CHINA-MYANMAR-BANGLADESH ECONOMIC CORRIDOR (CMBC) FACT SHEET

China has undertaken several projects to increase its role in the Bay of Bengal region and circumvent the Malacca Strait. This has been done through the Belt and Road Initiative (BRI), including investments in port infrastructure and multiple new economic corridors. One of these corridors was the Bangladesh, China, India and Myanmar Economic Corridor (BCIM) which, following Indian disengagement, has evolved into the China-Myanmar-Bangladesh Economic Corridor (CMBC).

Timeline for CMBC

1999	Kunming initiative: The foundation of a multinational economic corridor linking China to the Bay of Bengal. This agreement is subsequently undertaken as the Bangladesh, China, India and Myanmar Economic Corridor (BCIM).
2003	Then-President Hu Jintao articulated his concern regarding the "Malacca dilemma" and Chinese reliance on energy imports through this chokepoint.
2013	First intergovernmental Joint Study Group meeting of the BCIM countries is held, steering cooperation from the level of civil society to intergovernmental.
2017	India boycotts the Belt and Road Forum (BRF) for the first time.
2017	The China-Myanmar Economic Corridor (CMEC) is proposed.
2018	CMEC is formalized with the signing of a 15-point Memorandum of Understanding.
2019	Seven projects linked to BRI are under construction, planned, or proposed in Bangladesh and Myanmar.
2019	India is sidestepped in the cooperation and BCIM is excluded from the list of projects covered by the Belt and Road Initiative (BRI).
2021-Today	A military coup d'etat takes place in Myanmar and a military government takes power. Myanmar is gripped by a civil war involving multiple parties.
2026	A new economic corridor linking Bangladesh, Myanmar, and China is formally proposed as the China-Myanmar-Bangladesh Economic Corridor (CMBC).

Sources: Atlas Institute for International Affairs, BSS News, Ministry of Foreign Affairs People's Republic of China, Ministry of Foreign Affairs People's Republic of China, National University of Singapore, PortEconomics, Rand Corporation, The Daily Star, The Hindu, The State Council of the People's Republic of China

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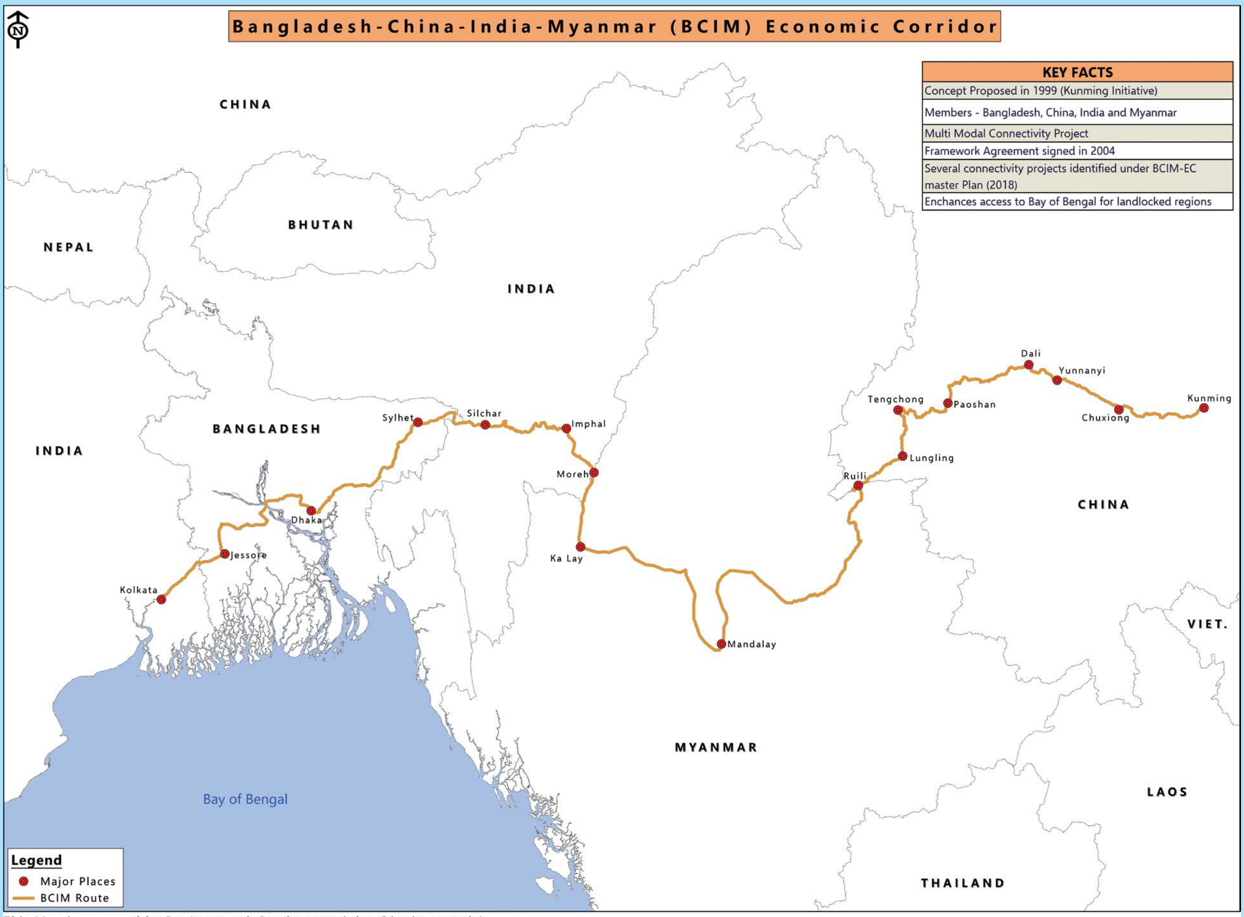
The Bay of Bengal

