

### Government's Policy

#### **1/ 60 KV power grid extended to Hakha in end-July**

Myanma Freedom Daily, 28 March 2014

A 60 kilovolt (KV) electricity grid will be connected in July 2014 to Hakha, capital of Chin State which has the lowest rate of access to regular electricity in Myanmar. The Myanmar government has earmarked infrastructure projects for Chin State as there are plans to establish industrial and hotel zones in one of Myanmar's poorest and least developed states.

### Trade and Investment

#### **2/ European Union kicks off Investment Pact Talks with Myanmar**

Myanmar Business Today, 27 March – 2 April 2014

The European Union (EU) has launched negotiations for a bilateral investment protection deal with Myanmar. The investment agreement, which both sides aim to conclude as soon as possible, would offer EU investors key guarantees in their relationship with Myanmar such as protection against discrimination, protection against expropriation without compensation, and protection against unfair and inequitable treatment. It is anticipated that the agreement would lead to a marked increase in EU investments in Myanmar.

#### **3/ Tourism and travel sectors to find continued growth in 2014**

Myanmar Times 24 – 30 March 2014

Myanmar's travel and tourism sectors are set to grow 9.5 % in 2014 to reach USD 971 million (from USD 885 million in 2013) as the number of international visitors to the country, especially from Asia, is expected to continue climbing. With tourism on the rise, total investment in the sector is expected to grow 4.3 % year on year, up from USD 187.8 million in 2013, while employment in the sector is expected to grow 6.5 % to reach 877,500 jobs in 2014.

#### **4/ Garment sector to hit USD 1.5 billion revenue mark**

Myanmar Times 24 – 30 March 2014

Revenues in the garment sector are expected to grow by as much as 50% for the 2013 – 2014 fiscal year and reach USD 1.5 billion. The sector has continued to benefit from relaxed trade rules from abroad, especially getting GSP status from the EU in mid-2013. With revenues growing and international brands such as Tesco, UK based Dewhirst and US apparel giant Gap Inc looking to invest in Myanmar in the near future, growth would likely continue in the coming years.

### 5/ Myanmar to cut tax rate on imported cars

Myanmar Business Today, 27 March – 2 April 2014

Myanmar authorities will cut tax rate on imported cars in the coming fiscal year of 2014 – 2015 in a bid to further bring down car prices. The current car price in Myanmar is about 1/5 of those 3 years ago following measures already taken by the government to make cars more affordable. It is expected that the further cut in car tax rate will worsen the problem of traffic jam in Yangon.

### 6/ SMIDB plans to lend USD 20.6 million to SMEs

Myanmar Business Today, 20 – 26 March 2014

State-owned Small and Medium Industrial Bank (SMIDB) plans to lend USD 20.6 to SMEs in the fiscal year of 2014 – 2015. The loans, which will be at 8.5 % interest rate, will be administered by the Central Department of Small and Medium Enterprises Development (CDSMED) under the Ministry of Industry, with technical assistance from KfW bank (Germany) and Japan International Cooperation Agency (JICA). It is hoped the loans will strengthen Myanmar's SMEs in preparation for the AEC next year.

### International Relations

### 7/ Japanese government grants USD 1.5 million for 8 grass-root projects

New Light of Myanmar, 27 March 2014

Under the Grant Assistance for Grass-roots Human Security Projects (GGP) Scheme, Japan has signed the grants contracts for 8 projects, totaling USD 1.5 million, including, for instance, 5 schools and 1 monastic school in Kawa, Hpa-an, Hinthada, Hopin, Myitkyina and Bilin Townships which will benefit over 2,400 students who are now studying under insufficient learning environment in old school buildings. The Japanese government has assisted 685 grass-root projects in Myanmar under GGP since 1993.

### 8/ His Majesty King of Brunei meets with President U Thein Sein

New Light of Myanmar, 26 March 2014

His Majesty King of Brunei met with President U Thein Sein in Nay Pyi Taw on 25 March 2014. Among many issues discussed at the meeting, the leaders of Brunei and Myanmar talked about cooperation in energy and agricultural sectors as well as prospects of Myanmar's rice export to Brunei.

### 9/ Hong Kong Textile Manufacturers to shift base to Myanmar for cheap labour

Myanmar Business Today, 20 – 26 March 2014

On behalf of 12 Hong Kong textile manufacturers, Hong Kong's Liberal Party lawmaker Felix Chung Kwokpan has signed an agreement to rent half of the 400-hectare Thilawa Special Economic Zone for USD 52 million for 50 years in a bid to cut down production costs by at least half. The construction work of factories will begin in mid-2015 and

once completed the Hong Kong manufacturers will hire at least 30,000 Myanmar workers at the market salary of USD 100 to USD 120 a month.

**10/ Chinese Association donates USD 170,000 to local NGOs**

Myanmar Business Today, 27 March – 2 April 2014

The China – Myanmar Friendship Association has donated USD 170,000 to 17 Myanmar NGOs, as part of the Chinese move to rebuild its image in Myanmar and improve people-to-people friendship between the two countries.

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