economic activity and daily life. This vulnerability becomes more apparent when examining not only aggregate import shares but also the composition of import across key sectors.

This structural reliance is especially evident in import patterns. China's share of Myanmar's total imports has remained significant across all administrations, averaging approximately 39.6 percent during the USDP period (2011–2015), rising to 42 percent under the NLD (2016–2020), and increasing further to 45.4 percent during the SAC/SSPC administration (2021–2024). While the aggregate increase appears moderate, it conceals a much stronger and more concentrated pattern of dependence in key sectors. A closer examination of critical imports shows that reliance on China is particularly pronounced in production-related categories. In 2024, China accounted for 69.6 percent of metals and industrial inputs (HS72–73), 65.0 percent of machinery and electrical equipment (HS84–85), 47.9 percent of fertilizers and chemicals (HS28–31), and 37.8 percent of transport equipment (HS86–89), while its shares in energy imports (HS27) and pharmaceuticals (HS30) stood at 10.4 percent and 9 percent, respectively. These patterns suggest that Myanmar's dependence on China is not only broad-based but also deeply embedded in sectors that are critical for production and economic functioning. Beyond this cross-sectional snapshot, it is also important to examine how this dependence has evolved over time.

Across the three administrations, the average China share of all critical imports combined increased from 49.8 percent during the USDP period, to 54.6 percent under the NLD, and to 60.1 percent during the SAC/SSPC period. China's share of machinery and electrical equipment (HS84–85) rose steadily from 49.8 percent under USDP to 55.4 percent under NLD and further to 61.9 percent under SAC/SSPC. Similarly, dependence on China for metals and industrial inputs (HS72–73) increased from 60.6 percent to 65.1 percent and then to 70.5 percent, while China's share of fertilizers and chemicals (HS28–31) rose sharply from 27.6 percent to 34.1 percent and 46.3 percent. Dependence on China for medicines (HS30) also increased from 9.9 percent under USDP to 18.7 percent during the SAC/SSPC period, after a slight dip during the NLD years. These shifts occurred despite recent import controls imposed by the SAC/SSPC administration. As a result, Myanmar's economic security has become increasingly exposed to developments in its trade relationship with China, even though overall dependence appears relatively stable in aggregate terms. Given the structural importance of China in Myanmar's external trade, it is important to examine whether the political developments following the 2021 coup further intensified this dependence. While these descriptive patterns strongly suggest a deepening reliance

on China, it is necessary to assess whether this dominance reflects a persisitent structural feature of Myanmar's trade system. To address this, an econometric analysis is conducted.

4.2.2. Myanmar's overall trade dependence on China across successive administrations

To assess whether China's influence over Myanmar's trade structure is persistent and structural, a panel regression framework is applied to partner-level trade shares over the period 2011–2024. The dependent variable is the share of Myanmar's total trade (imports or exports) accounted for by each partner country in a given year, allowing the analysis to capture the relative importance of trading partners rather than merely the presence of trade relationships.

The baseline specification is given by: $\text{PartnerShare}_{it} = \alpha + \beta \cdot \text{ChinaDummy}_i + \delta_t + \varepsilon_{it}$, where PartnerShare_{it} denotes the share of total trade attributed to partner country i in year t; ChinaDummy_i is an indicator equal to 1 for China and 0 otherwise; and δ_t represents year fixed effects that control for time-specific shocks affecting all partner countries, such as macroeconomic conditions, exchange rate movements, and policy changes. By absorbing these common shocks, the model isolates the structural difference between China and other partner countries within each year. (The regression results are presented in Annex I.)

Applying this specification to import data provides strong evidence of China's structural dominance. The estimated coefficient on the China dummy is approximately 0.388 and highly statistically significant, indicating that China's share of Myanmar's imports is, on average, about 41.5 percentage points higher than that of other partner countries over the sample period. The model exhibits strong explanatory power (adjusted $R^2 \approx 0.758$), reflecting the pronounced and persistent gap between China and other suppliers.

The year fixed effects are largely insignificant, suggesting that variations in global or domestic conditions do not substantially alter the relative distribution of import shares across countries. This reinforces the interpretation that China's dominance is not driven by temporary shocks but represents a stable structural feature of Myanmar's import composition. As imports directly capture dependence on external suppliers, these results indicate a strong and enduring reliance on China. While the import-side results capture supplier dependence, it is equally important to assess whether a similar pattern exists on the export size.

To complement the import analysis, the same specification is applied to export data. The results show that China also plays a dominant role on the export side, with the estimated coefficient on the China dummy around 0.341, again highly statistically significant. This implies that China's share of Myanmar's exports is, on average, about 34 percentage points higher than that of other partner countries.

At the same time, export diversification has increased over time, indicating a broader distribution of exports across multiple destinations. However, the regression results show that this diversification has occurred alongside, rather than in place of, China's dominance. In other words, while Myanmar exports to a wider set of countries, China remains consistently the largest individual market.

Taken together, the results reveal a clear structural asymmetry in Myanmar's trade pattern. Imports are highly concentrated in China, indicating strong supplier dependence, while exports are more diversified but still characterized by a persistent dominance of China as the primary trading partner. This suggests that diversification does not necessarily reduce dependence on a dominant partner but can coexist with it. Overall, the findings demonstrate that China's influence is both structurally embedded and pervasive across Myanmar's trade relationships, with particularly strong implications on the import side. Although these results confirm that China's dominance is structurally embedded, they do not yet capture whether recent political developments, especially the coup in 2021, have further intensified this relationship.

4.2.3. Myanmar's trade dependence on China after 2021 coup

To examine this possibility, China's influence over Myanmar's trade structure after 2021 is evaluated using a panel regression framework with country and year fixed effects, applied to partner-level trade shares for the period 2011–2024. The specification is given by $\text{PartnerShare}_{it} = \alpha + \gamma_i + \delta_t + \beta(\text{ChinaDummy}_i \times \text{Post2021}_t) + \varepsilon_{it}$, where PartnerShare_{it} denotes the share of Myanmar's total imports or exports accounted for by partner country i in year t; γ_i represents country fixed effects; δ_t represents year fixed effects; and the interaction term $\text{ChinaDummy}_i \times \text{Post2021}_t$ captures whether China's trade share changed differentially after 2021 relative to other partner countries.

This specification is designed to isolate the post-2021 shift in China's relative importance while controlling for two sources of confounding variation. First, country fixed effects absorb persistent differences across partner countries, since some trade partners are structurally more important than others. Second, year fixed effects absorb shocks common to all partners in a given year, including broad changes in global demand, macroeconomic conditions, and domestic policy or political developments in Myanmar. The coefficient on the interaction term therefore captures whether China's share increased more than the shares of other countries after 2021.

On the import side, the coefficient on the interaction term is positive and highly statistically significant, indicating that China's share of Myanmar's imports increased further after 2021 relative to other supplier countries. This suggests that Myanmar's already substantial import dependence on China became even more pronounced in the post-2021 period. Since imports directly reflect reliance on external suppliers, this result provides strong evidence that China's influence intensified through the import channel. (The regression results for imports are presented in Annex II.)

On the export side, the coefficient on $(\text{ChinaDummy}_i \times \text{Post2021}_t)$ is also positive and highly statistically significant. The estimate implies that, after 2021, China's share of Myanmar's exports increased by about 4 percentage points relative to other partner countries, even after controlling for country-specific and year-specific effects. This is an important result because it shows that China's role in Myanmar's export structure became more pronounced even though export market diversification increased overall during part of the same period. In other words,

broader diversification across export destinations did not displace China's central role; rather, China continued to strengthen its relative position within that more diversified structure.

Taken together, the results indicate that China's influence after 2021 intensified on both sides of Myanmar's trade structure, but with different implications. On the import side, the finding points to deeper supplier dependence. On the export side, it shows that diversification of markets did not prevent China from becoming relatively more important. Overall, the evidence suggests that China's influence over Myanmar's trade structure is not only structural, but has also become more pronounced in the post-2021 period.

4.2.4. Myanmar's trade dependence on China compared to other selective countries in the region

In this section, further analyses are undertaken to examine whether other selected countries in the region exhibit a similar degree of dependence on China as Myanmar. The objective is to assess whether Myanmar's reliance on China, given its geographical proximity, particularly in the trade sector in terms of both imports and exports, is broadly comparable to that of its regional peers or more pronounced. To this end, the analysis focuses on a set of comparator countries within the region. Particular attention is given to Thailand, a major trading partner of Myanmar and an immediate neighbor, as well as to other Southeast Asian economies that share geographical proximity not only with Myanmar but also with China, including Cambodia, Lao PDR, and Vietnam.

4.2.4.1. Comparison to Thailand

Before undertaking a statistical comparison, the same regression model used for Myanmar is applied to Thailand in order to assess its dependence on China in terms of both imports and exports. In the case of imports, the regression results indicate that both Thailand and Myanmar exhibit a strong and statistically significant dependence on China as a key import partner. For Thailand, the coefficient on the China dummy is approximately 0.223, implying that imports from China are, on average, about 22 percentage points higher than those from other partner countries, controlling for year fixed effects. The year effects are largely insignificant, suggesting that this pattern reflects a stable structural feature of Thailand's trade composition.

For Myanmar, the estimated China dummy is substantially larger, at approximately 0.415, and similarly highly statistically significant. This implies that Myanmar's import share from China exceeds that of other partners by about 41.5 percentage points on average. As with Thailand, the absence of significant year effects indicates that this dependence is structural rather than driven by time-specific shocks.