- The Bay of Bengal is the Northeastern part of the Indian Ocean. It is flanked by the Indochinese Peninsula to the east, by the Indian subcontinent on the west, and by the Bengal region in the north.
- It is connected to the Strait of Malacca, making it a crucial geopolitical chokepoint for international trade.
- Approximately 80% of China's oil imports pass through the Strait of Malacca.
- Around 30% of global trade flows are handled by ports in the Bay of Bengal region.

Sources: Atlas Institute for International Affairs, CSEP, IndiaNetzone



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Significant ports

in the Bay of Bengal region

	Annual capacity	Throughput (year)	Construction started	Operational	External funding
BANGLADESH					
Chattogram (Chittagong)		3.1 Million TEUs (2024–25).		1887	China
Matarbari		0.6-1.1 Million TEUs (by 2029)	2020	Planned 2029	Japan
Mongla		14.5 Million Tons (2024)		1950	China
Payra		5 Million Tons (FY24)	2019	Planned 2026	China and India
MYANMAR					
Kyaukphyu		4.9 million TEUs (planned)	2015	Planned 2025; stalled	China
Sittwe	100,000 TEUs (planned)	64,245 TEUs (FY24)	2010	2023	India
SRI LANKA					
Colombo		8.29 Million TEUs (2025)		1912	China and India
Hambantota	300,000 TEUs			1910	China
Trincomalee	250,000 TEU			1956	Japan
INDIA					
Chennai	135 Million Tons			1861	
V. O. Chidambaranar (Tuticorin)	81.5 Million Tons			1868	
Dhamra		43 Million Tons (2023)	1998	2010	

	Annual capacity	Throughput (year)	Construction started	Operational	External funding
Gangavaram	60 Million Tons		2005	2008	
Kamarajar (Ennore)	91 Million Tons	48.41 Million Tons (2025)		2001	
Krishnapatnam		59.2 Million Tons (FY25)		2008	
Paradip		150 Million Tons (FY24)		1962	
Port Blair (Sri Vijaya Puram)	Limited			Historic	
Syama Prasad Mookerjee Port (Kolkata & Haldia)	90.8 Million Tons			1870	
Visakhapatnam	134.2 Million Tons			1933	

Sources: *BBC News, Bharat Rakshak, BSS News, Business & Human Rights Resource Centre, Chennai Port Authority, CSIS Reconnecting Asia, Dhaka Tribune, Economic Times, Embassy of Sri Lanka in Beijing, Forbes India, Frontline, Hambantota International Port Group (HIPG), India Today, India's World, Kamarajar Port, Krishnapatnam Port, Ministry of Foreign Affairs of the People's Republic of China, Mongla Port Authority, Myanmar Port Authority, Narinjara News (BNI Online), NK Bangladesh, Observer Research Foundation (ORF), Paradip Port Authority, Port Technology International, Port Today, PortNews, Press Information Bureau (PIB), Saami Marine Service, Ship Technology, Sri Lanka Ports Authority (SLPA), Syama Prasad Mookerjee Port Kolkata, The Business Standard, The Daily Star, The Daily Sun, The Financial Express, The Freight, Times of India, Trincomalee Port (SLPA), V. O. Chidambaranar Port Authority (VOC Port), Vajiram & Ravi, Visakhapatnam Port Authority*

Trade between CMBC states

- There are claims of serious discrepancies in the reporting of trade figures between China and Myanmar since the 2021 coup, largely due to illicit trade.
- Bangladesh's trade with Myanmar has been undermined by the 2021 Myanmar coup and subsequent civil war, with trade being severely hindered by ongoing hostilities.
- Formal arms trade between Bangladesh and Myanmar is negligible, however, there are ongoing concerns over illegal weapon smuggling from Myanmar into Bangladesh.

Sources: *Institute for Strategy and Policy (ISP) – Myanmar, The Daily Star, Science Publishing Group, South Asia Terrorism Portal*

