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Myanmar Highlights

11 October 2013

- The Department of Water Resource Utilisation, the Ministry of Transport and SBE Engineering Co. Ltd have entered into an MOU (Memorandum of Understanding) in relation to a proposed environmental management programme on the Ayerawaddy River. It is proposed that four low head dams be constructed. It is anticipated that the programme will benefit residents of the river valleys and the local environment. (From *The New Light of Myanmar*, 6 October 2013)
- Michelle Owen, project coordinator with The World Wildlife Fund (WWF) has said the organisation plans to open offices in Yangon to provide support in relation to environmental and animal habitat issues. Myanmar has agreed to “green” development as part of its commitment to the Greater Mekong Subdivision initiative. The news follows a July meeting between President Thein Sein and WWF CEO Carter Roberts in Washington DC. Mr. Roberts said that the President identified “Myanmar’s wildlife and other living natural resources as the heart and soul of the nation.” (From *Myanmar Times*, 7 Oct 2013)
- The Minister for Environmental Conservation and Forestry U Win Tun has announced that a land – use policy is in the process of being drafted. The policy should be finalised by April 2014. He said, “The process must include all stakeholders and the policy should focus on protecting smallholder farmers and building a civil society network.” The policy will aim to facilitate foreign investment. The government will designate land for mining and/or oil and gas exploration, and forestry. (From *Myanmar Times*, 7 October, 2013)
- Mr. Masahiko Tanaka Chief Representative of the Myanmar office of The Japan International Cooperation Agency together with officials from six Japanese Universities have agreed to cooperate with Yangon Technology University and Mandalay Technology University to enhance the teaching of engineering at higher level. (From *The New Light of Myanmar*, 6 October 2013)
- State owned Myanmar Insurance together with 12 other private insurance companies will insure athletes participating in 27th SEA Games. All 13 insurance companies will provide insurance for injuries and other incapacitation. Deputy Minister for Finance U Maung Maung Thein has said that the games are an opportunity for local insurance companies to market themselves both domestically and overseas. The 27th SEA Games will begin in Nay Pyi Taw on December 11 to 20. (From *Myanmar Times*, 7 October, 2013)
- The Lord Mayor of London, H.E. Roger Gifford is to visit Myanmar this week to promote links with British investors and encourage cooperation with the United Kingdom. He said “ It is my hope that this visit will enable me to understand better the opportunities for British business in this region, and the needs of the local community” (From *Myanmar Times*, 7 October 2013)
- India’s Tata Power (Tata) has entered into an agreement with the government to build a new coal- fired plant in the Ayeyarwady Region. Tata has said it plans to build two 660 MW coal-fired plants in Myanmar that would become operational before 2020. (From *Myanmar Times*, 7 October 2013)
- FORD Motors Corp opened its first Yangon showroom last week. Ford has entered into a distribution agreement with Myanmar-based Capital Automotive, a subsidiary of the Capital Diamond Star Group. They will also work in partnership with the RMA Group a product and service provider who specialise in operating in frontier markets (From *Myanmar Times*, 7 October 2013)

- South Korea's Posco C&C (Posco) has commenced work on its US\$14 billion sheet metal factory in Yangon's Mingaladon Township. Posco's vice president Choi Sung-Hwan said the factory will produce sheeting under the 'Green Star' brand. The factory is 70% owned by Posco. The Myanmar Economic Co. owns the minority share. (From *Myanmar Times*, 7 October 2013)

- Singapore listed Yoma Strategic Holdings (Yoma) has signed an MOU with Japan's Mitsubishi Corporation and Mitsubishi Estate in relation to a proposed property development in downtown Yangon. Myanmar focused Yoma have a strong track record in project management and development. The project will cover 2 million square feet and will be mixed use, incorporating residential, commercial, retail and hospitality space. It will be built on a 10 acre site next to Bogyoke Market. Yoma officials have estimated that the project will cost approximately US\$350 million. (From *Myanmar Times*, 7 October 2013)



NATURAL RESOURCES

Myanmar's energy needs have increased 15% over the past year. In an effort to meet increasing demand the government has issued additional licences for onshore and off-shore oil and gas blocks and increasingly pursued projects involving alternative technologies such as biomass, biofuels, hydropower, wind, solar (photovoltaic), and geothermal energy sources.

