

The Boom in Unregistered Private Cars in Kachin State

Naushawng Development Institute

January 2019

Knowledge-Net for a Better Word

The East Asia Institute (EAI) is a nonprofit and independent research organization in Korea, founded in May 2002. The EAI strives to transform East Asia into a society of nations based on liberal democracy, market economy, open society, and peace.

The EAI takes no institutional position on policy issues and has no affiliation with the Korean government. All statements of fact and expressions of opinion contained in its publications are the sole responsibility of the author or authors.

This electronic publication of EAI intellectual property is provided for non-commercial use only, as long as it is unaltered and complete. Copies may not be duplicated for commercial purposes.

Unauthorized posting of EAI documents to a non-EAI website is prohibited. EAI documents are protected under copyright law.

“The Boom in Unregistered Private Cars in Kachin State”
ISBN 979-11-88772-52-0 95340

The Boom in Unregistered Private Cars in Kachin State

Naushawng Development Institute

I. Executive Summary¹

This research focuses on the use of unregistered cars in Myitkyina, Kachin State. From 2001, the military government artificially supported the domestic car industry. However, this did not last long, and the monopoly on vehicle import licenses led to a boom in the black market. Short supply and high demand meant that the secondhand car market in Myanmar was one of the most expensive in the world.

This paper will explore the situation and the reasons for the increased use of unregistered private cars. Significantly, the import trend started in 2011 with the liberalization of car import procedures. Although the use of private cars in Kachin State has increased enormously, the amount of tax revenue remains stagnant because of an increase in unregistered vehicles². This rise led to the State Parliament agreeing to a proposal in 2016 to offer registration to unregistered car owners, but this could not be implemented because of the limited legislative power at the state level.

A registered car costs five times more than an unregistered one, and at least four unregistered cars are driven to Myitkyina every day. The number of people who bought an unregistered car in 2017 is the highest of any year so far, and the briefly imposed travel restrictions on unregistered vehicles are no longer being implemented.

The unreasonable cost of registering a vehicle is forcing people to choose affordability over the risk that the car could be taken away, but the huge number of illegally imported cars deprive the Union of vital tax revenue.

According to the 2015 Motor Vehicle Law, the term “motor vehicle” refers to a vehicle with wheels using mechanical or electrical power or any other energy to move. Thus, it includes all kinds of vehicles such as motor cycles, motor cars and other vehicles. This research, however, will only focus on cars: using an unregistered car is against the relatively recent Motor Vehicle Law that was passed in 2015.

¹ Acknowledgements: This research required much guidance and assistance from many people and we are extremely thankful to the East Asia Institute (EAI) without whose technical and financial support we would not have reached this far. Thanks to our research team from NDI, Elizabeth Hkawn Bu, Moon Aung, Nang Nu, Roi Ja and Nu Pan Aung who put their utmost effort into conducting this piece of work. We would also like to thank our enumerators David Myi Htoi Aung and Sut Mai, and our Technical Advisors, Lukas Nagel and Elaine Moore. Last, but not least, we would like to thank those who advised and encouraged this report to happen.

² Global New Light of Myanmar. “Number of untaxed vehicles increases in Kachin State.” Global New Light of Myanmar, October 3, 2016. Accessed March 30, 2016. <http://www.globalnewlightofmyanmar.com/number-of-untaxed-vehicles-increases-in-kachin-state>.

II. Research Methodology

This research used both quantitative and qualitative research methods. Primary sources for the research included journals, newspaper articles, and other relevant studies. The questionnaires and in-depth interviews were conducted in Myitkyina and Waimaw townships, which are the most densely populated, regarding private car use in Kachin State, using a demographic sampling approach. There were 55 private car owners and 24 people without cars who responded to our survey. In-depth interviews were conducted with five car dealers in Myitkyina and informal observation was used to understand the flow of unregistered private cars in the city. The questionnaires were designed to answer the following questions:

Q: What are the main reasons that you use an unregistered car?

Q: Have you ever been subject to an inspection by the traffic police?

The interviews were designed as semi-structured and unstructured to answer the following questions:

Q: Why are people using unregistered private cars in Kachin State?

Q: What factors persuade people to own unregistered cars?

Q: What are the implications of the increase in unregistered car use?

III. The Historical Context of Vehicle Use in Myanmar

One of indicators used to demonstrate improvements in living standards and economic growth is an increase in the use of private vehicles. From 2001, the military government promoted the domestic car industry and encouraged local firms to manufacture cars, jeeps and light trucks in order to boost Myanmar's economy. At the same time, the government banned new car imports so as to promote the local sector by removing competition. However, although the government had permitted car manufacturing companies to produce more vehicles as demand increased, the industry lacked state-of-the-art technology to produce equipment and parts. For example, car bodies were handmade rather than mass-produced. Moreover, the production process was not cost-effective and the Myanmar car industry developed a reputation for poor quality compared to imported used cars from Thailand and Japan. As public interest in locally-assembled declined, local car producers started closing down their factories³. Thus, the supply from domestic car producers could not match market demand, while the import of vehicles was restricted because of very high tariffs and import duties.

Military-owned companies monopolized the car market: between 1997 to 2010 vehicle distribution and import licenses were only granted to a single military-owned entity, which meant that only unusually rich people could afford a car⁴. The price for a Nissan Sunny 1987 model reached 20 million MMK(USD \$23,000with 1350 MMK per 1 USD as the exchange rate) which led to an increase in the number of illegally imported cars. After

³ Phyo Wai Kyaw. "Local Car Manufacturers Left in the Dust." Local Car Manufacturers Left in the Dust, 2007. Accessed June 29, 2018. <https://www.mmmtimes.com/special-features/176-wheels-2014/9614-local-car-manufacturers-left-in-the-dust.html>.

⁴ Khine Kyaw. "Myanmar Car Importers Struggle to Survive." The Eleven Myanmar, September 6, 2016. Accessed June 29, 2018. <http://www.elevenmyanmar.com/business/5874>.

2010, when private companies were granted licenses to import vehicles, prices started to fall to around 7 million kyats (USD \$8,200).