Taken together, these results indicate that while both countries rely heavily on China for imports, Myanmar's dependence is significantly more pronounced. The magnitude of the China effect in Myanmar is nearly double that of Thailand, pointing to a significantly higher degree of import concentration and a more limited diversification of sourcing compared to Thailand.

In the case of exports, the regression results also indicate that both Thailand and Myanmar exhibit a statistically significant reliance on China as an export destination. For Thailand, the coefficient on the China dummy is approximately 0.146, implying that exports to China are, on average, about 14.6 percentage points higher than those to other partner countries, controlling for year fixed effects. The year effects are largely insignificant, suggesting that this pattern reflects a stable structural feature of Thailand's export composition.

For Myanmar, the estimated China dummy is substantially larger, at approximately 0.341, and highly statistically significant. This implies that Myanmar's export share to China exceeds that of other partners by about 34.1 percentage points on average. As with Thailand, the absence of significant year effects indicates that this dependence is structural rather than driven by time-specific shocks.

Taken together, these results show that while both countries rely on China as a major export destination, Myanmar's dependence is markedly more pronounced. The magnitude of the China effect in Myanmar is more than double that of Thailand, indicating a significantly higher degree of export concentration and a more limited diversification of export markets compared to Thailand.

To assess whether Myanmar's reliance on China is stronger than that of Thailand, a pooled regression is estimated using partner-level import shares for both countries over 2011–2024:

$$PartnerShare_{it} = \alpha + \beta_1 ChinaDummy_{it} + \beta_2 CountryGroup_i + \beta_3 (ChinaDummy_{it} \times CountryGroup_i) + \gamma_t + \varepsilon_{it}$$

where $ChinaDummy$ identifies China as a partner, $CountryGroup$ equals one for Myanmar and zero for Thailand, and $\gamma_t$denotes year fixed effects.

In this specification, β_1 captures Thailand's China effect, while β_3 measures the additional effect for Myanmar, providing a direct test of whether Myanmar's reliance is greater. The results show that Thailand's import share from China is about 22 percentage points higher than that from other partners. The interaction term is positive and highly significant, with a magnitude of approximately 0.19, indicating that Myanmar's reliance exceeds Thailand's by an additional 19 percentage points.

Taken together, the implied China premium is approximately 41.5 percentage points for Myanmar, compared to 22.3 percentage points for Thailand. The difference is both economically large and statistically significant, providing strong evidence of a higher degree of import concentration toward China in Myanmar. The coefficient on $CountryGroup$ is insignificant, suggesting similar distributions across non-China partners, while insignificant year effects indicate that the difference is structural rather than driven by time-specific shocks.

The same model is applied to exports. The pooled regression results indicate that both Thailand and Myanmar exhibit a statistically significant dependence on China as an export destination. The coefficient on the China dummy is approximately 0.146, implying that Thailand's export share to China is about 14.6 percentage points higher than that to other partner countries, controlling for year fixed effects.

The interaction term between the China dummy and the Myanmar indicator is positive and highly statistically significant, with an estimated magnitude of approximately 0.195. This indicates that Myanmar's export share to China exceeds that of Thailand by an additional 19.5 percentage points.

Taken together, the implied China premium for Myanmar is approximately 34.1 percentage points, compared to 14.6 percentage points for Thailand. The difference is both economically large and statistically significant, providing strong evidence that Myanmar's export structure is substantially more concentrated toward China.

Consistent with the imports results, the coefficient on the country indicator is not statistically significant, suggesting broadly similar distributions across non-China partners, while insignificant year effects indicate that the observed difference is structural rather than driven by time-specific shocks.

4.2.4.2. Comparison to Cambodia, Lao PDR, and Vietnam

The same regression models are applied to Cambodia, Lao PDR, and Vietnam, and the corresponding results are presented below.

Table 1: Key Regression Results on Import Dependence on China

Key Indicators	Myanmar	Vietnam	Cambodia	Lao PDR
Adusted R^2	0.759	0.746	0.581	0.355
China Dummy	0.4151***	0.3412***	0.2520***	0.2292***
China Dummy x Country Group		0.0739***	0.1631***	0.1860***

Table 2: Key Regression Results on Exports Dependence on China

Key Indicators	Myanmar	Vietnam	Cambodia	Lao PDR
Adusted R^2	0.580	0.495	0.386	0.475
China Dummy	0.3412***	0.1669***	0.0429***	0.3188***
China Dummy x Country Group		0.1743***	0.2983***	0.0225***

It is found that all selected countries exhibit statistically significant dependence on China in both imports and exports over the period 2011 to 2024. However, the extent of dependence is consistently more pronounced in the case of Myanmar relative to the other countries.

In the case of imports, Myanmar shows the highest dependence, with a China premium of approximately 41.5 percentage points. Vietnam follows with a relatively high level at 34.1 percentage points. Cambodia and Lao PDR exhibit more moderate dependence, at 25.2 and 22.9 percentage points, respectively.

The interaction terms confirm that Myanmar's reliance on China is significantly higher than that of all comparator countries, with the largest gap relative to Lao PDR (+18.6 percentage points) and Cambodia (+16.3 percentage points), and a smaller but still meaningful gap relative to Vietnam (+7.4 percentage points).

Taken together, these results suggest that while dependence on China for imports is a regional structural feature, Myanmar stands out as the most China-centric import structure, followed by Vietnam, with Cambodia and Lao PDR being comparatively less concentrated.

In the case of exports, a more differentiated pattern emerges. Myanmar again exhibits a high level of dependence, with a China premium of approximately 34.1 percentage points. Lao PDR shows a similarly high level at 31.9 percentage points, indicating strong bilateral integration with China. Vietnam displays a more moderate dependence at 16.7 percentage points. Cambodia shows very limited export dependence on China, at only 4.3 percentage points.

The interaction terms reinforce these differences. Myanmar's export dependence on China is substantially higher than Cambodia (+29.8 percentage points), significantly higher than Vietnam (+17.4 percentage points), but only marginally higher than Lao PDR (+2.3 percentage points).

Taken together, Myanmar is consistently the most China-dependent economy, particularly on the import side, while Lao PDR exhibits similarly high dependence on exports. In contrast, Cambodia's dependence is heavily asymmetric (imports > exports), and Vietnam maintains a more diversified export structure despite strong import reliance on China.

Overall, the results suggest that while dependence on China is pervasive across the region, it varies markedly in both magnitude and structure, with Myanmar exhibiting the highest overall concentration, Lao PDR showing strong bilateral integration, Cambodia displaying asymmetric dependence, and Vietnam maintaining comparatively greater diversification, particularly on the export side.

5. Policy implication and conclusion

Myanmar's neighbors, particularly China, have long been, and continue to be, strategically important partners for the country. Successive administrations in Myanmar have generally recognized this reality. However, what has often been insufficiently acknowledged is the risk associated with excessive dependence on a limited number of partners, as well as Myanmar's limited preparedness to mitigate or manage the potential impacts of such dependence.

The SLORC and SPDC administrations (1988-2011) had relatively limited options in this regard, as international sanctions significantly constrained Myanmar's economic and diplomatic engagement with other partners. In contrast, the USDP (2011-2016) and NLD (2016-2021) administrations operated under somewhat more favorable international conditions and thus had greater opportunities to diversify Myanmar's external economic relations. While these administrations made certain efforts toward diversification, stronger and more systematic measures could arguably have been pursued. Since the 2021 coup, the SAC/SSPC administration has increasingly fallen into a situation similar to that faced by the SLORC and SPDC period, resulting in renewed and deepening dependence on neighboring countries, particularly China, not only in trade but also in investment and political relations.

From a trade policy perspective, Myanmar could have been better prepared by strengthening its domestic industries, whether locally owned, foreign-invested, or joint ventures, prior to entering into bilateral or multilateral trade agreements. Building competitive domestic production capacity

would have helped mitigate the potential adverse impacts of trade liberalization. Nevertheless, it is not too late for Myanmar to pursue such adjustments. As a least-developed country (LDC), Myanmar continues to benefit from certain flexibilities and reservations under international trade agreements, which provide some policy space and transitional periods for domestic adjustment. However, time remains a critical constraint. For example, under the Regional Comprehensive Economic Partnership (RCEP), 2022 serves as the starting point ("year zero") for Myanmar's tariff reduction schedules and transition periods, meaning that the window for strengthening domestic industries before full liberalization gradually narrows over time.

The policy recommendation is to strengthen coordination among the authorities of relevant ministries, including but not limited to those responsible for planning and finance, commerce, investment, and industry. Effective coordination across ministries is essential for developing coherent and actionable strategies to support Myanmar's economic transformation. Through such coordination, clear and targeted action plans should be formulated for agencies responsible for investment promotion, trade facilitation, industrial development, and fiscal management, among others. These action plans should define priorities, responsibilities, and implementation timelines so that policies across ministries reinforce each other rather than operate in isolation.

With regard to investment policy, a comprehensive strategy should be developed to guide both domestic and foreign investors toward more productive sectors of the economy. These sectors include key manufacturing industries as well as strategic infrastructure projects. Appropriate incentives, such as fiscal incentives, regulatory facilitation, and targeted investment promotion, should be designed to attract investment into these priority areas. In particular, Myanmar should promote the development of value added manufacturing activities that utilize the country's abundant primary resources. These resources include natural minerals such as rare earth elements and crude oil, as well as precious and semi precious gemstones and a wide range of agricultural commodities. At present, many of these resources are exported mainly in raw or minimally processed forms, often through both formal and informal channels. Encouraging domestic processing and manufacturing would allow Myanmar to capture greater value within its economy and strengthen its industrial capabilities.

