

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF ECONOMICS
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A STUDY ON THE LOGISTICS SERVICE PROVIDERS
IN THILAWA SPEICAL ECONOMIC ZONE

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**A STUDY ON THE LOGISTICS SERVICE PROVIDERS IN
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**A thesis submitted as a partial fulfillment towards the requirement for the
Degree of Master of Development Studies (MDevS)**

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ABSTRACT

This study purpose to assess the role and effectiveness of logistics service providers in enhancing the operational performance of the Thilawa Special Economic Zone (SEZ). The study objectives are to identify the logistics service providers in Thilawa SEZ and their usage patterns among firms and to analyze the performance, challenges and improvement needs to logistics service providers from the perspectives of both service providers and investor firms. The study involves 150 respondents such as logistics service providers operating in Thilawa SEZ, officials from the Thilawa SEZ Management Committee, and client companies. The study reveals that customs clearance procedures are both swift and efficient. The respondents agree that the documentation requirements are straightforward and clearly communicated. The information technology systems are effectively utilized by logistics service providers. The respondents agree that the logistics service providers demonstrate professional expertise in logistics and regulations. Logistics service providers in the Thilawa SEZ present a combination of advantages and disadvantages that businesses must carefully evaluate. This study suggests the integration of key elements that organize the logistics system, including infrastructure, institutional frameworks, and logistics service providers.

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LIST OF ABBREVIATIONS

AFFA	ASEAN Federation of Forwarders Associations
APSF	Anesthesia Patient Safety Foundation
ASEAN	Association of Southeast Asian Nations
EPZ	Export Processing Zone
FDI	Foreign Direct Investment
FE	Free Enterprise
FTZ	Free Trade Zone
GDP	Gross Domestic Product
JICA	Japan International Cooperation Agency
LPIs	Logistics Performance Index
LSPs	Logistics Service Providers
MCTA	Myanmar Container Trucking Association
MIFFA	Myanmar International Freight Forwarders Association
MJTD	Myanmar Japan Thilawa Development Limited
MTSH	Myanmar Thilawa SEZ Holdings Company
OSSC	One Stop Service Center
UNESCAP	United Nations Economic and Social Commission for Asia and Pacific
T SMA	Thilawa SEZ Management Committee
SEZ	Special Economic Zone

CHAPTER I

INTRODUCTION

1.1 Rationale of the Study

Myanmar has established Special Economic Zones to strengthen its business climate and attract investment throughout the past decade. The earliest and most established SEZ in Myanmar is Thilawa, in Yangon's outskirts. The Thilawa SEZ, a joint venture between the Myanmar government and a consortium of Japanese investors, hosts manufacturing facilities, logistics hubs, and service providers in a strategically located, infrastructure-ready setting.

Successful SEZs like Thilawa require physical infrastructure, investment incentives, and effective cross-border commodities and material mobility. Logistics service companies in and around Thilawa SEZ help carry raw materials, components, and completed goods to and from the zone. Their activities provide supply chain continuity, customs and trade compliance, and timely delivery to local and international markets, supporting industry operations.

The study is prompted by the rising relevance of logistics service providers in Thilawa SEZ and Myanmar's economy. The Thilawa SEZ in Myanmar is a major economic development milestone that aims to attract international investment, boost industrial growth, and generate jobs. Thilawa SEZ, founded in 2015 near Yangon, Myanmar's main city, is a center for manufacturing, logistics, and services. As the economy becomes increasingly market-oriented, the logistics industry must adapt to satisfy local and international market needs.

Logistics providers handle products and services through transportation, warehousing, inventory management, and distribution. Logistics service providers help firms operate efficiently and boost Thilawa SEZ's worldwide competitiveness. Logistics service providers are increasingly important in supply chain management, commerce, and the Thilawa SEZ's economic goals. Policymakers, investors, and regional firms must understand logistics service dynamics within this economic framework.

Logistics service providers operating inside Thilawa SEZ often face different operational environments, benefits, and challenges compared to those based in Yangon. Thilawa-based logistics service providers may have more direct access to customs facilities, benefit from zone-specific incentives, or operate under stricter regulatory frameworks. At the same time, they may face limitations related to land availability, competition, or dependency on port and road access.

This study examines how logistics service providers improve Thilawa Special Economic Zone operations. The report helps stakeholders understand logistics service providers' difficulties and possibilities and nurture this crucial sector of Myanmar's economy. The findings of this study are understanding the logistics challenges and opportunities within Thilawa SEZ, policymakers can develop targeted strategies to support the growth of the logistics sector, thereby enhancing the overall economic environment.

1.2 Objectives of the Study

The objectives of the study are;

- (i) to identify the current situation of Thilawa Special Economic Zone and
- (ii) to analyze the performance of logistics service providers in Thilawa Special Economic Zone

1.3 Method of Study

This study implements quantitative and qualitative approach supported by descriptive analysis, focusing on the operational role of logistics service providers in Thilawa Special Economic Zone (SEZ). The study methodology involves both primary data and secondary data to ensure comprehensive and findings.

Primary data collects from logistics service providers operating in Thilawa SEZ, officials from the Thilawa SEZ Management Committee, and client companies that use logistics services with a structured questionnaire. These questionnaire aims to capture first-hand insights into operational practices, advantages, and challenges encountered by logistics service providers in the Thilawa SEZ environment. Secondary obtains from relevant reports, academic journals, government publications, SEZ development policy documents, trade statistics, and reports from international organizations such as JICA, World Bank, and UNCTAD.

1.4 Scope and Limitations of the Study

The study focuses the role and effectiveness of logistics service providers in enhancing the operational performance of the Thilawa Special Economic Zone. The study involves 150 respondents such as logistics service providers operating in Thilawa SEZ, officials from the Thilawa SEZ Management Committee, and client companies that use logistics services. The sample of the study is using random sampling method. The study period is covered from 2014 to 2024.

1.5 Organization of the Study

Five chapters comprise the study. Chapter 1 introduces the study's premise, objectives, method, scope, limits, and organization. SEZ literature, logistics service provider performance, and past research are reviewed in Chapter 2. Thilawa Special Economic Zone is described in Chapter 3. Chapter 4 examines Thilawa SEZ logistics suppliers. Conclusion and recommendations are in Chapter 5.

CHAPTER II

LITERATURE REVIEW

2.1 Concept and Definition of Special Economic Zones

SEZs have been around for a long time, but people didn't start using them as a policy instrument on purpose until the 1950s. In 1937, New York became the first US Special Economic Zone (SEZ). Puerto Rico followed in 1942 (Pakdeenurit, et al., 2014). Shannon, Ireland, set up the first modern industrial free zone in 1959, albeit (Farole and Akinci 2011). Since the 1960s, SEZs have been very important to national industrial and economic plans across the world, especially in East Asia and Latin America. In 1964, Barranquilla became Colombia's first zone. The Dominican Republic started La Romana in 1965, much like Colombia did (Farole, 2011).

In 1965, India launched its first SEZ. In 1966, Taiwan opened its first SEZ. In 1970, South Korea opened its first SEZ. In 1980, China established its first SEZ (Aggarwal, 2012). India has the most SEZs, while China, especially Shenzhen, has the most success. The US started modern SEZs. Researchers, politicians, and businesspeople from all over the world look up to Chinese SEZs. Free trade zones, export-processing zones, industrial parks, freeports, and enterprise zones are all types of SEZs that have helped developing countries grow their exports, foreign direct investment (FDI), and industry. People generally think of SEZs as industrial enclaves in developing countries where foreign companies are cut off from each other. Shenzhen, for example, went from being a rural fishing village to one of the world's most vibrant cities and China's center for innovation. Dubai and Singapore are also important trade and logistical hubs.

SEZs often feature a secured zone, a single management or administrative structure, geographical advantages, distinct customs regimes, and faster procedures (Shakya, 2009). Since the other four SEZ features fluctuate, the last is most essential (Farole, 2011). A network of economic activity and services, Chinese SEZs are not a single entity. SEZs in China are larger and provide more services than those elsewhere

(Zeng, 2010). Shah (2008) describes SEZs as land zones in nations that encourage industry, manufacturing, and exports with favorable tax and economic policies.

In Farole (2011), SEZs are geographical zones with diverse economic rules inside a country. The zone has a freer and more efficient economic climate than the national territory because of variations in investment criteria, international commerce and customs, taxation, and regulation. SEZ approaches vary each country because of government goals, conceptual understanding, and competitive difference. This diversity complicates SEZ classification. Based on their developmental aims, size, location, activities, and markets, Table (2.1) classifies SEZs as free trade/commercial-free zones (FTZ), classic export processing zones (EPZ), free enterprise (FE)/single-unit EPZ, hybrid EPZ, and freeport.

Table (2.1) Characteristics of Special Economic Zone Modalities

Particular	FTZ	EPZ	FE	Hybrid EPZ	Freeport
Objective	Support trade	Accelerate exports of manufactured products	Accelerate exports of manufactured products	Accelerate exports of manufactured products	Promote integrated development by pooling economic resources
Size	Less than 50 hectares	Less than 100 hectares	No demarcated zone	Part designated as traditional EPZ Part opens to all type of firms	Largest type with residential areas and transport hubs (e.g. ports and airports)
Location	Seaports and airports	No common location	Anywhere or in designated areas	No common location	No common location
Activities	Trans-shipment trade	Manufacturing and processing	Export-oriented manufacturing	Manufacturing and processing	All economic activities

Particular	FTZ	EPZ	FE	Hybrid EPZ	Freeport
		mainly for export Some modified to cover many other activities	and processing activities	mainly for export Some modified to cover many other activities	
Markets	Domestic, re-export	Export	Export	Export, domestic	Within the zone domestic, export

Source: Farole & Akinci (2011)

The justification for the creation of Special Economic Zones (SEZs) lies in their potential to expedite economic growth by achieving policy objectives more swiftly than would otherwise be feasible. Historically, these zones have been utilized to draw Foreign Direct Investment (FDI), decrease unemployment, facilitate economic reforms, and experiment with new policy strategies and frameworks (Farole and Akinci 2011).

Attracting Foreign Direct Investment (FDI): First and foremost, SEZs attract FDI. In developing nations, almost all SEZs attract investments into labor-intensive, export-driven businesses including garment and footwear manufacturing, electronics, and automotive component assembly.

Reducing Unemployment: Low-wage, low-skilled labor is abundant in many developing nations. SEZs may use this surplus manpower, which might otherwise be unemployed. Tunisia and the Dominican Republic are often cited as SEZ examples that have continually created jobs.

Supporting a Broader Economic Reform Strategy: Low-wage, low-skilled labor is abundant in many developing nations. SEZs may use this surplus manpower, which might otherwise be unemployed. Tunisia and the Dominican Republic are often cited as SEZ examples that have continually created jobs.

Testing New Policy Approaches and Mechanisms: China tested its Open Policy and economic changes in SEZs in the 1980s, when it was still a closed economy. Innovative and reform-driven, this method was successful.