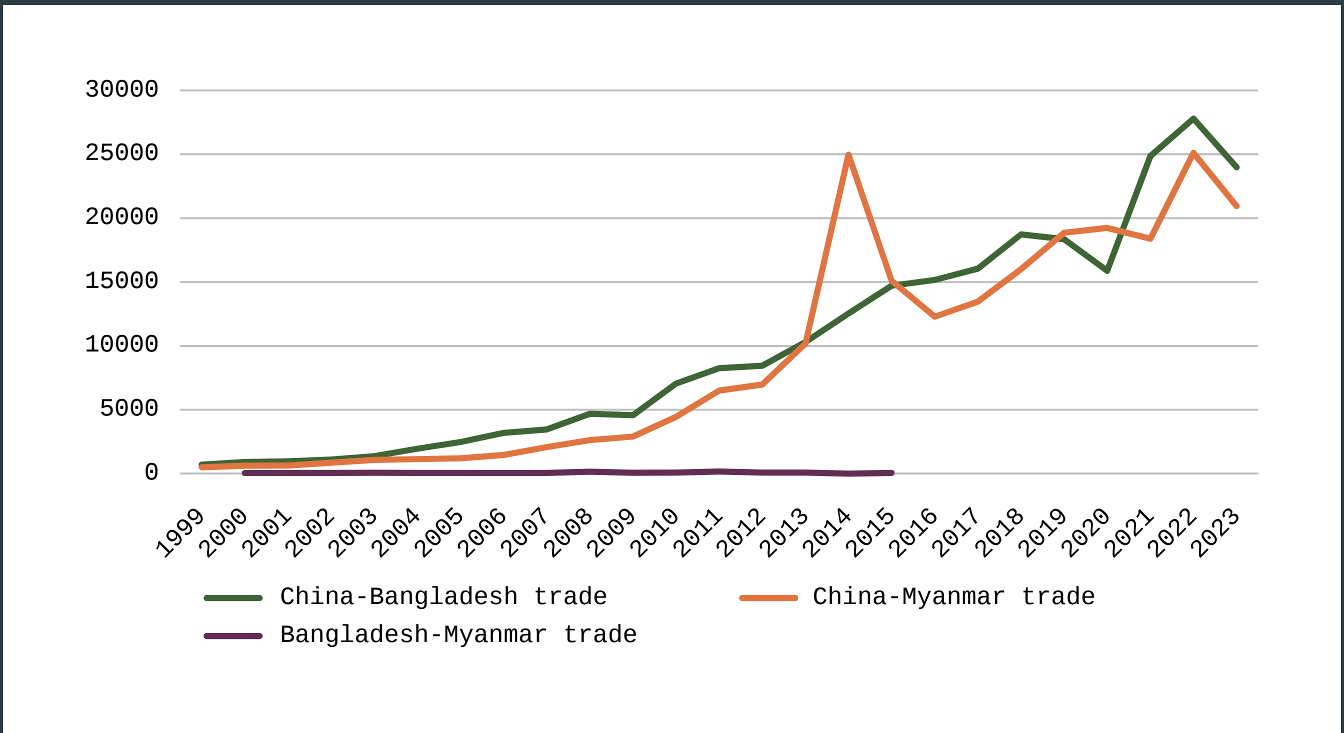


Chart 1. China-Bangladesh and China-Myanmar trade in US$ million between 1999 and 2025 as reported by China as well as Bangladesh-Myanmar trade in US$ million between 2000 and 2015 as reported by Bangladesh. ***Source:*** *World Integrated Trade Solution*

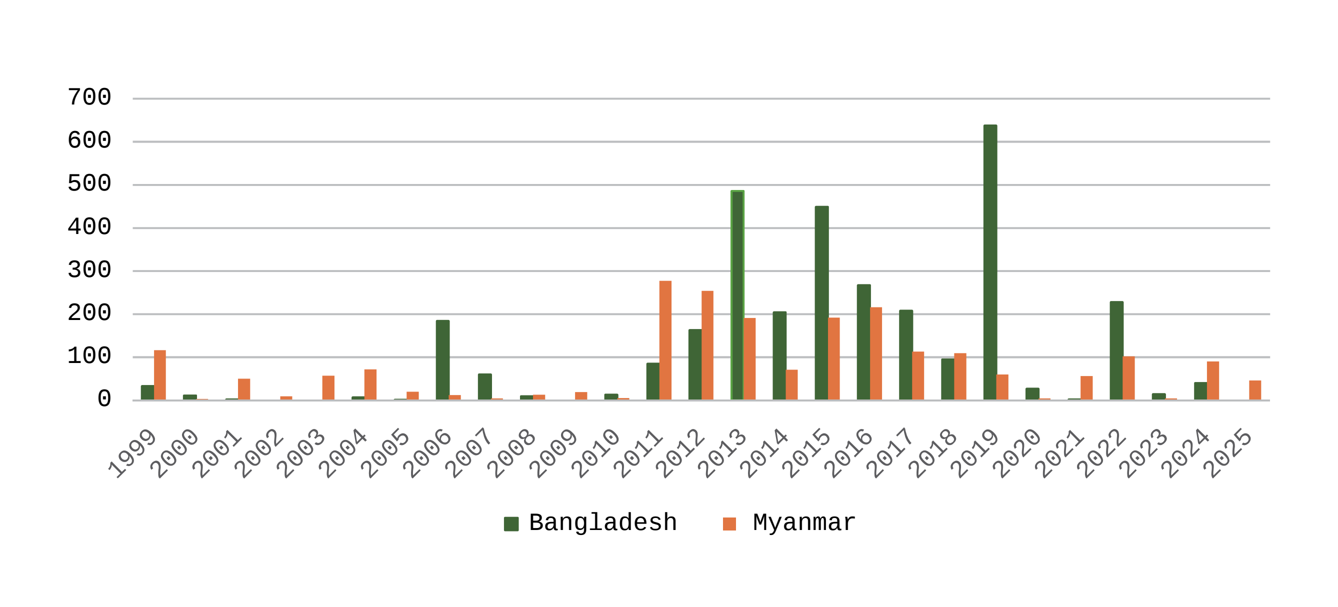


Chart 2. Chinese arms exports to Bangladesh and Myanmar between 1999 and 2025 as reported by SIPRI in trend indicator value (TIV). ***Source:*** *SIPRI*