In addition to resource based manufacturing, investment should also be directed toward critical infrastructure development. Priority areas include the establishment and expansion of special economic zones that can strategically host manufacturing industries, as well as the development of renewable energy projects to address Myanmar's severe electricity shortages. Improvements in transport and logistics infrastructure, including roads, ports, and cross border connectivity, are also essential for supporting industrial production and facilitating trade. Strengthening these infrastructure foundations would significantly enhance Myanmar's attractiveness as an investment destination and improve the competitiveness of domestic industries.

In pursuing these strategies, foreign direct investment will play a crucial role. Beyond providing much needed external financing, foreign investors can contribute advanced technologies, managerial expertise, and access to international markets. It is therefore important for policymakers to adopt a strategic approach in attracting targeted investors whose activities align

with Myanmar's long term development priorities. At the same time, policies should be designed to foster stronger industrial linkages between foreign invested firms and domestic enterprises. Developing supportive industrial ecosystems through supplier development programs, technology transfer mechanisms, and industrial cluster policies can help ensure that the benefits of foreign investment are more widely distributed across the domestic economy.

In promoting foreign investment, it is important that investments from carefully selected, targeted, and diversified jurisdictions are actively pursued rather than passively awaited. In practice, however, foreign investment approvals in Myanmar have largely been reactive. The Myanmar Investment Commission has generally responded to investment proposals submitted by investors rather than proactively identifying priority projects and inviting suitable investors. A more strategic approach would involve identifying priority sectors and projects in advance and actively engaging investors from diversified jurisdictions that possess the necessary financial resources, technological capabilities, and market access.

Both the USDP and NLD administrations made attempts to move toward a more proactive investment promotion strategy, although these efforts were not fully realized. During the USDP administration, an initiative was undertaken in collaboration with the Japan Bank for International Cooperation (JBIC) through a joint venture established between Myanmar's Foreign Economic Relations Department and JBIC. The objective of this collaboration was to identify strategic investment projects, conduct feasibility studies, and attract investors from diversified sources including Japan. Although the joint venture was established, the subsequent steps of identifying strategic projects, conducting detailed feasibility studies, and targeting investors from a broader range of jurisdictions were not fully implemented. Similarly, the NLD administration attempted to pursue a comparable initiative in cooperation with Infrastructure Asia of Singapore, although this collaboration took the form of institutional cooperation rather than a joint venture. These efforts, however, were disrupted by the political developments following the 2021 coup.

It is essential that these initiatives be revived in order to systematically identify strategic projects and link them to the Project Bank initiative. The Project Bank is intended to function as a centralized database in which projects are catalogued based on their financial and economic viability, as measured by indicators such as the Financial Internal Rate of Return (FIRR) and the Economic Internal Rate of Return (EIRR). Projects included in the database should be supported by comprehensive feasibility studies so that they can be evaluated and prioritized in a transparent and consistent manner.

Based on their financial and economic characteristics, these projects can then be classified into several categories. First, some projects with strong economic returns but limited commercial viability may need to be developed through public financing or development assistance. Second, projects that are commercially viable could be tendered directly to private concessionaires. Third, certain projects may be suitable for development through public private partnership arrangements, under which the government may provide support through mechanisms such as viability gap funding, minimum revenue guarantees, or other forms of risk sharing. In such cases, projects could be tendered to private investors under various partnership structures, including build operate

transfer (BOT), build own operate transfer (BOOT), or other appropriate public private partnership models.

Establishing a well functioning Project Bank would help ensure that investment decisions are guided by rigorous project appraisal and economic priorities rather than ad hoc considerations. It would also provide greater transparency and predictability for potential investors and development partners, thereby facilitating the mobilization of both public and private resources for strategic infrastructure and industrial development.

However, under the current circumstances, and even during a possible transition period following the anticipated elections in the coming years, attracting substantial foreign investment, let alone attracting investment from carefully targeted and diversified jurisdictions, appears to be a challenging objective. In this context, fiscal and monetary authorities may need to play a more proactive role by strategically deploying public financing to support priority projects. Public financing mechanisms could be used to improve the commercial viability of strategic infrastructure and industrial projects through instruments such as viability gap funding, minimum revenue guarantees, or other appropriate policy tools.

Even with such support, attracting private investment into large strategic projects may remain difficult in the current environment. Therefore, authorities may also need to consider the possibility of fully financing certain strategic projects during the initial stages. Once these projects become operational and demonstrate commercial viability, the government could gradually introduce equity participation by both foreign and domestic investors. Such an approach would allow the state to reduce risks during the early stages of project development while creating opportunities for private sector participation at a later stage when the projects become financially sustainable. However, it is essential that the government avoid its usual practice of appointing inexperienced or unsuitable officials to manage publicly funded projects, a practice that has often led to poor performance and project failure. Instead, the operation of such projects should be entrusted to competent and experienced professional managers through appropriate management contracts. This arrangement should remain in place until the projects reach a stage at which foreign and domestic investors can participate through equity investment and management responsibilities can be transferred in a structured and effective manner.

Implementation of this strategy would require the fiscal authorities to reallocate financial resources and budgetary expenditures away from nonproductive activities currently undertaken by existing government agencies toward the initial funding of strategic projects. From a public finance perspective, such expenditure reprioritization is often more effective than simply expanding overall spending, as it improves the productivity of public investment while maintaining fiscal discipline. Even if the fiscal deficit were to increase moderately within a manageable range, such an outcome could be justified if the additional borrowing supports productive investment that enhances long term economic growth. In other words, funds currently absorbed by low impact or inefficient activities could be redirected toward investments that generate higher economic and social returns.

At the same time, the role of monetary authorities would become particularly important in maintaining macroeconomic stability during this process. The expansion of public investment and the associated fiscal deficit would likely inject additional liquidity into the economy. The central bank would therefore need to manage liquidity conditions carefully through appropriate monetary operations in order to prevent excessive inflationary pressures. In addition, monetary authorities would need to support the sustainable financing of the deficit through the development and management of government debt instruments, such as treasury bonds and treasury bills, which could be placed with financial institutions as well as with the broader public. Strengthening domestic government bond markets would not only provide a stable source of financing for strategic public investment but would also contribute to the broader development of Myanmar's financial system by creating benchmark assets and improving financial market depth.

These efforts require a much deeper level of coordination between fiscal and monetary authorities, particularly in terms of policy timing and sequencing. Effective macroeconomic management depends not only on the design of fiscal and monetary policies individually but also on the extent to which these policies are coordinated to achieve shared objectives such as price stability, sustainable growth, and financial stability. In the absence of such coordination, policy measures taken by one authority may inadvertently undermine the objectives of the other.

In Myanmar, fiscal authorities within the Ministry of Planning and Finance have traditionally focused on reducing or adjusting budget allocations in response to expenditure proposals submitted by other ministries. This approach has often emphasized administrative budget control rather than the broader macroeconomic role of fiscal policy. For example, during the USDP administration, public expenditure expanded significantly as various government agencies increased spending in the context of reform initiatives. This expansion contributed to inflation rising to double digit levels. However, there was little evidence of coordinated policy responses between fiscal and monetary authorities to address the inflationary pressures. Fiscal authorities did not attempt to moderate aggregate demand through expenditure adjustments or revenue measures, while monetary authorities were left to manage the inflationary environment largely on their own.

A similar lack of coordination was evident during the COVID 19 pandemic under the NLD administration in 2020. In many countries, governments adopted countercyclical fiscal policies by expanding fiscal deficits in order to mitigate the economic impacts of the pandemic. In Myanmar, however, despite projections that both economic growth and inflation would decline significantly, the budget authorities imposed even tighter expenditure ceilings. This approach appeared to reflect a limited recognition of the role of fiscal policy as a stabilization tool during economic downturns. Nevertheless, a more constructive policy response eventually emerged. The proposal for lower budget ceilings put forward by the budget authorities was ultimately rejected at the ministerial level. Instead, policymakers decided to expand public expenditure through fiscal stimulus measures under the COVID-19 Economic Relief Plan (CERP), which aimed to support economic activity and mitigate the adverse economic and social effects of the pandemic.

These patterns suggest the need for significant improvements in institutional coordination between fiscal and monetary authorities. Closer collaboration is necessary to ensure that fiscal and

monetary policies are mutually supportive and aligned with broader macroeconomic objectives. Such coordination would help guide the economy toward a more stable and sustainable macroeconomic environment. At the same time, authorities responsible for investment, trade, and industrial policy should work in parallel to strengthen domestic economic capacity and diversify Myanmar's external economic relations. In particular, reducing the country's excessive reliance on a limited number of trading and investment partners will require coordinated policies that promote industrial development, expand export markets, and attract diversified sources of investment. However, economic policy reforms alone are unlikely to be sufficient.

At the highest level, authorities must recognize that none of these economic objectives, including sustained macroeconomic stability, can be achieved without political stability. While short episodes of economic progress may occur, Myanmar will continue to face recurrent instability if the underlying political conditions remain unresolved. In such circumstances, the country risks being perceived as structurally unstable, which undermines investor confidence and discourages long-term investment in productive sectors of the economy.

