

Taxi-hailing app Grab hits the road in Myanmar

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Ride-hailing firm Grab launched a trial service in Yangon on Tuesday, becoming the first international company to enter Myanmar and stealing a march on fierce rival Uber in the largely untapped market.

The Singapore-based company said it was conducting a trial with a small

group of taxi drivers in Myanmar's largest city and planned to gradually scale up its operations.

Several local ride-hailing apps already operate in Myanmar's commercial hub but Grab is the first international company to enter the country.

"Ride-hailing and using smartphones to book taxis is still a relatively new concept in Yangon," said Cheryl Goh, Grab's vice-president of marketing.

Global behemoth Uber said it was in talks with Yangon's regional government to launch in the city "very soon".

Once an isolated junta-run nation where only the richest could dream of owning a car, Myanmar has seen an explosion in vehicle numbers in recent years.

There are currently around 430,000 registered cars in Myanmar, according to automotive consulting firm Solidiance, the vast majority of them choking up the streets of Yangon where traffic now moves infuriatingly slowly.

In January local authorities launched a wide-reaching shakeup of the bus service, slashing the number of routes, removing old vehicles and abolishing the regulator.

The move caused chaos, leaving thousands of commuters stranded, and weeks later many complain there are still fewer buses on the roads.

Competition is heating up between ride-hailing [firms](#) keen to grab a slice of Southeast Asia's rapidly expanding market.

The market for these apps is forecast to grow more than five times to

\$13.1 billion by 2025, according to a report by Singapore investment firm Temasek.

Singapore-based Grab has grown rapidly since launching in 2012 and now has more than 700,000 drivers in nearly 40 cities in Southeast Asia.

It offers locally tailored services such as motorcycle taxis, package deliveries and cash payment.

But despite their huge popularity, both Grab and Uber have run into regulatory problems.

In neighbouring Thailand police have threatened to shut down Uber and in recent weeks have taken to arresting and fining its drivers.

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