

# Analysis of the Connectivity Parameters of the Proposed Trilateral Highway (TH) between India, Myanmar and Thailand (IMT), The Industrial Corridor and its Impact on the Economic Development of Southeast Asia

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**ABSTRACT:** The proposed Trilateral Expressway passing between India, Myanmar and Thailand (IMT) is regarded as a groundbreaking project aimed at establishing smooth connectivity in the region of South Asia and Southeast Asia. This paper examines the multidimensional impact of the IMT expressway on trade, commerce and cultural ties in the region. It reviews the financial prospects of the participating nations as a result of implementation of the proposed project. Even though the IMT expressway claims high cut-offs in the time and costs of logistics, creation of new markets and stronger cultural exchanges in the region, it is susceptible to several adverse conditions and obstacles. The political unrest and security issues in Myanmar, a major participant of the project raise serious concerns in reaping the complete benefits of the of the project. Discrepancies in the regulatory mechanisms and lack of synchronization in allocation of funds for the project are few other impediments of this venture. The paper views that despite several impediments and adversities, the IMT expressway would become a turning point in the history of the three nations and the whole region. It can largely contribute to the long-term cooperation and economic progress of the region.

**KEYWORDS:** Connectivity, Cultural Exchange, Economic Integration, Industrial Corridor, IMT, ASEAN, South Asia, Southeast Asia, Trade, Tourism, Trilateral Expressway.

## 1. INTRODUCTION

Transportation infrastructure and connectivity among nations are the essential requirements for economic cooperation and cultural exchanges in the contemporary global scenario. In a world of increased international trade and commerce, effective transportation systems, trade routes and conveyance for the uninterrupted movement of commodities and people are inevitable. The IMT Trilateral Expressway, spanning across 1,360 kilometres in the region, is a powerful passage framework and design intended to connect Moreh, a town in the Manipur State of India with Mae Sot, a city in western Thailand traversing through Myanmar. This colossal connectivity project is not simply a pathway; it is a highly strategic industrial corridor that demonstrates the materialisation of the "Act East" policy declared by India, aimed at expanding its relations with Southeast Asia. The IMT expressway largely fulfils the development desires of Myanmar and uplifts the status of Thailand as the central focus of the region.

This paper performs a comprehensive evaluation of the IMT Trilateral Expressway and its critical impact on trade, tourism, and cultural exchanges. It underlines the developments that are going to happen in South East Asian region, particularly in the countries situated nearby the proposed trade route and far off. Even if the notion of the expressway is remarkable, its implementation has faced with several hardships, primarily the political unrest and security situation in Myanmar. Hence, this study will throw light on the hurdles as well as the benefits that surround the proposed project.

## 2. BACKGROUND AND STRATEGIC SIGNIFICANCE OF THE IMT TRILATERAL EXPRESSWAY

The idea of bridging India to Southeast Asia with an expressway has a long year of history. The idea was transformed into a project under the influence of the conventional trade paths and the expected international benefits. The IMT Trilateral Expressway intends to materialise this corridor and construct a terrestrial pathway in order to overcome the problems of conventional sea route. The proposed highway is mainly a renovation and widening of existing roads with new erections and modifications in many areas. Large portion of the construction of the expressway takes place within Myanmar.



## Strategic Segments:

- **India:** Moreh (Town sharing borders with Myanmar in Manipur State)
- **Myanmar:** Tamu, Kalemyo, Kalewa, Monywa, Mandalay, Meiktila, Naypyitaw, Myawaddy
- **Thailand:** Mae Sot (Town sharing borders with Myanmar in Tak Province)

## The project started working in different phases;

- The Kalewa-Yargyi (120 km)
- Myawaddy-Thinggan-Kawkareik (26 km)

The aforementioned places are the major areas in Myanmar through which the expressway is passing. Construction and renovation in these areas are fuelled by huge funding from the Government of India.