The monopoly on vehicle import licenses led to a boom in the black market for imported cars and an increase in the number of people using unregistered cars in Myanmar. The main gateway for illegally importing vehicles is Mae Sot-Myawaddy on the Thai-Myanmar border. In 2006-2007, the price of an illegally-imported car on the border was much lower than price on the legal market in Yangon. For example, an illegally imported Nissan cost around 2,176,000 MMK (USD \$1,700) while Suzuki and Honda models were between 1 and 1.5 million MMK (USD \$800 to \$1,100). In contrast, the sale price for a registered Toyota Hilux was between 13 and 14 million MMK, whereas the illegally imported equivalent was under four million MMK⁵.

As the number of cars without documents increased, the military government responded by seizing unregistered cars throughout the country. In 2004, it was reported that around 500 unregistered cars were seized and there was no space to store them⁶. Next, the military government ordered unregistered vehicles, including motorcycles, to be handed over by the end of March 2005⁷. This seizure of unregistered vehicles, in which the military; police special branch; internal revenue and road transport administration departments were involved, was carried out in almost every State and Region. In addition, around 800 unregistered car owners were fined according to the Control of Imports and Exports (temporary) Act of 1947⁸.

All seized vehicles were sent to huge temporary camps in Yangon and Mandalay, after which the vehicles were distributed to the military, the police, and different ministries depending on their type. Some of the unregistered cars were auctioned publicly in Yangon in 2006 and again in 2009. Up to 200 cars were sold in the public sale, with the lowest bids being around 40-50 million MMK and the highest around 200 million MMK⁹.

The impact of short supply and high demand pushed car prices to the highest level, meaning the market for second hand cars in Myanmar was one of the most expensive, if not the most expensive in the world. Around 2009, a secondhand Toyota Corolla 1984 model in good condition cost more than USD \$20,000¹⁰. A secondhand Toyota Land Cruiser 1997 model cost USD \$200,000 in Myanmar whereas the international market price was around USD \$20,000¹¹. This situation demonstrated that only a limited number of people could afford registered cars. Car prices kept increasing until 2011 when the Thein Sein government took office and relaxed the policy by giving car import licenses in exchange for old vehicles. Thus, the number of imported cars started to increase and car prices declined somewhat.

A 2017 CEIC report shows that the number of motor vehicle registrations in 2017 increased nearly six times

5 Shah Paung. "Burmese Authorities Confiscate Unlicensed Cars." *The Irrawaddy*, June 19, 2007. Accessed March 5, 2018. http://www2.irrawaddy.com/article.php?art_id=7514.

6 Independent Mon News Agency. "Military Government Cracking down the Cars without Licenses." November 1, 2004. Accessed June 29, 2018. <http://www.ibiblio.org/obl/docs/IMNA2004-11-01.htm>.

7 Radio Free Asia. "longzangmèya-umagopamsieyaziman-gk panlanysangè" [Operation on Vehicles without Registration], Radio Free Asia, July 28, 2006. Accessed March 20, 2018. https://www.rfa.org/burmese/news/operation_on_vehicles_without_registration-20060728.html.

8 Radio Free Asia. "pamsidaethalongzangmèkam□agoelalanbas" [Impounded Unregistered Vehicles Auctioned off], Radio Free Asia, October 28, 2006. Accessed March 20, 2018. https://www.rfa.org/burmese/news/impounded_unregisterd_vehicles_auctioned_off-20061028.html.

9 Radio Free Asia. "pamtathanylungzangmèkamaguuisas-azoyagaelalandangeyangg." Radio Free Asia, March 3, 2009. Accessed March 20, 2018. https://www.rfa.org/burmese/news/impounded_cars_auctioned_off-03032009111157.html.

10 Sithu Aung Myint. "Time for a policy tune-up on vehicle imports." *Frontier Myanmar*, July 31, 2016. Accessed March 20, 2018. <https://frontiermyanmar.net/en/time-for-a-policy-tune-up-on-vehicle-imports>.

11 Radio Free Asia. "pamtathanylungzangmèkam□aguuisas-azoyagaelalandangeyangg□," 2009.

from the 2005 figure¹². The monthly number of cars registered in May 2005 was 187,354 cars and 608,620 in May 2017.

Around 2004-2005, the use of unregistered private cars throughout Kachin State became pervasive. The total number of motor vehicles in Kachin State was 115,602 by 2013 with 2,431 being private cars¹³. Although Kachin had experienced the seizure of unregistered cars like other States and Regions there was, nevertheless, no reduction in the problem. The Union Minister for Transportation and Communication stated on May 27, 2017 in the Union Parliament that “there is no plan to provide registration for illegal motor vehicles” in response to Amyotha Hluttaw MP Sai Than Naing from Kachin State raising a question regarding registration for illegally imported cars¹⁴. When State Parliament MP U Naw Li proposed allowing registration for currently unregistered private cars so as to increase the State’s tax revenue, his proposal was successfully passed. However, this could not be implemented because the State’s legislative power is limited according to Schedule Two of the 2008 Constitution.

In terms of the State government’s response to unregistered cars, a public awareness and education campaign ran until October 31, 2017 declaring that any motor vehicle without registration would be restricted to one township area starting from November 1, 2017. The inspection groups which involved both regular and traffic police who scrutinized passing motor vehicles at two entrances to Myitkyina, the capital of Kachin State: at the 21-mile gate, which connects Mohynin, Mogaung and Phakant Townships to Myitkyina and at the Bala Min Htin bridge from which ChyiPhwi, Waimaw, Bhamo, Man Si and Shwe Gu Townships connect to Myitkyina. The inspection groups forced unregistered vehicles to turn around but there was no action taken against those drivers. However, some unregistered cars coming from other States and Regions were caught and confiscated according to the previously mentioned 1947 Act. Since the campaign it seems that these restrictions are no longer in force.

Although laws, rules and regulations to ban or confiscate vehicles have been enacted, the enforcement and implementation process is still weak. As a result, the number of unregistered private cars has not decreased in Kachin State; on the contrary, it has increased, as we shall see.