Regional Mechanisms/Initiatives

in the context of BCIM/CMBC

China-centric blocs	Multilateral blocs	India and Japan-centric blocs
China–Indochina Peninsula Economic Corridor (CICPEC, 2010)	**Greater Mekong Subregion (GMS, 1992)**	**Bay of Bengal Initiative (BIMSTEC, 1997)**
• Connects southern China and Southeast Asia via modern highways, high-speed railways, and pipelines. • Part of the Belt and Road Initiative (BRI).	**Member states:** Cambodia, Laos, Myanmar, Thailand, Vietnam and China (Yunnan and Guangxi). • Economic program institutionally managed and coordinated by the Asian Development Bank (ADB). • Finances physical infrastructure such as the East-West Economic Corridor and the Southern Economic Corridor.	**Member states:** India, Bangladesh, Myanmar, Sri Lanka, Thailand, Bhutan, Nepal. • Founded to foster economic integration around the Bay of Bengal. • Economic and logistical counterweight to China's BRI initiatives in South Asia. • Establishes trade routes that operate without Chinese capital or input.
Lancang-Mekong Cooperation (LMC, 2016)	**Regional Comprehensive Economic Partnership (RCEP, 2022)**	**Mekong-Ganga Cooperation (MGC, 2000)**
Member states: China, Cambodia, Laos, Myanmar, Thailand, Vietnam. • LMC Special Fund largely supported by Chinese funding. • China plays a central role in the selection and financing of projects. • Strengthens China's role in the provision and management of water and flow data.	**Member states:** The 10 ASEAN states as well as China, Japan, South Korea, Australia, and New Zealand. • Largest free trade agreement, covering around 30% of global economic output. • India withdrew from negotiations due to geoeconomic reasons. • China assumed the economic leadership role within the bloc. • Japan and South Korea secure their component supply chains in Southeast Asia through it.	**Member states:** India, Cambodia, Laos, Myanmar, Thailand, Vietnam. • Soft power approach. • India uses Buddhism to deepen relations with the Mekong states. • Through the MGC, it promotes pilgrimage routes to India and supports projects to restore historical temple complexes. • India creates a platform for academic exchange and specifically awarding scholarships to students from the Mekong states.

Major Development Partners in South Asia

A Comparative Overview

USA

Organization	Way of Funding	Scale	Goals
• USAID (United States Agency for International Development) • US International Development Finance Corporation (DFC) • MCC (Millennium Challenge Corporation)	• Private actor driven (private sector). • Since the 2000s, loans accounted for less than 1% of US foreign aid. • Values-based approach that ties financial support to democracy, good governance, and institutional development.	• Once a noteworthy donor but has become less significant in recent years.	• Counter China's influence (economic cooperation with India). • Financial flows can be seen in security and defense sectors rather than in development assistance.

EU

Organization	Way of Funding	Scale	Goals
• Directorate-General for International Partnerships (DG INTPA) • European Investment Bank (EIB) • Global Gateway • Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) • EU Delegations	• Grants. • Private actor driven (private sector). • Global Gateway Strategy to strengthen its long-term presence in the region. • Digitalisation, energy, transport, health, education, green and digital transitions. • Bottom-up approach involves local stakeholders.	• Has become more relevant than the USA but is still unimportant in comparison to major actors in that region.	• Alternative to China's Belt and Road Initiative (BRI). • Ties funding to European regulatory frameworks, digital standards, and environmental criteria. • Development and institutional objectives. • Technology transfer, local skills, and institutional capacity.

INDIA

Organization	Way of Funding	Scale	Goals
• DPA (Development Partnership Administration) • EXIM Bank of India • ITEC (Indian Technical and Economic Cooperation) • DPI Export	• Concessional credit at the core of its funding. • State centric. • Requires recipient countries to source materials, equipment, and contractors from Indian companies. • Small, targeted direct grants, to strategically important neighbors. • Few political, environmental, or human-rights conditions.	• Became a significant actor in recent years but is highly concentrated. • Specific, regionally important projects are targeted.	• Concentrates funding on immediate neighbors to strengthen India's regional strategic position. • Deepen economic integration and strengthen regional dependence on Indian markets and infrastructure. • Secure vulnerable border regions.

JAPAN

Organization	Way of Funding	Scale	Goals
• JICA (Japan International Cooperation Agency) • JBIC (Japan Bank for International Cooperation) • JETRO (Japan External Trade Organization)	• High-quality, resilient infrastructure, particularly transport, energy, and urban infrastructure. • Japanese expertise and technology often involved while allowing knowledge transfer. • Derisked funding. • Combines state-backed highly concessional loans with private sector financing.	• In numbers by far the second most important donor for the region. • Appreciated for its sustainable approach.	• Free and Open Indo-Pacific (FOIP) framework. • Connectivity to the Indian Ocean to open up new, high-growth markets and counter domestic economic stagnation. • Counter single source regional dependencies.

CHINA

Organization	Way of Funding	Scale	Goals
• China Development Bank (CDB) • Exim Bank of China (Export-Import Bank of China) • The Silk Road Fund (SRF) • CIDCA (China International Development Cooperation Agency)	• Large-scale bilateral loans, near-market interest rates. • Mandatory hiring of Chinese contractors, equipment, engineering, and labor. • Utilizes equity stakes or long-term operational leases on strategic physical assets • Prioritizing high-speed execution and direct government-to-government negotiations. • State centric.	• China provides the largest overall volume of external development finance in South Asia. Its financing operates at megaproject scale. • Broad and simultaneous regional presence, with major financing commitments across multiple South Asian states.	• Direct transport and energy corridors to the Indian Ocean to bypass the vulnerable Malacca Strait chokepoint and secure reliable trading routes. • Embeds South Asian economies into Beijing's industrial supply chains. • Clear domestic manufacturing overcapacity and expand market access.