2.1.1 Development and Contribution of Special Economic Zones

SEZs have boosted national growth beyond their strategic intentions. Both static and dynamic contributions occur. Talent improvement, technology transfer, export diversification, domestic company trade efficiency, industrial clusters, and global value chain integration are dynamic contributions, whereas FDI, job creation, and export growth are static. It appears that Special Economic Zones (SEZs) have different effects on different countries depending on their economic level. Warr and Menon (2015) classified SEZ features and consequences by host nation development stage, as shown in Table (2.2).

Table (2.2) SEZs’ Characteristics and Impacts at Different Stages of Host Country Development

Development Stage		Expect Contributions	
SEZ Catalyst	Host Country	Static	Dynamic
Enclave	Agriculture-based economy Low income Low-cost, unskilled labor	FDI Employment Export growth	
Linkage to local economy	Middle income status Well established domestic firms/value chains Increasing labor cost Semi-skilled or skilled labor		Skills upgrading Technology transfer Export diversification Enhancing trade efficiency of domestic firms Industrial cluster formation Global value chain integration
Facilitate formation of industrial clusters innovation and specialized SEZs	Industrialized economy		Industrial cluster formation Innovation

Source: Warr and Menon (2015)

2.1.2 Performance and Challenges of Special Economic Zones

Numerous SEZs have been successful, while others have not met their policy objectives. For instance, SEZs in India have encountered both failures and successes. Empirical studies reveal that many SEZs have effectively generated employment and boosted exports, demonstrating marginally positive outcomes in cost-benefit analyses (Farole and Akinci, 2011). Global experiences imply SEZs are essential for economic growth, industrialization, and diversity. Since the early 1960s, Hong Kong, Singapore, South Korea, and Taiwan have grown rapidly, followed by China since the mid-1980s.

Industrial expansion, modernization, and rapid economic restructuring depend on SEZs. SEZs promoted export diversification in the Middle East and North Africa. SEZs encouraged economic diversification and growth in Sub-Saharan Africa. SEZs enabled Latin American countries like the Dominican Republic, El Salvador, and Honduras transition from agricultural to large-scale manufacturing and get US market access (Farole and Akinci 2011). However, SEZs have drawbacks. Even though many SEZ infrastructure projects failed, businesses have taken advantage of SEZ incentives and advantages (Farole and Akinci 2011). SEZs often lack dynamic advantages (Kaplinsky, 1993). Some academics feel SEZs are the second- or third-best competitiveness policy instrument since they only function in certain contexts for a limited time (Madani, 1999). Without proper infrastructure, SEZs would fail, and their development will depend on the host country's economy.

2.2 Role of Logistics in Economic Development

Logistics drives economic growth in many countries. Christopher (2016) describes logistics as product, service, and information transportation. Transportation, warehousing, distribution, inventory, and supply chain management are involved. Logistics improves efficiency, cuts costs, and boosts profitability for all sizes of businesses.

Logistics improves infrastructure and jobs. It employs millions of truckers, warehouse workers, logistics experts, and supply chain managers globally. By simplifying products and people transportation, logistical infrastructure including ports, airports, roads, and trains boosts economic growth. Logistics connects producers and consumers locally and worldwide, making it crucial to economic growth, especially in emerging nations. As globalization grows, logistics' role in international trade becomes more important.

Logistics in Trade: International trade relies on logistics. It allows enterprises to reach new markets and customers by transferring products and services across borders. Small companies and larger firms need logistics. The World Trade Organization (2020) estimates that global goods trade volume climbed 2.1% in 2019 to \$18.89 trillion. Transportation, warehousing, and distribution services from the logistics business helped this commerce. Reduced trade barriers, simplified customs processes, and improved logistical infrastructure can boost trade volumes and economic growth. The International Chamber of Commerce (2020) reports that trade facilitation may reduce trade expenses by 14%, increase trade flows by 5%, and boost GDP by 3.6%. Therefore, improving logistical infrastructure and lowering trade barriers may greatly impact economic growth.

Logistics Infrastructure and Economic Development: Logistics infrastructure opens new markets, lowers transportation costs, and improves efficiency, boosting economic growth. This infrastructure includes ports, airports, roads, trains, warehouses, and distribution hubs. Logistics infrastructure investments boost economic growth. Musso et al. (2019) claim 10% logistics infrastructure investment boosts GDP by 1%. Logistics infrastructure may cut transportation costs, making companies more competitive in domestic and international markets.

Logistics Employment and Economic Development: Logistics creates millions of jobs worldwide. The International Labor Organization (2018) estimates 40 million logistics workers worldwide, with this number anticipated to expand. It employs warehouse workers, logistics experts, and supply chain managers. Logistics investments may improve manufacturing and retail, producing indirect jobs.

Logistics and Innovation: Technological advances and changing customer expectations drive logistics industry innovation. Robotic cars, drones, and blockchain are transforming logistics, helping firms operate more efficiently and save money. The World Economic Forum (2020) reports that logistics is leading innovation, with automation, data analytics, and AI transforming how things are moved, stored, and delivered. Using these technologies may boost efficiency, save costs, and improve customer happiness.

Global economic progress relies on logistics to move products, services, and information. This industry helps firms of all sizes perform efficiently, cut expenses, and increase profits. Logistics infrastructure helps transport products and people and create jobs, boosting economic growth. The logistics sector's involvement in

international trade and economic growth grows as globalization expands. Due to technology advancement and changing customer expectations, the logistics sector is evolving and will play an ever greater role in global economic development.

2.3 Performance of Logistics Service Providers

The logistics outsourcing business has grown, faced severe competition, and developed complex network linkages (Barker et al., 2021). Logistics service providers (LSPs) must continuously develop their skills and grow from transportation to storage, contract carriage, supply chain consultancy, and other logistics tasks (Cozzolino, 2021). LSPs that aspire to become crucial partners in delivering more strategic and customer-oriented services must offer "one-stop shop" logistics solutions, whether they offer highly specialized functional services or more comprehensive integrated solutions (Barker et al., 2021).

Logistics service providers assist sellers and buyers with transportation, warehousing, consolidation, deconsolidation, cross-docking, picking and packing, customs clearance, track and trace, insurance, payment, tendering and contracting carriers, and forwarding. Logistics and freight forwarding are becoming more demanding, so service providers must offer value-added services that significantly improve customer supply chain solutions to survive (Gourdin, 2006).

Suppliers supply manufacturers with commodities and services for processing. After the maker makes the items, the distributor distributes them worldwide to clients. Logistics service providers collect items from producers and organize their distribution to distributors. If these providers are well-integrated in the market, have strong and numerous peer relationships, or are members of logistics service provider associations, they may acquire best practices that can improve their operations and the supply chain. Competition does not always share their techniques and best practices with other organizations; thus these ties must be strong (Camargo et al., 2012).

Logistics service providers are crucial in international trade, as items must be delivered quickly, securely, and cheaply. These providers specialize in their fields and have greater experience, knowledge, and skills than focus organizations (clients). The following Table (2.3) describes logistics service providers' duties.

Table (2.3) Function and Activities of Logistics Service Providers

Logistics Function	Activities
Transportation	Shipping, forwarding, (de)consolidation, contract delivery, freight bill payment, household goods relocation, load tendering, and brokering.
Warehousing	Storage, receiving, assembly, return goods, marking and labelling.
Inventory management	Forecasting, location analysis, network consulting, layout design.
Order processing	Order entry, fulfilment.
Information systems	Electronic data information, scheduling, artificial intelligence, expert systems.
Packaging	Design, recycling.

Source: Sink et al., (1996)

2.3.1 Actions

Given their heavy transportation focus, logistics service companies take steps to improve vehicle energy efficiency. This involves modifying their vehicle fleet (Colicchia et al., 2013), enhancing capacity utilization (Leonardi and Baumgartner, 2004), embracing new technology (Vujanovic et al., 2010), using alternative fuels, and developing new automobiles. Logistics providers can reduce traffic by using information technology to route (Baumgartner et al., 2008) and/or alter transport modes (Roth and Kaberger, 2002). Besides transport-related efforts, Perotti et al. (2012) discovered LSP warehouse and building energy efficiency measures while Piecyk and Bjorklund (2015) found waste management and recycling strategies. Working with external partners and rearranging supply chains improves environmental planning (Evangelista et al., 2018). These projects can improve internal operations and customer service by formalizing processes. Thus, these acts might be internal to corporations or external when done with suppliers or customers.

2.3.2 Processes

LSPs' energy-efficient internal operations are the second essential aspect. Organizations can reduce their environmental impact by redesigning and retrofitting their processes to reduce material use, water and energy use, and pollution (Diwekar, 2005). Manufacturing has succeeded in resource efficiency through codified management systems, including energy efficiency techniques (Halldorsson et al., 2018), and process models to analyze organization-wide energy efficiency. Logistics is less dedicated. In an industry that demands speedy decision-making to meet customer needs, LSPs may avoid formal procedures since they are time-consuming (Franklin, 2008).

According to recent research, Logistics Service Providers (LSPs) are integrating sustainability while adhering to environmental laws, policy regulations, and customer energy efficiency needs (Evangelista, 2014). Formal programmes, administrative and analytical chores, "greening third-party logistics activities" (Isaksson and Huge-Brodin, 2013), intra-organizational practises (Colicchia et al., 2013), and "green solutions" that influence LSPs are examples. Because past classification efforts used various methods, these words vary, suggesting a lack of emphasis on formalization or status of the behaviors. Our framework represents LSPs' explicit, organized, systematic efforts to promote energy efficiency and sustainable development.

2.3.3 Services

Since the research focuses on LSPs' internal green offers (Isaksson and Huge-Brodin, 2013), conceptual potential for development is often limited to LSPs' organizational boundaries. In addition to internal processes, LSPs must focus on customers to reduce environmental impacts by changing their services. LSPs' environmental initiatives—which include broadly defined external efforts (Pieters et al., 2012) and customer-oriented strategies (Isaksson and Huge-Brodin, 2013) as well as inter-organizational and logistics-related supply chain initiatives (Colicchia et al., 2013)—have garnered attention. Since Logistics Service Providers (LSPs) are key to the supply chain at many stages, their sustainable growth is essential (Reinerth et al., 2018). Due to climate change, manufacturing companies and supply chain stakeholders must embrace environmental sustainability requirements (Seuring and Meuller, 2008), requiring LSPs to deliver sustainable services (Multaharju et al., 2017).

Compared to internal operations, consumer externalities are poorly understood. When purchasing LSPs, customers still value cost and usefulness over environmental considerations (Martinsen and Björklund, 2012; Bask and Rajahonka, 2017). Most shipper studies explore whether consumers prioritize environmental activities when choosing LSPs (Wolf and Seuring, 2010) or logistics services (Martinsen and Björklund, 2012). Transportation services are competitive, therefore cost assessments are important (Oberhofer and Dieplinger, 2014). However, official paperwork and contracts are increasingly requiring sustainable travel modes (Bask and Rajahonka, 2017).