V. The Current Process for Importing and Registering Cars in Myanmar

According to the Road Transportation Administration (RTA) Department, there are six types of vehicles which can be registered:

1. Vehicles sold in Sales Centers
2. Vehicles imported by Private Owners
3. Government Vehicles
4. Vehicles produced by the Ministry of Industry,
5. Vehicles produced in Industrial Zones or

¹² CEIC. "Myanmar." Myanmar Motor Vehicle Registered. 2017. Accessed March 20, 2018. <https://www.ceicdata.com/en/myanmar/motor-vehicle-statistics/motor-vehicle-registered>.

¹³ ASEAN-GIZ Project Office, Pollution Control Department. Myanmar Country Profile: Focus on Cities. By May Tin Hlaing, Kaye Padu, and Cherine Capadocia. Final Report. Bangkok: ASEAN - Germany Technical Cooperation, April 2014.

¹⁴ Pyae Thet Phy. “No path to legalise smuggle cars.” The Myanmar Times, May 30, 2016. Accessed March 30, 2018. <https://www.mmtimes.com/national-news/nay-pyi-taw/20561-no-path-to-legalise-smuggled-cars.html>

6. Vehicles produced with permission from the Myanmar Investment Committee.

To understand the registration process, we highlight how vehicles are imported by a private owner who can supply a National Registration Card with a verified photo (original and copy) and proof of local residence. Registration may be obtained when the owner follows these steps:

1. Obtain an import permit
2. Obtain a temporary verified registration document
3. Receive import declaration verification from the Customs service

Tax rates differ: according to the Ministry of Commerce, a 2007 Honda Fit CIF (Cost Insurance and Freight) costs \$7,000 USD. After arrival in port, tax must be paid in accordance with Union law. There are four kinds of tax:

1. Customs duty
2. Commercial tax
3. Special Commercial tax (optional)
4. RTA tax

Thus, the total additional cost to import a private car comprises CIF plus taxes of approximately \$9,450 USD.

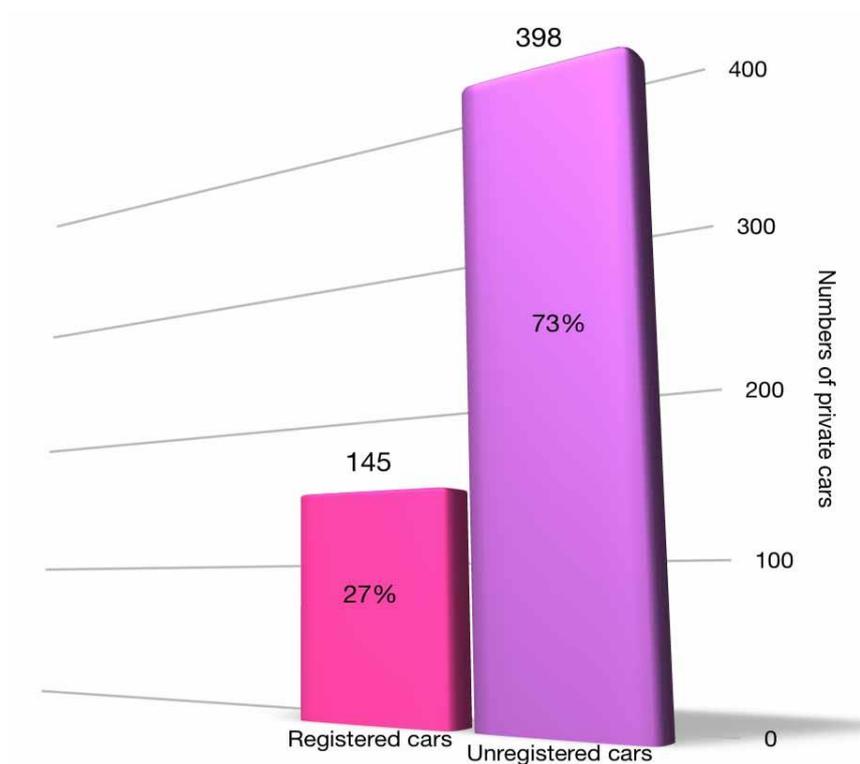
When we compare the price of an unregistered car to a registered one, the current cost of an unregistered 2007 Honda Fit is between 2.5 and 3 million MMK, while a registered car costs between 12 and 13.3 million MMK. The registered car costs five times more.

VI. Current Car Use in Myitkyina - Survey Findings

Our research findings show that there has been a significant increase in unregistered private car use in Kachin State. According to our small questionnaire sample, 96% of private cars are unregistered and only 4% are registered.

We used observation as a method to understand the increasing number of unregistered cars in Myitkyina. We conducted an observational survey at traffic lights in Myitkyina's city center for just an hour between 4 pm and 5 pm where we observed approximately 600 cars.