Sources: Statista; U.S. International Development Finance Corporation; USAGov; Carnegie Europe; European Parliamentary Research Service; The Financial Express; Ministry of Foreign Affairs of Japan; World Bank; Chatham House; Stimson; Lowy Institute; Narinjara News; Yusof Ishak Institute; East Asia Forum; Asia News Network

- **General trend:** In 2022, the U.S., UK and EU accounted for **31%** of Official Development Finance (ODF) to Southeast Asia, compared to **30%** from Japan and **24%** in China. By 2025, it was estimated that only **16%** of ODF will come from the U.S., UK and EU, compared to **31%** from Japan and **37%** from China.
- All donor countries, including China, shift to smaller, more targeted financially manageable investments that **focus on green and high-tech infrastructure** rather than large-scale projects.

Key Infrastructure Projects

Country	China	India	Japan
Vietnam	Lao Cai-Hanoi-Hai Phong railway (11,1 billion USD)	The Delhi-Ha Noi Railway Link (no longer a current project)	Ho Chi Minh City Mass Rapid Transit (1,5 billion USD)
Laos	China-Laos Railway (5,9 billion USD)	The Delhi-Ha Noi Railway Link (no longer a current project)	Wattay International Airport (26,5 million USD)
Cambodia	Funan Techo Canal (1,2 billion USD)	The Delhi-Ha Noi Railway Link (no longer a current project)	Sihanoukville Autonomous Port (357 million USD)
Thailand	Bangkok-Nakhon Ratchasim rail project (financed by Thailand) • phase 1 (5,25 billion USD) • phase 2 (10,41 billion USD)	India/Myanmar/Thailand Trilateral Highway (Initially 700 million USD)	• MRT Blue Line (3,77 billion USD) • Purple Line (1,7 billion USD)
Myanmar	• Muse-Mandalay Railway (8,9 billion USD) • Kyaukphyu Deep-Sea Port (1,3 billion USD) • Myanmar-China Pipelines project (2.5 billion USD)	• Kaladan Project (484 million USD)	Thilawa Special Economic Zone (3,28 billion USD project volume) (2,2 billion private foreign investment, excluded)
Bangladesh	• Padma Bridge Rail Link (3,2 billion USD) • Payra Thermal Power Plant Project (2,4 billion USD)	Massive Lines of Credit (LoC) to Bangladesh for transportation infrastructure and energy infrastructure (reduced to 4,68 billion USD)	• Dhaka Metro MRT Line 6 (3,04 billion USD) • Matarbari Deep Sea Port (over 4 billion USD) • Dhaka Airport Terminal 3 (2,1 billion USD)
Estimated overall project volume	36,5 billion USD (8 projects)	Over 5 billion USD (3 projects)	19,7 billion USD (8 projects)

Sources: East Asia Forum; Reuters; Ministry of External Affairs, Government of India; ID&E; World Bank; The People's Map of Global China; AIDDATA; Lao News Agency; Lao Inter Post; Business and Human Rights Centre; Nanjing Deers Industrial Co., Ltd.; Construction-property; The Diplomat; Thailand Trains; Foreign Affairs Office, Government of Thailand; Ministry of Road Transport & Highways, Government of India; Institute of Peace and Conflict Studies; 99 acres; Construction World; The Star; Japan International Cooperation Agency Institution of Civil Engineers; The daily star; Asia News Network; Observer Research Foundation; Indo-Myanmar Chamber of Commerce; Myanmar Thilawa SEZ Holding Co., Ltd.; ASEAN News Today; International Railway Journal; The Siasat Daily; Bangladesh-China Power Company Ltd.; Prothom Alo; National Maritime Foundation; Bdnews24; NEWAGE of Commerce & Industries; East-West Center.

Chinese funding for projects in the Mekong region

36,5 billion USD
(8 projects)

Sectors:

- Projects rise from regional connectivity (transportation) to deep seaports
- Special Economic Zones (SEZ) and
- Energy infrastructure.

India's funding for projects in the Mekong region

Over 5 billion USD
(3 projects)

Sectors:

