
Myanmar's Tourism Industry: Recent Developments, Prospects and Challenges Ahead¹

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I. Introduction

1. **Myanmar's tourism industry experienced unprecedented growth between 2011 and 2019, fueled by policy reforms, foreign investment, and international interest.** Following decades of self-imposed isolation, the country embarked on a new chapter in 2011 as sweeping reforms reopened its borders to the world. The influx of international visitors was swift and dramatic. Annual tourist arrivals surged from barely over one million in 2010 to a peak of more than 4.7 million by 2015, transforming tourism into one of the nation's fastest-growing economic sectors. The period saw significant foreign investment, rapid hotel expansions, and the launch of a Tourism Master Plan² aimed at catalyzing infrastructure and human resource developments and raising Myanmar's global profile as a culturally rich and diverse destination. As a result, the industry generated significant foreign exchange receipts, job creation, and helped reduce poverty and fostering rural development, while establishing itself as a vital driver of national growth.

2. **The upward trajectory was interrupted by the COVID-19 pandemic in 2020, followed by geopolitical challenges and natural disasters, reversing the industry's hard-won progress.** The COVID-19 pandemic in 2020 struck a severe blow to Myanmar's tourism sector, causing international arrivals to collapse and earnings to plummet almost overnight. Just as the country was consolidating its place as an emerging travel hotspot, the crisis underscored the vulnerability of tourism to external shocks. Subsequent geopolitical

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² Myanmar has prioritized tourism development in its Framework for Economic and Social Reforms in 2012. In 2013, Myanmar launched its first Myanmar Tourism Master Plan (2013–2020) which served as a roadmap to shape the future tourism developments in Myanmar. Investment in marketing campaigns, more accessible visa procedures and collaboration with international organizations to promote sustainable tourist practices were some of the steps taken by the government in response to the promise of tourism (Aung, 2019).

challenges and the devastating 2025 earthquake further disrupted recovery efforts, compounding the sector's fragility.

3. **At the current juncture, the industry is shaped not only by geopolitical challenges and natural disasters but also by growing regional competition and evolving international travel trends.** Apart from geopolitical considerations, Myanmar also faces growing competition from neighboring countries, notably Thailand, Vietnam, and Cambodia, which have well-established tourism infrastructures. Since the pandemic, the tourism landscape has also evolved, with changing international travel behavior, such as preferences for digital convenience and sustainable practices. Taken together, these factors present considerable challenges for Myanmar as it seeks to unlock the full potential of its tourism industry in the years ahead. This analytical note examines recent developments in Myanmar's tourism industry, highlighting the impact of COVID-19, prospects for recovery, and the challenges ahead.

II. Recent Developments

Pre-COVID-19 Pandemic Period (2011 – 2019)

4. **Myanmar's tourism industry experienced remarkable growth before the COVID-19 pandemic.** During the early days of opening up, the Myanmar government eased restrictions on visitor entry requirements, extended visa duration, and facilitated foreign investments in tourism infrastructure to spur the development of the tourism industry.

- **Record number of tourist arrivals.** As a result of the government's deliberate policy to grow the industry, there was a consistent upward trend, both in the number of tourists visiting Myanmar and the volume of tourist receipts generated from tourism activities (Figure 1). Notably, tourist arrivals surpassed one million in 2012, rising from about 800,000 in 2010—just before the opening up. Tourist arrivals reached a peak in 2015 at 4.7 million visitors—a surge of 52 percent compared to the previous year.³
- **Significant growth in investment and employment.** As foreign investors recognized Myanmar's tourism potential, foreign direct investment flowed to hotels and tourism related developments. During the early days of opening up in 2011, Myanmar attracted only USD1.1 billion of foreign investment in hotels and commercial complexes from 6 jurisdictions—Singapore, Thailand, Japan, Hong Kong, Malaysia, and United Kingdom. The investment continued to increase gradually over time to over USD4.4 billion in 2018 from 10 jurisdictions,⁴ according to the Ministry of Hotels and Tourism. Among them, Singapore has been emerged as the leading source of investment in hotels and commercial complexes, starting from 12 developments with USD597 million of investment to 34 Singapore-listed hotels investing a total of USD2.76 billion in

³ This spike in 2015 was widely attributed to the “election effect” ahead of Myanmar's November general election, as travelers rushed to visit the country amid uncertainty over the election outcome and the impending political transition. Many sought to experience Myanmar before potential changes took effect, driving significant growth particularly in border crossings (land-based arrivals). This surge led to a reactionary decline in 2016, when arrivals dropped to 2.9 million as the industry adjusted after the exceptional influx of the previous year. However, the change in administrations went smoothly, and tourism resumed its upward trajectory in 2017.