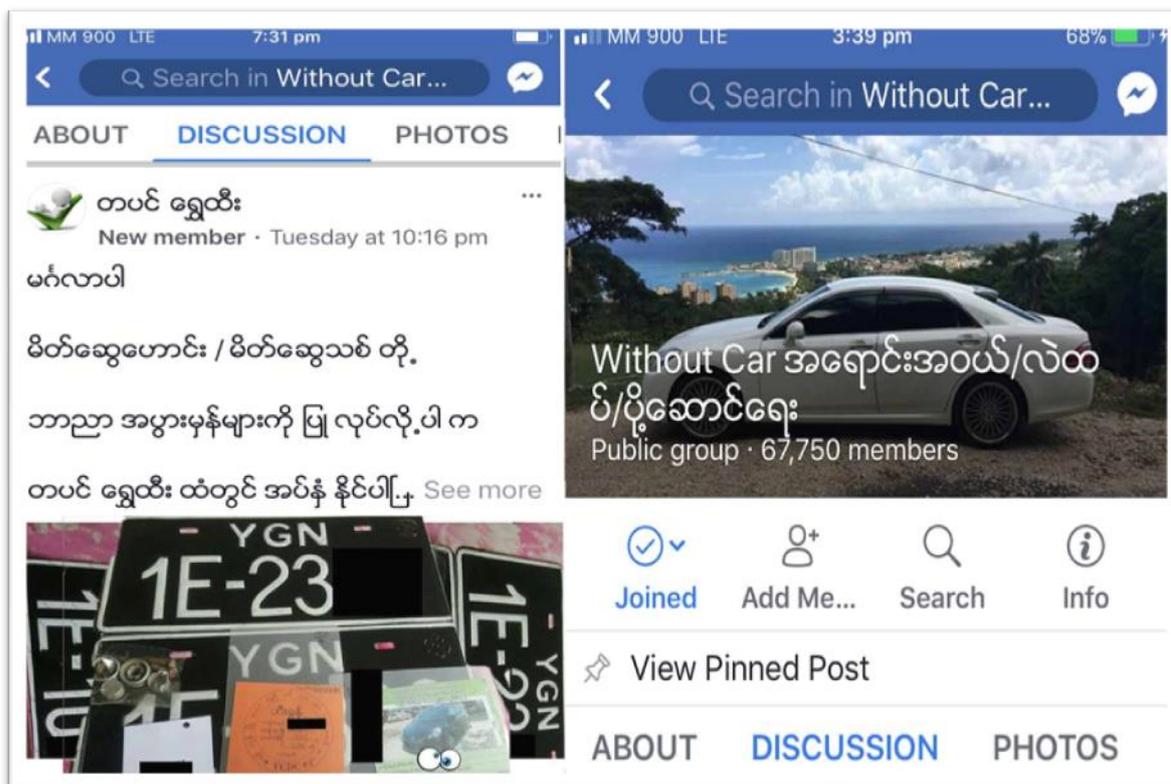
<Figure 1: Observational Survey Results, Myitkyina, March, 2018>



We estimated the number of unregistered private cars at 73% and the number of registered cars at 27%. There are, however, some limitations to our observational survey in that there are many private cars that lack the proper registration and instead use counterfeit number plates and documents, which are made so well as to be impossible to detect.

Facebook is one of the main sources of information on the unregistered car market as it is used frequently in the buying and selling of illegally imported cars and supplying services to be able to use unregistered cars.

<Figure 2: Facebook pages providing details of number plate-making services and a public group for buying and selling unregistered cars>



A large number of illegally imported private cars are delivered to Myitkyina car dealers by ‘highway drivers’. On the way from Myawaddy to Myitkyina, there are at least ten inspection points which frequently check whether the cars are registered or not. The drivers have to negotiate a deal directly with the officials. The cost of a bribe is between 50,000 and 300,000 MMK, without which drivers maybe arrested for driving an unregistered car. So, drivers sometimes use other routes to avoid checkpoints or wait somewhere for information on how to get through without paying. A car dealer said that the market price of a used unregistered Honda Fit was around 1 million MMK in Mandalay while the price for the same car in Myitkyina increased depending on the costs incurred by the highway drivers¹⁵.

Although many people from Myitkyina expressed a certain hesitation about owning or using an unregistered car, nevertheless, the buying and selling of unregistered cars has been growing exponentially since 2014. One key informant noted that the unregistered car trade launched started in Myitkyina around 2011-2012. Most of the unregistered cars are imported through Myawaddy, and there are at least four or five cars being driven to Myitkyina each day¹⁶. On the other hand, most registered cars are purchased from Yangon or Mandalay.

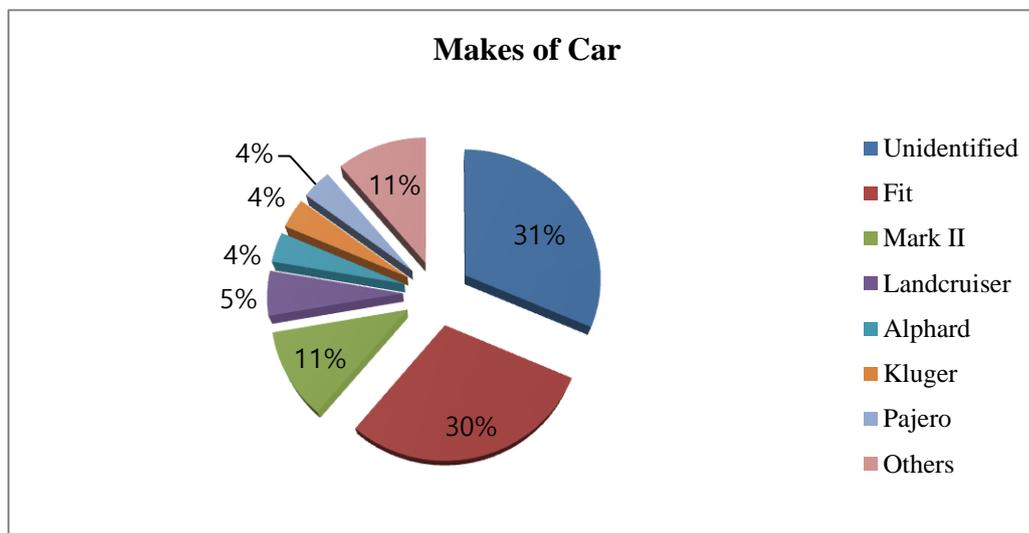
Car salesmen usually buy and sell the types of cars that are most in demand in Kachin State. One car dealer from Myitkyina stated that most people prefer cheaper vehicles such as Honda Fit, Toyota Ipsum, or Toyota Wish because they are of comparatively good value and fuel-efficient: ideal for commuting or taking children to and

15 “Interview on the situation of dealing unregistered cars in Myitkyina” interviewed by Sut Mai, Naushawng Development Institute, March 30, 2018

