



# Investment Trend and Economic Situation in Myanmar

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**Director**

**Directorate of Investment and Company Administration**

- Expanding our financial resources
- Improving the operations of state-owned enterprises and privatizing those enterprises
- Fostering the human capital
- The rapid development of fundamental economic infrastructure
- Creating employment opportunities for all citizens
- Establishing an economic model
- Asserting the right individuals to freely pursue the economic opportunities
- Achieving financial stability

- Building environmentally sustainable cities, upgrading public services and utilities
- Establishing a fair and efficient tax
- Establishing technical systems and procedures
- Identifying the changing and developing business environment

- In order to achieve a 6-9% annual GDP growth, an accumulative amount of USD140 billion is necessary during the period 2014 - 2030.

## Required Annual Investment to Achieve GDP Growth Target

Unit: Million USD

Year/Period	Total Investment	FDI	Domestic investment	Government Capital Investment
2014	11,899	<b>3,282</b>	3,146	5,470
2015	14,308	<b>4,661</b>	3,763	5,884
2016-20 Average	20,558	<b>6,306</b>	5,093	7,416
2021-25 Average	32,025	<b>8,120</b>	10,672	10,516
2026-30 Average	49,886	<b>11,405</b>	19,095	14,888
Total	495,091	<b>138,429</b>	181,206	175,455

## Vision

**Dynamic economic growth led by FDI worth USD140 billion\* during the period of 2014 to 2030**

\*accumulated amount

## Goals (with Target FDI amount)

**Short-term  
(2015)  
USD 4 billion/year**

**Increase of FDI to achieve access to the Global Supply Chain for Myanmar's economy and to contribute to the development of the domestic market as well as to export**

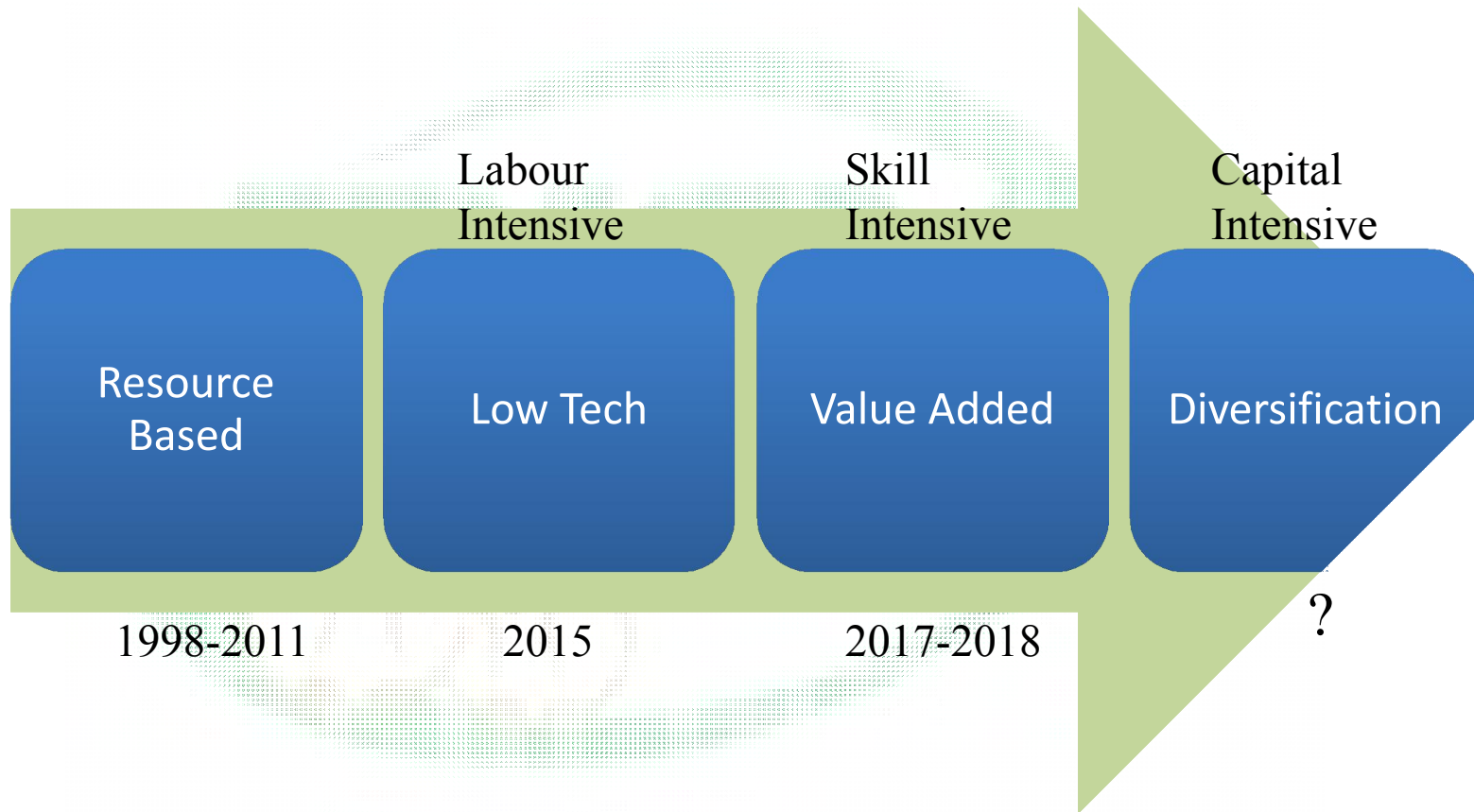
**Mid-term  
(2016-2020)  
USD 6 billion/year**