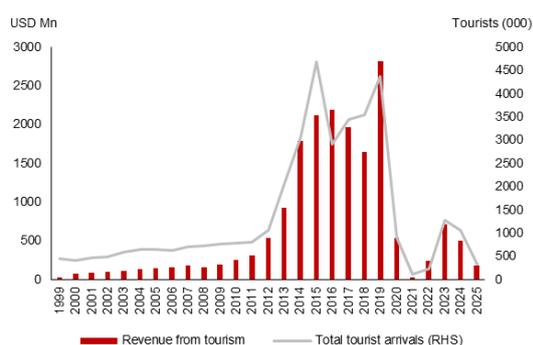
⁴ Singapore, Thailand, Vietnam, Japan, Hong Kong, Korea, Malaysia, United Kingdom, Luxembourg, Switzerland.

Myanmar—accounting for over 60 percent of the total investment during the period. Thailand ranked as the second-largest investor, contributing an estimated capital of over USD497 million from 13 hotels in 2018—increasing from USD263 million in 2011. These investments, in turn, created over a million jobs in the tourism industry, encompassing not only direct employment in hotels and travel services but also a wide range of ancillary sectors such as transportation, retail, food and beverage, and local handicrafts. This growth in employment has played a vital role in supporting livelihoods and driving broader economic development across the country.

- **Enhanced accessibility and connectivity.** Flight connectivity between Myanmar and major regional economies has also expanded. Domestic airlines like Myanmar National Airlines have increased their frequency and range of flights, while Myanmar Airways International operates routes connecting Yangon and Mandalay with key cities such as Bangkok, Singapore, Kuala Lumpur, and Hanoi. In addition, international carriers such as Thai Airways, Singapore Airlines, Malaysia Airlines, and China Southern Airlines maintain regular services to Myanmar, further enhancing accessibility and connectivity. This expanded network not only facilitated tourism and business travel but also supported economic growth and strengthened regional ties.

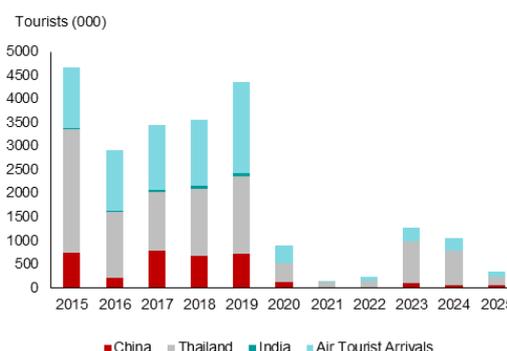
5. **The tourism industry has rapidly evolved into a crucial pillar of Myanmar’s economy and a key driver of its social and economic development.** In 2019, the contribution of travel and tourism to Myanmar’s GDP was estimated at USD 5.1 billion, representing nearly 8 percent of the total GDP (Su and Li, 2021). This significant contribution reflects the sector’s expansive impact, not only in generating substantial revenue but also in supporting millions of jobs across diverse segments such as hospitality, transportation, and local enterprises. Despite recent challenges, the tourism industry remains a vital component of Myanmar’s growth strategy, with strong potential for further recovery and development in the coming years.