16 Unregistered Cars in Myitkyina.” Interview by MyoHtoiAwng, Naushawng Development Institute. March 30, 2018.

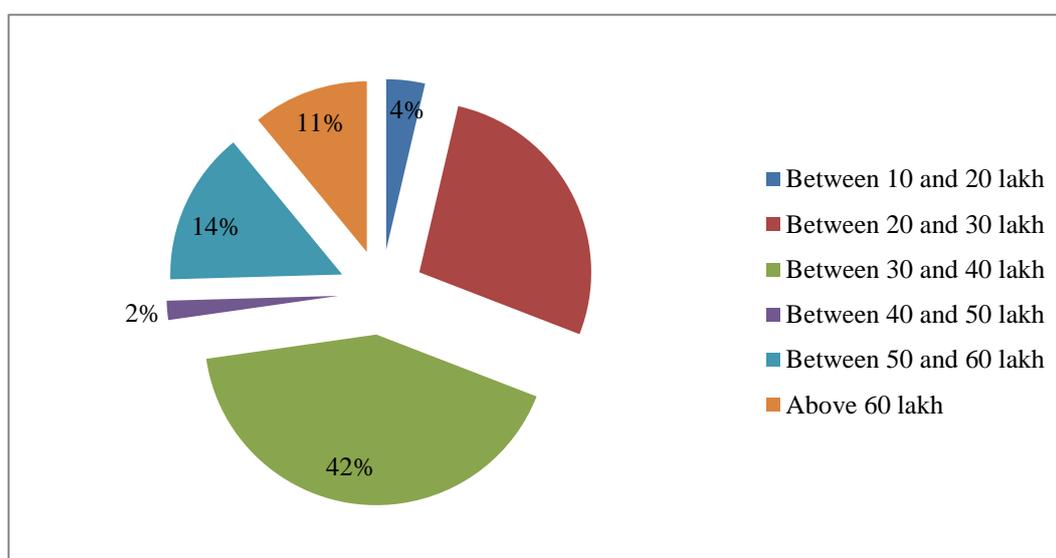
from school. Bigger cars such as the Toyota Kluger, Landcruiser, or Mitsubishi Pajero are also in demand for the purpose of running a private taxi business. Private taxis are cheaper and more comfortable than registered taxis.

<Figure 3: The Most Common Cars Purchased in Myitkyina between 2006 and 2017>



Before the trade in illegal imports of used Japanese cars started from Thailand into Myanmar, there were Thai companies that transported secondhand Japanese cars from Thaiports through Mae Sot to Myawaddy: there were around 4,000 cars a week waiting to be delivered across the Moei River¹⁷.

<Figure 4: Unregistered Car Purchase Prices in Myitkyina(1 lakh = 100,000 MMK)>



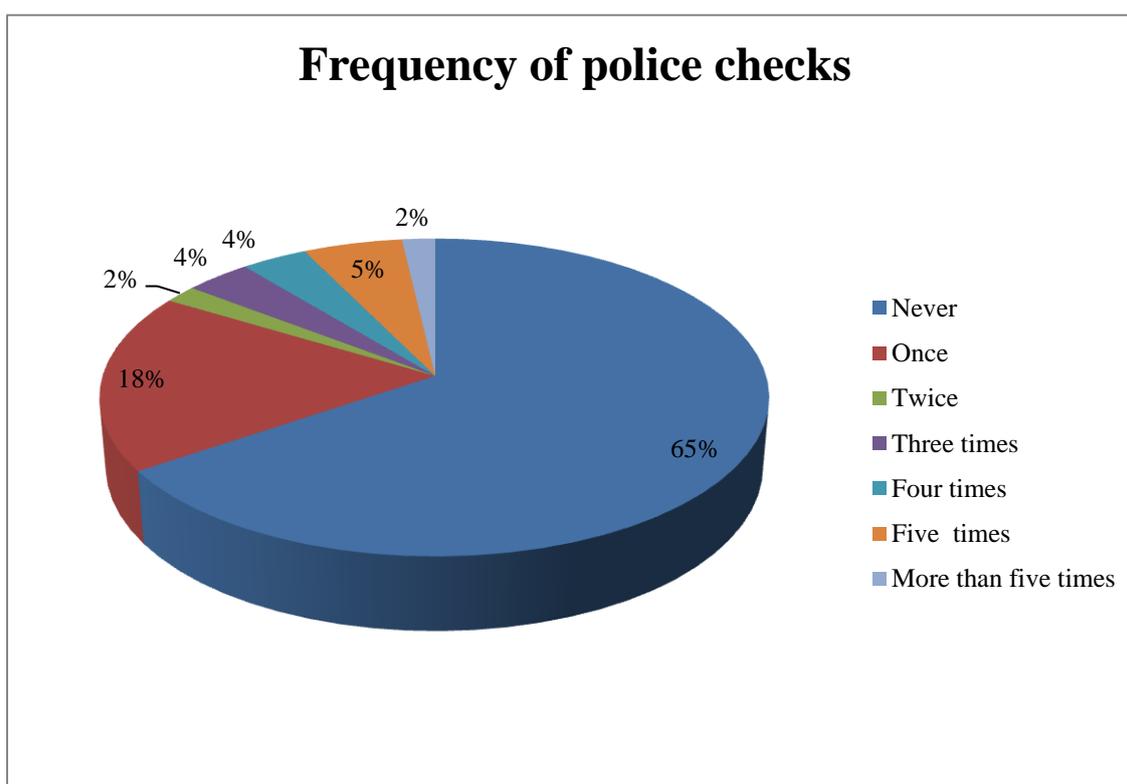
17 The Irrawaddy. "Import of Illegal Cars into Burma Up Sharply." The Irrawaddy, April 28, 2011. Accessed March 30, 2018. http://www2.irrawaddy.com/article.php?art_id=21201.

Our survey findings show that around 42% of unregistered cars cost between 3 and 4 million MMK while 56% cost less than 3 million MMK. Registered cars are so expensive that many people cannot afford to buy them and there are no longer any incentives to own a registered car. Previously, registered cars received a government fuel subsidy and they could be sold on the market at a profit. However, this policy was discontinued in August 2007, resulting in a 66% increase in the price of petrol and a 500% increase in the price of natural gas¹⁸. Furthermore, there are transactional costs involved in the process of registering a car, while unregistered cars do not have many additional costs besides obtaining fake documentation, which does not cost more than six hundred thousand MMK (around \$450 USD).

