A new market in 1 hour

AHK Myanmar’s weekly factsheet and webinar series, in collaboration with the German-Myanmar Business Chamber (GMBC)
DISCOVER YOUR BUSINESS OPPORTUNITIES WITH US

Water and sewage in Myanmar, Laos and Cambodia

Myanmar, Laos and Cambodia are the last frontier markets in the ASEAN community. All three countries have a tropical monsoon climate, which divides the year into basically two main seasons: the rainy season, lasting from the end of May to October, and the dry season from March to May. Thus, the water supply in all three countries shows seasonal and regional irregularities. In urban areas, the supply of water for industrial and household consumers is typically guaranteed during the rainy season. In rural areas and during dry season, there are regular water supply constraints. Additionally, monsoon rains regularly flood parts of Myanmar, Laos and Cambodia. This effect is intensified by the overflowing of dams and reservoirs, and non-functioning sewerage.

There is currently a lack of basic infrastructure in the areas of water supply, sewerage and sanitation. While this infrastructure may not even exist in many rural areas, the water and wastewater pipes in cities are often old and poorly maintained, not systematically planned or leaky. Non-revenue water and water quality are additional challenges.

MYANMAR

Myanmar is the largest country of the three states, with a population of 54.3 million and a land area of 653,500 km². After decades of military rule, the country is now in a rapid economic development process and shows an annual GDP growth of 6.8%. The growing economic potential in many sectors shows comes with increasing urbanization, which puts more pressure on urban infrastructure such as water supply and sewerage.

The main water sources are natural water sources in the form of rain, inland water, rivers and sea water. Notable sources within the country are the Ayeyardwady River Basin (455km²), Indawgyi Lake (312km²), Inle Lake (242km²) and Inya Lake in Yangon.

The water usage in Myanmar is divided into 91% for the agricultural consumption, 6% for the household consumption and 3% for the industrial consumption. Agricultural irrigation is mainly achieved through groundwater, rivers, reservoirs and dams. In the big cities, such as Mandalay and Yangon, mainly groundwater (90%) and surface water (10%) is used. Fundamental challenges are the salination of well fields or old municipal infrastructure and low water pressure. For example, the water losses in Yangon amount to 380,000m³ per day.

International organizations such as JICA, ADB and AFD provide support to major cities in Myanmar for the rehabilitation and expansion of municipal water and wastewater systems that often date back to the colonial era. Projects, such as the Greater Yangon Water Supply Investment Project in cooperation with the YCDC and JICA, have taken up the challenge and developed a master plan until 2040 to improve water supply, wastewater treatment and drainage, with the aim of providing 35% of Yangon’s population with water of improved drinking water quality.
CAMBODIA

The Kingdom of Cambodia has a population of 16.25 million and a land area of 176,520 km². With an impressive annual GDP growth of 7.3%, Cambodia can look back on two decades of economic growth, rapid urbanization, agricultural and industrial development together with a growing middle class. At the same time, this poses a major challenge for the resulting increase in water supply and sewage. The disparities between urban and rural areas are enormous. Only 20% of the rural population has access to clean water, whereas in urban areas the rate is around 70%. The main water sources are the Tonlé Sap Lake and the Mekong River, which influence each other in the rainy and dry season. Shallow aquifers underlying the floodplain and lowlands serve as natural groundwater stores and transmission systems, which render the construction of surface canals obsolete in the rainy season.

The government has set itself the goal of increasing access to drinking water to 50% and sanitation to 30% by 2025 for the rural population.

LAOS

Laos has the smallest population, about 7.06 million inhabitants, among the three countries covered here. Laos has a surface area of 230,800 km² and a GDP growth of 6.5% per annum. The Mekong River, with a length of 1,865 km in Laos, serves as the main water supply source, similar to Cambodia.

At present, 1.9 million people have no access to improved water supply and 2.4 million people have no access to sanitation. Therefore, the government has set targets for investments of US$67 million for water supply and US$34 million for sanitation by the end of 2020 (Water Supply Sector Investment Plan 2012-2020). In addition, the government has developed the DEWATS (wastewater treatment system) model, which is a sanitation development strategy focused on wastewater supply throughout the country from 2014 to 2030.

YOUR BUSINESS OPPORTUNITIES

All three markets present ample business opportunities for German providers of water and sewage technology: the introduction of geographic information systems (GIS) for controlling and monitoring technical processes (e.g. in waterworks), the installation of water quality control equipment in the drinking water network, training on planning and operational management capacities, equipment for carrying out leak detection or the installation of pumps and meters.

For Cambodia and particularly Myanmar with its long coastline, the treatment of seawater is also still an undeveloped market that presents business opportunities. In view of regular natural disasters (such as cyclone Nargis in 2008), the establishment and expansion of seawater treatment plants would be valuable for the supply of water in the event of a disaster or for rural water supply.

A comprehensive overview of projects and news from the water sector in Myanmar is provided on the Myanmar Water Portal. For Laos and Cambodia, useful data and updates are available on the website of the Mekong River Commission. The Phnom Penh Water Supply Authority regularly publishes tenders on its website. Currently, the Yangon City Development Committee invites international firms to prequalify for the construction of a 60 MGD, JICA-funded water treatment plant (see announcement on the right).

International donors such as e.g. JICA, ADB, AFD and the World Bank are active in the water sector and publish project tenders under international and local bidding terms. Building cooperation networks with local partners for the implementation of these and other projects is essential. Local sector associations, such as the Cambodian Water Supply Agency, or the Myanmar Purified Drinking Water Association, may be willing to connect you to their members.
For Myanmar, we also offer a bi-weekly tender newsletter service through which you receive attractive local tender information directly into your inbox.

**BEST PRACTICE COOPERATION WITH GERMANY**

A notable example is the pilot project between the German funder DEG, Aquatec Reuter, EvU Umwelttechnik GmbH and COMPED Cambodia from 2015 to 2018, which introduced a sanitary wastewater treatment system in remote regions of Cambodia. The project received German government support through BMZ’s [develoPP.de programme](#).

**OUR BUSINESS PARTNER RESEARCH**

Even during times of COVID-19, we are here to support you and your business in discovering new and expanding existing business opportunities. We continue to offer our tailored business partner research for you – be it to find a local distributor, supplier or project partner. We are here for you to support with our local expertise. All services can be exclusively provided via e-mail and phone and can therefore assist you in running your business operations from home office. Pricing starts at 750 EUR plus tax for a list of up to 10 potential business partners. For more information, please contact us under the contact details below.

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**JOIN OUR WEBINAR**

We are hosting a webinar on the topic of Water and sewage in Myanmar, Laos, and Cambodia on Thursday, 2nd April 2020 from 10:00 to 11:00 Germany time / 15:30 to 16:30 Myanmar time.

We are looking forward to welcoming an external expert on this topic: Mr. Falk Woelm, German Water Partnership.

Please pre-register your participation with our Events and Communication Manager:  
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