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## Myanmar Highlights

16 October 2013

The Myanmar Oil and Gas Enterprise (**MOGE**) has announced the winners of the Myanmar onshore oil and gas tenders. In January 2013, MOGE offered to tender 15 Production Sharing Contracts (**PSCs**) and 3 Improved Petroleum Recovery Contracts (**IPRCs**). 13 of the 15 PSCs and all 3 IPRs were awarded.

Out of the 26 companies that had submitted final proposals for the blocks in August, only 9 companies were successful. Pacific Hunt Energy Corp. Canada have been awarded more than one block, though further details of these awards have not been released. The successful bidders set out below:-

### PSC Blocks

PSC B2	ONGC Videsh Limited
PSC K	ENI
PSC O	Petroleum Exploration (PVT) Ltd.
EP-1	Brunei National Petroleum
EP-3	ONGC Videsh Limited
IOR-5	Petronas Carigali
C-1	Pacific Hunt Energy Corp. Canada
H	Pacific Hunt Energy Corp. Canada
J	Petroleum Exploration (PVT) Ltd.
MOGE 4	CAOG S.a.r.l.
EP-4	JSOC Bashneft, Russia
RSF-5	ENI
MOGE 3	PTTEP South Asia Ltd. + Palang Sophon Offshore

### IPR Blocks

IOR 4	MPRL E&P Pte. Ltd.
IOR 5	Petronas Carigali, Malaysia
IOR 6	MPRL E&P Pte. Ltd.

• According to state media a 500- megawatt coal-fired power plant will be constructed in Kyauktan, near Yangon. The project is a joint-venture between Myanmar's Ministry of Electric Power, Orange Powergen Pvt Ltd of India, Global Adviser Pte Ltd of Singapore and local company Diamond Palace Services Co. Ltd on a build-operate-transfer basis. In the last twelve months Myanmar has produced approximately 9.73 billion kilowatt-hours of electricity. Production is anticipated to increase by up to 15% by the end of 2014. Due to increasing demand, the government is encouraging the production of electricity from natural gas, diesel, coal fire, solar power, wind power, biogas and waste fuel and hydropower. (*From Xinhua, 9 October, 2013*)

• According to a recent report published by campaign group the Shwe Gas Movement ("**SGM**"), Myanmar will receive US\$900 million a year from the operation of the 793 km. Myanmar-China natural gas pipeline. The twin Shwe oil and gas pipelines were built by the China state-owned National Petroleum Corporation ("**CNPC**") to transport natural gas and crude oil from Myanmar to China. At present, only the natural gas line is in operation. The crude oil pipeline is due to be completed by the end of 2013. The Myanmar government has announced it will earn approximately US\$1.8 billion a year, for a period of 30 years for a total estimated return of US\$54 billion. In 2008 CNPC signed a Memorandum of Understanding ("**MOU**") with the Ministry of Energy to buy natural gas produced offshore of Rakhine State. The terms of the MOU had not previously been publically disclosed. The Shwe oil and natural gas pipelines run from Kyaukphyu to Ruili in China's Yunnan province. (*From Eleven Weekly Media, 6 October, 2013*)

- Downtown Yangon is undergoing regeneration as part of Myanmar's economic development. Improvement and repair works are being made to a number of public attractions including the Independence Monument in Maha Bandoola Park. A new walkway, seating area, mirror pool and water fountain have been incorporated into the re-developed park. Planting and landscaping work has also been completed. The Yangon Heritage Trust is also undertaking renovation works on a number of public buildings including City Hall, the Judiciary Building, Emanuel Church and the historic Sule Pagoda. *(From The New Light of Myanmar, 9 October, 2013)*
- Development work at the 400-hectare Thilawa Special Economic Zone ("**Thilawa SEZ**"), a joint public/private venture between Myanmar and Japan situated in the Kyauktan Township of Yangon will commence shortly. The Thilawa SEZ will incorporate hospitals, modern commercial space, schools supermarkets, housing, sports grounds, banks and financial institutions, and offices. *(From The New Light of Myanmar, 10 October, 2013)*
- Among the key findings published in East Asia and Pacific Economic Report October 2013 – "Rebuilding Policy Buffers, Reinvigorating Growth" the World Bank has identified a number of positive economic indicators for Myanmar. Myanmar's GDP increased .3% from 6.5% in 2012 to 6.8% in 2013. GDP growth is expected to continue to increase to 6.9% or higher in 2014. *(From Myanmar Update, 10 October 2013)*
- Central Bank of Myanmar ("**CBM**") Governor U Kyaw Kyaw Maung has announced that the CBM is assisting the government with the drafting of a Financial Institution Law which would allow foreign- owned banks to buy stakes in domestic banks. U Thein Tun, chairman of Foundation Bank and the newly elected president of the Myanmar Banks Association said that "If the government allows outside banks to have commercial operations and they introduce new products, then we will not be able to compete given the scale of their investment". *(From Myanmar Times. 14 October 2013)*
- Zawtika Co. has announced that it has completed the construction of processing and living quarters for an offshore natural gas exploration project at Block M 9 near Mottama. The project is a joint venture between the Myanmar Oil and Gas Enterprise and PTTEPI Co., of Thailand. The pipeline is expected to be operational by January 2014. *(From The New Light of Myanmar, 12 October, 2013)*
- Myanmar Aquarium Co. ("**Myanmar Aquarium**") has been announced as the tender winner for the redevelopment of the Kandawgyi Aquarium which will benefit from a US\$15 million upgrade resulting from cooperation between Myanmar Aquarium and Australia's Advanced Aquarium Technologies Pty. The consortium will build a new facility on a 5-acre plot, and will operate the aquarium at MK120 million per year for 10 years. The new aquarium will house both fresh and salt-water species. *(From The New Light of Myanmar, 13 October, 2013)*
- Myanmar Radio and Television will introduce an ASEAN digital standard, Digital Video Broadcasting – Terrestrial – 2 (DVB – T2), to the country under Free to Air system. The upgrades will take place in five phases from 2013-2017. An analogue service will be available until 2016. *(From The New Light of Myanmar, 13 October, 2013)*. In related news, a draft broadcasting law allowing for private ownership in the sector is expected to come before parliament later this month. If passed the new law will require existing private broadcasters to re-apply for licenses so that their terms of agreements will be consistent with the new provisions. *(From Myanmar Times, 14 October 2013)*
- MasterCard and CB Bank have recently launched the CB Bank EASI Travel MasterCard. Executive Vice- Chairman of CB Bank and CEO U Kyaw Lin said the, "EASI Travel MasterCard can be used in more than 210 countries". The card can be used for online and anywhere Master Card is accepted. It is aimed at helping facilitate Myanmar citizens' access to funds overseas. *(From The New Light of Myanmar, 13 October 2013)*
- Pre- qualification for the South East Asian Games (to be held from 11 - 22 December 2013) will commence on 1 December 2013. The games will take place in Nay Pyi Taw with the women's football tournament taking place in Mandalay, and the sailing and rowing events in Ngwehsaung. Altogether, 10 ASEAN countries plus Timor-Leste will take part in the games. A total of 5976 athletes from 11 countries will participate in 30 different events including soccer, swimming, running, highjump, hockey, tennis, equestrian events, chinlone/ sepak takraw, archery, football, boxing, cycling, judo/karate, volleyball, basketball, weightlifting, and rowing/sailing and others. *(From The New Light of Myanmar, 13 October, 2013)*

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