Another reason to use a car is because of increasing security concerns: some people have experienced threats from drug users and other criminals. In sum, the endogenous factors that persuade people to purchase unregistered cars are price, convenience and security.

There are also exogenous factors that encourage unregistered car use. For example, there are no major consequences when unregistered cars are inspected by traffic police because they check driver's licenses rather than car registration. According to our findings, 65% of unregistered car owners were not inspected by traffic police and even vehicles registered in China can be seen driving unimpeded in Myitkyina.

<Figure 5: How often have you been stopped by the traffic police?>

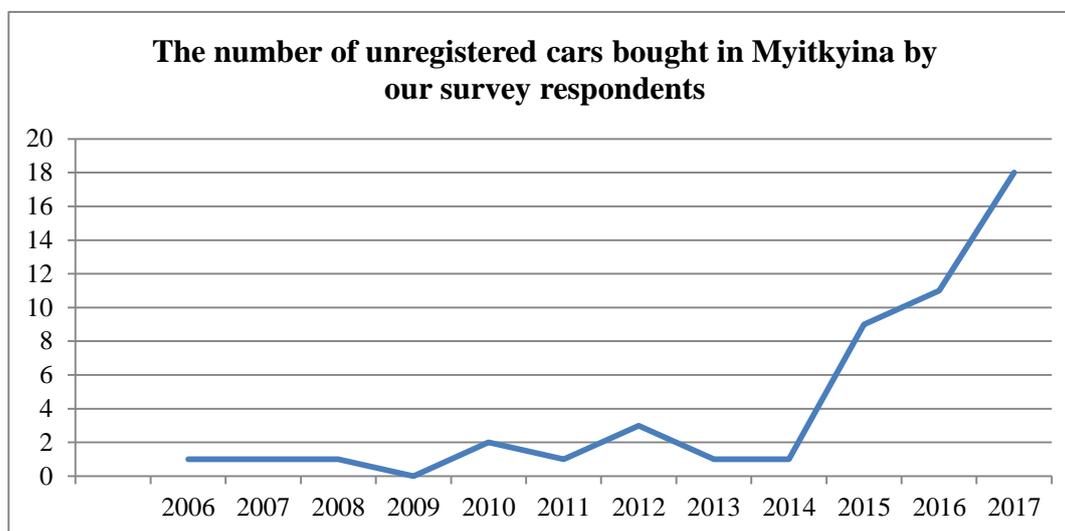


The fast-growing market in unregistered cars is another factor that shapes people's behavior. One car dealer said "the NLD government would not seize unregistered cars because they used many of them for their election campaign in Kachin State". Since the end of 2014, the number of unregistered cars has increased significantly and

¹⁸ Oishi, Mikio. (2016). Contemporary conflicts in Southeast Asia : towards a New ASEAN way of conflict management. Singapore ; New York : Springer, p.102

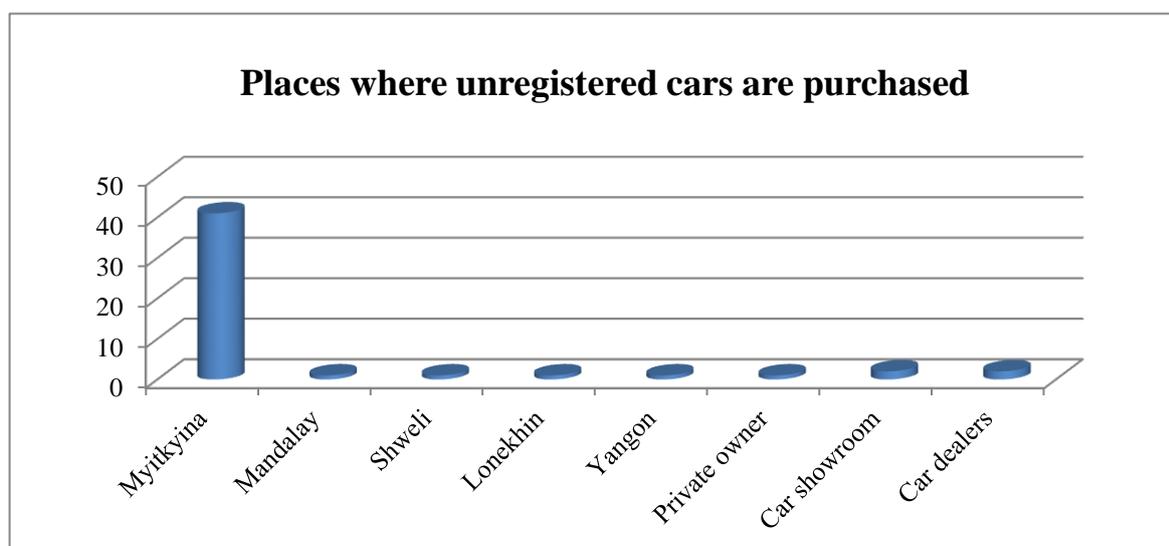
keeps rising. The number of people who bought an unregistered car in 2017 was the highest of any year so far.

<Figure 6: The Trend of Unregistered Cars Bought in Myitkyina>



The majority of unregistered cars were bought from Myitkyina rather than other places. Those cars were usually bought privately, from car service centers or car dealers, with 76% of the total being from car dealers in Myitkyina. In terms of rules and regulations, the current State policy does not focus on enforcing registration. Therefore, many car owners feel that they can get away with using an unregistered car because so many other people are doing it. This is shown in our survey result, where 75% of car users stated that they are happy enough with their ownership of an unregistered car.

<Figure 7: The Number of Unregistered Cars Purchased in Different Places by People from Myitkyina>



VII. Policy Implications

While people would like the government to take action around the broader issues of an unregulated market, infrastructural development and transport alternatives, they recognized that in the absence of any clear plans to address these problems, the only option was to take matters into their own hands.