2.3.4 Logistics Performance Index

Various trade and logistics strategies boost a nation's corporate competitiveness. Before 2005, decision-makers lacked the data to compare and identify trade obstacles, making the Logistics Performance Index (LPI) essential for understanding trade and transport facilitation. It has increased awareness, defined reform goals, enhanced public-private collaboration, and promoted international trade and transit (Banco Interamericano de Desarrollo, 2010). This logistics performance index from the World Bank ranks 150 countries and analyzes their logistics performance (Arvis et al., 2012). The index makes a statistically significant contribution by standardizing bilateral trade problems and logistical requirements based on available facilities for all nations.

The logistics performance index measures customs, infrastructure, international shipments, competence, tracking, and timeliness.

Customs: assesses customs dispatch efficiency (speed, simplicity, and predictability). This is done through administrative responsibilities that police international trade laws and collect import and export taxes.

Infrastructure: evaluates a nation's transport and telecom infrastructure. Due to external factors, firms cannot fully control how they distribute items to consumers. However, how firms adapt to facilities may either help or hurt their competitiveness.

International shipments: evaluates the ease of arranging shipments at competitive rates.

Logistics Quality and Competence: Assesses logistics services' proficiency and competence. It shows how particular parties behave inside the corporate structure, suggesting customer service quality and improving relationships.

Tracking and tracing: Assesses cargo tracking. Each shipment must be tracked until it reaches its destination. All parties in the commodities supply chain contribute, making traceability a sector-wide result.

Timeliness: evaluates cargo delivery timeliness. This matters because the present level of competitiveness makes delivery delays intolerable. This requires more advanced computerization.

The logistics performance index's domains have a greater impact than distance and transportation costs (Korinek and Sourdin, 2011). They emphasize logistical factors including process transparency, quality, and service predictability and reliability.

2.4 Review on Previous Studies

Skender et al. (2016) examined international trade logistics providers. The study showed that the logistics service business, especially international trade, requires cost-effective, secure, and timely products delivery. Logistics service providers have the expertise, knowledge, and abilities that focus organizations (clients) may lack and have more experience in completing such activities. By outsourcing logistical and transportation tasks to logistics providers, organizations may focus on their core business, reduce capital investments, expenses, and risks, and boost efficiency.

Chin and Kim (2017) examined Shanghai logistics suppliers. The survey found that small and medium-sized firms dominate China's logistics sector. Most logistics organizations excel at traditional logistical services but struggle to provide value-added services. Their self-evaluations indicate they succeed in several performance criteria. This research shows that third-party logistics services in China have great potential, even if their adoption is still early.

May Thu Thu Khine (2024) examined Yangon logistics service companies' marine import issues. The research found transportation and import container vehicle shortages. A weak technological system plagues Yangon's marine import logistics industry. The inquiry found government rules and regulations insufficient for logistics. Logistics firms struggle to hire and retain talented workers due to a labor shortage. Removing cargo from the port is additionally complicated by customs clearance. Comprehensive system integration solutions are needed to address logistical integration issues across shipping lines, customs, government agencies, and others. Win Nandar Thein (2024) studied Myanmar logistics service quality and customer happiness. The

study aims to examine customer perceptions of service quality in Myanmar's logistics delivery service sector and the relationship between service quality and customer satisfaction. The results suggest that tangibility, dependability, responsiveness, and empathy significantly contribute to customer happiness, whereas assurance has a small influence. This study underlines the need of fast service delivery, customized customer care, and high dependability and responsiveness to build customer loyalty and maintain Myanmar's logistics business.

Proykratok et al., (2024), evaluated the Thai logistics providers towards achieving logistics management excellence. The study analysis of the Industrial Logistics Performance Index data for entrepreneurs indicated that when assessing each activity separately, entrepreneurs primarily highlighted procurement management, while the activity with the lowest average score was inventory management. Additionally, the assessment of logistics management potential for entrepreneurs revealed that the activity with the highest average score was the planning and implementation of logistics and supply chain management strategies, whereas the lowest average score pertained to the efficiency measurement of logistics and supply chain management. The results also showed that logistics and supply chain coordination with external stakeholders (excluding suppliers and consumers) was prioritized.

CHAPTER III
AN OVERVIEW OF LOGISTICS SERVICE PROVIDERS IN THILAWA
SPECIAL ECONOMIC ZONE

3.1 Background of Logistics Service Providers in Myanmar

Myanmar, ideally placed between India, China, and Southeast Asia, has become a logistics and supply chain powerhouse. Due to economic reforms, foreign investment, and a developing industrial sector, logistics service providers (LSPs) have emerged to meet the demand for efficient transportation and distribution networks. Myanmar's logistics sector has struggled with poor infrastructure, bureaucratic inefficiency, and insufficient technology. State-owned firms-controlled logistics, which struggled to adapt to a fast-changing industry. However, 2011 political and economic reforms allowed private sector engagement and international investment, changing the logistics business.

Today, the logistics service provider market in Myanmar is characterized by a mix of local and international companies offering a range of services, including:

Transportation: Road, rail, air, and maritime transport services are essential for moving goods across the country and beyond. The development of new highways and the expansion of ports have improved connectivity.

Warehousing: With the growth of e-commerce and retail, the demand for warehousing solutions has surged. LSPs are increasingly investing in modern warehousing facilities equipped with inventory management systems.

Customs Clearance: Navigating the complexities of customs regulations is crucial for international trade. Many LSPs offer customs brokerage services to facilitate smoother import and export processes.

Supply Chain Management: As businesses seek to optimize their operations, logistics providers are offering integrated supply chain solutions that encompass procurement, inventory management, and distribution.

Logistics service providers, along with warehousing and distribution service providers, play a crucial role in the sector.

3.1.1 Myanmar International Freight Forwarders Association (MIFFA)

Myanmar worldwide Freight Forwarders Association (MIFFA) is developing the "Logistics Sector" to fulfill regional and worldwide standards for efficiency, competitiveness, and sustainability. This effort improves multimodal travel to boost economic growth and reduce poverty. MIFFA uses its critical mass to push economic and social changes in the transport and logistics sector. To optimize freight traffic, the company upgrades highways, expressways, ports, airports, and rail systems.

MIFFA's main objective is to build strong urban-rural links to build cargo transport infrastructure such roads, trains, inland waterways, ports, airports, and logistical facilities. This technique improves connection, freight transit efficiency, trade, and social and environmental sustainability. Establishing "Multimodal freight logistics hubs," which integrate road, rail, inland canal, marine, coastal, and air cargo transit, is a strategic goal. This integration lets you choose the best cargo shipping option, reducing costs and lead times.

MIFFA actively participates in the "National Export Strategy (NES)" to promote company competitiveness, the business climate for development, and Myanmar's commerce while alleviating poverty. Due to mass manufacturing, transport and logistics, professions require specific skills and competent individuals. Due to the extent and diversity of businesses, jobs, and specialties, new ideas and useful information are more sought after. The Vision for Logistics Sector Development in Myanmar has seen numerous positive developments; however, insights gained from other regions within FIATA, AFFA, APSF, GMS FRETA, both globally and within ASEAN, can facilitate sustainable enhancements.

MIFFA continues to be a vital contributor to the industry's growth and the enhancement of the nation's shipping and transportation systems, aiming for more efficient and expedient transport, warehousing, and distribution of goods. There are two distinct membership categories: 246 members are entirely local freight forwarding and logistics companies, while 141 are associate members, comprising joint venture freight forwarding and logistics firms, 100% foreign direct investment companies, and trading entities. In total, 387 member companies are involved. MIFFA's primary function is to provide consultation, develop strategies, and formulate action plans within the National Export Strategy, focusing on the cross-sector development of 'Trade and Transport Logistics' and enhancing member standards to achieve customer satisfaction.

MIFFA is also committed to actively participating in an industry-wide transition to a fully paperless transportation process, implementing a data-driven automated system that will streamline the entire operational workflow. Consequently, MIFFA aids in reforming all relevant government rules and regulations, consulting and coordinating to establish standard operating procedures (SOPs) for logistics requirements and warehousing management, aiming to identify optimal solutions through the application of ITC advancements in the logistics and transportation sectors. Furthermore, MIFFA firmly supports the logistics industry by offering human resource development and capacity building programs. These programs provide short courses and diplomas in transport, logistics, and multimodal transport to improve knowledge and skills. MIFFA is dedicated to human resource development and capacity building for transport and logistics service providers, regularly conducting transport and logistics diploma courses from FIATA and AFFA, as well as the UNESCAP foundation course in Myanmar, both globally and across ASEAN.

3.1.2 Myanmar Container Trucking Association (MCTA)

Myanmar Container Trucking Association (MCTA) was established in response to the growing need for a more organized, efficient, and professional inland container transportation sector in Myanmar. As the logistics and transportation industries play a pivotal role in Myanmar's economic development, the movement of goods particularly via container trucks has become increasingly vital to the country's trade, connectivity, and industrial growth. Traditionally, Myanmar's trucking sector has been highly fragmented, dominated by small-scale, independent operators who often lack the infrastructure, capital, and training to keep pace with global logistics standards. These inefficiencies have led to inconsistent service quality, poor safety compliance, and limited customer satisfaction, especially in a market that is beginning to demand international-level service quality.

MCTA was formed to address these pressing challenges. Its mission is to unify domestic container trucking operators under a single, collaborative platform to promote best practices, improve operational standards, and enhance the professional development of drivers and company owners alike. By working collectively, MCTA aims to bridge the gap between Myanmar's traditional trucking operations and the expectations of modern global logistics. The association now comprises nearly 90

member companies, including leading logistics and transport providers across the country. These members represent a wide range of operators actively engaged in container transportation between major ports, inland dry ports, and commercial zones such as the Thilawa SEZ. Through collective advocacy and knowledge-sharing, MCTA helps promote industry modernization, better compliance with safety regulations, and sustainable business practices. By fostering a professional and competitive trucking industry, MCTA contributes significantly to Myanmar's overall logistics infrastructure, enabling the country to better integrate into regional and global supply chains.

3.2 Special Economic Zone in Myanmar

Myanmar, a developing nation, struggles to create a commercial environment. Myanmar has implemented political and economic changes since 2010 to boost prosperity and globalization. These reforms attempt to increase Myanmar's industrial dependence through structural changes. These initiatives boost imports, exports, and foreign direct investment by creating Special Economic Zones (SEZs).

The Myanmar Special Economic Zone Law (2014) governs SEZs. This Law defines a Special Economic Zone as the zone notified and established by the Central entity by demarcating the boundaries and issuing the notice, which is a Union Government entity. Myanmar prioritizes the construction of Special Economic Zones (SEZs) to attract international investment, boost exports, and create jobs.

Myanmar's strategic location between India, China, and Thailand might make it a Southeast Asian manufacturing and logistical powerhouse. The Myanmar government recognizes three Special Economic Zones: Thilawa in Yangon, Dawei in Taninthayi, and Kyauk Phyu in Rakhine. Most SEZs are linked to infrastructural development, including deep-sea ports, electricity grids, pipelines to adjacent nations, and major roads. Myanmar's Special Economic Zones (SEZs) provide international investors several investment opportunities during and after development.