Figure 1. Total Tourist Arrivals and Revenue from Tourism



Note: 2025 includes data from January to April
Source: The Ministry of Hotels and Tourism

Figure 2. Visitor Arrivals Through Border Crossing Versus Air arrivals



Note: 1) 2025 includes data from January to April
2) The figures for China, Thailand and India refer to tourist arrivals via land border crossings.
Source: The Ministry of Hotels and Tourism

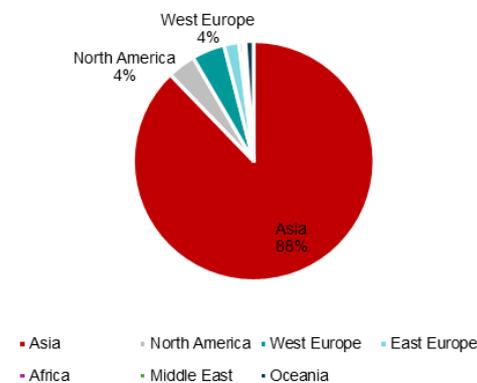
6. **As the COVID-19 pandemic unfolded globally, Myanmar's tourism industry faced immediate and profound challenges.** In 2020, COVID-19 posed new and unprecedented difficulties for the travel sector worldwide, and Myanmar was no exception. Worldwide travel ground to a halt as nations imposed lockdowns and border closures to contain the outbreak. As a result, all commercial flights to Myanmar were suspended starting April 2020.⁵ Domestic flights were also suspended from early September 2020. Although the country reopened to international flights on April 17, 2022, tourist arrivals have remained far below pre-pandemic levels.

- **Sharp decline in tourist arrivals.** Myanmar's international tourism collapsed during the pandemic, with arrivals plunging from 4.4 million in 2019 to just 130,000 in 2021, before edging up to 240,000 in 2022. After reopening borders in April 2022, arrivals recovered modestly to around 1 million by end-2023, though still far below pre-pandemic levels.
 - In March 2020, following the announcement by the World Health Organization (WHO) characterizing COVID-19 as a global pandemic, Myanmar closed its borders to international tourists as a measure to prevent the spread of the virus. As a result, tourist arrivals dropped sharply from 4.4 million in 2019 to only 900,000 in 2020. The number of arrivals continued to decline to 130,000 in 2021 and remained low at around 240,000 in 2022.
 - As COVID-19 infections declined and phased economic reopening progressed, Myanmar resumed international flights and officially reopened its borders on April 17, 2022, allowing the gradual return of international travelers under health and safety protocols. By the end of 2023, total tourist arrivals increased to around 1 million, although they remained far below pre-pandemic levels.
 - Of significance, the volume of inbound travelers via land border crossings (Myanmar-Thailand; Myanmar-China; and Myanmar-India) has continued to be significant. Since 2023, these border checkpoints have become the largest source of tourist arrivals, surpassing arrivals by air.⁶ In 2024, the number of travelers entering through border checkpoints reached 780,000, accounting for over 70 percent of total arrivals. Nearly 90 percent of these travelers came from neighboring Thailand (Figure 2). Air arrivals account for the remaining 30 percent of total visitor arrivals, where travelers from Asia (notably China) as the largest source, followed by Thailand (15 percent) and Korea (8 percent) (Figures 3 and 4).

⁵ All international commercial passenger flights will be denied landing permission in all Myanmar airports with effect from 11:59 pm, March 30, 2020.

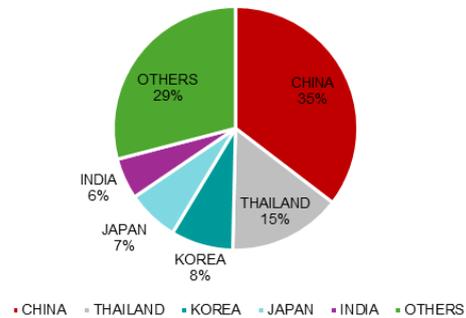
⁶ Due to the extended period of lockdowns and travel restrictions, resuming air transportation proved to be a major challenge as the industry faced reduced passenger demand, disrupted supply chains, workforce shortages, increased operational costs, and the need to implement new health and safety protocols. Airlines and airports had to navigate the complexities of rebuilding flight networks while adapting to evolving government regulations and shifting traveller confidence.