Projects reported on by the media include:

- The Singapore based energy company Emerging Markets Energy Pte. Ltd (**EME**) will conduct a feasibility study in relation to the development of geothermal power plants in Myanmar.

The study to be carried out in Shan state, Tanintharyi, Sagaing, Magway and Mandalay regions, will be conducted after EME enters into a Memorandum of Understanding (MOU) with the Myanmar Ministry of Electric Power (MOEP). (From *Myanmar Business Today*, 3 October 2013)

- The World Bank Group has approved \$140 million in interest-free loans to Myanmar to develop a combined cycle gas turbine power plant in eastern Mon state. The plant will provide 106 MW of electricity, which equates to half of the state's peak demand and 5% of Myanmar's total demand. (From *Myanmar Business Today*, 3 October 2013)

- The MOEP has invited tender applications from foreign and local investors in relation to a gas engine generator to be situated near the town of Kyaukse (Mandalay) and a combined cycle power plant system in Myingyan (Mandalay) which will be operated as an independent power producer system. (From *Myanmar Business Today*, 3 October 2013)

- French engineering firm Technip has officially opened an office in Yangon. Technip provide project management, engineering and construction services to the energy industry. KK Lim, senior vice president of Technip said "We hope to develop a strong presence in the country over the long term and contribute not only to the future of its oil and gas industry but also to the development of the country." (From *Myanmar Business Today*, 3 October 2013)

- Six hydropower projects will be located along the Thanlwin River said U Maw Tha Htwe, director-general of the Hydropower Implementation Department. Once an MOU has been signed, a pilot-project will be carried out at Biluchaung (3) in January 2014 and at the upper Paunglaung hydropower plant in May 2014. The pilot hydropower plant is being built by Swanathit Oasis Company and will be constructed from 2014-2016. (From *The New Light of Myanmar*, 4 October 2013)

- The China Datang Company will develop a 101MW Terpein hydropower project in Kachin State from 2014-2015. A total of 50% of the electricity generated by the hydropower plant will be supplied domestically. (From *The New Light of Myanmar*, Thursday, 4 October, 2013)

- Myanmar and Japan last week agreed to cooperate on a number of new projects including the Thilawa and Dawei Special Economic Zones, the Yangon- Nay Pyi Taw-Mandalay railroad and the upgrading of the Yada U airport.. (From *Myanmar Business Today*, Thursday, 3 October 2013)

- Myanmar and The World Maritime University (MWMU) have reached an agreement in relation to e-education and learning management. Courses to be made available in Myanmar by the MWMU include nautical science, marine engineering, vessel and port building, and maritime electricity and electronics. (From *Myanmar Business Today*, Thursday, 3 October, 2013)

- Fibre products converting company Teijin Frontier, part of Japan-based Teijin Group, has established a Myanmar office as part of its efforts to strengthen its overseas operations and expand its global network. Company President Mr. Tetsushi Takenaka said; “Myanmar is seen as a promising China-plus-one market, and as we [sic] focus on strategic global expansion this year, the establishment of this new company will help reinforce sewing productivity and improve our production management capabilities” . (From *Myanmar Business Today*, Thursday, 3 October 2013)

- One of Myanmar’s largest construction companies the Shwe Taung Group has expressed an interest in partnering with foreign investors on steel production projects and on the construction of factories and department stores. U Aik Htun, chairman of the Shwe Taung Group said that “With only \$50,000, you can set up a company in Myanmar.” (From *Myanmar Business Today*, Thursday 3 October 2013)

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