(1) Thilawa Special Economic Zone

Thilawa SEZ was one of Myanmar's first and most successful. Thilawa SEZ covers 5027 acres (2400 hectares) between Thanlynn and Kyauktan townships in Yangon. MJTD was appointed as the zone's developer after Japan and Myanmar collaborated on the Thilawa SEZ project using a Public-Private Partnership approach. The Myanmar government is represented by Thilawa SEZ Management Committee

(TSMC), whereas Japan is represented by JICA. Both the Myanmar and Japanese commercial consortiums—Mitsubishi, Marubeni, and Sumitomo (MMSTD)—have holdings in the project.

Thus, Thilawa SEZ offers local and foreign businesses easy sea, air, and road connectivity. Japanese corporations have invested heavily in the project, even though it is still in development. The SEZ will house textile, manufacturing, high-tech, and deep-sea port enterprises. Myanmar and Japan will develop the land together, with Japanese businesses controlling 49%. Investors are drawn to Thilawa's closeness to Myanmar's economic hub and ports. First phase of development cost US\$205 million and finished in 2016.

(2) Dawei Special Economic Zone

Dawei Special Economic Zone on Southeast Myanmar's Andaman coast is creating a 250-square-kilometer deep-sea port and industrial complex. This region will feature steel, fertilizer, electrical, and petrochemical plants. The port will have a shipyard to produce and repair 100 metric-ton-per-year freight boats. Thailand provided 35% of the deep-sea port's finance. Multinational firms and states have funded the initiative. Thailand and Myanmar recently invested in the Dawei SEZ project and developed regional infrastructure. Italian Thai Industrial Group would invest \$300 million in the industrial park and hold 25% of its management. Japan, China, and South Korea may establish SEZ. Plans are in planned for tourism, recreational, and residential complexes.

(3) Kyaukpyu Special Economic Zone

Ramree Island on Myanmar's central western coast hosts the Kyaukpyu Special Economic Zone. This port exports and transports Myanmarian rice. China National Petroleum Corporation-funded oil and gas terminal and Myanmar-China pipeline development are approaching completion. Additionally, a container port and gas-turbine power plant are being built. Planning for the SEZ will be concluded this year, with the first phase finishing in 2016. Industrial, logistical, and service sectors will process local agricultural and mineral resources. Chinese investors are interested in the Kyaukpyu SEZ since it is India-China's shortest marine commerce route. To improve China-Kyaukpyu connection, considerable rail and aviation infrastructure is being

built. The area is expected to rival Singapore as the region's petrochemical center once completed.

3.3 Overview of Thilawa Special Economic Zone

Thilawa Special Economic Zone lies southeast of Myanmar's economic center, Yangon. All zone hard infrastructure construction began in November 2013. Building international standards-compliant soft infrastructures. Myanmar-Japan Joint Venture Myanmar's first international-standard SEZ is being built by Japan Thilawa Development Limited. Japanese private partnership MMS Thilawa Development Co., Ltd. holds 39%, Myanmar Thilawa SEZ Holdings Public Limited 41%, and JICA 10%. In 2014, Myanmar-Japan Thilawa Development Limited signed the SEZ Anti-Corruption Agreement.

Thilawa SEZ benefits investors economically. From its closeness to Yangon, Myanmar's economic core, Myanmar's SEZ provides investors streamlined and efficient investment and operation procedures and special concessions and services. Thilawa is a good investment for several reasons. The SEZ has investors from Japan, Korea, Taiwan, Hong Kong, Thailand, Vietnam, Brunei Darussalam, China, UAE, Malaysia, Singapore, Australia, Denmark, the Netherlands, Austria, France, Switzerland, the British Virgin Islands, the Cayman Islands, and Panama.

In Zone A of Thilawa SEZ's inaugural phase, nine priority variables determined investment permits: The quantitative evaluation approach ensures that each investor earns enough weighted average points based on priority considerations to obtain an investment license.

The Special Economic Zone law and Investment policy provide investors licenses within one month of application. These investors include exporters and domestic investors. This category includes manufacturers, assemblers, packaging businesses, service providers, real estate developers, logistics services, bonded warehouse providers, and traders. Their investments help Myanmar's economy by bringing new technology and goods, easing import substitutes, and providing services that boost investment potential. These characteristics are prioritized in quantitative and qualitative investment approval reviews.

The Thilawa SEZ offers investors and developers tax benefits. Businesses in the Free Zone and Promotion Zone have income tax (corporation tax) exemptions for 7 or 5 years, respectively, under the 2014 Myanmar Special Economic Zone Law. The

exemption remains 50% for 5 years after these initial periods. The 50% tax exemptions might be extended after this term. Thilawa SEZ investors are immune from customs tariffs and other taxes on imported capital items. The Free Zone exempts investors from customs charges and commercial taxes on raw material imports. These exemptions help firms cut administrative and construction costs.

Table (3.1) List of Investors in Thilawa Special Economic Zone

Year	Country
2014	Singapore, China, Panama, Netherlands, Japan.
2015	Japan, Cayman Islands, Hong Kong, Singapore, Taiwan, Thailand, Australia, Brunei Darussalam., Vietnam, Myanmar.
2016	Singapore, Republic of Korea, Japan, Thailand, UAE, Hong Kong, Vietnam, Myanmar.
2017	Republic of Korea, Australia, Thailand, Japan, Singapore, Myanmar.
2018	Thailand, Singapore, British Virgin Islands, Japan, France, Republic of Korea, Thailand, Myanmar.
2019	Australia, Hong Kong, Switzerland, Japan, Republic of Korea, Thailand, Malaysia, China.
2020	Hong Kong, Cayman Islands, Denmark, Thailand.
2021	British Virgin Islands.
2024	Thailand, Japan, Myanmar.

Source: TSEZ Management Committee (2025)

Investors in the Thilawa Special Economic Zone (SEZ) can lease land for up to 75 years (initially 50 years with a 25-year extension), deduct tax for employee training or R&D, and avoid commercial taxes. These steps provide an efficient and successful business climate in Thilawa for investors. These exclusions are detailed in the 2014 Myanmar Special Economic Zones Law. A good investment climate, beyond tax deductions, is the biggest inducement for investors today. The Thilawa SEZ Management Committee and One Stop Service Center strive to provide a positive, predictable, and inviting investment climate.

3.3.1 Types of Business Allowed in the SEZ

Thilawa SEZ, unlike an industrial zone or estate, permits most enterprises to operate save those excluded. This includes companies that ship foreign suppliers' goods according to the owner's directions, whether for trade, labeling, packaging, or re-packing and without processing. Companies that store and assemble Complete Knocked Down or Semi Knocked Down kits under refrigeration are included. Commercial, residential, and hotel construction is allowed in Thilawa SEZ. Logistics and warehousing services; engineering and design; Research and development; Services software; Information-enabled services like back-office operations, call centers, content development, data processing, human resource services, insurance claim processing, legal databases, medical transcription, payroll, remote maintenance, revenue accounting support centers, website services, and animation or graphic information system services Wholesale/retail distribution; Financial services; Professional services (excluding law and accountancy); (k) Short- and long-term rentals; Other commercial services, including consulting; construction and related services; educational services; environmental protection services; hospital and other human health services; tourism and travel services; recreation and leisure; cultural and sporting activities; transport and additional services for all modes of transport.

Table (3.2) Type of Business in Thilawa Special Economic Zone

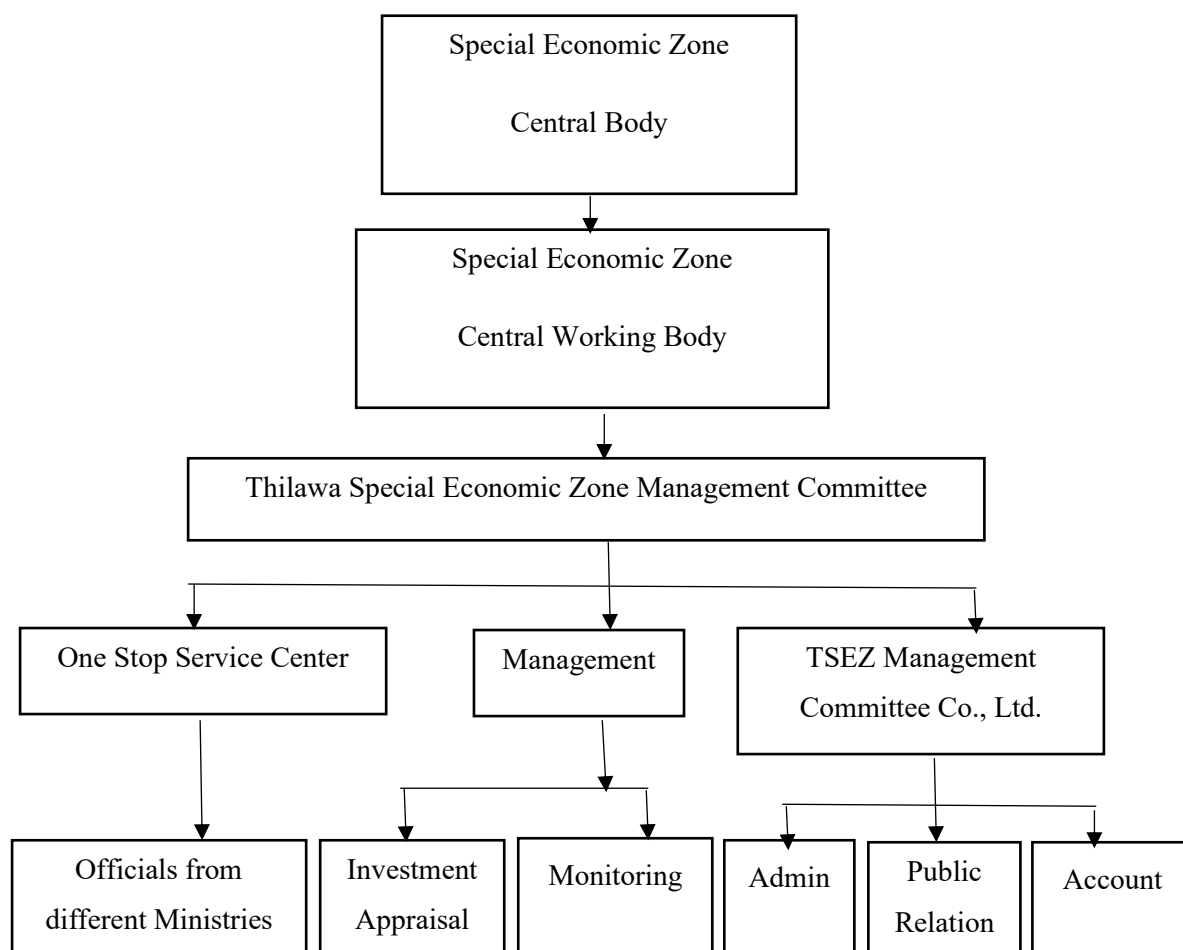
Year	Type of Business
2014	Manufacturing (5) No., Services (2) No.
2015	Manufacturing (28) No., Services (9) No.,
2016	Manufacturing (18) No., Services (8) No.
2017	Manufacturing (11) No., Services (2) No.
2018	Manufacturing (14) No., Services (1) No.
2019	Manufacturing (10) No., Services (1) No.
2020	Manufacturing (4) No.
2021	Manufacturing (1) No.
2024	Manufacturing (3) No.