Figure 3. Visitor Arrivals by Region in 2024



Source: The Ministry of Hotels and Tourism

Figure 4. Visitor Arrivals by Nationality in 2024



Source: The Ministry of Hotels and Tourism

- **Impact on contact-intensive businesses and employment**

- Demand for tourism services weakened significantly due to travel restrictions and precautionary behavior by consumers. An International Labour Organization (ILO) survey found that 94 percent of Myanmar's hotel and restaurant businesses suspended operations during the height of the pandemic (ILO, 2020). The tourism industry's close links with other services such as transportation resulted in a domino effect when international travel declined sharply. This interconnection meant that the reduction in tourist arrivals led to widespread disruption across multiple related industries, causing a precipitous drop in income and job losses.⁷ The suspension of flights and restrictions on movement severely impacted revenues for hotels, restaurants, transport services, and artisanal businesses, highlighting the profound and far-reaching economic consequences of the downturn in international travel (Boughton et al., 2023).

7. **The Myanmar government was actively involved in supporting its tourism sector in the wake of the COVID-19 pandemic and other disruptions.** Efforts included providing financial support, regulatory adjustments, and capacity building for tourism businesses. The government also focused on infrastructure development, promoting domestic tourism, and balancing economic growth with the well-being of local communities. Some of the key support initiatives were:

- **The tourism industry was designated as one of the most affected sectors of the economy by the pandemic.** In April 2020, the government announced an emergency loan fund worth MMK 100 billion⁸ at a 1 percent interest rate to support the garment industry, hotel and tourism industry, as well as SMEs affected by the pandemic. For

⁷ In the tourism industry, women represent 23 percent of the labor force (based on Q3 2019 Labor Force Survey). Women's labor force participation could therefore diminish in Myanmar, sending women back to unpaid domestic work. This would set back years of efforts for greater women's economic empowerment (United Nation, 2000).

⁸ This measure was part of the goal of the Covid-19 Economic Relief Plan. The size of fund was later increased to 200 billion MMK.

example, during the first round of support, the amount of emergency loans covered 339 hotels and 244 travel agencies.

- **The launch of the Myanmar Tourism Strategic Recovery Roadmap, aimed at spearheading the post-pandemic recovery.** The Myanmar Tourism Strategic Recovery Roadmap (MTSRR) 2021-2025 outlines a phased approach, integrating new initiatives with the existing Tourism Master Plan. Key elements include promoting domestic tourism, developing new attractions, and potentially creating travel bubbles with neighboring countries.⁹
- **From 20 May 2022, the government reactivated its e-visa system,¹⁰ permitting the entry of visitors with single-entry visas through designated airports and land border crossings.** With the recovery in international travel, the government sought to bolster tourism activities through the resumption of visitor e-Visa services. The re-activation of the e-visa system represented a strong push by the government to support the recovery of the tourism industry.
- **To boost tourism and economic growth, Myanmar now offers visa-free entry for citizens of 8 Asian countries.** Myanmar does not have a blanket visa-free policy for all nationalities visiting for short-term tourism, even though citizens of some countries enjoy visa-free or visa-on-arrival options. Myanmar’s visa-free policy for short tourist visits applies only when entering through specific international airports like Yangon, Mandalay, or Naypyidaw. Nationals of these eight countries¹¹ do not require a visa to enter Myanmar for short tourist stays.

⁹ Specific measures were: During the “Survival Phase” taxes will be relaxed, license fees will be reduced, rental fees will be postponed, and loans will be provided for the hotels and tourism businesses. There will be more online training for tourism professionals and staff, discussing travel destinations and tourism market assessments organize by Ministry of Hotels & Tourism. During the “Reopening Phase”, the focus shifted to reinventing Myanmar tourism, such as launching new marketing campaigns and long-term planning of the industry.

¹⁰ Myanmar’s tourist e-Visa allows citizens from 100 jurisdictions—including European countries, the USA, Canada and Australia—to apply for a visa online for a 28-day stay. Applicants must have a passport valid for at least six months, a recent passport-style photo, a copy of the passport’s identity page, proof of a return ticket, and a confirmed hotel reservation. The visa costs 50 US\$ and typically takes a minimum of three business days to process. Once approved, the e-Visa is valid for a single entry only. Travelers with an e-Visa may enter the country through Yangon, Mandalay, or Nay Pyi Taw International Airports, as well as the Kawthaung land border crossing with Thailand.