## Strategic Imperatives:

- 1) **The Policy of Stronger Ties with Southeast Asia:** The Government of India in 2014 declared a policy popularly known as the 'Act East Policy' which emphasises the commitment of the country to strengthen its relationships with Southeast Asia and the nations in the Indo-Pacific region. The MIT expressway is a clear demonstration of this policy of India. The project is considered as a grave step for building hardcore ties with the countries in Southeast Asia.
- 2) **Regional Cooperation:** The project is regarded as a crucial initiative for building close relationships among neighbouring countries. It facilitates horizontal connection between South Asia and ASEAN nations, thereby replacing the whole region into a vital economic territory.
- 3) **Key Role of Myanmar:** The vital land link of the project is Myanmar and so Myanmar is largely benefited through increased economic operations, employment opportunities and development of its interior regions.
- 4) **Thailand as an Economic Hub:** Thailand, would develop as an economic hub on successful completion of the project and set new paths for trade and investment.
- 5) **Surrogate Industrial Corridor:** The IMT expressway replaces the conventional sea- route, and considerably reduces the transit time and costs. It provides a swift and cost-effective trade route free from many distractions compared to the maritime route.

## 3. IMPACT ON TRADE AND ECONOMIC CONNECTIVITY

The IMT expressway unveils numerous opportunities to increase the volume of trade among nations in Southeast Asia.

**3.1. Saving of Time and Money:** Currently, the transit of goods between India and Thailand takes place through maritime logistics. But it requires few days to reach the destination. The cost of this logistics is also high. However, on completion of the IMT expressway project, commodities can reach the destination within a short span of time at low cost. This decline in cost and time of logistics makes the goods economical and highly competitive.

### 3.2. Facilitating Cross-Border Trade and Investment:

- **New Market Access:** The expressway opens up new markets for Indian goods (e.g., pharmaceuticals, automotive components, textiles, machinery) in Myanmar and Thailand, and vice versa (e.g., electronic goods, agricultural products, raw materials from Thailand; timber, natural resources from Myanmar). It particularly benefits India's northeastern states by connecting them to dynamic economies.
- **Regional Value Chains:** The highway can foster the development of regional value chains by integrating manufacturing hubs. For instance, components manufactured in Thailand could be assembled in Myanmar or India, leveraging comparative advantages in labor costs, resources, and specific industry expertise.
- **Border Trade Economies:** The improved connectivity will boost cross-border trade at key checkpoints like Moreh-Tamu and Mae Sot-Myawaddy, creating employment opportunities and stimulating local economies in these border regions.
- **Special Economic Zones (SEZs):** The highway will catalyse the development and success of SEZs and industrial corridors planned along its route, attracting foreign direct investment (FDI) and promoting industrialization in underdeveloped areas of Myanmar and India's Northeast.

**3.3. Diversification of Economic Activities:** Beyond traditional goods trade, the expressway could stimulate growth in ancillary services such as logistics, warehousing, transportation, and financial services along its corridor. This diversification would create a robust economic ecosystem, supporting sustainable development.

**3.4. Challenges to Trade Realization:** Despite the promise, several barriers impede the full realization of trade potential:

- **Customs and Immigration Procedures:** Inconsistent and cumbersome border procedures, varying customs duties, and non-tariff barriers can negate the benefits of reduced transit times. Harmonization of regulations and single-window clearance mechanisms are crucial.
- **Infrastructure Gaps Beyond the Road:** Lack of adequate supporting infrastructure like cold chains, logistics parks, warehousing facilities, and multimodal transport hubs (e.g., rail links to the highway) can limit its efficiency.
- **Security Concerns in Myanmar:** The ongoing civil unrest and political instability in Myanmar pose significant security risks, leading to disruptions, delays, and reluctance from businesses to utilize the route for fear of attacks or blockades. This is arguably the most significant current impediment.
- **Funding and Maintenance:** Ensuring consistent funding for maintenance and upgrades, especially in the Myanmar section, is vital for long-term operational viability.