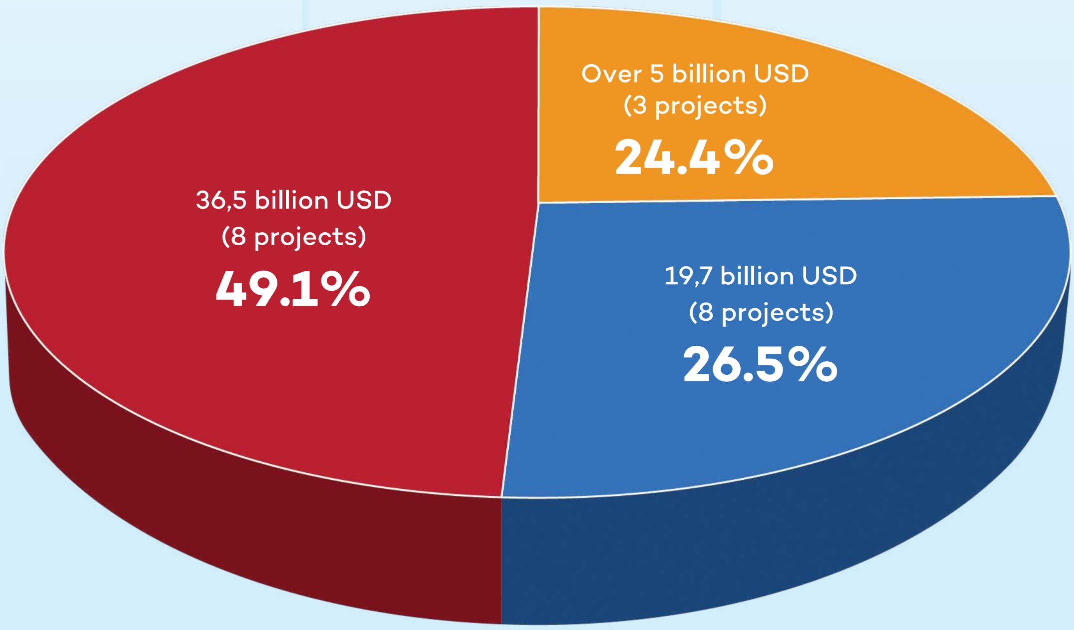
- All major projects focused on regional connectivity (including deep seaports), namely transportation.

Japan's funding for projects in the Mekong region

19,7 billion USD
(8 projects)

Sectors:

- Projects rise from regional connectivity (transportation) to deep seaports
- Special Economic Zones (SEZ)
- Sustainability
- Human capital development, and
- Energy infrastructure.

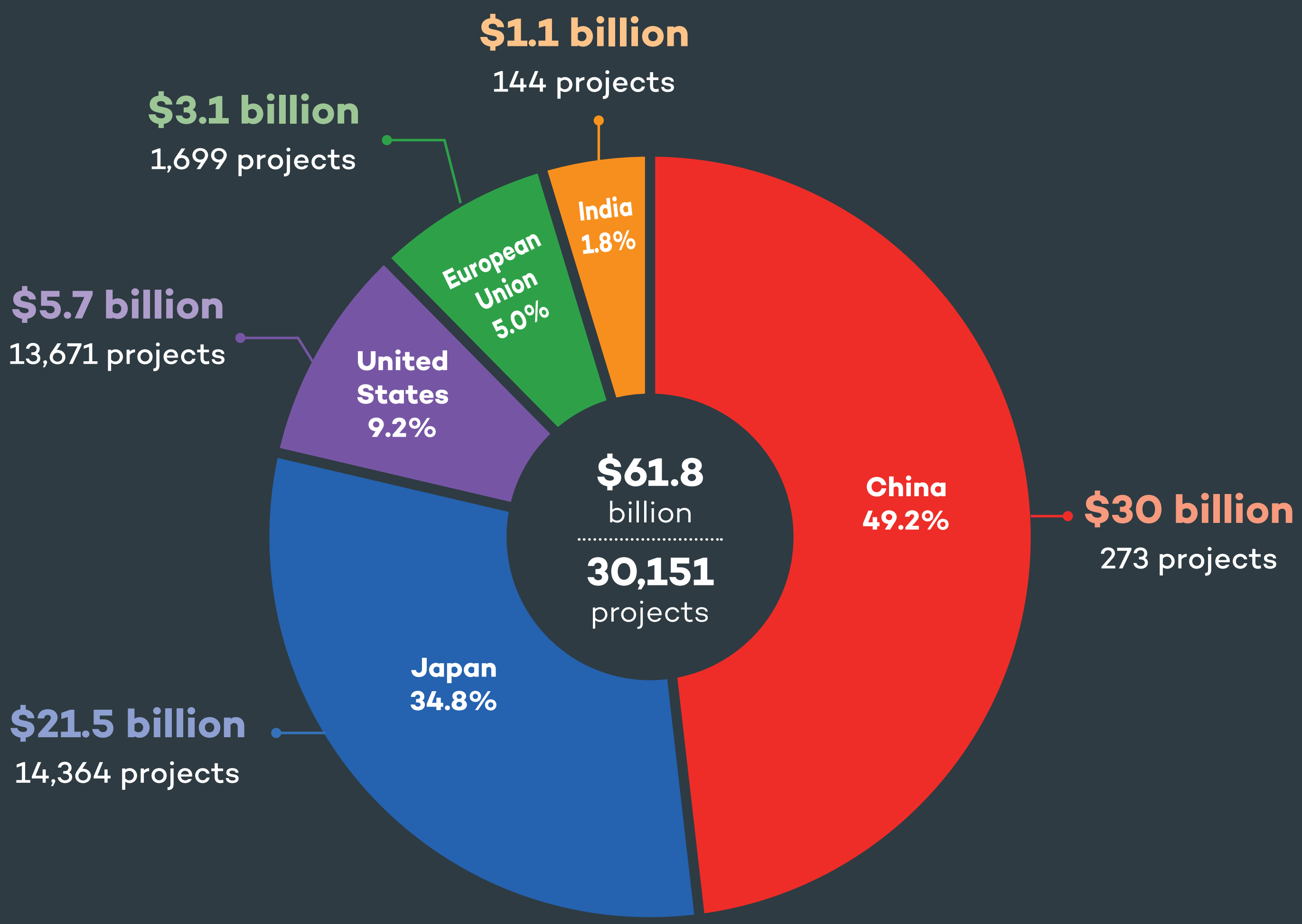


- Chinese funding for projects in the Mekong region (36,5 billion USD)
- India's funding for projects in the Mekong region (Over 5 billion USD)
- Japan's funding for projects in the Mekong region (19,7 billion USD)

Note: Percentage may not add up to 100% due to rounding.