Source: Thilawa SEZ Management Committee (2025)

3.3.2 Thilawa SEZ Management Committee

Article 5 of Myanmar Special Economic Zone Law established Thilawa SEZ Management Committee (TSMC). The government's licensing organization (TSMC) regulates the Thilawa SEZ and licenses foreign and local investments under Section 11 (C) of the Myanmar Special Economic Zone Law. The Thilawa SEZ Management Committee must (a) provide a favorable, predictable, and appealing investment climate, (b) guarantee responsible investors, and (c) protect adjacent communities. The TSMC reports to the President-led Myanmar Special Economic Zone Central Body through the Vice President-chaired Central Working Body.

Figure (3.1) Organization Chart of Thilawa SEZ Management Committee



Source: Thilawa SEZ Management Committee (2025)

The Thilawa SEZ Management Committee (TSMC) and the zone developer MJTD inked a deal on June 5, 2014, to build Zone (A), which is 405 hectares in size. The deal gives the right to lease the property for 75 years with 50-year and 25-year

leases. On September 23, 2015, Zone (A) opened. Over 95% of the land in Zone (A) was reserved and leased to 90 investors from 17 nations, and the industrial plots sold faster than expected. Zone (B), which covers 101 hectares, started being built on February 24, 2017. By June 2018, the main internal infrastructure should be in place.

The Thilawa SEZ Management Committee makes things easier, coordinates things, controls them, and keeps an eye on them. It works with Myanmar Japan Thilawa Development Co., Ltd. The Thilawa SEZ Management Committee at the Industrial Park Center can aid investors and businesses with any problems they may have. You may also file a complaint online. The One Stop Service Center run by the Thilawa SEZ Management Committee helps investors and locators get licenses, permits, and other things they need. The One Stop Service Center Front Office can help you. Investors may apply for a number of services online, which cuts down on trips to the One Stop Service Center.

3.3.3 One Stop Service Center

The One Stop Service Center (OSSC) promotes investment attraction. To provide consumers and investors with fast and effective services, the Thilawa SEZ Management Committee (TSMC) established the OSSC, which oversees several government ministries. The TSMC and its OSSC team of selected officials from 13 key ministries use innovative technology and best practices to provide investors with fast, dependable, and predictable services while reducing direct contact. Although the Road and Transportation Administration and Food and Drug Administration are not on-site, investors can call them for assistance.

The OSC has Front and Back Offices. To avoid investor-back-office interaction and guarantee back-office personnel respect the Myanmar-Japan Anti-Corruption Agreement, the Front Office staff are employed from the private sector. SEZ investors must follow several national laws. However, the Thilawa SEZ One Stop Service Center (OSSC) Standard Operating Procedures (SOP) shall trump national laws and regulations for acquiring registration permissions and permits.

3.3.4 Logistics Company in Thilawa SEZ

Myanmar has emerged as a market that attracts foreign-capital companies and has become a favored destination for direct investment. Following the shift to civilian governance, numerous companies globally, including over 200 from Japan, have

commenced operations within the country. Historically, investments were primarily focused on the light industry, particularly in the sewing sector. However, in recent years, investments have diversified into various other industries. In the foreseeable future, advancements in infrastructure development are expected to enable foreign-capital companies to penetrate a broader spectrum of industries. The logistics service industry in Myanmar has witnessed a surge in direct investment in recent years, fueled by an increase in foreign trade and the steady growth of the domestic consumer market. Furthermore, it is anticipated that demand within the logistics service sector will rise in tandem with the establishment of a vibrant consumer market, driven by the expansion of the middle-income demographic.

The Thilawa Special Economic Zone (SEZ) is a major development project 23 kilometers southeast of Yangon, Myanmar's main metropolis. It was created to boost economic growth, foreign investment, and employment. Myanmar's economic reform and growth strategy relies on Thilawa SEZ. This joint venture between Myanmar and Japan, Myanmar Japan Thilawa Development Limited, is developing Myanmar's first international-standard zone. Investors benefit from Thilawa SEZ's advanced infrastructure, which is attracting international investment in many enterprises and sectors. Thilawa SEZ Zone A, 20 kilometers from Yangon, is ideally placed as an export and processing hub and production hub to fulfill Myanmar's local need while delivering incentives. Numerous logistics businesses have expressed interest in Thilawa SEZ Zone A.

Thilawa SEZ actively recruits international firms. The Japanese government has invested in the SEZ through JICA, and Singaporean firms have opened operations due to cheap operational costs, port proximity, and human resources. The Myanmar Thilawa SEZ houses enterprises from Japan and Singapore, other dynamic economies. Japan, Singapore, Thailand, China, the US, Malaysia, Hong Kong, Australia, India, Dubai, Sweden, Korea, and Germany have companies in Thilawa SEZ. Over 80% of the companies are from Japan and Singapore, and 40% of the industries are export-oriented and labor-intensive, which favors Myanmar.

Table (3.3) Logistics Companies

No.	Name of Company	Main Service
1	ABC Logistics Co., Ltd	Purchasing Management, Import & Export Handling Service, Warehouse & Inventory Management, Local Distribution Service, Project Operation Management
2	Bangda International Logistic Co., Ltd	Freight Forwarder, Trucking Service, Value-Added Services (Purchase in China), Clearance Package
3	BEE Distribution	Logistic Service
4	Bee Logistics (Myanmar) Co., Ltd	Logistic Service, Custom Clearance Services
5	Chance Int'l Service Ltd	Logistic Service
6	Civil Power Co., Ltd	Logistic Service
7	Dinore Forward Speed Customs Clearance Agency	Logistics & Supply Change
8	DPEX	Logistic Service
9	Hercules Logistics	Logistic Service
10	Impact Co., Ltd	Warehouse Service, Tracking & Delivering
11	Institute of Management and Logistics	Logistic Service
12	KM Terminal Logistics	Terminal Logistics, Warehouse Service

Table (3.3) Continued

13	Konoike Myanmar	Logistic Service, Freight Forwarder, Custom Clearance Service, Warehouse Service
14	Master Key Int'l Ltd	Sea Cargo Transportation
15	Mottama Logistics Co., Ltd	Crane Handling Service, Custom Clearance & Insurance Service, Heavy Machinery / Excavator/Cozer/Vehicles Roll on -Roll of (Ramp), Container Staffing / Un-stuffing, Warehouse Service
16	Myanmar Round the World Logistics Co., Ltd	Freight Forwarder, Land Transportation, Custom Clearance Service, Border Trade (DDP, DDU)
17	New World Shwe Pyi Tan Co., Ltd	Logistic Service, Freight Forwarder
18	Nice Future	Land Cargo Transportation
19	Pantos Logistics Myanmar Co., Ltd	Logistic Service, Custom Clearance Services
20	Pyi Min Paing Co., Ltd	Truck Transportation Service (Logistic), Custom Clearance Services
21	Quality Business Group (Quality Fiber) Co., Ltd	Custom Clearance Services, Freight Forwarder
22	Resources Group Logistic Service Co., Ltd	Logistic Service, Land Transportation, Rail Transportation Service
23	SCZ Trading Co., Ltd	Logistic Service, Clearance Agent
24	Sea Road Food Co., Ltd	Logistic Service, Clearance Agent, Warehouse Service, Export
25	Secure Shipping Service Co., Ltd	Logistic Service, Clearance Agent, Warehouse Service, Export
26	Sein Hinthar (Shwe Hinthar Yeik Mon Co., Ltd)	Logistic Service
27	Sein Shwe Yati Co., Ltd	Logistic Service, Distribution

Table (3.3) Continued

28	Shwe Sandar Co., Ltd	Custom Clearance Services, Immigration Clearance (LOI, Visa, Stay Permit), Land Transportation, Crew Change Management, Fuel/Fresh water/Drill Water Supply
29	Tin Aung Zaw Trading & Logistics Co., Ltd	Land Cargo Transportation, Custom Clearance Services
30	Two Elephant Asia Group Co., Ltd	Crane Handling Service
31	Uni Link Logistics Co., Ltd	Logistic Service, Warehouse Service, Land Transportation
32	V-Sezve Yangon Intertrade Ltd	Transportation, Custom Clearance Services
33	Yangon Airport Group Co., Ltd	Air Cargo Transportation
34	Yoma Gon Saung Co., Ltd	Air Cargo Transportation, Sea Cargo Transportation, Land Transportation
35	Thilawa Global Logistics Co., Ltd	Warehouse Service, Custom Clearance Services
36	Daizen Myanmar Co., Ltd	Freight Customs Brokers, Warehouse Service, Sea Cargo Transportation, Land Transportation
37	Free Trade Integrated Logistics Co., Ltd	Logistics Services
38	NX Logistics Myanmar Co., Ltd	Freight Customs Brokers, Warehouse Service, Sea Cargo Transportation, Land Transportation
39	FUJITRANS Logistics Myanmar Co., Ltd	Freight Customs Brokers, Warehouse Service, Sea Cargo Transportation, Land Transportation
40	YUSEN Logistics Co., Ltd	Freight Customs Brokers, Warehouse Service, Sea Cargo Transportation, Land Transportation

Source: Thilawa SEZ Management Committee (2025)

The Thilawa SEZ Zone A logistical structure is carefully developed with large access roads, arterial routes, and highways to handle the expected flow of commodities,

materials, and workers. The international logistics center at Thilawa SEZ helps export completed products and import raw materials, machine components, and other industrial commodities efficiently. When the Thilawa SEZ Management Committee grants an investment permit, the zone has all the essential facilities for investors, unlike other Myanmar industrial zones. Companies receive power, internet, filtered water, and other essentials including solid waste and industrial waste management. Additionally, the Thilawa SEZ has several financial, legal, shipping, logistics, and insurance firms that might help new enterprises.

3.4 Functions and Operational Performance Patterns of Logistics Service Providers in Thilawa Special Economic Zone

In order to facilitate efficient trade flows, ensure regulatory compliance, and align logistics operations with international standards, logistics service providers, or LSPs, play an essential role. Importers who operate within the Thilawa Special Economic Zone are subject to a different regulatory framework than those that operate within regular import/export procedures, which need permits from the Ministry of Commerce. They are required to seek directly from the Thilawa Special Economic Zone Management Committee (TSMC) approval for both the Import Material List Approval and the Master List Approval. The processing of these permissions is done using an online system, which considerably streamlines the administrative procedures for cargo activities that are headquartered in any SEZ.