As a result, Myanmar is likely to attract primarily short-term investors who are willing to tolerate higher levels of risk in pursuit of quick or speculative returns. Such investment patterns are generally not conducive to sustained economic development, as they tend to favor short-term gains rather than long-term productive capacity building. Stable political institutions and predictable governance are widely recognized as key prerequisites for attracting long-term investment, particularly in sectors such as manufacturing, infrastructure, and technology.

Although recommendations regarding political reform are beyond the scope of this paper, it is nevertheless essential that the highest levels of authority begin to consider pathways toward stabilizing the current political situation. This could involve transparent, constructive, and inclusive dialogue among key stakeholders. Such discussions should include actors regardless of whether they align with or oppose the current administration, whether they are currently free or imprisoned due to their political positions, or whether they reside inside or outside the country. To enhance credibility and trust in such a process, these discussions could be observed or facilitated by neutral third parties, including regional organizations and countries with significant interests in Myanmar's stability and development. A more inclusive and transparent political process would not only contribute to restoring domestic stability but would also strengthen international confidence in Myanmar's long-term economic prospects.

A stable and prosperous economic future for Myanmar ultimately depends not only on sound economic policies but also on the restoration of trust among its people, between the state and society, and from the international community. Without such foundations, even the most carefully designed economic strategies will struggle to produce lasting results. Myanmar's geographic position, natural resources, and human potential offer considerable opportunities for development, yet these advantages can only be realized under conditions of stability, openness, and credible governance. The policy direction adopted by Myanmar's new authorities in the coming years will be decisive in determining whether the country remains locked in recurring cycles of vulnerability and dependence, or transitions toward a more stable and self-reliant economic future.

Annex-I

```
import pandas as pd
import numpy as np
import seaborn as sns
import matplotlib.pyplot as plt
%matplotlib inline
import statsmodels.api as sm
import statsmodels.formula.api as smf
from scipy import stats

from google.colab import drive
# Mount Google Drive
drive.mount('/content/drive')

# Grab the data needed
R = pd.read_csv('/content/drive/MyDrive/IDE-Analysis2/Section_A_Imports.csv')

R['Date'] = pd.to_datetime(R['year'])

import statsmodels.formula.api as smf


model_A1 = smf.ols('PartnerShare ~ ChinaDummy + C(Year)',
data=R).fit(cov_type='cluster', cov_kwds={'groups': R['Country']})


print(model_A1.summary())
```

```
                            OLS Regression Results
==============================================================================
Dep. Variable:           PartnerShare   R-squared:                       0.759
Model:                            OLS   Adj. R-squared:                  0.758
Method:                 Least Squares   F-statistic:                 1.844e+04
Date:                Tue, 14 Apr 2026   Prob (F-statistic):           6.08e229
Time:                        07:24:41   Log-Likelihood:                 5256.9
No. Observations:                2072   AIC:                         1.048e+04
Df Residuals:                    2057   BIC:                         1.040e+04
Df Model:                          14
Covariance Type:              cluster
==============================================================================
                 coef    std err          z      P>|z|      [0.025      0.975]
------------------------------------------------------------------------------
Intercept      0.0040      0.002      2.201      0.028       0.000       0.007
[T.2012]    2.21e-11      0.000   5.04e-08      1.000      -0.001       0.001
[T.2013]   1.968e-11      0.000   6.22e-08      1.000      -0.001       0.001
[T.2014]   1.328e-11      0.000   3.19e-08      1.000      -0.001       0.001
[T.2015]    4.07e-12      0.000   8.53e-09      1.000      -0.001       0.001
[T.2016]   1.531e-12      0.000   4.38e-09      1.000      -0.001       0.001
[T.2017]   1.947e-11      0.000   4.67e-08      1.000      -0.001       0.001
[T.2018]   1.947e-11      0.000   4.67e-08      1.000      -0.001       0.001
[T.2019]   1.372e-11      0.001   1.86e-08      1.000      -0.001       0.001
[T.2020]   5.883e-12      0.001    6.5e-09      1.000      -0.002       0.002
[T.2021]   1.655e-11      0.001   2.68e-08      1.000      -0.001       0.001
[T.2022]   2.109e-11      0.001   2.42e-08      1.000      -0.002       0.002
[T.2023]   1.054e-11      0.001   1.44e-08      1.000      -0.001       0.001
[T.2024]   2.592e-11      0.001   3.65e-08      1.000      -0.001       0.001
ChinaDummy    0.4151      0.002    268.261      0.000       0.412       0.418
```

```
==============================================================================
Omnibus:                     2717.980   Durbin-Watson:
2.026
Prob(Omnibus):                  0.000   Jarque-Bera (JB):
363116.805
Skew:                           7.396   Prob(JB):
0.00
Kurtosis:                      66.144   Cond. No.
14.9
==============================================================================

Notes:
[1] Standard Errors are robust to cluster correlation (cluster)
/usr/local/lib/python3.12/dist-packages/statsmodels/base/model.py:1894:
ValueWarning: covariance of constraints does not have full rank. The number
of constraints is 14, but rank is 13
  warnings.warn('covariance of constraints does not have full '
```

```
# Grab the data needed
R = pd.read_csv('/content/drive/MyDrive/IDE-Analysis2/Section_A_Exports.csv')

import statsmodels.formula.api as smf

model_exp_A1 = smf.ols('PartnerShare ~ ChinaDummy + C(Year)',
data=R).fit(cov_type='cluster', cov_kwds={'groups': R['Country']})

print(model_exp_A1.summary())
```

```
OLS Regression Results
==============================================================================
Dep. Variable:           PartnerShare   R-squared:                       0.582
Model:                          OLS   Adj. R-squared:                  0.580
Method:               Least Squares   F-statistic:                 1.969e+04
Date:              Mon, 06 Apr 2026   Prob (F-statistic):           2.35e-274
Time:                      02:05:44   Log-Likelihood:                 6021.0
No. Observations:              2492   AIC:                         -1.201e+04
Df Residuals:                  2477   BIC:                         -1.192e+04
Df Model:                        14
Covariance Type:           cluster
==============================================================================
                     coef    std err          z      P>|z|      [0.025      0.975]
------------------------------------------------------------------------------
Intercept          0.0037      0.003      1.475      0.140      -0.001       0.009
C(Year)[T.2012] -1.204e-11      0.000  -3.24e-08      1.000      -0.001       0.001
C(Year)[T.2013]  1.799e-11      0.000   4.39e-08      1.000      -0.001       0.001
C(Year)[T.2014]  3.728e-12      0.003   1.29e-09      1.000      -0.006       0.006
C(Year)[T.2015]  1.097e-11      0.001    7.7e-09      1.000      -0.003       0.003
C(Year)[T.2016] -1.704e-13      0.001  -1.21e-10      1.000      -0.003       0.003
C(Year)[T.2017]  5.743e-12      0.002   3.79e-09      1.000      -0.003       0.003
C(Year)[T.2018] -2.212e-11      0.002   -1.4e-08      1.000      -0.003       0.003
C(Year)[T.2019]  -9.26e-12      0.002   -5.5e-09      1.000      -0.003       0.003
C(Year)[T.2020] -1.289e-11      0.002  -7.12e-09      1.000      -0.004       0.004
C(Year)[T.2021]  1.854e-12      0.002   9.54e-10      1.000      -0.004       0.004
C(Year)[T.2022]  8.164e-13      0.002      4e-10      1.000      -0.004       0.004
C(Year)[T.2023]  1.436e-11      0.002   7.24e-09      1.000      -0.004       0.004
C(Year)[T.2024]  1.418e-11      0.002   8.32e-09      1.000      -0.003       0.003
```

```
ChinaDummy          0.3412      0.001    251.158      0.000       0.339       0.344
==============================================================================
Omnibus:                     4079.511   Durbin-Watson:                   2.033
Prob(Omnibus):                  0.000   Jarque-Bera (JB):          2997031.478
Skew:                          10.623   Prob(JB):                         0.00
Kurtosis:                     171.560   Cond. No.                         14.9
==============================================================================

Notes:
[1] Standard Errors are robust to cluster correlation (cluster)
```

Annex-2

```
import pandas as pd
import numpy as np
import seaborn as sns
import matplotlib.pyplot as plt
%matplotlib inline
import statsmodels.api as sm
import statsmodels.formula.api as smf
from scipy import stats

from google.colab import drive
# Mount Google Drive
drive.mount('/content/drive')

# Grab the data needed
R = pd.read_csv('/content/drive/MyDrive/IDE-Analysis2/Section_B_imports.csv')

R['Date'] = pd.to_datetime(R['year'])

import statsmodels.formula.api as smf


model_imp_B = smf.ols('PartnerShare ~ China_Post2021 + C(Country) + C(Year)',
data=R).fit(cov_type='cluster', cov_kwds={'groups': R['Country']})


print(model_imp_B.summary())
```

```
                            OLS Regression Results
==============================================================================
Dep. Variable:           PartnerShare   R-squared:                       0.988
Model:                          OLS   Adj. R-squared:                  0.987
Method:               Least Squares   F-statistic:                     2324.
Date:              Mon, 06 Apr 2026   Prob (F-statistic):          6.67e-164
Time:                      03:36:36   Log-Likelihood:                 8450.8
No. Observations:              2086   AIC:                         -1.658e+04
Df Residuals:                  1923   BIC:                         -1.566e+04
Df Model:                       162
Covariance Type:            cluster
==============================================================================================
                         coef    std err          z      P>|z|      [0.025      0.975]
----------------------------------------------------------------------------------------------
Intercept           9.193e-05      0.000      0.221      0.825      -0.001       0.001
[T.Albania]        -2.62e-06   7.07e-17   -3.7e+10      0.000   -2.62e-06   -2.62e-06
[T.Algeria]        -2.62e-06   6.34e-17  -4.13e+10      0.000   -2.62e-06   -2.62e-06
[T.Angola]          0.0001   1.28e-16   9.71e+11      0.000       0.000       0.000
[T.Argentina]       0.0005   6.25e-17   7.53e+12      0.000       0.000       0.000
[T.Armenia]        -2.537e-06   6.16e-17  -4.12e+10      0.000   -2.54e-06   -2.54e-06
[T.Australia]       0.0050   6.11e-17   8.14e+13      0.000       0.005       0.005
```