¹¹ Singapore: Allowed 30 days visa-free for tourism and business; Vietnam: Allowed 30 days visa-free for tourism and business; Brunei, Cambodia, Indonesia, Laos, the Philippines, and Thailand: Allowed 14 days visa-free

III. Prospects and Challenges Ahead

8. **Recent government initiatives aimed at promoting tourism, such as easing visa restrictions and investing in infrastructure improvements, have helped improve accessibility.** The country's rich cultural heritage, including historic sites like Bagan and the Shwedagon Pagoda, alongside its diverse and picturesque landscapes, continue to attract a growing number of international visitors. Additionally, the increasing popularity of sustainable and responsible tourism practices appeals to environmentally conscious travelers, further boosting demand.¹² Myanmar has seen gradual recovery since 2022 and proactive policy measures signal strong potential for sustained growth in tourism, contributing to economic development and job creation across the country.

9. **Overcoming structural constraints is key to unlocking tourism's growth potential.** Key challenges include restoring key tourism infrastructure (such as restoring flight connectivity), tackling long-standing development constraints (such as ensuring adequacy of power supply and road transportation), and rebuilding confidence in the tourism industry.

- **Restoring capacity in the tourism industry.**

- Post-pandemic, the limited air connectivity has constrained Myanmar's access to key global markets. As of August 2025, Myanmar has only 19 direct international flight connections across 10 countries, a relatively low number compared to many of its regional peers. Resuming the pre-pandemic flight connectivity remains a critical challenge for Myanmar, as it is key to enhancing its competitiveness in the regional and global travel ecosystem.¹³
- The tourism industry also faces capacity challenges, given that the extended period of lockdowns and travel restrictions during the pandemic severely constrained the operational capabilities of tourism businesses. Many hotels, tour operators, and related service providers experienced staff shortages, financial losses, and disruptions in supply chains, which have hindered their ability to meet growing tourist demand as restrictions eased. Although policies exist to promote tourism development, their effectiveness is often undermined by the lack of skilled human capital, which directly impacts the overall service quality within industry.

¹² The Myanmar Ecotourism Policy and Management Strategy (2015–2025) outlines a long-term vision for sustainable tourism development with a focus on protected areas. It emphasizes the critical importance of "getting ecotourism right from the outset" to align tourism growth with biodiversity conservation and community benefits. The Myanmar Responsible Tourism Institute and related government initiatives promote responsible tourism practices that maximize social, economic, and environmental benefits while minimizing negative impacts. These efforts include community involvement, environmental conservation, and cultural heritage preservation to empower local livelihoods and support sustainable growth.

¹³ In the Travel & Tourism Competitiveness Index 2015, Myanmar ranked 137 (infrastructure), 115 (air transport infrastructure), 132 (ground and port infrastructure), 137 (tourist service infrastructure) and 117 in (human resources and labor market), out of 141 countries. Since its debut in the Travel and Tourism Competitiveness Index report, Myanmar's overall competitiveness ranking remains relatively low at 134 out of 141 in 2015.

- **Adequacy of power supply and road transportation.**

- Myanmar's tourism sector is significantly impacted by the country's long-standing power supply issues. The combination of increased electricity demand, declining power generation, and frequent blackouts is hindering tourism operations and development. To manage the gap between supply and demand, rotating power outages are implemented with some areas experiencing 4 hours on and 8 hours off—or even longer blackouts. These outages disrupt daily operations and hinder the development of new hotels, restaurants, and tourist attractions. Blackouts do create negative experiences for tourists, potentially affecting their future travel plans. Road transportation is also constrained by limited road linkages and the poor condition of roads. Although road construction has increased significantly over the past few years, only about 60 percent of total roads are paved, asphalt, or permanent road (Figure 6).¹⁴