Declaratory documents are sent through the Myanmar Automated shipment Clearance System (MACCS) as soon as the shipment arrives at the port. The exclusion of physical inspections by Port Customs is a significant difference in SEZ logistical operations. In its place, cargo is carried to the SEZ Customs inspection area in accordance with a bonded agreement that makes use of an Electronic Lock System (E-Lock). On-site physical inspections are then carried out by a customs team that is solely responsible for the task, with TSMC serving as the supervisor. The streamlined clearance of products is supported by this unique arrangement, which also improves the efficiency of the various procedures.

In spite of the operational gains, scheduling continues to be a difficulty from a logistical standpoint. The Thilawa Special Economic Zone (SEZ) is often reached by trucks departing from Yangon Downtown Port at roughly three o'clock in the afternoon, and deliveries to factories typically take place around four o'clock. Through the use of

this restricted window, recipient factories are restricted in their capacity to discharge items during their usual working hours. In spite of the fact that certain industries permit overtime unloading, others do not, which results in trucks staying overnight within the premises of the Special Economic Zone (SEZ). As a consequence of this, the return of empty containers is usually delayed until the afternoon after the next day, which results in downtime for vehicles and a reduction in the efficiency of the transport cycle. During the transportation of goods, LSPs are required to comply with the safety and quality requirements that are relevant to the plant. Maintaining vehicle speeds within the factory premises at or below 20 kilometers per hour, deploying tarpaulin sheets and wheel stoppers during unloading, and ensuring that drivers and assistants wear safety helmets and luminous vests are all requirements. In situations in which it is discovered that empty containers are corroded, broken, or dirty, it is the responsibility of LSPs to make arrangements for replacements, which results in higher expenses for transportation and handling.

The difference between Myanmar's traditional logistics techniques and the demanding standards needed by multinational businesses is a recurrent problem that aims to bridge the gap between the two. A significant number of the local drivers and laborers are not aware of the compliance obligations that pertain to timeliness, paperwork, and safety safety. As a consequence of this, LSPs are entrusted with not only the execution of operational tasks, but also the capacity-building activities of training and overseeing workers in order to conform to international standards. LSPs are also accountable for obtaining Gate In/Out permissions for any and all truck movements that take place within or outside of the Special Economic Zone (SEZ). These authorizations are provided through the digital application platform of the Special Economic Zone (SEZ) in response to requests from customers. This ensures that regulatory traceability and coordinated access control are maintained.

For the purpose of financial management, logistics service providers (LSPs) are required to traverse a variety of operational expenses. These expenses include, but are not limited to, toll charges, container cleaning fees, costs associated with damage and repair, and many other unplanned expenditures. In order to accommodate these operational variables, comprehensive financial and logistical planning is required. With regard to their function within the SEZ ecosystem, the warehousing functions of LSPs are of the utmost importance. Both bonded and non-bonded storage facilities that are designed to accommodate imported raw materials, completed goods, and

replacement parts are managed by logistics service providers (LSPs). The usage of Warehouse Management Systems (WMS) provides support for inventory management. These systems enable real-time stock visibility, cycle counting, and audit traceability. By adhering to internationally recognized methods like FIFO (First-In, First-Out) and LIFO (Last-In, First-Out), inventory procedures ensure efficient stock rotation and low waste. FIFO and LIFO are two examples of such systems.

Labeling, barcode application, repackaging, palletizing, kitting, quality inspections, and damage reporting are some of the value-added services that logistics service providers (LSPs) offer in addition to ordinary storage services. In industries like the automobile industry, the electronics industry, and the food processing industry, where product quality and traceability are of the utmost importance, these services are especially important. Managing multimodal transportation over sea, air, and overland channels, including cross-border corridors to Thailand and China, is the responsibility of logistics service providers (LSPs), who act as freight forwarders. Among the documentation procedures that they manage are the compilation of bills of lading, airway bills, commercial invoices, packing lists, and certificates of origin. Additionally, they are responsible for coordinating shipping bookings, negotiating freight costs, and overseeing the documentation processes. In order to guarantee end-to-end cargo visibility and document compliance across international checkpoints, logistics service providers (LSPs) collaborate closely with agents located overseas.

Moreover, third-party service providers are responsible for substantial documentation and customer support operations. The issuing of shipping invoices, delivery orders, confirmations of cargo receipt, and reports on customs clearance are all included in this category. Reliability and customer satisfaction are both improved as a result of the fact that they provide real-time tracking updates, alerts regarding the expected time of arrival (ETA), and proactive contact in the event of delays or abnormalities within the delivery process. As crucial intermediates between conventional logistical frameworks and the sophisticated requirements of globalized production and distribution networks, the logistical Service Providers in the Thilawa Special Economic Zone (SEZ) play an important role. The operational duties that they are responsible for include transportation, warehousing, compliance with regulations, safety assurance, and administration of digital systems. Logistics service providers (LSPs) provide a substantial contribution to the efficiency, competitiveness, and

international alignment of corporate operations inside the Special Economic Zone (SEZ) by providing comprehensive and client-focused logistics solutions.

As a result of its status as an important center for commerce and investment, the Thilawa Special Economic Zone (SEZ) in Myanmar has attracted a number of different logistics service providers (LSPs). Despite the fact that these suppliers play a significant part in making corporate operations easier, they come with their own unique set of benefits and drawbacks.

3.4.1 Advantages

Strategic Location: Thilawa SEZ is strategically located near Yangon, Myanmar's largest city and commercial center. This proximity allows for efficient transportation and distribution of goods, reducing transit times.

Infrastructure Development: Thilawa SEZ has seen significant investment in infrastructure, including roads, ports, and warehousing facilities. This development enhances the capabilities of logistics service providers, enabling them to offer better services.

Cost-Effective Solutions: Logistics service providers in Thilawa can offer competitive pricing due to lower operational costs compared to other regions. This cost-effectiveness is attractive to businesses looking to optimize their supply chains.

Access to International Markets: With the establishment of the Thilawa SEZ, logistics providers can facilitate easier access to international markets, helping businesses expand their reach and improve export capabilities.

Diverse Service Offerings: Many LSPs in Thilawa offer a range of services, including freight forwarding, customs clearance, warehousing, and distribution. This diversity allows businesses to find tailored solutions that meet their specific needs.

Government Support: The government has been supportive of the SEZ initiative, providing incentives and regulatory frameworks that benefit logistics providers and their clients.

3.4.2 Disadvantages

Regulatory Challenges: Despite government support, navigating the regulatory landscape in Myanmar can be complex. Logistics service providers may face bureaucratic hurdles that can delay operations and increase costs.

Limited Experience: The logistics industry in Myanmar is still developing, and many local providers may lack the experience and expertise found in more established markets. This can lead to inefficiencies and service inconsistencies.

Infrastructure Limitations: While there has been significant investment, some infrastructure in and around Thilawa may still be inadequate, leading to potential bottlenecks in transportation and logistics operations.

Market Volatility: The political and economic landscape in Myanmar can be unpredictable. Changes in government policies or economic conditions can impact the operations of logistics service providers and their clients.

Quality of Service: The rapid growth of logistics providers in the SEZ may lead to varying levels of service quality. Businesses may find it challenging to identify reliable partners that consistently meet their standards.

Competition: As more logistics service providers enter the market, competition can become fierce. This may lead to price wars that could compromise service quality and sustainability for some providers.

Logistics service providers in the Thilawa SEZ offer a mix of advantages and disadvantages that businesses must carefully consider. While the strategic location, infrastructure development, and cost-effective solutions present significant opportunities, challenges such as regulatory complexities and varying service quality must also be addressed. Companies looking to leverage the benefits of the Thilawa SEZ should conduct thorough research and due diligence when selecting logistics partners to ensure they align with their operational needs and business goals.

CHAPTER IV

SURVEY ANALYSIS

4.1 Survey Profile

Thilawa Special Economic Zone (SEZ) is a significant industrial development located approximately 23 kilometers southeast of Yangon, Myanmar. This special economic zone seeks international investment, economic growth, and job creation. This cooperative venture between the Myanmar government and a consortium of Japanese corporations shows a strong commitment to economic cooperation. Covering approximately 6,200 acres, Thilawa SEZ is being developed in Kyauktan Township and Thanlyin Township within the Yangon Region. The initial phase of the zone commenced operations at the end of September 2015. Thilawa SEZ has attracted numerous local and international companies, with ongoing expansion plans to accommodate more businesses. The zone continues to play a crucial role in Myanmar's economic landscape, serving as a model for future economic zones in the country. Well-developed infrastructure, including roads, utilities, and communication systems. Facilities designed to accommodate various industries, including manufacturing, logistics, and services. Situated near the Thilawa Port, providing easy access to maritime trade routes. Proximity to Yangon, Myanmar's largest city, enhances logistical advantages.

The Thilawa SEZ has recently boosted international direct investment, local employment, and Yangon Region economic development. Its advantageous position on Yangon's outskirts gives enterprises access to trained and unskilled labor, ports, and logistical services. A fundamental feature of the Thilawa SEZ is its closeness to year-round port capabilities with five berths, remarkable infrastructure, and efficient road and rail logistics. ship-focused enterprises benefit from the port's proximity to the SEZ, making SEZ goods easier to ship. Manufacturing firms can import raw materials and pre-fabricated goods for assembly and production at this site.

4.2 Survey Design

The quantitative investigation uses primary and secondary data. A random sampling technique was implemented to gather information from logistics service providers within the Thilawa Special Economic Zone (SEZ). The survey was conducted with a total of 150 participants, which includes 100 individuals from logistics service providers, 15 individuals from the Thilawa SEZ Management Committee, and 35 individuals from client companies.

A survey questionnaire was used to collect data for this investigation. This questionnaire has seven sections: respondent characteristics, customs clearing efficiency, infrastructure quality, shipment arrangement ease, competence and service quality, tracking and tracing ability, and timeliness and shipments.

Multiple-choice questions allow the researcher to provide respondents with a number of answer possibilities. It also evaluated replies on a five-point Likert Scale from (1) Strongly disagree to (5) Strongly agree. The survey questionnaire was written in Myanmar and translated into English. The Appendix contains this questionnaire.

4.3 Survey Data Analysis

This section covers survey data analysis. Table (4.1) displays 150 respondents' gender, age, educational qualification, job, working experience, monthly wage, and marital status.