[T.Austria]	0.0007	6.81e-17	1.02e+13	0.000	0.001	0.001
[T.Azerbaijan]	2.945e-06	5.91e-17	4.98e+10	0.000	2.95e-06	2.95e-06
[T.Bahrain]	2.421e-05	7.19e-17	3.37e+11	0.000	2.42e-05	2.42e-05
[T.Bangladesh]	0.0005	5.98e-17	7.71e+12	0.000	0.000	0.000
[T.Barbados]	-2.609e-06	6.2e-17	-4.21e+10	0.000	-2.61e-06	-2.61e-06
[T.Belarus]	0.0001	1.06e-16	1.22e+12	0.000	0.000	0.000
[T.Belgium]	0.0013	1.17e-16	1.08e+13	0.000	0.001	0.001
[T.Benin]	-1.536e-06	8.04e-17	-1.91e+10	0.000	-1.54e-06	-1.54e-06
[T.Bolivia]	0.0002	9.59e-17	2.24e+12	0.000	0.000	0.000
[T.Bosnia]	-2.47e-06	8.37e-17	-2.95e+10	0.000	-2.47e-06	-2.47e-06
[T.Botswana]	-2.624e-06	6.29e-17	-4.17e+10	0.000	-2.62e-06	-2.62e-06
[T.Brazil]	0.0026	7.09e-17	3.65e+13	0.000	0.003	0.003
[T.Brunei]	0.0002	7.11e-17	2.39e+12	0.000	0.000	0.000
[T.Bulgaria]	0.0001	6.2e-17	1.75e+12	0.000	0.000	0.000
[T.Burkina Faso]	-2.604e-06	9.41e-17	-2.77e+10	0.000	-2.6e-06	-2.6e-06
[T.Cabo Verde]	-2.621e-06	6.15e-17	-4.26e+10	0.000	-2.62e-06	-2.62e-06
[T.Cambodia]	8.532e-05	1.3e-16	6.57e+11	0.000	8.53e-05	8.53e-05
[T.Cameroon]	-2.261e-06	9.86e-17	-2.29e+10	0.000	-2.26e-06	-2.26e-06
[T.Canada]	0.0008	7.97e-17	9.97e+12	0.000	0.001	0.001
[T.Chile]	2.194e-05	6.57e-17	3.34e+11	0.000	2.19e-05	2.19e-05
[T.China]	0.4078	9.99e-05	4081.948	0.000	0.408	0.408
[T.China, HK]	0.0081	6.45e-17	1.25e+14	0.000	0.008	0.008
[T.China, Macao]	-1.213e-06	7.62e-17	-1.59e+10	0.000	-1.21e-06	-1.21e-06
[T.Colombia]	2.65e-05	6.83e-17	3.88e+11	0.000	2.65e-05	2.65e-05
[T.Comoros]	-2.339e-06	5.92e-17	-3.95e+10	0.000	-2.34e-06	-2.34e-06
[T.Congo]	1.864e-05	5.9e-17	3.16e+11	0.000	1.86e-05	1.86e-05
[T.Costa Rica]	3.246e-06	7.26e-17	4.47e+10	0.000	3.25e-06	3.25e-06
[T.Croatia]	2.689e-05	5.9e-17	4.56e+11	0.000	2.69e-05	2.69e-05
[T.Cyprus]	8.693e-05	5.95e-17	1.46e+12	0.000	8.69e-05	8.69e-05
[T.Czechia]	0.0001	5.92e-17	2.44e+12	0.000	0.000	0.000
[T.Côte d'Ivoire]	2.355e-06	5.93e-17	3.97e+10	0.000	2.35e-06	2.35e-06
[T. Congo]	-2.413e-06	6.38e-17	-3.78e+10	0.000	-2.41e-06	-2.41e-06
[T.Denmark]	0.0002	5.94e-17	3.81e+12	0.000	0.000	0.000
[T.Djibouti]	-2.505e-06	5.98e-17	-4.19e+10	0.000	-2.51e-06	-2.51e-06
[T.Dominican Rep.]	-2.528e-06	5.9e-17	-4.28e+10	0.000	-2.53e-06	-2.53e-06
[T.Ecuador]	8.884e-07	5.94e-17	1.5e+10	0.000	8.88e-07	8.88e-07
[T.Egypt]	-2.346e-06	7.39e-17	-3.17e+10	0.000	-2.35e-06	-2.35e-06
[T.El Salvador]	2.061e-05	6.45e-17	3.19e+11	0.000	2.06e-05	2.06e-05
[T.Estonia]	2.45e-07	6.66e-17	3.68e+09	0.000	2.45e-07	2.45e-07
[T.Eswatini]	-2.621e-06	7.36e-17	-3.56e+10	0.000	-2.62e-06	-2.62e-06
[T.Ethiopia]	2.091e-06	5.91e-17	3.54e+10	0.000	2.09e-06	2.09e-06
[T.Fiji]	-7.939e-07	6e-17	-1.32e+10	0.000	-7.94e-07	-7.94e-07
[T.Finland]	0.0003	5.94e-17	5.23e+12	0.000	0.000	0.000
[T.France]	0.0038	6.01e-17	6.31e+13	0.000	0.004	0.004
[T.Gabon]	-1.948e-06	7.29e-17	-2.67e+10	0.000	-1.95e-06	-1.95e-06
[T.Georgia]	-2.179e-06	5.89e-17	-3.7e+10	0.000	-2.18e-06	-2.18e-06
[T.Germany]	0.0059	6.77e-17	8.77e+13	0.000	0.006	0.006
[T.Ghana]	-2.401e-06	5.97e-17	-4.02e+10	0.000	-2.4e-06	-2.4e-06
[T.Greece]	1.45e-05	7.72e-17	1.88e+11	0.000	1.45e-05	1.45e-05
[T.Guatemala]	0.0001	6.74e-17	1.61e+12	0.000	0.000	0.000
[T.Guyana]	-2.622e-06	9.82e-17	-2.67e+10	0.000	-2.62e-06	-2.62e-06
[T.Hungary]	0.0002	6.31e-17	3.07e+12	0.000	0.000	0.000
[T.Iceland]	-1.457e-06	5.99e-17	-2.43e+10	0.000	-1.46e-06	-1.46e-06
[T.India]	0.0373	9.8e-17	3.8e+14	0.000	0.037	0.037
[T.Indonesia]	0.0321	6.25e-17	5.14e+14	0.000	0.032	0.032
[T.Iran]	0.0038	7.59e-17	4.98e+13	0.000	0.004	0.004
[T.Ireland]	0.0002	7.31e-17	2.95e+12	0.000	0.000	0.000
[T.Israel]	0.0004	6.56e-17	6.48e+12	0.000	0.000	0.000
[T.Italy]	0.0032	5.92e-17	5.49e+13	0.000	0.003	0.003
[T.Jamaica]	-2.589e-06	6.15e-17	-4.21e+10	0.000	-2.59e-06	-2.59e-06
[T.Japan]	0.0354	6.54e-17	5.41e+14	0.000	0.035	0.035
[T.Jordan]	4.017e-05	5.92e-17	6.78e+11	0.000	4.02e-05	4.02e-05
[T.Kazakhstan]	-2.512e-06	6.61e-17	-3.8e+10	0.000	-2.51e-06	-2.51e-06