Development Assistance to Myanmar, Cambodia, Thailand, Laos and Vietnam

Grants and loans provided by major development partners, 2015-2023



Total assistance: **$61.8 billion** | Total projects: **30,151**

Figures may not add up to 100% due to rounding.

Sources: *OECD Data Explorer; Government of India supported Lines of Credit; Government of India Expenditure Profile 2026-2027; Chinese Aid Exports Database University of Goettingen; AIDDATA; U.S. Overseas Loans and Grants (Greenbook); U.S. Foreign Assistance; Lowy Institute.*

Three Key Port Projects for CMBC

Kyaukphyu Deep-Sea Port:

- Connected to the Myanmar-China Natural Gas Pipeline and the Myanmar-China Oil Pipeline that run to the Yunnan Province in China.
- This shortens the journey by up to 5,000 km for shipments traveling to China, compared to going via the Malacca strait.
- The natural gas pipeline went online in 2013 while the oil pipeline started operations in 2017.

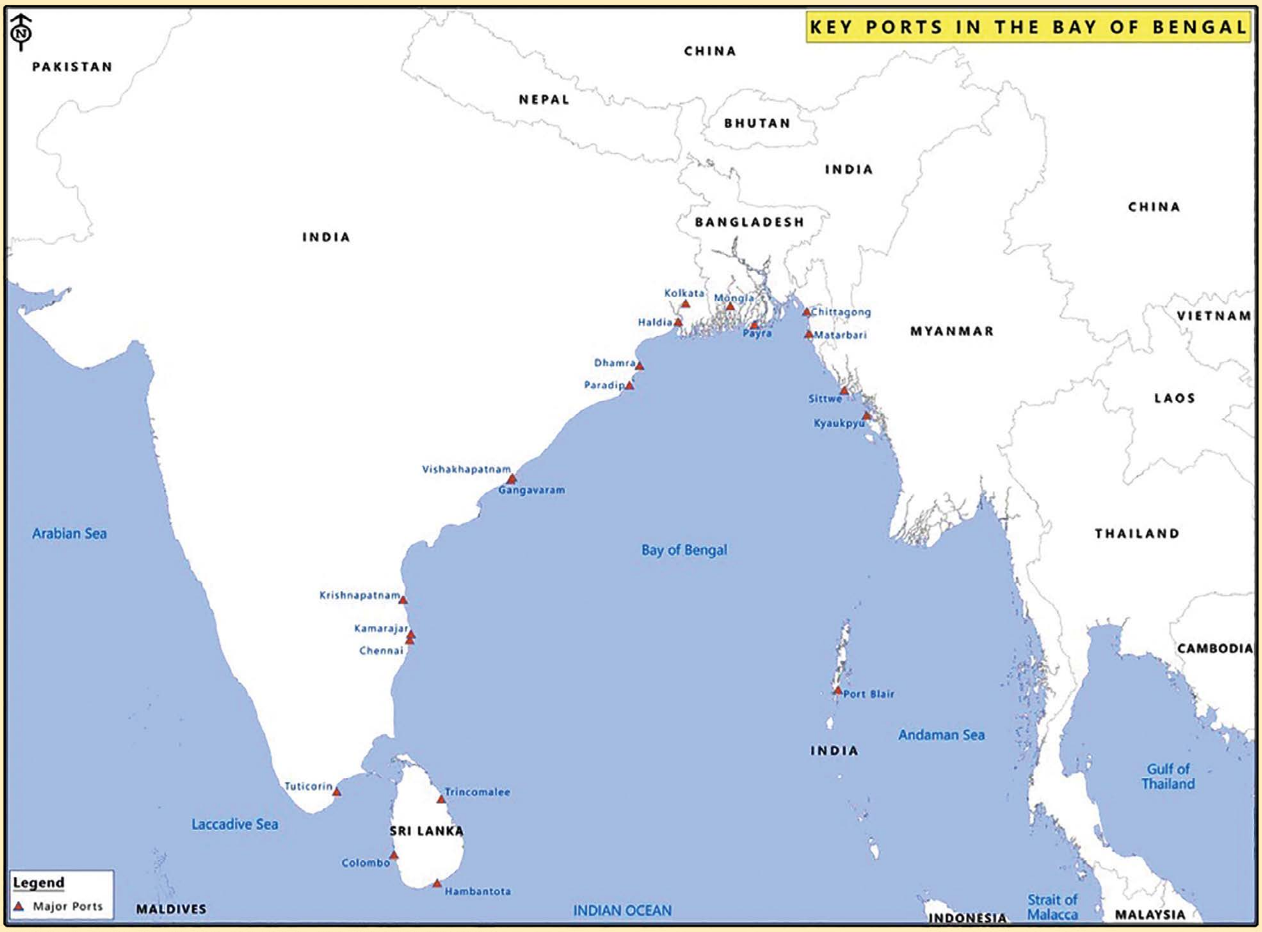
Chattogram (Chittagong) Port

- The Chinese state and Chinese companies have supported several projects expanding the connectivity of Chattogram (Chittagong) port, including the Dhaka Bypass Expressway and Bangladesh's first sea-land integrated super-large oil storage and transportation system.
- Chinese agreed to jointly advance the development of the Chinese Economic and Industrial Zone in Chattogram (Chittagong) in cooperation with Bangladesh in 2026.