Another perspective on the problem of increasing unregistered vehicles in Kachin State highlights the State's lack of preparedness for transportation to meet the needs of rapid urbanization. Transportation is a key factor in urbanization and development. Many people immigrate to Kachin State because there are jobs available and it is easy to earn good wages. With the urban population increasing, the State should have created an efficient bus system for public transportation. The long-term solution would be to set up a state-of-the-art railway system with urban planning. The Ministry of Transport and Communications plays a major role in the transportation sector to help facilitate the convenient and efficient transport of passengers and goods to contribute to social and economic development¹⁹.

When people's income level increases, they move to urban cities in Kachin. Then, those at a certain level of income can afford to buy an unregistered car at a reasonable price. Although they know that it is technically illegal to own an unregistered vehicle, a portion of our survey respondents said that they felt that there is safety in numbers. Thus, people choose the convenience of affordability over the risk that their car could be taken away. Recognizing that although individually they are acting illegally, people weighed this against official corruption and the perception that crime is not being tackled by the State government.

According to the Motor Vehicles Law, an unregistered car may be seized at any time. Previously, unregistered cars were confiscated and restricted from travel between townships. Those actions taken on unregistered vehicles are, in theory, acceptable. However, the State government should find ways to improve the law that reflects the will of the people of the State. Significantly, the majority of private cars using in Kachin State are unregistered. Many unregistered car owners expected the State government to provide State registration and they are willing to pay a State-level tax as long as the amount levied is reasonable.

At the same time, the State government should consider the impact and logistics of seizing a huge number of unregistered cars in Kachin. Simply seizing these cars or taking no action on the increasing number of unregistered cars are not the best policy options. They can create more serious challenges and severe difficulties to solve this issue in the future. Thus, it is recommended that the State government formulate a specific policy to solve this issue that aligns with national transport policy. The State government should plan to give licenses to unregistered private cars before taking any action on these cars or against the drivers, including seizure and storage or auction. The primary objective of any new policy should be to ensure a minimum negative impact on the public.

Corruption is another major factor that contributes to this boom in unregistered cars, in particular, the illegal importation of vehicles. In January 2013, the Myanmar government formed an Action Committee on bribery and enacted an anti-corruption law in August of that year²⁰. This law is intended to eliminate bribe-taking and misuse of public resources. The apparent condoning of an illegal trade, combined with highly centralized government

19 Global New Light of Myanmar. "One year journey of ministry of transport and communications." Global New Light of Myanmar, March 26, 2017. Accessed June 10, 2018. <http://www.globalnewlightofmyanmar.com/one-year-journey-of-ministry-of-transport-and-communications>

20 The Republic of the Union of Myanmar. "Historical Background." Anti-Corruption Commission. Accessed April 30, 2018. http://www.accm.gov.mm/acc/index.php?route=information/information&information_id=15.

structures, leave State decision makers with little opportunity to legislate or take action²¹. There was a good example of initiation, in December 2017, the Ministry of Health and Sports made an announcement prohibiting staff use of office equipment, supplies and assets for personal benefit. Likewise, the head of the Ministry of Commerce's border trade division should initiate anti-corruption policies so as to stop illegal importation. Potential actions include increasing the salaries of the Ministry of Commerce's border trade staff to motivate them to seize illegal imports rather than accepting bribes.

The State's regulations on the import and use of unregistered vehicles still remains inconsistent with the lack of political will to implement existing laws and policies. It is obvious that the huge number of illegally imported cars is depriving both the State and Union coffers of much-needed tax revenue. This then has a direct impact on the money available to the State for infrastructure improvement and the provision of alternative means of public transport. It seems as though the best policy option available within the current situation is for the State to formulate a specific law to provide registration for unregistered vehicles at the State level. The States/Regions' interest and the Union government's interest should be actually aligned under national transport policy. The Union government also can benefit from decentralization or collaboration with the State/Regional governments on these issues. If the Kachin State government takes appropriate action in formulating and implementing a policy to address this issue and is granted the authority to enforce it by the Union-level government, it can serve as a good example for other States/Regions that experience similar issues.

21 Kim NBNinh and Matthew Arnold. "Decentralization in Myanmar: a nascent and evolving process." *Journal of Southeast Asian Economies (JSEAE)* 33, no. 2 (2016): 224-241.

References

- ASEAN-GIZ Project Office, Pollution Control Department. *Myanmar Country Profile: Focus on Cities*. By May Tin Hlaing, Kaye Padu, and Cherine Capadocia. Final Report. Bangkok: ASEAN - Germany Technical Cooperation, April 2014.
- CEIC. "Myanmar." Myanmar Motor Vehicle Registered. 2017. Accessed March 20, 2018. <https://www.ceicdata.com/en/myanmar/motor-vehicle-statistics/motor-vehicle-registered>.
- Global New Light of Myanmar. "Number of untaxed vehicles increases in Kachin State." *Global New Light of Myanmar*, October 3, 2016. Accessed March 30, 2016. <http://www.globalnewlightofmyanmar.com/number-of-untaxed-vehicles-increases-in-kachin-state>.
- Global New Light of Myanmar. "One year journey of ministry of transport and communications." *Global New Light of Myanmar*, March 26, 2017. Accessed June 10, 2018. <http://www.globalnewlightofmyanmar.com/one-year-journey-of-ministry-of-transport-and-communications>
- Independent Mon News Agency. "Military Government Cracking down the Cars without Licenses." November 1, 2004. Accessed June 29, 2018. <http://www.ibiblio.org/obl/docs/IMNA2004-11-01.htm>.
- Kyaw, Phyo Wai. "Local Car Manufacturers Left in the Dust." *Local Car Manufacturers Left in the Dust*, 2007. Accessed June 29, 2018. <https://www.mmtimes.com/special-features/176-wheels-2014/9614-local-car-manufacturers-left-in-the-dust.html>.
- Kyaw, Khine. "Myanmar Car Importers Struggle to Survive." *The Eleven Myanmar*, September 6, 2016. Accessed June 29, 2018. <http://www.elevenmyanmar.com/business/5874>.
- Myint, Sithu Aung. "Time for a policy tune-up on vehicle imports." *Frontier Myanmar*, July 31, 2016. Accessed March 20, 2018. <https://frontiermyanmar.net/en/time-for-a-policy-tune-up-on-vehicle-imports>.
- Ninh, Kim NB, and Matthew Arnold. "Decentralization in Myanmar: a nascent and evolving process." *Journal of Southeast Asian Economies (JSEAE)* 33, no. 2 (2016): 224-241.
- Paung, Shah. "Burmese Authorities Confiscate Unlicensed Cars." *The Irrawaddy*, June 19, 2007. Accessed March 5, 2018. http://www2.irrawaddy.com/article.php?art_id=7514.
- Phyo, Pyae Thet. "No path to legalise smuggle cars." *The Myanmar Times*, May 30, 2016. Accessed March 30, 2018. <https://www.mmtimes.com/national-news/nay-pyi-taw/20561-no-path-to-legalise-smuggled-cars.html>
- Radio Free Asia. "Operation on Vehicles without Registration", *Radio Free Asia*, July 28, 2006. Accessed March 20, 2018. https://www.rfa.org/burmese/news/operation_on_vehicles_without_registration-20060728.html.
- Radio Free Asia. "Pamsidaetha longzangmèkam ၵago elalanbas" [Impounded Unregistered Vehicles Auctioned off], *Radio Free Asia*, October 28, 2006. Accessed March 20, 2018. https://www.rfa.org/burmese/news/impounded_unregisterd_vehicles_auctioned_off-20061028.html.
- Radio Free Asia. "Pamtathanylungzangmèkam ၵaguui sas-azoyaga elalandangeyang ၵ." *Radio Free Asia*, March 3, 2009. Accessed March 20, 2018. https://www.rfa.org/burmese/news/impounded_cars_auctioned_off-03032009111157.html.
- Radio Free Asia. "Longzangmèmaedaya-uebangzanugo ၵmi ၵnaye ၵpi emanggyangmyab ၵ." *Radio Free Asia*, November 1, 2017. Accessed March 20, 2018. <https://www.rfa.org/burmese/news/lincense-without-car-kachin-11012017083609.html>.