[T.Kenya]	2.421e-05	6.16e-17	3.93e+11	0.000	2.42e-05	2.42e-05
[T.Kuwait]	2.078e-05	6.03e-17	3.44e+11	0.000	2.08e-05	2.08e-05
[T.Kyrgyzstan]	-2.334e-06	5.9e-17	-3.95e+10	0.000	-2.33e-06	-2.33e-06
[T.Lao]	9.37e-05	6.22e-17	1.51e+12	0.000	9.37e-05	9.37e-05
[T.Latvia]	6.212e-06	6.22e-17	9.99e+10	0.000	6.21e-06	6.21e-06
[T.Lebanon]	1.778e-05	6.65e-17	2.67e+11	0.000	1.78e-05	1.78e-05
[T.Lesotho]	-2.573e-06	6.64e-17	-3.88e+10	0.000	-2.57e-06	-2.57e-06
[T.Liberia]	-2.171e-06	6.29e-17	-3.45e+10	0.000	-2.17e-06	-2.17e-06
[T.Lithuania]	3.673e-05	7.45e-17	4.93e+11	0.000	3.67e-05	3.67e-05
[T.Luxembourg]	2.618e-05	6.02e-17	4.35e+11	0.000	2.62e-05	2.62e-05
[T.Madagascar]	1.483e-06	5.96e-17	2.49e+10	0.000	1.48e-06	1.48e-06
[T.Malawi]	-1.775e-06	6.02e-17	-2.95e+10	0.000	-1.78e-06	-1.78e-06
[T.Malaysia]	0.0362	6.77e-17	5.34e+14	0.000	0.036	0.036
[T.Mali]	-2.616e-06	6.32e-17	-4.14e+10	0.000	-2.62e-06	-2.62e-06
[T.Malta]	-5.503e-07	6.09e-17	-9.03e+09	0.000	-5.5e-07	-5.5e-07
[T.Mauritius]	1.831e-06	7.86e-17	2.33e+10	0.000	1.83e-06	1.83e-06
[T.Mexico]	7.969e-05	9.53e-17	8.36e+11	0.000	7.97e-05	7.97e-05
[T.Mongolia]	-2.174e-06	6.11e-17	-3.56e+10	0.000	-2.17e-06	-2.17e-06
[T.Morocco]	5.555e-05	6.23e-17	8.92e+11	0.000	5.55e-05	5.55e-05
[T.Mozambique]	3.023e-05	7.45e-17	4.06e+11	0.000	3.02e-05	3.02e-05
[T.Myanmar]	5.055e-06	1.04e-16	4.87e+10	0.000	5.05e-06	5.05e-06
[T.Namibia]	-2.191e-06	5.97e-17	-3.67e+10	0.000	-2.19e-06	-2.19e-06
[T.Nepal]	7.31e-06	7.63e-17	9.58e+10	0.000	7.31e-06	7.31e-06
[T.Netherlands]	0.0012	5.99e-17	1.97e+13	0.000	0.001	0.001
[T.New Caledonia]	-2.281e-06	5.92e-17	-3.85e+10	0.000	-2.28e-06	-2.28e-06
[T.New Zealand]	0.0010	7.41e-17	1.37e+13	0.000	0.001	0.001
[T.Nicaragua]	2.6e-06	5.92e-17	4.39e+10	0.000	2.6e-06	2.6e-06
[T.Niger]	-2.172e-06	5.99e-17	-3.63e+10	0.000	-2.17e-06	-2.17e-06
[T.Nigeria]	0.0001	6.89e-17	1.88e+12	0.000	0.000	0.000
[T.North Macedonia]	-2.559e-06	6.24e-17	-4.1e+10	0.000	-2.56e-06	-2.56e-06
[T.Norway]	0.0001	6.67e-17	1.87e+12	0.000	0.000	0.000
[T.Oman]	0.0007	6.16e-17	1.13e+13	0.000	0.001	0.001
[T.Other Asia, nes]	0.0086	7.32e-17	1.17e+14	0.000	0.009	0.009
[T.Pakistan]	0.0006	6.14e-17	1.03e+13	0.000	0.001	0.001
[T.Panama]	-2.342e-06	6.68e-17	-3.51e+10	0.000	-2.34e-06	-2.34e-06
[T.Papua N Guinea]	1.437e-05	7.52e-17	1.91e+11	0.000	1.44e-05	1.44e-05
[T.Paraguay]	0.0003	6e-17	5.44e+12	0.000	0.000	0.000
[T.Peru]	3.972e-05	6.97e-17	5.7e+11	0.000	3.97e-05	3.97e-05
[T.Philippines]	0.0016	8.63e-17	1.87e+13	0.000	0.002	0.002
[T.Poland]	0.0007	7e-17	1.01e+13	0.000	0.001	0.001
[T.Portugal]	5.253e-05	5.93e-17	8.86e+11	0.000	5.25e-05	5.25e-05
[T.Qatar]	0.0099	6.1e-17	1.62e+14	0.000	0.010	0.010
[T.Rep. of Korea]	0.0314	6.89e-17	4.56e+14	0.000	0.031	0.031
[T.Rep. of Moldova]	5.014e-05	5.97e-17	8.39e+11	0.000	5.01e-05	5.01e-05
[T.Romania]	0.0001	7.57e-17	1.65e+12	0.000	0.000	0.000
[T.Russia]	0.0073	6.15e-17	1.19e+14	0.000	0.007	0.007
[T.Rwanda]	3.076e-05	5.92e-17	5.2e+11	0.000	3.08e-05	3.08e-05
[T.Saudi Arabia]	0.0026	7.72e-17	3.35e+13	0.000	0.003	0.003
[T.Senegal]	-1.973e-06	6.65e-17	-2.97e+10	0.000	-1.97e-06	-1.97e-06
[T.Serbia]	0.0002	7.56e-17	2.9e+12	0.000	0.000	0.000
[T.Singapore]	0.1101	6.59e-17	1.67e+15	0.000	0.110	0.110
[T.Slovakia]	2.611e-05	8.12e-17	3.21e+11	0.000	2.61e-05	2.61e-05
[T.Slovenia]	1.671e-05	8.83e-17	1.89e+11	0.000	1.67e-05	1.67e-05
[T.South Africa]	0.0002	9.67e-17	1.88e+12	0.000	0.000	0.000
[T.Spain]	0.0018	6.2e-17	2.9e+13	0.000	0.002	0.002
[T.Sri Lanka]	0.0001	5.91e-17	2.21e+12	0.000	0.000	0.000
[T.Sudan]	2.195e-05	6.18e-17	3.55e+11	0.000	2.2e-05	2.2e-05
[T.Suriname]	-2.121e-06	5.94e-17	-3.57e+10	0.000	-2.12e-06	-2.12e-06
[T.Sweden]	0.0005	6.29e-17	8.47e+12	0.000	0.001	0.001
[T.Switzerland]	0.0007	6.02e-17	1.17e+13	0.000	0.001	0.001
[T.Tajikistan]	-1.014e-06	5.94e-17	-1.71e+10	0.000	-1.01e-06	-1.01e-06
[T.Thailand]	0.1849	6.33e-17	2.92e+15	0.000	0.185	0.185
[T.Timor-Leste]	-2.567e-06	6.77e-17	-3.79e+10	0.000	-2.57e-06	-2.57e-06

```
[T.Togo]           -2.582e-06   5.99e-17  -4.31e+10      0.000   -2.58e-06   -2.58e-06
[T.Tonga]          -2.619e-06   6.39e-17   -4.1e+10      0.000   -2.62e-06   -2.62e-06
[T.Trinidad-Tobago]-2.347e-06   7.01e-17  -3.35e+10      0.000   -2.35e-06   -2.35e-06
[T.Tunisia]        -1.478e-06   6.56e-17  -2.25e+10      0.000   -1.48e-06   -1.48e-06
[T.Türkiye]         0.0012    6.2e-17   1.95e+13      0.000       0.001       0.001
[T.USA]             0.0077   5.94e-17    1.3e+14      0.000       0.008       0.008
[T.Uganda]          5.203e-05   6.33e-17   8.22e+11      0.000     5.2e-05     5.2e-05
[T.Ukraine]         0.0010   7.24e-17   1.31e+13      0.000       0.001       0.001
[T.UAE]             0.0044   5.91e-17   7.46e+13      0.000       0.004       0.004
[T.United Kingdom]  0.0015   7.18e-17    2.1e+13      0.000       0.002       0.002
[T. Tanzania]       2.779e-05    6.6e-17   4.21e+11      0.000    2.78e-05    2.78e-05
[T.Uruguay]         2.237e-05   6.92e-17   3.23e+11      0.000    2.24e-05    2.24e-05
[T.Uzbekistan]      0.0001   6.11e-17   1.78e+12      0.000       0.000       0.000
[T.Viet Nam]        0.0172   6.08e-17   2.82e+14      0.000       0.017       0.017
[T.Yemen]           7.518e-06   5.92e-17   1.27e+11      0.000    7.52e-06    7.52e-06
[T.Zambia]         -1.371e-06   5.91e-17  -2.32e+10      0.000   -1.37e-06   -1.37e-06
C(Year)[T.2012]     2.195e-11      0.000   4.86e-08      1.000      -0.001       0.001
C(Year)[T.2013]     1.955e-11      0.000   5.99e-08      1.000      -0.001       0.001
C(Year)[T.2014]     1.319e-11      0.000   3.07e-08      1.000      -0.001       0.001
C(Year)[T.2015]     4.043e-12      0.000   8.22e-09      1.000      -0.001       0.001
C(Year)[T.2016]     1.521e-12      0.000   4.22e-09      1.000      -0.001       0.001
C(Year)[T.2017]     1.934e-11      0.000    4.5e-08      1.000      -0.001       0.001
C(Year)[T.2018]     1.649e-11      0.001   3.16e-08      1.000      -0.001       0.001
C(Year)[T.2019]     1.363e-11      0.001   1.79e-08      1.000      -0.001       0.001
C(Year)[T.2020]     5.844e-12      0.001   6.27e-09      1.000      -0.002       0.002
C(Year)[T.2021]    -0.0003       0.001     -0.616      0.538      -0.001       0.001
C(Year)[T.2022]    -0.0003       0.001     -0.421      0.673      -0.002       0.001
C(Year)[T.2023]    -0.0003       0.001     -0.533      0.594      -0.001       0.001
C(Year)[T.2024]    -0.0003       0.001     -0.550      0.583      -0.001       0.001
China_Post2021      0.0466       0.000    133.188      0.000       0.046       0.047
==============================================================================
Omnibus:                     1982.239   Durbin-Watson:                   2.050
Prob(Omnibus):                  0.000   Jarque-Bera (JB):           666608.508
Skew:                           3.739   Prob(JB):                         0.00
Kurtosis:                      90.256   Cond. No.                          155.
==============================================================================

Notes:
[1] Standard Errors are robust to cluster correlation (cluster)
/usr/local/lib/python3.12/dist-packages/statsmodels/base/model.py:1894: ValueWarning:
covariance of constraints does not have full rank. The number of constraints is 162,
but rank is 13
  warnings.warn('covariance of constraints does not have full '
```