Mongla Port

- In June 2026, a Chinese state-owned company was contracted to develop an economic zone near the Mongla Port in Bangladesh, with Chinese state participation in the Mongla Port Facilities Modernization and Expansion Project.

Sources: *Belt and Road Portal, China Research Center, India Today, Ministry of Foreign Affairs People's Republic of China, Xinhua News Agency*



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3% of Myanmar's population of 59.9 million was estimated to be ethnically Chinese in 2025. This has contributed to Chinese influence over the Wa State, a de-facto **independent state in Myanmar on the Chinese border**, which is supported by China. Influence over the Wa has allowed China to secure part of its border with Myanmar while also increasing Beijing's influence over the conflict in Myanmar.

The Prime Minister of Bangladesh, Tarique Rahman, visited China in June 2026 but postponed his planned 2026 visit to India despite previous hopes that this **visit could restore strained Bangladesh-India relations**. By contrast, Myanmar's President Min Aung Hlaing visited India in May 2026 and China in June 2026, signing 18 cooperation documents with Xi Jinping during the latter visit.

Rare earth mining in Myanmar provides China with international political leverage through its **control of minerals vital** to the modern global economy.	Myanmar's military government passed a law in February 2025 which has enabled the **deployment of Chinese private military company (PMC) forces in Myanmar** to protect Chinese interests.

Sources: *Al Jazeera, Asialink, BBC News, Central Intelligence Agency, Geopolitical Monitor, Ministry of Foreign Affairs People's Republic of China, Rest of World, Stims~on Center, The State Council of the People's Republic of China*

Goals and potential benefits for the CMBC states

China	• Circumventing the Malacca Strait for China's trade, energy, and security needs. • Providing the landlocked Yunnan Province with access to ports in Bangladesh and Myanmar. • Strengthening Chinese power projection capabilities by gaining access to military bases in the Bay of Bengal region. • Increased trade, supply chain development, and investment opportunities for Chinese companies.
Bangladesh	• Economic development by becoming a regional transit hub for the needs of Bangladesh, China, and Myanmar. • Advancing industrialization and agricultural modernization • Deepened defense cooperation with China.
Myanmar	• Strengthening China's support for the State Administration Council and its struggle to regain control over Myanmar. • Advancing industrialization, trade, and investments in infrastructure. • Economic development to relieve funding constraints imposed by the ongoing civil war.

Sources: Associated Press, Center for Strategic and International Studies (CSIS), Ministry of Foreign Affairs of the People's Republic of China, Ministry of Information Myanmar, The Daily Star

Challenges

Geopolitical competition

- Competing Indian and Japanese investments.
- Increased security concerns at the prospect of a Chinese "String of Pearls" strategy from other stakeholders in the Bay of Bengal region, in particular India, Japan, the USA, and security alliances like Quad and AUKUS.
- Risk of raising tensions by moving from a focus on freedom of navigation to control of strategic infrastructure.

Funding concerns

- Bangladesh and Myanmar both struggle with corruption and economic mismanagement.
- Slow progress on infrastructure development in Myanmar.
- Bangladesh's ongoing inflation crisis has caused political uncertainty for the incumbent government while also limiting infrastructure spending.

The double Myanmar crises

- While some rebel groups in the Myanmar Civil War have cooperated with China in developing infrastructure, others have halted progress.
- The future of Kyaukphyu port in Rakhine State is unclear as it has been under what are effectively siege conditions since 2025.
- The Rohingya refugee crisis has caused diplomatic relations between Bangladesh and Myanmar to deteriorate despite Chinese attempts at mediation.
- The conflict has also given rise to significant telecommunications fraud, online gambling and drug trafficking from Myanmar targeting China which has strained relations.

Struggling projects

- The Dawei Port was cancelled in 2013 but resumed in 2015, current progress is unclear although Russian and Thai actors have expressed interests in the port's future in 2026.
- The planned Chinese development of a deep seaport in Sonadia, Bangladesh, was cancelled in 2016 after India, Japan, and the USA, and India expressed security.
- The Payra port was set to become one of the most significant ports in Bangladesh but it was downgraded from a deep seaport to a seaport.

Sources: AidData, Al Jazeera, Anadolu Agency, Asia Times, BBC News, Bangkok Post, Bangladesh Defence Journal, Center for Social and Economic Progress (CSEP), Centre for Policy Dialogue (CPD), China Daily, Daily Sun, Dollar Business, Economic Times Infrastructure, Environmental Justice Atlas (EJAtlas), Institute for Strategy and Policy (ISP) Myanmar, International Institute for Strategic Studies (IISS), International Journal of Research and Innovation in Social Science, IISS Myanmar Conflict Map, Irrawaddy, Leeds Policy Institute, Mongabay, Myanmar Port Authority (MPA), Narinjara News, Observer Research Foundation (ORF), Rediff, Reuters, Springer, Business Standard, Daily Star, Financial Express, Irrawaddy, State Council of the People's Republic of China, Transworld Group, Transworld News, U.S. Department of Defense, U.S. Naval Institute (USNI), United Nations.