

Keynote Speech by Chairman of the Myanmar Investment Commission, National Security Advisor, Union Minister H.E. U Thaung Tun at the Belt and Road Global Forum

Hong Kong, 27th June 2018

Allotted time: 3 mins (between 15:25-15:55)

Mr. Vincent Lo, Chairman of Hong Kong Trade Development Council

Distinguished Guests,

Ladies and Gentlemen,

Good afternoon.

It gives me great pleasure to join distinguished representatives from 55 countries gathered here today.

I would like to thank the Hong Kong Trade Development Council (HKTDC) for organizing this important event.

This gathering is an excellent opportunity for all of us to meet and learn more about the business opportunities before us and investment trends along the Belt and Road.

I have chosen Hong Kong as the first port of call in my capacity as new Chairman of the Myanmar Investment Commission. This decision reflects the importance we attach to relations with Hong Kong and to the Belt and Road Initiative.

We recognize the importance of Hong Kong as one of the world's premier economies. With an extensive network of banks and financial institutions, Hong Kong is well-positioned to play a prominent role in facilitating trade and investment flows and closing the global investment gap.

We believe that Hong Kong's unmatched business strengths as such as internationally recognized professionalism, practice of common laws under "One Country, Two Systems" principle and its role as super connector in international business partners coupled with its success story in infrastructure can surely contribute to narrow the global infrastructure gap.

Today, I would like to highlight two compelling reasons how Myanmar and Hong Kong seize the opportunities presented by the Belt and Road Initiative:

- **First**, there are vast changes and transformation in Myanmar. The country is on-the-move.
- **Second**, opportunities far outweigh challenges.

Let me begin with change.

Myanmar opened a new chapter in 2010. Since then, many political and economic reforms have been initiated.

Myanmar was one of the world's most isolated countries. Today, it is one of Asia's fastest-growing economies.

Myanmar is strategically-located between China and India, two of the world's fastest growing economies, and has one of the lowest population densities in the region. It is endowed with vast natural resources including natural gas.

Myanmar also has a sizeable population of 53 million and a youthful workforce.

Conflict in a few ethnic states is being managed through a peace process and the country as a whole is enjoying the peace dividend. Closing the infrastructure gap can contribute to the on-going peace process.

Myanmar is ready to welcome investment in infrastructure development. Myanmar is starting on its development journey in the digital age and the country has seen a rapid growth of mobile and Internet usage. It can leapfrog to a new stage of development.

Most importantly, the new Myanmar Investment Law and rules and regulations have been adopted. Changes to previous investment regulations include a new approval process and further easing of foreign investor's access to land leases.

The newly reconstituted Myanmar Investment Commission will be transparent and efficient. We will simplify the investment process.

The policy emphasizes the rule of law and reliable regulations for arbitration.

The latest change underscores the government's commitment and determination to improve investment environment and to welcome responsible business. We will ensure that there will be a level playing field.

Turning now to the second reason..... Opportunities and Challenges

Myanmar offers immense opportunities for investors. As with all developing countries, there are challenges. Foremost, is the lack of adequate infrastructure. Poor infrastructure is holding back progress in realizing Myanmar's potential for development. The quality of infrastructure in Myanmar is low compared to other developing countries. The World Bank estimates that Myanmar will require approximately US 20 billion in investment by 2030 in order to close the infrastructure gap. Poor transport infrastructure hinders connectivity and logistic performance. However, there have been noteworthy improvements in the past years. Better infrastructure can lower the costs and improve ease of doing business in Myanmar. Myanmar's energy potential has yet to be fulfilled. Myanmar remains one of the world's least electrified countries, notwithstanding natural gas and renewable energy resources.

We are aware that lack of sufficient and stable electricity is a major challenge for promoting investment. The country needs to focus on power and gas infrastructure solution to address short term and long term objectives.

Myanmar's ports also need to be upgraded and expanded to meet growing demand.

Despite the challenges, business opportunities are still abundant and the critical need for foreign direct investment remains. **For investors, these challenges can be turned into opportunities.**

As Myanmar is now open for business, I wish to invite partners from Hong Kong and beyond to take advantages of the situation. **To quotes Warren Buffet "Opportunities come infrequently. When it rains gold, put out the bucket, not the thimble"**

I thank you.