The Irrawaddy. "Import of Illegal Cars into Burma Up Sharply." The Irrawaddy, April 28, 2011. Accessed March 30, 2018. http://www2.irrawaddy.com/article.php?art_id=21201.

The Republic of the Union of Myanmar. "Historical Background." Anti-Corruption Commission. Accessed April 30, 2018. http://www.accm.gov.mm/acc/index.php?route=information/information&information_id=15.

Appendix I

For Car Users

Questionnaires for the boom in unregistered private cars in Kachin State

Date: _____

ID: _____

1. Gender
2. Address
3. Occupation
4. Age.....
5. Do you own a car? If yes, How many?
 - a. Yes
 - b. No
6. Have you registered your car or not?
 - a. Yes
 - b. No
7. What is one of the main reasons for using an unregistered car?
.....
8. Do you know year of production of your car?
.....
9. When did you buy your car?
.....
10. How much did you pay?
 - a. Less than1,000,000 MMK
 - b. Between 1,000,000 and 2,000,000 MMK
 - c. Between 2,000,000 and 3,000,000 MMK
 - d. Between 3,000,000 and 4,000,000 MMK
 - e. Between 4,000,000 and 5,000,000 MMK
 - f. Between 5,000,000 and6,000,000 MMK
 - g. Other.....
11. Where did you buy the car?
.....
12. How did you buy the car?
.....
.....

13. Do you have other additional costs for buying an unregistered car? If so, what were they and how much has it cost?

.....
.....

14. (If the respondent is using an unregistered car) Have the traffic police checked your car?

- 1. Yes
- 2. No

15. If yes, how many times have you been checked by the police?

.....

16. Do you have any problems that you have to solve as a result of being checked by the police? If so, please explain what they are.

.....
.....
.....

17. What is your satisfaction level with owning an unregistered car?

- a. Totally unsatisfied
- b. Satisfied
- c. Totally satisfied
- d. Do not know

18. Mention the benefits of using unregistered car.

.....
.....
.....

19. What kind of negative consequences can result from using an unregistered car?

.....
.....
.....

20. Is it acceptable for the public to use an unregistered car within Kachin State? Express your opinions on it.

.....
.....
.....

21. Express your opinions on the increased use of unregistered cars in Kachin State.

.....
.....
.....

22. Do you have any suggestions on how to solve the increase in unregistered car use?

.....
.....
.....

Appendix II

For Non-car Owners

Questionnaires for the boom in unregistered private cars in Kachin State

Date: _____

ID: _____

1. Gender
2. Address
3. Occupation
4. Age
5. Do you have a plan to buy a car?
 - a. Yes
 - b. No
6. Do you have a plan to register your car if you buy a car?
 - a. Yes
 - b. No
 - c. Do not know
7. Should people use unregistered cars in Kachin State?
 - a. Yes
 - b. No
 - c. Do not know.
8. Why do people drive unregistered cars?

9. What is the impact of using unregistered cars on the public?

10. What kind of unnecessary consequences can happen to the public by using unregistered cars?

11. Tell us your ideas on how to solve the situation of increasing unregistered cars.

 ■

This series of reports was compiled as a part of the “Strengthening the Capacity of Civil Society in Myanmar Year Two” program. The research for these reports was conducted entirely by EAI’s partner think tanks in Myanmar, including Sandhi Governance Institute, Open Myanmar Initiative, Yangon School of Political Science, Yone Kyi Yar Knowledge Propagation Society, Salween Institute for Public Policy, Another Development, and Naushawng Development Institute.

This program was funded in part by the National Endowment for Democracy (NED).

This publication and other EAI reports can be found on our website, [EAI Working Papers]. The contents of this publication do not necessarily reflect the views of the East Asia Institute.

For inquiries:

Kyong Jun Choi, Executive Director

Tel. 82 2 2277 1683 (ext. 107) choik1@eai.or.kr

Typeset by Hyungang Park, Research Associate

The East Asia Institute
#909 Sampoong B/D, Eulji-ro 158, Jung-gu,
Seoul 04548, South Korea
Phone 82 2 2277 1683 Fax 82 2 2277 1697
Email eai@eai.or.kr Website www.eai.or.kr