**Achievement of comparative advantage in the AEC with internationally-recognized reputation and realization of domestic industrial diversification**

**Long-term  
(2021-2030)  
USD 8 billion/year (2021-2025)  
USD 11 billion/year (2026-2030)**

**Development of industrial agglomeration through continuous FDI-led industrial development with sophisticated infrastructure and multi-layered supporting industries that contributing as the core driver of Myanmar's sustainable economic growth**

# Trend of Investment









# Myanmar Investment Law



## Submitting Proposal (Section 36)

- Businesses that are strategic for the Union
- Large capital intensive investment projects
- Projects which have large potential impact on the environment and the local community
- Business carried out in State-owned land and building
- businesses which are designated by the government to require the submission of a proposal to the Commission

Business except  
where it concerns  
investments  
stipulated under  
section 36

Endorsement  
application to the  
Commission

To enjoy the Rights to Use Land  
under Chapter (12) and  
Exemptions and Reliefs under  
sections 75,77 and 78

Not required to submit  
a Proposal to the  
Commission

## Business:

- ⊗ the hazardous or poisonous wastes;
- ⊗ technologies, medicines and instruments which are still being tested abroad or which have not obtained relevant approvals for use, planting except for the purpose of R&D;
- ⊗ may affect the traditional culture and customs of the racial groups;
- ⊗ may affect the public health
- ⊗ may cause damage to the natural environment and ecosystem;
- ⊗ manufactured goods that are prohibited in accordance with existing laws.



# Restricted Investment

- ✓ Investment activities allowed to carry out by State only;
- ✓ Investment activities restricted to foreign investors;
- ✓ Investment activities allowed only in form of joint venture with a citizen owned entity or a citizen of Myanmar; and
- ✓ Investment activities permitted with the recommendation of the relevant ministries

Restricted Investment

**National  
Treatment for  
the Foreign  
investors and  
investments**

**Most-Favoured  
Nation  
Treatment**

**Fair and  
Equitable  
Treatment**

Treatment of Investors



# Rights to Use Land



- From any government body or government organization
- From private land-holders

Initial 50 years

The period of  
consecutive  
10 years

- From any government body or government organization
- From private land-holders

- From any government body or government organization
- From private land-holders

Further  
10 years







## Any Citizen

- ✓ Senior Manager
- ✓ Expert
- ✓ Advisor



Guarantees not to expropriate or nationalize or indirect expropriation to any investment

