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Myanmar Highlights

January 2015

MPPE selects Puma Energy as jet-fuel distribution partner

The Myanmar Petroleum Products Enterprise (**MPPE**) has selected the Singapore-headquartered international oil and gas company the Puma Energy Group (**Puma Energy**) to be its jet-fuel distribution partner. MPPE and Puma Energy will cooperate to import and distribute aviation fuel throughout Myanmar. A formal agreement has yet to be executed. The Petroleum Authority of Thailand Public Company Ltd has been identified as a substitute candidate should the MPPE and Puma Energy fail to agree commercial terms. (Source: <http://www.thuraiswiss.com/2014/12/25/mppe-selects-puma-energy-as-jet-fuel-distribution-partner/>, 25 December 2014)

Federation of Trade Unions advocates minimum daily wage of Ks 5, 000

The Federation of Trade Unions of Myanmar (**FTUM**) has come out in support of a minimum daily wage of Ks5, 000 (or approximately US\$5). The FTUM will submit a formal proposal letter to the Ministry of Labour, Employment and Social Security (**Ministry**) before the end of January 2015. In September 2014 the Ministry launched a survey of employers and employees with a view to compiling opinions and information relevant to the establishment of a minimum wage in Myanmar. Results of the survey are expected to be published around April 2015. (Source: <http://www.mizzima.com/business/economy/item/16357-trade-unions-group-to-propose-k5-000-minimum-daily-wage>, 29 December 2014)

ECSB announces four types of licence will be made available to Myanmar securities companies

According to Dr. Maung Maung Thein, the Deputy Minister of Myanmar's Ministry of Finance and Chairperson of the Exchange Certificate Supervision Board (**ECSB**), four types

of licenses will soon be available to Myanmar securities companies. Depending on the nature of the services it intends to offer a company will need to obtain either an underwriter's, dealer's, broker's or a consultant's licence. The ECSB is expected to announce detailed criteria for each licence and commence the licencing applications process in January 2015. (Source: <http://www.myanmar-business.org/2014/12/four-types-of-exchange-certificate.html>, 28 December 2014)

Card Myanmar Company to invest approximately US\$150,000 on rural initiative

The Philippines-based Card Myanmar Company Ltd (**CMCL**), has announced it plans to invest approximately US\$150,000 to help expand its Centre for Agriculture and Rural Development Mutually Reinforcing Institution (**CARD MRI**). Founded in 1986, CARD MRI is a "group of mutually reinforcing institutions that is dedicated to ultimately empower the poor". CMCL is currently providing micro-finance loans of between US\$50 to US\$100 to individual SMEs in Myanmar. CMCL is also providing technical assistance to other microfinance institutions in Myanmar. (Source: <http://www.myanmar-business.org/2014/12/filipino-microfinancing-firm-expands-to.html>, 30 December 2014)

Sky Asia to develop cable car project in Mon State

Sky Asia Company Ltd (**Sky Asia**), the jointly owned subsidiary of Korea's Sky International Co Ltd and Myanmar's Asia International Fisheries Co Ltd, plans to develop a cable car project in Kyaikhto Township in Mon State. Sky Asia has submitted a proposal to the Ministry of Environmental Conservation and Forestry (**Ministry**) to rent 13 acres of land for an annual fee of Ks100, 000 per acre under a 50-year contract.

The Ministry has forwarded the proposal together with its recommendations to the Ministry of Industry and Commerce. (Source: http://www.elevenmyanmar.com/index.php?option=com_content&view=article&id=8510:mic-grants-permit-for-cable-car-project&catid=33&Itemid=356, 30 December 2014)

Berlanga Myanmar Private Ltd and A-1 Mining Company Ltd to conduct feasibility study on offshore-block Motamma M-8

The Singapore-based Berlanga Myanmar Private Ltd will partner with Myanmar's A-1 Mining Company Ltd and the State-run Myanmar Oil and Gas Enterprise to explore offshore block Motamma M-8. A one-year feasibility study will be undertaken after which a six year exploration period will commence. Total exploration is expected to cost approximately US\$153 million. According to official statistics foreign investment in Myanmar's oil and gas sector has now surpassed US\$15 billion. (Source: <http://www.mmbiztoday.com/articles/singapore-firm-probe-myanmar-s-offshore-oil>, 19 December 2014)

Myanmar expected to earn approximately US\$2.64 billion from annual natural gas exports

According to updated statistics released by the Ministry of Commerce (MOC), Myanmar is expected to earn approximately US\$2.64 billion from natural gas exports by the year ending 31 March 2015. Natural gas exports in the eleven months ending 30 November 2014 were up 22% on the same period in 2013. The majority of Myanmar's gas exports are supplied to neighbouring countries, especially Thailand and China. (Source: <http://www.mmbiztoday.com/articles/natural-gas-exports-22-percent>, 19 December 2014)

Myanmar Tourism Federation to establish 'tourism bank' for Myanmar SMEs

The Myanmar Tourism Federation will establish a privately-owned Tourism Bank Public Company Ltd to provide financial support to SMEs operating in Myanmar's tourism industry. The Directorate of Investment and Company Administration has already given its approval to the initiative. A licence to operate is expected to be issued shortly. Initially the bank will open branches in the country's three main cities - Yangon, Mandalay, and Nay Pyi Taw. It is proposed that the bank will provide short term finance to tourism-orientated companies – such as tour companies, who often struggle to obtain funding from conventional sources – in the run up to and over the peak tourist season.

(Source: <http://www.mizzima.com/business/economy/item/13942-tourism-bank-public-company-to-help-develop-tourism-sector/13942-tourism-bank-public-company-to-help-develop-tourism-sector>, 20 December 2014)

JICA to provide US\$40 million to develop Yangon's circular train system

According to the Ministry of Rail Transportation Japan's International Cooperation Agency (JICA) is to provide approximately US\$40 million to partly fund the upgrading of Yangon's circular-train system. Following a feasibility study the JICA has opted to establish a Control Centre System on the route. The initial works are scheduled for completion in 2015. The JICA is in discussions with the Myanmar government in relation to the securing of additional funds to continue to overhaul Yangon's rail system. (Source: <http://www.myanmar-business.org/2014/12/japan-to-grant-us40m-to-upgrade.html>, 22 December 2014)

Frontier Digital takes stake in MyanmarCarsDB and iMyanmarhouse

Malaysian investment firm Frontier Digital Ventures (Frontier Digital) has announced it has taken stakes in two of Myanmar's leading online businesses – the property website iMyanmarhouse and online automobile retailer MyanmarCarsDB. Frontier Digital's CEO Shaun Di Gregorio said Frontier Digital is "actively working with the management teams of both companies to accelerate their growth and extend their market leadership." (Source: <http://www.propertyportalwatch.com/2014/12/frontier-digital-ventures-invests-into-myanmar/>, 24 December 2014)

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