Figure 5. Travel & Tourism Competitiveness Index 2015

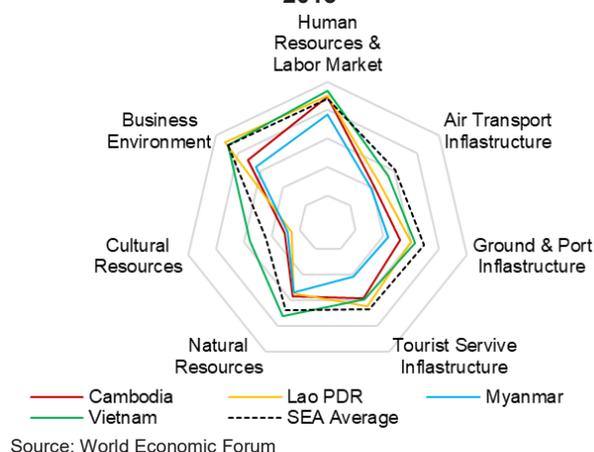
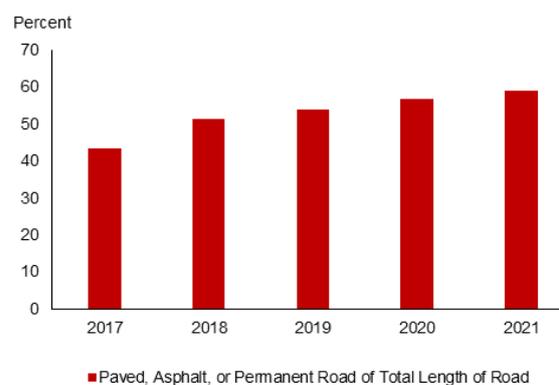


Figure 6. Road Conditions



- **Rebuilding confidence in the tourism industry**

- Security considerations continue to pose major challenges for the tourism industry in Myanmar. Since early 2021, the period of civil unrest has heightened concerns among some potential visitors regarding safety and security. Additionally, certain regions are affected by ongoing tensions, which may impact travel to those areas. While popular destinations such as Bagan, Inle Lake, and Yangon have seen a gradual return of international travelers, some parts of the country remain less accessible to tourists, which affects the overall pace of recovery for the tourism industry.

¹⁴ Myanmar's Logistics Performance Index (LPI) score measures aspects of logistics, including customs, infrastructure, international shipments, logistic competence, tracking and tracing and timeliness. The LPI was 2.3 out of 5 in 2018. This score indicates that Myanmar's logistics performance is relatively low compared to other countries. For example, lack of good access to many tourist sites is often cited as one of the major challenges.

- To rebuild confidence in Myanmar's tourism sector, comprehensive strategies have been launched focusing on health, safety, and inclusivity post-pandemic. The Ministry of Hotels and Tourism has introduced the "Enchanting Myanmar Health and Safety Protocols" certification to ensure and communicate stringent hygiene and safety standards across hotels and tourism-related industries, helping to restore trust among travelers. In light of ongoing domestic uncertainties, authorities and industry stakeholders are emphasizing clear communication of up-to-date safety information, encouraging visitors to travel within designated safer zones such as Yangon, Bagan, Mandalay, and Inle Lake. Such enhanced safety protocols would go a long way to protect travelers and rebuild confidence in Myanmar's tourism industry.

IV. Conclusion

10. **Myanmar's tourism industry experienced significant growth post-opening up in 2011, up until before onset of the COVID-19 pandemic in 2020.** Despite significant setbacks caused by the pandemic and more recently, ongoing domestic uncertainties, Myanmar's tourism industry continues to hold strong potential for recovery and sustained growth. Encouragingly, since 2022, Myanmar's tourism industry has seen a gradual recovery, with recent government support initiatives—including easing visa restrictions—playing an important role in revitalizing the sector. However, unlocking Myanmar's full tourism potential will require addressing key challenges, such as addressing security concerns, restoring (or rebuilding) capacity in the travel sector, narrowing the tourism infrastructure development gaps, and rebuilding confidence in Myanmar's tourism industry. Moving forward, a coordinated approach that combines infrastructure development, policy consistency, enhanced safety measures, and engagement with the international community (investors and travelers alike), will be essential to ensure the long-term sustainability and inclusivity of tourism development, enabling the industry to contribute meaningfully to economic growth, job creation, and poverty alleviation across the country.

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