Annex III
Myanmar Vs Thailand (Imports)

```
OLS Regression Results
==============================================================================
Dep. Variable:           PartnerShare   R-squared:                       0.686
Model:                          OLS   Adj. R-squared:                  0.684
Method:               Least Squares   F-statistic:                     6042.
Date:              Tue, 14 Apr 2026   Prob (F-statistic):          6.51e-239
Time:                      07:47:20   Log-Likelihood:                 10843.
No. Observations:              4204   AIC:                        -2.165e+04
Df Residuals:                  4187   BIC:                        -2.154e+04
Df Model:                        16
Covariance Type:             cluster
==============================================================================
                         coef    std err          z      P>|z|      [0.025      0.975]
------------------------------------------------------------------------------
-----
```

Intercept	0.0051	0.002	3.254	0.001	0.002	0.008
C(Year)[T.2012]	-3.409e-05	0.000	-0.134	0.893	-0.001	0.000
C(Year)[T.2013]	-8.44e-05	0.000	-0.330	0.742	-0.001	0.000
C(Year)[T.2014]	-5.097e-05	0.000	-0.145	0.884	-0.001	0.001
C(Year)[T.2015]	-5.097e-05	0.001	-0.102	0.919	-0.001	0.001
C(Year)[T.2016]	-0.0001	0.000	-0.314	0.753	-0.001	0.001
C(Year)[T.2017]	-0.0002	0.000	-0.381	0.704	-0.001	0.001
C(Year)[T.2018]	-0.0002	0.000	-0.424	0.672	-0.001	0.001
C(Year)[T.2019]	-0.0001	0.001	-0.175	0.861	-0.001	0.001
C(Year)[T.2020]	-1.71e-05	0.001	-0.019	0.985	-0.002	0.002
C(Year)[T.2021]	-3.409e-05	0.001	-0.042	0.966	-0.002	0.002
C(Year)[T.2022]	1.722e-05	0.001	0.018	0.986	-0.002	0.002
C(Year)[T.2023]	0.0001	0.001	0.132	0.895	-0.002	0.002
C(Year)[T.2024]	0.0005	0.001	0.448	0.654	-0.002	0.003
ChinaDummy	0.2226	0.001	164.145	0.000	0.220	0.225
CountryGroup	-0.0012	0.002	-0.733	0.463	-0.004	0.002
ChinaDummy:CountryGroup	0.1925	0.002	121.553	0.000	0.189	0.196

Omnibus:	5147.283	Durbin-Watson:	2.051
Prob(Omnibus):	0.000	Jarque-Bera (JB):	590944.110
Skew:	6.685	Prob(JB):	0.00
Kurtosis:	59.523	Cond. No.	32.9

Myanmar Vs Thailand (Exports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.525
Model:	OLS	Adj. R-squared:	0.524
Method:	Least Squares	F-statistic:	1.031e+04
Date:	Tue, 14 Apr 2026	Prob (F-statistic):	2.99e-271
Time:	11:01:43	Log-Likelihood:	12369.
No. Observations:	4851	AIC:	-2.470e+04
Df Residuals:	4834	BIC:	-2.459e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0050	0.001	5.107	0.000	0.003	0.007
C(Year)[T.2012]	1.439e-05	0.001	0.018	0.986	-0.002	0.002
C(Year)[T.2013]	1.439e-05	0.001	0.019	0.985	-0.002	0.002
C(Year)[T.2014]	4.579e-12	0.002	2.88e-09	1.000	-0.003	0.003
C(Year)[T.2015]	-2.854e-05	0.001	-0.028	0.978	-0.002	0.002
C(Year)[T.2016]	-5.675e-05	0.001	-0.056	0.956	-0.002	0.002
C(Year)[T.2017]	-8.465e-05	0.001	-0.080	0.936	-0.002	0.002
C(Year)[T.2018]	-5.675e-05	0.001	-0.053	0.958	-0.002	0.002
C(Year)[T.2019]	1.439e-05	0.001	0.013	0.990	-0.002	0.002
C(Year)[T.2020]	7.279e-05	0.001	0.058	0.954	-0.002	0.003
C(Year)[T.2021]	5.807e-05	0.001	0.044	0.965	-0.003	0.003
C(Year)[T.2022]	0.0001	0.001	0.077	0.938	-0.002	0.003
C(Year)[T.2023]	0.0002	0.001	0.126	0.900	-0.002	0.003
C(Year)[T.2024]	0.0006	0.001	0.428	0.669	-0.002	0.003
ChinaDummy	0.1459	0.001	144.705	0.000	0.144	0.148
CountryGroup	-0.0014	0.001	-0.967	0.333	-0.004	0.001
ChinaDummy:CountryGroup	0.1953	0.001	137.253	0.000	0.193	0.198

Omnibus:	7527.740	Durbin-Watson:	2.064
Prob(Omnibus):	0.000	Jarque-Bera (JB):	5230537.060
Skew:	9.664	Prob(JB):	0.00
Kurtosis:	162.700	Cond. No.	35.6

==========

Myanmar Vs Vietnam (Imports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.747
Model:	OLS	Adj. R-squared:	0.746
Method:	Least Squares	F-statistic:	1.183e+04
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	1.84e-264
Time:	04:37:29	Log-Likelihood:	10986.
No. Observations:	4223	AIC:	-2.194e+04
Df Residuals:	4206	BIC:	-2.183e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0043	0.001	2.967	0.003	0.001	0.007
C(Year)[T.2012]	4.301e-05	0.000	0.165	0.869	-0.000	0.001
C(Year)[T.2013]	1.095e-11	0.000	3.79e-08	1.000	-0.001	0.001
C(Year)[T.2014]	-1.415e-05	0.001	-0.027	0.978	-0.001	0.001
C(Year)[T.2015]	-2.82e-05	0.001	-0.055	0.956	-0.001	0.001
C(Year)[T.2016]	-0.0001	0.000	-0.356	0.722	-0.001	0.000
C(Year)[T.2017]	-0.0002	0.000	-0.445	0.657	-0.001	0.001
C(Year)[T.2018]	-6.981e-05	0.000	-0.177	0.859	-0.001	0.001
C(Year)[T.2019]	-4.216e-05	0.001	-0.060	0.952	-0.001	0.001
C(Year)[T.2020]	-1.415e-05	0.001	-0.015	0.988	-0.002	0.002
C(Year)[T.2021]	-2.82e-05	0.001	-0.037	0.970	-0.002	0.001
C(Year)[T.2022]	1.424e-05	0.001	0.016	0.987	-0.002	0.002
C(Year)[T.2023]	0.0001	0.001	0.134	0.894	-0.002	0.002
C(Year)[T.2024]	0.0004	0.001	0.457	0.648	-0.001	0.002
ChinaDummy	0.3412	0.001	263.515	0.000	0.339	0.344
CountryGroup	-0.0003	0.001	-0.243	0.808	-0.003	0.002
ChinaDummy:CountryGroup	0.0739	0.001	52.305	0.000	0.071	0.077

Omnibus:	5287.944	Durbin-Watson:	2.054
Prob(Omnibus):	0.000	Jarque-Bera (JB):	666307.936
Skew:	6.930	Prob(JB):	0.00
Kurtosis:	62.955	Cond. No.	32.9

Myanmar Vs Vietnam (Exports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.496
Model:	OLS	Adj. R-squared:	0.495
Method:	Least Squares	F-statistic:	1.209e+04
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	3.70e-274
Time:	04:38:11	Log-Likelihood:	11870.
No. Observations:	4816	AIC:	-2.371e+04
Df Residuals:	4799	BIC:	-2.360e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0050	0.002	3.054	0.002	0.002	0.008
C(Year)[T.2012]	2.903e-05	0.000	0.139	0.889	-0.000	0.000
C(Year)[T.2013]	-2.87e-05	0.000	-0.121	0.904	-0.000	0.000

C(Year)[T.2014]	1.447e-05	0.002	0.010	0.992	-0.003	0.003
C(Year)[T.2015]	-5.707e-05	0.001	-0.067	0.947	-0.002	0.002
C(Year)[T.2016]	-4.293e-05	0.001	-0.050	0.960	-0.002	0.002
C(Year)[T.2017]	-0.0001	0.001	-0.121	0.903	-0.002	0.002
C(Year)[T.2018]	-8.512e-05	0.001	-0.087	0.931	-0.002	0.002
C(Year)[T.2019]	-2.155e-11	0.001	-2.12e-08	1.000	-0.002	0.002
C(Year)[T.2020]	2.903e-05	0.001	0.025	0.980	-0.002	0.002
C(Year)[T.2021]	2.903e-05	0.001	0.023	0.982	-0.002	0.003
C(Year)[T.2022]	7.322e-05	0.001	0.057	0.954	-0.002	0.003
C(Year)[T.2023]	0.0001	0.001	0.095	0.924	-0.002	0.003
C(Year)[T.2024]	0.0005	0.001	0.431	0.666	-0.002	0.003
ChinaDummy	0.1669	0.001	113.110	0.000	0.164	0.170
CountryGroup	-0.0013	0.002	-0.795	0.427	-0.005	0.002
ChinaDummy:CountryGroup	0.1743	0.002	104.584	0.000	0.171	0.178