## 4. IMPACT ON TOURISM AND CULTURAL CONNECTIVITY

The IMT Trilateral Expressway has the potential to transform the tourism landscape and deepen cultural ties across the region.

### 4.1. Promoting Cross-Border Tourism:

- **New Tourist Circuits:** The highway can open up new multi-country tourist circuits. The Buddhist pilgrimage circuit, connecting sites in India (Bodhi Gaya, Sarnath), Myanmar (Shwedagon Pagoda, Bagan), and Thailand (Ayutthaya, Sukhothai), becomes more accessible.
- **Adventure and Eco-Tourism:** The diverse landscapes along the route, from the Himalayas foothills to the jungles of Myanmar and the beaches of Thailand, offer immense potential for adventure tourism (e.g., motorbiking expeditions) and eco-tourism.
- **Cultural and Heritage Tourism:** The shared historical and cultural heritage, particularly the influence of Buddhism, can be explored more easily. Historical sites like Mandalay, Bagan, and Ayutthaya become part of a larger, interconnected tourist experience.
- **Increased Tourist Traffic:** Easier land access means more intra-regional tourists, particularly from India, flocking to Myanmar and Thailand, diversifying their tourism markets beyond traditional Western visitors.

### 4.2. Deepening Cultural Connectivity and People-to-People Links:

- **Shared Heritage:** The region shares a rich tapestry of history, religion, and traditions. The highway facilitates cultural exchange programs, academic collaborations, and direct interactions between communities, fostering a deeper understanding and appreciation of shared heritage.
- **Enhanced Inter-Cultural Dialogue:** Increased travel and interaction can break down stereotypes, promote empathy, and build stronger people-to-people bonds, contributing to regional stability and cooperation.
- **Diaspora Connections:** For Indian, Burmese, and Thai diaspora communities living across these borders, the highway simplifies visitation and strengthens familial and cultural ties.

### 4.3. Challenges to Tourism and Cultural Exchange:

- **Visa Facilitation:** While some progress has been made, comprehensive, hassle-free visa regimes (e.g., a common tourist visa for the corridor) are essential for maximizing tourist flow.
- **Tourist Infrastructure:** In many parts of Myanmar, the tourist infrastructure (hotels, local transport, guides, safety measures) is still developing and may not meet international standards.
- **Security Concerns:** The volatile situation in Myanmar directly impacts tourist safety and perception, making many foreign governments advise against travel to certain areas, thus significantly hindering the highway's tourism potential.
- **Environmental and Social Impact:** Increased tourism, if not managed sustainably, can lead to environmental degradation and adverse social impacts on local communities. Responsible tourism policies are crucial.

## 5. IMPACT ON ECONOMIC PROSPECTS OF SOUTH EAST ASIA

The successful operationalization of the IMT Trilateral Expressway promises significant aggregated economic benefits for Southeast Asia, extending beyond the three core nations.

### 5.1. Regional Economic Integration and GDP Growth

- **Better Connectivity with Southeast Asia:** The expressway project facilitates extended connectivity with countries in Southeast Asia. As a result, the nations in the region can increase their volume of trade and economic operations.
- **Medium for Development:** The IMT express way acts as medium for economic prospects. It eliminates connectivity barriers in the region and sets feasible industry corridor facilitating increased volume of trade among different countries in the region thereby enhancing their economic growth.
- **Fostering FDI:** Better connectivity and market access will transform the region viable for investments. This would bring more foreign direct investments in different sectors the economy of countries in the region.

**5.2. Creation of Employment Opportunities:** Construction of the industrial corridor would accelerate the volume economic operations in the region. This would ultimately result in creation of employment opportunities for the people and improve their standard of living.

**5.3. Elevated Status of Myanmar:** The IMT expressway project gives Myanmar a unique status. Myanmar acts as connecting landmass between India and Thailand thereby extending the relationship base in South Asia and Southeast Asia. Myanmar is expected to gain enormous economic and social gains by way of increased trade and emergence of new markets and cultural exchanges.

