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Myanmar Highlights

June 2014

Ball Corporation to open Myanmar manufacturing plant by middle of 2015

The U.S.'s Ball Corporation (**Ball Corp**) will begin work on a US\$40 million production facility by the middle of 2015. Ball Corp first entered the ASEAN market in 2012 when it established a production facility in Vietnam in cooperation with Thai Beverage Can Ltd. Ball Corp has entered into a long term manufacturing agreement whereby it will produce aluminium cans for Coca-Cola's Pinya Beverages Myanmar Ltd, producers of Coca-Cola™ and other beverages. (Source: *Myanmar Times*, 26 May 2014)

Capital Diamond Star Group recognised as 'Global Growth Company' by World Economic Forum

Myanmar conglomerate the Capital Diamond Star Group (**CDSG**) was recently recognised as a Global Growth Company (**GGC's**) by the World Economic Forum (**WEF**). The WEF describes GGC's as the most dynamic, high-growth companies from around the world. The WEF has identified GGC's in more than 65 countries. According to the WEF, GGC's have the potential to become a leader in the global economy owing to their business models, growth records, leadership and the markets they serve. Together CDSG's subsidiaries Capital Hypermarkets, Gems Garden Condominium, and Capital Life Insurance Ltd employ approximately 5,500 people in Myanmar. The WEF is an international organisation committed to improving the state of the world through public-private cooperation and has 360 corporations from 70 different countries. (Source: *Myanmar Times*, 25 May, 2014)

International Finance Corporation evaluating investment opportunities in Myanmar's telecommunications sector

The World Bank's International Finance Corporation (**IFC**) is evaluating medium-term investment opportunities in Myanmar's telecommunications sector. The IFC has identified a "spill-over" effect in the sector following the issue of telecom licences to Telenor Myanmar Ltd (**Telenor Myanmar**) and Ooredoo Myanmar Ltd (**Ooredoo Myanmar**) in 2013. In particular the IFC has noted significant opportunities in the construction of telecom towers. Telenor Myanmar have entered into construction agreements with Singapore's Apollo Towers Myanmar Ltd, which is funded by funded by TPG Capital L.P, and with Irrawaddy Green Technology Ltd, a joint venture company established by India's Quippo Telecom Infrastructure Limited and the U.A.E based Golden Towers Corporation; whereas Ooredoo Myanmar and Myanmar Post and Telecommunications and its partner the KDDI Corporation have contracted with the Mauritius-based Pan Asia Tower Investments Ltd, a joint venture between the Digicel Group Ltd and Yoma Strategic Holdings Ltd. (Source: *Myanmar Times*, 25 May 2014)

Samchem Holdings Bhd expanding operations into Myanmar

Malaysia's Samchem Holdings Bhd (**Samchem**) has announced it plans to expand its operations into Myanmar. Samchem currently exports chemical products to Indonesia, Singapore, Vietnam and Cambodia. Samchem representatives recently met with Myanmar banks and potential distribution partners. Samchem hopes to increase South East Asian revenues to 50% of its overall revenue. (Source: *Myanmar Business Today*, 29 May 2014)

Vietnamese and Myanmar officials meet to discuss cooperation initiatives

Officials from the Vietnamese and Myanmar Ministries of Industry met recently in Hanoi to discuss potential steel and textile manufacturing joint ventures. The discussions also focused on possible cooperation in relation to chemicals, fertilisers and agricultural machinery. Officials from Myanmar's Small and Medium-sized Industry Development Bank also met with their Vietnamese counterparts to discuss information sharing and technical assistance programmes aimed at product and IT development in the banking sector. Approximately 45 Vietnamese companies are presently operating in Myanmar. *(Source: Myanmar Business Today, 29 May 2014)*



Government issues tenders in relation to bridge and fly-over projects

The Yangon local government has issued tenders in relation to the construction of a 650-metre flyover at the Myaynigon junction in Sanchaung Township and a 300-metre bridge running from Dawbon (**Thaketa**) to Thingangyun Township. Tender application forms were made available to interested parties on the payment of a refundable deposit of K 1 billion. The closing date for submission of applications is 30 June 2014. Sealed applications must be accompanied by technical and financial proposals. Total costs for the projects are estimated to be US\$26 million, and are part of an overall infrastructure development plan which included flyovers at Hledan, Shwegonedaing and Bayintnaung junctions to relieve severe traffic congestion. *(Source: New Light of Myanmar, 29 May 2014)*

Operating licences to be issued to foreign banks by the end of September 2014

In a bid to attract foreign investment the Myanmar Government will issue a limited number of operating licenses to foreign banks possibly before the end of the September 2014. Foreign banks that wish to lend to local companies will be required to cooperate with local institutions. Foreign banks with representative office in Myanmar. A total of 35 foreign banks have established representative offices in Myanmar since 1995. A licensing panel will complete a review of applications by 6 July 2014. 5 to 10 licences will be issued initially. Based on a World Bank recommendation, licencees will be required to have a minimum paid-up capital of US\$75 million. It is as yet unclear whether international banks who have not yet established representative offices can apply for full operation licences. *(Source: Myanmar Business Today and AP/Reuters, Myanmar Times 5 June 2014)*

United Pulp and Paper Holdings Limited to invest in Myanmar power projects

Singapore's United Pulp and Paper Holdings Limited (**UPP**), will invest approximately US\$46,511,000 million in power generation projects in Myanmar. UPP will operate in Myanmar via its recently incorporated subsidiary UPP Power Myanmar Limited. *(Source: Myanmar Business Today, 5 June 2014)*

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