Omnibus:	7534.574	Durbin-Watson:	2.031
Prob(Omnibus):	0.000	Jarque-Bera (JB):	4206316.108
Skew:	9.947	Prob(JB):	0.00
Kurtosis:	146.408	Cond. No.	35.5

Myanmar Vs Cambodia (Imports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.583
Model:	OLS	Adj. R-squared:	0.581
Method:	Least Squares	F-statistic:	2.437e+04
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	2.58e-270
Time:	02:30:18	Log-Likelihood:	8076.8
No. Observations:	3593	AIC:	-1.612e+04
Df Residuals:	3576	BIC:	-1.601e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0073	0.003	2.156	0.031	0.001	0.014
C(Year)[T.2012]	-0.0001	0.001	-0.247	0.805	-0.001	0.001
C(Year)[T.2013]	-0.0004	0.000	-0.942	0.346	-0.001	0.000
C(Year)[T.2014]	-0.0003	0.000	-0.634	0.526	-0.001	0.001
C(Year)[T.2015]	-0.0004	0.001	-0.672	0.501	-0.001	0.001
C(Year)[T.2016]	-0.0005	0.001	-0.759	0.448	-0.002	0.001
C(Year)[T.2017]	-0.0005	0.001	-0.783	0.434	-0.002	0.001
C(Year)[T.2018]	-0.0005	0.001	-0.937	0.349	-0.002	0.001
C(Year)[T.2019]	-0.0006	0.001	-0.557	0.578	-0.003	0.002
C(Year)[T.2020]	-0.0007	0.001	-0.470	0.638	-0.003	0.002
C(Year)[T.2021]	-0.0008	0.001	-0.693	0.488	-0.003	0.001
C(Year)[T.2022]	-0.0005	0.001	-0.446	0.655	-0.003	0.002
C(Year)[T.2023]	-0.0006	0.002	-0.356	0.721	-0.004	0.003
C(Year)[T.2024]	-0.0002	0.002	-0.129	0.898	-0.004	0.003
ChinaDummy	0.2520	0.003	86.176	0.000	0.246	0.258
CountryGroup	-0.0029	0.002	-1.742	0.081	-0.006	0.000
ChinaDummy:CountryGroup	0.1631	0.002	96.416	0.000	0.160	0.166

Omnibus:	4422.883	Durbin-Watson:	2.071
Prob(Omnibus):	0.000	Jarque-Bera (JB):	451890.456
Skew:	6.792	Prob(JB):	0.00
Kurtosis:	56.235	Cond. No.	31.5

Myanmar Vs Cambodia (Exports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.388
Model:	OLS	Adj. R-squared:	0.386
Method:	Least Squares	F-statistic:	9265.
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	3.58e-257
Time:	02:37:09	Log-Likelihood:	10728.
No. Observations:	4619	AIC:	-2.142e+04
Df Residuals:	4602	BIC:	-2.131e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0065	0.002	2.685	0.007	0.002	0.011
C(Year)[T.2012]	-0.0001	0.000	-0.433	0.665	-0.001	0.000
C(Year)[T.2013]	-0.0003	0.000	-0.574	0.566	-0.001	0.001
C(Year)[T.2014]	-0.0002	0.002	-0.132	0.895	-0.003	0.003
C(Year)[T.2015]	-0.0003	0.001	-0.324	0.746	-0.002	0.002
C(Year)[T.2016]	-0.0004	0.001	-0.382	0.703	-0.002	0.002
C(Year)[T.2017]	-0.0004	0.001	-0.355	0.722	-0.002	0.002
C(Year)[T.2018]	-0.0004	0.001	-0.358	0.721	-0.003	0.002
C(Year)[T.2019]	-0.0004	0.001	-0.360	0.719	-0.002	0.002
C(Year)[T.2020]	-0.0003	0.001	-0.244	0.807	-0.002	0.002
C(Year)[T.2021]	-0.0003	0.001	-0.262	0.794	-0.003	0.002
C(Year)[T.2022]	-0.0002	0.001	-0.184	0.854	-0.003	0.002
C(Year)[T.2023]	-0.0003	0.001	-0.262	0.794	-0.003	0.002
C(Year)[T.2024]	0.0003	0.001	0.242	0.809	-0.002	0.002
ChinaDummy	0.0429	0.002	21.009	0.000	0.039	0.047
CountryGroup	-0.0026	0.002	-1.266	0.206	-0.007	0.001
ChinaDummy:CountryGroup	0.2983	0.002	144.768	0.000	0.294	0.302

Omnibus:	7027.944	Durbin-Watson:	2.053
Prob(Omnibus):	0.000	Jarque-Bera (JB):	2987288.402
Skew:	9.507	Prob(JB):	0.00
Kurtosis:	126.127	Cond. No.	35.1

Myanmar Vs Lao PDR (Imports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.358
Model:	OLS	Adj. R-squared:	0.355
Method:	Least Squares	F-statistic:	1.088e+04
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	3.24e-232
Time:	04:15:14	Log-Likelihood:	5515.9
No. Observations:	3160	AIC:	-1.100e+04
Df Residuals:	3143	BIC:	-1.089e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0104	0.009	1.214	0.225	-0.006	0.027
C(Year)[T.2012]	-0.0002	0.001	-0.322	0.747	-0.001	0.001
C(Year)[T.2013]	-0.0006	0.001	-0.440	0.660	-0.003	0.002
C(Year)[T.2014]	-0.0005	0.001	-0.350	0.726	-0.003	0.002
C(Year)[T.2015]	-0.0002	0.001	-0.244	0.807	-0.002	0.001

C(Year)[T.2016]	-0.0006	0.001	-0.818	0.414	-0.002	0.001
C(Year)[T.2017]	-0.0006	0.001	-0.510	0.610	-0.003	0.002
C(Year)[T.2018]	-0.0006	0.001	-0.544	0.587	-0.003	0.002
C(Year)[T.2019]	-0.0008	0.002	-0.484	0.628	-0.004	0.003
C(Year)[T.2020]	-0.0009	0.002	-0.475	0.635	-0.005	0.003
C(Year)[T.2021]	-0.0004	0.001	-0.321	0.748	-0.003	0.002
C(Year)[T.2022]	-0.0003	0.002	-0.172	0.863	-0.004	0.003
C(Year)[T.2023]	-0.0006	0.002	-0.305	0.760	-0.005	0.003
C(Year)[T.2024]	-0.0006	0.002	-0.270	0.787	-0.005	0.003
ChinaDummy	0.2292	0.008	29.941	0.000	0.214	0.244
CountryGroup	0.0060	0.006	-0.925	0.355	-0.019	0.007
ChinaDummy:CountryGroup	0.1860	0.006	28.755	0.000	0.173	0.199

Omnibus:	5389.749	Durbin-Watson:	2.037
Prob(Omnibus):	0.000	Jarque-Bera (JB):	3286329.142
Skew:	11.831	Prob(JB):	0.00
Kurtosis:	159.204	Cond. No.	30.6

Myanmar Vs Lao PDR (Exports)

OLS Regression Results

Dep. Variable:	PartnerShare	R-squared:	0.477
Model:	OLS	Adj. R-squared:	0.475
Method:	Least Squares	F-statistic:	2.510e+04
Date:	Wed, 15 Apr 2026	Prob (F-statistic):	3.53e-297
Time:	04:15:53	Log-Likelihood:	9139.0
No. Observations:	4239	AIC:	-1.824e+04
Df Residuals:	4222	BIC:	-1.814e+04
Df Model:	16		
Covariance Type:	cluster		

	coef	std err	z	P>|z|	[0.025	0.975]
Intercept	0.0057	0.004	1.442	0.149	-0.002	0.013
C(Year)[T.2012]	-5.803e-05	0.000	-0.168	0.867	-0.001	0.001
C(Year)[T.2013]	-7.711e-05	0.000	-0.229	0.819	-0.001	0.001
C(Year)[T.2014]	-7.711e-05	0.002	-0.035	0.972	-0.004	0.004
C(Year)[T.2015]	-7.711e-05	0.001	-0.065	0.949	-0.002	0.002
C(Year)[T.2016]	-0.0002	0.001	-0.184	0.854	-0.002	0.002
C(Year)[T.2017]	-0.0003	0.001	-0.309	0.758	-0.002	0.002
C(Year)[T.2018]	-0.0004	0.001	-0.342	0.732	-0.003	0.002
C(Year)[T.2019]	-0.0003	0.001	-0.273	0.785	-0.003	0.002
C(Year)[T.2020]	-0.0003	0.001	-0.274	0.784	-0.003	0.002
C(Year)[T.2021]	-0.0004	0.001	-0.286	0.775	-0.003	0.002
C(Year)[T.2022]	-0.0004	0.002	-0.253	0.800	-0.004	0.003
C(Year)[T.2023]	-0.0003	0.002	-0.181	0.856	-0.004	0.003
C(Year)[T.2024]	-3.882e-05	0.002	-0.024	0.981	-0.003	0.003
ChinaDummy	0.3188	0.003	102.146	0.000	0.313	0.325
CountryGroup	-0.0018	0.002	-0.882	0.378	-0.006	0.002
ChinaDummy:CountryGroup	0.0225	0.002	11.199	0.000	0.019	0.026

Omnibus:	6891.887	Durbin-Watson:	2.026
Prob(Omnibus):	0.000	Jarque-Bera (JB):	3551370.113
Skew:	10.825	Prob(JB):	0.00
Kurtosis:	143.136	Cond. No.	34.4