Table (4.1) Characteristics of Respondents

No.	Particular	Category	No. of Respondents	%
1	Gender	Male	119	79.3
		Female	31	20.7
		Total	150	100
2	Age (Years)	21 to 30	36	24.0
		31 to 40	61	40.7
		41 to 50	45	30.0
		51 to 60	8	5.3
		Total	150	100
3	Educational Qualification	Undergraduate	17	11.3
		Graduate	110	73.3
		Postgraduate	23	15.4
		Total	150	100
4	Position	Senior Management	26	17.3
		Junior Management	49	32.7
		Operation Staff	75	50.0
		Total	150	100
5	Working Experience	Less than 5 Years	29	19.3
		5 Years to 10 Years	68	45.3
		10 Years to 15 Years	20	13.3
		More than 15 Years	33	22.0
		Total	150	100
6	Salary per Month (Kyat)	Less than 500,000	28	18.7
		500,000 to 1,000,000	67	44.7
		1,000,000 to 1,500,000	29	19.3
		More than 1,500,000	26	17.3
		Total	150	100
7	Marital Status	Single	56	37.3
		Married	94	62.7
		Total	150	100

Source: Survey data, 2025

According to Table (4.1), the survey revealed that a majority of the respondents are male with 119 respondents (79.3%) while females accounted for 31 respondents (20.7%). In analyzing the age distribution, the largest group fell within 31 years to 40 years are comprising 61 respondents (40.7%) followed by those aged 41 years to 50 years at 45 respondents (30%), 21 years to 30 years with 36 respondents (24%) 51 years to 60 years is 8 respondents (5.3%).

In the investigation of educational qualifications, graduates constituted the largest group with 110 respondents (73.3%), while postgraduates accounted for 23 respondents (15.4%) and undergraduates comprised 17 respondents (11.3%). Among the 150 respondents, 26 respondents (17.3%) hold senior management positions, 49 respondents (32.7%) are junior management roles, and 75 respondents (50%) work as operational staff within their organizations.

The majority of respondents have between 5 to 10 years of experience, totaling 68 respondents (45.3%), followed by 33 respondents (22%) with over 15 years of experience, 29 respondents (19.3%) with less than 5 years, and 20 respondents (13.3%) with 10 to 15 years of experience. Most respondents earn a monthly salary ranging from Kyat 500,000 to Kyat 1,000,000 and are married individuals.

This section is the interpretation of five-point Likert scores presented as means and standard deviations. A typical summated scale may include five terms to indicate a research participant's level of agreement with a specific statement: Strongly Agree is defined as 4.51 to 5, Agree ranges from 3.51 to 4.51, Neither Agree nor Disagree falls between 2.51 to 3.50, Disagree is categorized as 1.51 to 2.50, and Strongly Disagree is from 1 to 1.50 (Dillman et al, 2014).

Table (4.2) Customs Clearance Efficiency

No.	Particular	Mean	Std. Dev
1.	Customs clearance procedures are fast and efficient.	3.55	0.909
2.	Documentation requirements are simple and clearly communicated.	3.67	0.728
3.	The relevant authorities (e.g., Customs, MPA) are predictable in processing times.	3.40	0.905
4.	Some of the processes related to the Thilawa SEZ Customs Clearance Process at the port simplified.	3.45	0.856
5.	Clearance delays are rare and well-managed.	3.61	0.982
6.	The MACCS system allows input and declaration of more than 200-line items per shipment without issues.	1.53	0.539
7.	The number of Customs Officers currently assigned at Thilawa SEZ is sufficient, and there is no need for additional personnel.	1.61	0.530
Overall Mean Value		2.97	

Source: Survey data, 2025

According to Table (4.2), the mean value of 3.55 indicates that the respondents agree to customs clearance procedures are both swift and efficient. The mean value of 3.67 reflects that the respondents agree the documentation requirements are straightforward and clearly communicated. The mean value of 3.40 shows that respondents neither agree nor disagree regarding the predictability of processing times by the relevant authorities (e.g., Customs, MPA). Likewise, the mean value of 3.45 indicates that respondents neither agree nor disagree the certain processes related to the Thilawa SEZ Customs Clearance Process at the port simplified. The mean value of 3.61 demonstrates that the respondents agree to clearance delays are infrequent and well-managed. The mean value of 1.53 shows that the respondents disagree to the MACCS system allows input and declaration of more than 200-line items per shipment without issues. And also, the mean value 1.61 indicates that the respondents disagree the number of Customs Officers currently assigned at Thilawa SEZ is sufficient, and there is no need for additional personnel.

Table (4.3) Infrastructure Quality

No.	Particular	Mean	Std. Dev
1.	Road infrastructure around Thilawa SEZ is suitable for smooth cargo flow.	3.61	0.940
2.	Port facilities (loading/unloading areas) are sufficient and efficient.	3.51	0.880
3.	Storage and warehousing facilities meet our expectations.	3.48	0.857
4.	IT systems (e.g., MACCS, cargo tracking tools) are effectively used by LSPs.	3.53	0.981
5.	Access to Thilawa SEZ is convenient for trucks and cargo handling.	3.72	0.844
6.	There is adequate and proper space available for outside drivers and workers at Thilawa SEZ.	2.08	0.631
7.	Dependence on toll trucks for breakdown support.	1.72	0.526
Overall Mean Value		3.09	

Source: Survey data, 2025

According to Table (4.3), the mean value of 3.61 indicates that the respondents agree the road infrastructure surrounding Thilawa SEZ is adequate for ensuring smooth cargo flow. The mean value of 3.51 shows that the respondents agree the port facilities (loading/unloading areas) are both sufficient and efficient. The mean value of 3.48 illustrates that respondents neither agree nor disagree the storage and warehousing facilities meet the expectations of logistics service providers. The mean value of 3.53 reveals that the respondents agree to information technology systems (e.g., MACCS, cargo tracking tools) are effectively utilized by logistics service providers. The mean value of 3.72 indicates that respondents agree on access to Thilawa SEZ is convenient for trucks and cargo handling. The mean value of 2.08 shows that the respondents disagree there is adequate and proper space available for outside drivers and workers at Thilawa SEZ. The mean value of 1.72 presents that the respondents disagree to dependence on toll trucks for breakdown support.

Table (4.4) Shipment Arrangement Ease

No.	Particular	Mean	Std. Dev
1.	LSPs offer multiple cost-effective shipping options.	3.45	0.840
2.	It is easy to book shipments with LSPs serving Thilawa SEZ.	3.57	0.846
3.	Pricing for logistics services is competitive and transparent.	3.58	0.869
4.	Emergency or urgent shipment needs are handled efficiently.	3.60	0.803
5.	Customer support during booking is responsive and professional.	3.45	0.864
6.	The distance from central government and port offices affects the efficiency of urgent shipments, document submissions, or real-time issue resolution.	2.46	0.715
7.	Due to the E-lock system regulation for cargo entering Thilawa SEZ, it is difficult to change the truck in case of a breakdown during transit. Do you face challenges or delays in truck replacement and cargo delivery because of this restriction?	2.18	0.642
Overall Mean Value		3.18	

Source: Survey data, 2025

In Table 4.4, the mean value of 3.45 indicates that respondents neither agree nor disagree that logistics service providers offer cost-effective shipping alternatives. The mean score of 3.57 reveals that respondents believe scheduling shipments with Thilawa SEZ logistics providers is easy. The mean value of 3.58 indicates that respondents believe logistics pricing is competitive and transparent. The mean result of 3.60 indicates that respondents agree urgent or emergency cargo demands are efficiently met. The mean value of 3.45 implies that respondents are neutral about customer support's responsiveness and professionalism throughout booking. The mean score of 2.46 demonstrates that respondents disagree that distance from central government and port offices hinders urgent shipments, document submissions, or real-time issue resolution. The mean score of 2.18 indicates that respondents disagree with the E-lock

system rule for goods entering Thilawa SEZ because it is difficult to replace the vehicle if it breaks down during transit.

Table (4.5) Competence and Service Quality

No.	Particular	Mean	Std. Dev
1.	LSPs demonstrate professional knowledge of logistics and regulations.	3.63	0.718
2.	ISO Certificate.	3.43	0.870
3.	Freight forwarders and customs brokers are competent and responsive.	3.67	0.847
4.	LSPs offer value-added services (e.g., labeling, packaging, distribution).	3.51	0.712
5.	Claims handling and after-sales service are handled professionally.	3.61	0.704
6.	LSPs operating within the Thilawa SEZ have strong import and export expertise, equivalent to that of LSPs outside the SEZ.	2.25	0.618
Overall Mean Value		3.35	

Source: Survey data, 2025

The mean value of 3.63 in Table 4.5 shows that respondents think logistics service providers have professional understanding of logistics and regulations. The mean result of 3.43 indicates that respondents are neutral on ISO certification. The mean value of 3.67 shows that respondents think freight forwarders and customs brokers are competent and responsive. The mean score of 3.51 shows that respondents believe logistics service companies offer labeling, packaging, and distribution. The mean rating of 3.61 suggests that respondents feel claims handling and after-sales support are professional. The mean score of 2.25 reveals that respondents disagree that Thilawa SEZ LSPs have excellent import and export knowledge like those outside the SEZ.

Table (4.6) Tracking and Tracing Ability

No.	Particular	Mean	Std. Dev
1.	Real-time shipment tracking is available and accurate.	3.48	0.825
2.	Tracking systems are easy to access and understand.	3.55	0.640
3.	We receive timely notifications about any disruptions or delays.	3.47	0.662
4.	LSPs are proactive in providing shipment updates.	3.63	0.639
5.	Integration between tracking systems and customer operations is seamless.	3.63	0.660
6.	Internet connections and power supply within the Thilawa SEZ are stable, ensuring uninterrupted tracking systems and timely information flow between warehouses, customs, and clients.	1.62	0.537
Overall Mean Value		3.23	

Source: Survey data, 2025

According to Table (4.6), the mean score of 3.48 indicates that respondents are neutral on real-time shipment tracking availability and accuracy. The mean score of 3.55 suggests that respondents find tracking systems easy to use. The mean value of 3.47 shows that respondents are neutral about receiving timely disruption or delay alerts. The mean score of 3.63 indicates that respondents believe logistics companies give proactive shipping updates. The mean value of 3.63 shows that respondents agree tracking systems and customer activities are seamlessly integrated. The mean result of 1.62 suggests that respondents disagree that Thilawa SEZ internet connections and power supply are steady, providing uninterrupted tracking systems and rapid information flow between warehouses, customs, and clients.

Table (4.7) Timeliness and Shipments

No.	Particular	Mean	Std. Dev
1.	Most shipments arrive on time or earlier than expected.	3.48	0.783
2.	LSPs maintain reliable delivery schedules even in peak seasons.	3.49	0.730
3.	Delays, if any, are communicated in advance.	3.67	0.682
4.	Transit time from port/warehouse to destination is consistent.	3.51	0.833
5.	Overall, the LSPs fulfill their delivery promises reliably.	3.69	0.811
6.	The empty container storage area is conveniently located close to the Thilawa SEZ.	2.41	0.682
Overall Mean Value		3.38	

Source: Survey data, 2025

Table (4.7) shows that the mean value of 3.48 indicates that respondents neither agree nor disagree that most shipments arrive on time or early. The mean result of 3.49 demonstrates that respondents neither agree nor disagree that logistics service companies keep delivery schedules even during peak seasons. The mean result of 3.67 suggests that respondents agree delays are disclosed. The mean score of 3.51 implies respondents trust the port or warehouse-to-destination transit time. The respondents agree that logistics service providers always provide, as shown by the mean value of 3.69. Mean score of 2.41 shows respondents disagree that empty container storage is conveniently placed near Thilawa SEZ.

