

## Keynote Speech

At

Chin State Investment and Product Fair

By

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Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

A very good morning to you all!

First of all, I would like to extend a warm welcome to all participants attending this first Chin State Investment and Product Fair, in Yangon. I am pleased to deliver the keynote address at this important event. I also would like to take this opportunity to thank the Myanmar Investment Commission, the Ministry of Investment and Foreign Economic Relations, the Chin State Government, the Directorate of Investment and Company Administration (DICA) and all the sponsors for organizing the event.

This investment and product fair is being held with the aims of highlighting the immense investment opportunities that exist in the Chin State and to showcase the products and services available there.

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According to the Asian Development Bank (ADB), Myanmar's per capita GDP growth was 5.9% in 2018 and is expected to reach 6.3% in 2019.

This strong growth performance is underpinned by the wide range of reforms being undertaken to open the economy further including through the creation of a fair and competitive investment environment. These reforms include: enacting a new companies law, modernizing the legal and regulatory framework, promoting ease of doing business, strengthening the capacities of Myanmar's Regions and States to support inclusive trade and investment activities, and changes to the banking and investment sectors.

The promotion of an enabling environment for the private sector, a central pillar of the Myanmar Government's economic reform agenda, is critical to attracting the investment needed to sustain economic growth and to create jobs in the medium and longer term.

As part of the reform agenda, the Myanmar Sustainable Development Plan (MSDP) was developed last year. The objective of the Myanmar Sustainable Development Plan (MSDP) is to connect and align the country's ambitious policies and institutions for the purpose of generating implementable solutions to achieve "genuine, inclusive and transformational economic growth". It holds the promise of offering the much-needed unifying and coherent roadmap for reforms of the country.

Recognizing the importance of strategic foreign investment for the development of the country, Myanmar Sustainable Development Plan (MSDP) encourages the use of foreign investment targets for certain sectors or businesses and lays out action plans to eliminate restrictive policies that discourage trade and investment.

Last year, the government also launched the Myanmar Investment Promotion Plan (MIPP) to promote both domestic and foreign investment in the local economy and to improve the business environment, targeting an increase of Myanmar's rank in World Bank Doing Business to within 100 by 2020. The Myanmar Investment Promotion Plan (MIPP) targets a per capita income of USD 3,000 by 2030.

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As private sector development (PSD) is crucial for the economic development of Myanmar, the government adopted the Private Sector Development (PSD) Framework and Action Plan in 2016 and established the Private Sector Development Committee. A committee which I have the honor to lead. The Private Sector Development (PSD) framework is designed to fill the gap between stakeholders' vision and current practices, by recognizing the constraints faced by business, and is intended to serve as a roadmap.

Currently, the government is planning to update and upgrade the private sector development (PSD) Framework to serve as a foundation, and accelerator of changes, to reach across government agencies, and align relevant development partner initiatives across the following five thematic pillars:

- Legal and Regulatory Environment
- Access to Finance
- Trade and Investment Promotion
- Restructuring of the State's Role in Business Enterprise and Service Delivery
- Building Myanmar's Human Capital Base

These ambitious reforms will continue to enhance business environments across the Regions and States of Myanmar and use private investment to create greater social impact and address the critical challenges of inequality and poverty.

In particular, the government is implementing and coordinating project activities under the Myanmar Sustainable Development Plan (MSDP) through the Project Bank to fulfill the national goal of 'Job Creation & Private Sector Led Growth'. The government recently launched the Project Bank to publicize prioritized public infrastructure projects in the Regions and States, including the Chin State. The project bank aims to facilitate both the flows of development assistance and private sector investment to coordinate with the public budget allocation and align with the goals and strategies of the Myanmar Sustainable Development Plan (MSDP).

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Myanmar is now opening up to investment and the ongoing political and economic reforms offer vast opportunities. A host of challenges due to lack of infrastructure remain, But these challenges can be turned to opportunities!

Myanmar is a country with enormous economic potential, given its unique geographical location as a land bridge between China, India and the rest of ASEAN. This enviable geographical location makes the country a significant potential market. Chin State enjoys a special advantage as it strategically located on the border with India.

The Mekong-India Economic Corridor (MIEC) will facilitate enables direct trade, transit trade and the development of special economic or industrial zones along the economic corridors.

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Now I would like to turn to Chin State. Chin State enjoys a unique position as it opens up for social and economic development. The diverse environment of Chin State offers a range of investment opportunities from small businesses to large investment projects - traditional weaving, agribusiness, community - based tourism, hydro power and infrastructure.

Chin State is bordered by Sagaing Division and Magway Division to the east, Rakhine State to the south, Bangladesh to the south-west, and the Indian states of Mizoram to the west and Manipur to the north. Although the bilateral trade between India and Myanmar is still lower in comparison to our bilateral trade with Thailand and China, the location of Chin State offers strong potential for future trade flows. The ongoing transport and infrastructure development hold the promise of investment opportunities.

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I am confident that today's event will serve as a platform for potential investors to better appreciate untapped investment opportunities of Chin State. I urge all of you who have not yet been to Chin State to visit the state and see the situation first hand and to invest in Chin State.

To conclude, I would like to thank you again for this event; and I would like to express my sincere appreciation to all who have made this event possible - Department for International Development (DFID) and the DaNa Facility, VDB Loi Co., Ltd, KBZ Bank, and the Chin State Chamber of Commerce and Industry. I commend all of you for your collaboration with the Myanmar Investment Commission (MIC), the Ministry of Investment and Foreign Economic Relations (MIFER), the Chin State Government, and the Directorate of Investment and Company Administration (DICA) in making the event a success.