**5.4. Increased Scale of Intra-Regional Trade:** The benefits of the expressway projects are not confined to the three participating countries; India, Myanmar and Thailand. It would increase the extent of trade and economic prospects the entire region of Southeast Asia.

**5.5. Extension of the Supply Chain Network:** Commissioning of the IMT expressway would set the path for global supply chain companies to extend their operations in the region. As a result, manufacturing and distribution would substantially increase. This would accelerate the economic growth of the less connected areas in the region.

## 6. CHALLENGES AND CONSTRAINTS TO FULL REALIZATION

Even though, the IMT expressway project aims at delivering several benefits to Southeast Asia, it has to encounter lot of hinderances:

- 1) **Adverse Political Situations in Myanmar:** Uncertainties and political unrest in Myanmar is considered as a major setback for the project. The current situation causes interruptions and distractions in the project
- 2) **Differences in Regulatory Systems:** There is no uniform legislations in the customs procedures. logistics movement and visa formalities among countries in the region. These differences are regarded as few major concerns in attaining the merits of the project at the fullest extent.
- 3) **Issues Related with Maintenance:** Establishing a permanent system for the continuous maintenance and preservation of IMT expressway is another prominent challenge. Sustainable maintenance of the expressway requires regular monitoring and permanent funding. A perpetual mechanism for the preservation and allocation of sufficient funds on a regular basis are essential requirements for the project.
- 4) **Security Issues:** When a new international route is opened, it may increase the rate of infiltration, illegal immigration, illicit trade and other criminal activities. Strict surveillance and security systems are highly essential to prevent all security threats in the region.
- 5) **Adverse Impact on the Environment:** IMT expressway is a big infrastructure project with huge financial outlay affecting the whole Southeast Asia. Construction, erection and maintenance operations for the project have serious implications on the environment. Deforestation, disruption of natural landscape are few examples for the ecological issues of the project.

## 7. FUTURE PROSPECTS AND RECOMMENDATIONS

The development prospects and gains of the project are irrefutable amidst several challenges and impediments.



**7.1. Managing the Issues in Myanmar:** Despite the fact that outside forces have restricted control over internal civil issues, constant diplomatic actions focused on fostering stability and human-centred support is essential. Long term vision, with adequate systems for monitoring security is highly required.

**7.2. Need for Soft Infrastructure:** Together with physical infrastructure, substantial investment is required in soft infrastructure such as establishing a common transportation rule, common standards for vehicles, co-ordinated customs procedures, and single-window clearance systems. It would be better if the region establishes common visa rules and customs procedures.

**7.3. Building up of Ancillary Facilities:** Setting up of additional infrastructures such as rail connectivity, warehouses and logistics parks alongside the corridor would enhance the merits of the expressway project.

**7.4. Deliberations and Cooperation:** Platforms for discussions, negotiations and cooperation are essential for building trust and strong support for the project.

**7.5. Encouraging Private Participation:** Private sector companies can deliver various services in the project. Their services are undeniable in areas like logistics, tourism and industrial development in the region.

**7.6. Multilevel Implementation:** A multilevel approach for the implementation of the project is considered ideal. This would give sufficient time for formulation of strategies in order to successfully overcome the potential disruptions at various stages.

## 8. CONCLUSION

IMT Trilateral Expressway is a project designed to realize the long-term dream of wide connectivity in Southeast Asia. This industrial corridor can lead the entire Southeast Asia to great progress beyond the economic, social and cultural prospects of just three nations viz. India, Myanmar and Thailand. The benefits anticipated for the region on completion of the project are innumerable. The current political insecurity in Myanmar, several other security concerns, and huge financial costs are creating obstacles in the completion of the project, but its operations are still going on. This is a project that will gain historic achievements despite all the impediments and tensions. The IMT Trilateral Expressway and Industrial Corridor is a revolutionary project that will inspire a huge development leap for India, Myanmar, Thailand and the entire Southeast Asian countries.

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