CHAPTER V

CONCLUSION

5.1 Findings

This study examines how logistics service providers (LSPs) improve Thilawa SEZ operating performance. The 150 research participants included Thilawa SEZ Management Committee members, logistics clients, and SEZ LSPs. As the nation's first SEZ to comply with international standards, the Thilawa SEZ is the foundation of Myanmar's economic reform and development program. It was created in collaboration with Japan through the Myanmar Japan Thilawa Development Limited and is ideally situated close to port facilities that are open all year round, providing major logistical benefits for businesses focused on exports.

The Thilawa SEZ's customs clearance procedure is viewed by most respondents as quick and easy, with clear and well-communicated documentation requirements. As a reflection of established regulatory processes, clearance delays are said to be rare and well-managed. Concerns were expressed, meanwhile, about the MACCS system's capacity constraints, especially with regard to large-volume shipments, and the inadequate customs workforce, which may result in bottlenecks when managing peak cargo quantities.

According to the respondents, port facilities and road infrastructure are sufficient to provide efficient cargo movement. Trucks find the Thilawa SEZ easy to access, and IT systems like MACCS and cargo tracking software are used efficiently. The need for further funding in this area is shown by the neutral responses about the adequacy of storage and warehousing facilities. Notably, respondents complained about a shortage of toll truck breakdown help and insufficient room for outside drivers and support staff, highlighting weaknesses in the support system.

Customers perceive the price structure as competitive and transparent, and the cargo booking process as simple. Effective management of urgent shipments strengthens trust in LSP's responsiveness. While pointing out areas for service improvement, respondents expressed no opinion regarding the range of affordable

shipping choices or the caliber of customer support during the reservation process. Furthermore, the distance from important port and government agencies and E-lock requirements were not seen as significant obstacles to cargo efficiency.

Respondents acknowledge that LSPs operating in the SEZ have extensive expertise in logistics and legal frameworks. Both professional and responsive freight forwarders and customs brokers were assessed, and value-added services like distribution, labeling, and packing are actively provided. Additionally, it was discovered that after-sales support and claims processing were professionally run. It is unclear how common ISO certification is among providers, though, and SEZ-based LSPs are thought to lack the import-export knowledge of those outside the zone.

Tracking solutions are easy to use and seamlessly integrated with client activities, according to respondents. Delay communication was assessed favorably, and logistics service providers were perceived as proactive in providing shipping information. Respondents' ambivalence regarding the timeliness of disruption notices and the accuracy of real-time tracking, however, raises the possibility of inconsistent digital service reliability. Instability in the SEZ's electricity and internet infrastructure was a major worry since it threatens ongoing communication and tracking.

Respondents expressed no opinion on whether shipments arrive ahead of schedule or whether delivery schedules are dependable at busy times, even though they agreed that logistics providers fulfill delivery commitments and notify customers of delays in advance. Additionally, people believe that the travel time from the port to the ultimate destinations is reliable. However, the position of the empty container storage areas was criticized for being inconvenient in comparison to Thilawa SEZ, which may have an effect on turnaround efficiency.

In summary, the results show that Thilawa SEZ logistics service providers are essential to facilitating commerce and operations by providing dependable services, skilled workers, and advanced infrastructure. To fully achieve the SEZ's potential as a competitive logistics hub, however, issues like personnel capacity, system restrictions, and infrastructure deficiencies must be resolved. Companies looking to take advantage of Thilawa SEZ's benefits should choose logistics partners carefully to make sure they are in line with their operational requirements and strategic objectives.

5.2 Suggestions

Based on the study's findings, a number of tactical recommendations can be made to help improve the Thilawa Special Economic Zone's (SEZ) logistics service delivery and encourage the long-term growth of Myanmar's logistics industry as a whole. For logistics service providers (LSPs), government agencies, and private sector participants looking to boost Myanmar's logistics competitiveness and advance its larger economic reform agenda, the study's findings give insightful information.

In order to improve service performance and increase competitive advantage, logistics service providers operating within Thilawa SEZ should first use the research's findings to develop strategic strategies. The gaps in digital system efficiency, professional competence, and customs processing capacity. LSPs will be in a better position to satisfy changing consumer expectations if they enhance operational capabilities such shipment tracking accuracy, customer service timeliness, and the availability of affordable shipping options. Additionally, the quality and legitimacy of services can be improved by investing in personnel training and adhering to international standards like ISO certification. By providing additional value-added services like distribution, labeling, and packaging, LSPs will be able to expand their product lines and better assist companies that focus on exports.

The growth of a more competitive and efficient logistics industry is greatly aided by the government, in addition to the efforts of logistics service providers. Improving delivery dependability and cost effectiveness, two important considerations that firms place a high value on when choosing logistics partners should be the top priority of public policy. Simplifying customs processes, eliminating needless regulatory barriers, and enhancing the general ease of conducting business in SEZs and logistical corridors are ways to accomplish this. Improving policy coherence amongst customs, commerce, and transportation authorities would also facilitate better coordination and cut down on transaction costs and times.

To create a more resilient logistics ecosystem, it is crucial to integrate the fundamental components that make up the logistics system, such as institutional frameworks, physical infrastructure, and logistical service providers. Eliminating operational inefficiencies and promoting increased resilience, flexibility, and response to market changes can be achieved by a unified strategy that links these elements.

Optimizing lead times and transportation costs for both domestic and international cargo movement is crucial to advancing sustainable development in the

logistics industry. Myanmar's trade will become more competitive in the region if the expenses of international trade transactions, such as customs fees, port handling fees, and border delays, are reduced. Logistics enterprises can make a more significant contribution to the nation's economic development by improving their service offerings through value-added logistics activities like warehousing, repackaging, and last-mile distribution.

Additionally, Myanmar needs to make investments in the construction of advanced feeder road networks and truck terminals in strategic areas in order to support the hub-and-spoke freight transport model. As a result, the movement of commodities between manufacturing sites, distribution hubs, and export destinations will be more effective. It is very crucial to construct this kind of infrastructure in order to increase connectivity between rural and urban areas. In addition to making supply chains more competitive, strengthening rural road networks and guaranteeing efficient freight connections between industrial and agricultural areas would support equitable and balanced regional development.

In conclusion, a combination of focused infrastructure investment, supportive state policy, and innovative private sector activities is needed to grow Myanmar's logistics industry. Important actions include strengthening service integration, modernizing facilities and digital systems, and increasing customs efficiency. In order to fully realize Thilawa SEZ's economic potential and help change Myanmar's trade and logistics environment more broadly, cooperation between the public and private sectors will be required.

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APPENDIX

SURVEY QUESTIONNAIRE

The purpose of this survey questionnaire is to collect data for the thesis titled “**A Study on the Logistics Service Providers in Thilawa Special Economic Zone**” as part of my academic study for the Executive Master of Development Studies at Yangon University of Economics. I appreciate your value and time in responding to the questions. Your information will be kept confidential when answering the questions.

Section A. Characteristics of Respondent

1. Gender

Male

Female

2. Age (Years)

21 to 30

31 to 40

41 to 50

51 to 60

3. Educational qualification

Undergraduate

Graduate

Postgraduate

4. Position level

Senior management level

Junior management level

Operation level

Others

5. Working experience

Less than 5 years

5 years to 10 years

10 years to 15 years

More than 15 years

6. Salary per month (Kyat)

- less than 500,000
- 500,000 to 1,000,000
- 1,000,000 to 1,500,000
- More than 1,500,000

7. Marital Status

- Single
- Married
- Others

Section B: Customs Clearance Efficiency

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	Customs clearance procedures are fast and efficient.					
2.	Documentation requirements are simple and clearly communicated.					
3.	The relevant authorities (e.g., customs, MPA) are predictable in processing times.					
4.	Some of the processes related to the Thilawa SEZ Customs Clearance Process at the port should be simplified.					
5.	Clearance delays are rare and well-managed.					
6	The MACCS system allows input and declaration of more than 200-line items per shipment without issues.					
7	The number of Customs officers currently assigned at Thilawa SEZ is sufficient, and there is no need for additional personnel.					

Section C: Infrastructure Quality

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	Road infrastructure around Thilawa SEZ is suitable for smooth cargo flow.					
2.	Port facilities (loading/unloading areas) are sufficient and efficient.					
3.	Storage and warehousing facilities meet our expectations.					
4.	IT systems (e.g., MACCS, cargo tracking tools) are effectively used by LSPs.					
5.	Access to Thilawa SEZ is convenient for trucks and cargo handling.					
6	There is adequate and proper space available for outside drivers and workers at Thilawa SEZ.					
7	Dependence on Toll Trucks for Breakdown Support.					

Section D: Shipment Arrangement Ease

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	LSPs offer multiple cost-effective shipping options.					
2.	It is easy to book shipments with LSPs serving Thilawa SEZ.					
3.	Pricing for logistics services is competitive and transparent.					
4.	Emergency or urgent shipment needs are handled efficiently.					
5.	Customer support during booking is responsive and professional.					
6	Do you think the distance from central government and port offices affects the efficiency of urgent shipments, document submissions, or real-time issue resolution?					

7	Due to the E-lock system regulation for cargo entering Thilawa SEZ, it is difficult to change the truck in case of a breakdown during transit. Do you face challenges or delays in truck replacement and cargo delivery because of this restriction?					
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Section E: Competence and Service Quality

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	LSPs demonstrate professional knowledge of logistics and regulations.					
2.	ISO Certificate.					
3.	Freight forwarders and customs brokers are competent and responsive.					
4.	LSPs offer value-added services (e.g., labeling, packaging, distribution).					
5.	Claims handling and after-sales service are handled professionally.					
6	LSPs operating within the Thilawa SEZ have strong import and export expertise, equivalent to that of LSPs outside the SEZ.					

Section F: Tracking and Tracing Ability

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	Real-time shipment tracking is available and accurate.					
2.	Tracking systems are easy to access and understand.					
3.	We receive timely notifications about any disruptions or delays.					

4.	LSPs are proactive in providing shipment updates.					
5.	Integration between tracking systems and customer operations is seamless.					
6	Internet connections and power supply within the Thilawa SEZ are stable, ensuring uninterrupted tracking systems and timely information flow between warehouses, customs, and clients.					

Section G: Timeliness and Shipments

The following questions are based on the five-point Likert scale from 1 to 5. Please mark (√) the choice of your answer. Thank you.

(1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree)

No.	Particular	1	2	3	4	5
1.	Most shipments arrive on time or earlier than expected.					
2.	LSPs maintain reliable delivery schedules even in peak seasons.					
3.	Delays, if any, are communicated in advance.					
4.	Transit time from port/warehouse to destination is consistent.					
5.	Overall, the LSPs fulfill their delivery promises reliably.					
6	The empty container storage area is conveniently located close to the Thilawa SEZ.					

Thanks, your response.