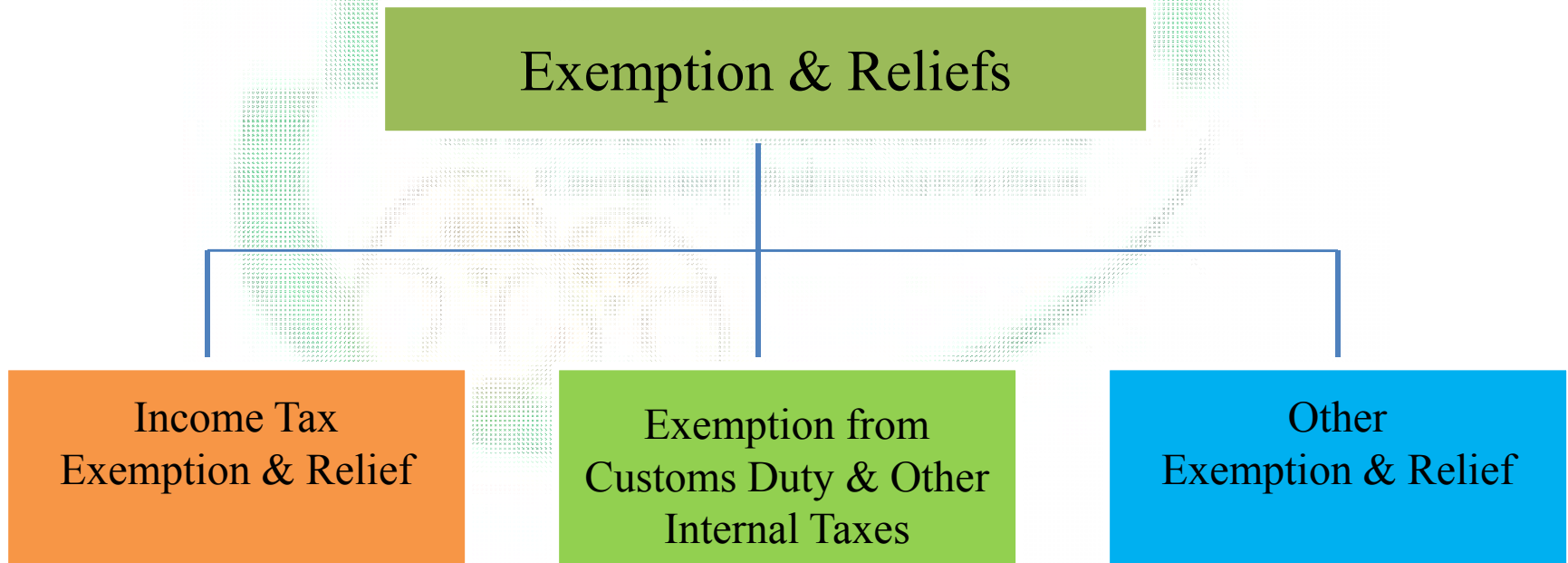


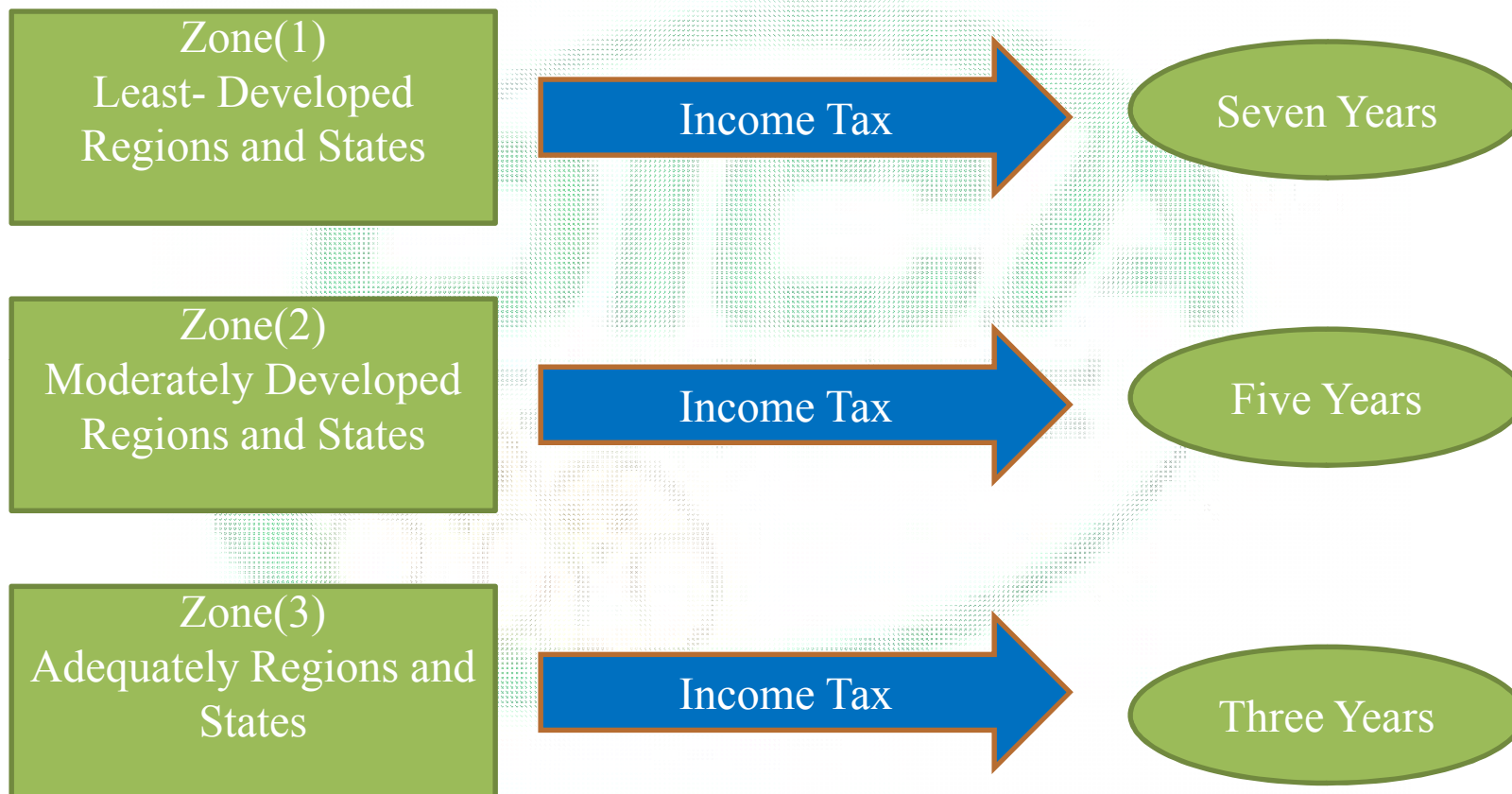
**Conditions  
for  
expropriation**

- ✓ For a public interest
- ✓ In a non-discriminatory manner
- ✓ In accordance with due process of law
- ✓ Upon payment of prompt, fair, adequate and effective compensation

# Incentives under New Myanmar Investment Law

- ❖ Incentive is not granted automatically
- ❖ Investors may apply one or more than one the exemptions and reliefs







**Agriculture and its  
related services  
(except cultivation and  
production of  
tobacco and virginia)**



**Plantation and  
conservation of forest,  
and other businesses  
with forest**



**Livestock production,  
breeding and  
production of fishery  
products, and its  
related services**





**Manufacturing  
(Except  
manufacturing of  
cigarette, liqueur, beer,  
and other  
harmful products to  
health)**



**Establishment of  
Industrial Zones**



**Establishment of New  
Urban Areas**





**City Development  
Activities**



**Construction of Road,  
Bridge and Railway  
Line**



**Construction of  
Seaport, River Port  
and Dry Port**







**Management,  
Operation and  
Maintenance of  
Airport**



**Maintenance of  
Aircrafts**



**Supply and  
Transport Services**



# Promoted Sectors



**Power Generation,  
Transmission and  
Distribution**



**Production of  
Renewable Energy**



**Telecommunication  
Businesses**



# Promoted Sectors



**Education  
Services**



**Health Services**



**Information  
Technology  
Services**





**Hotel and Tourism**

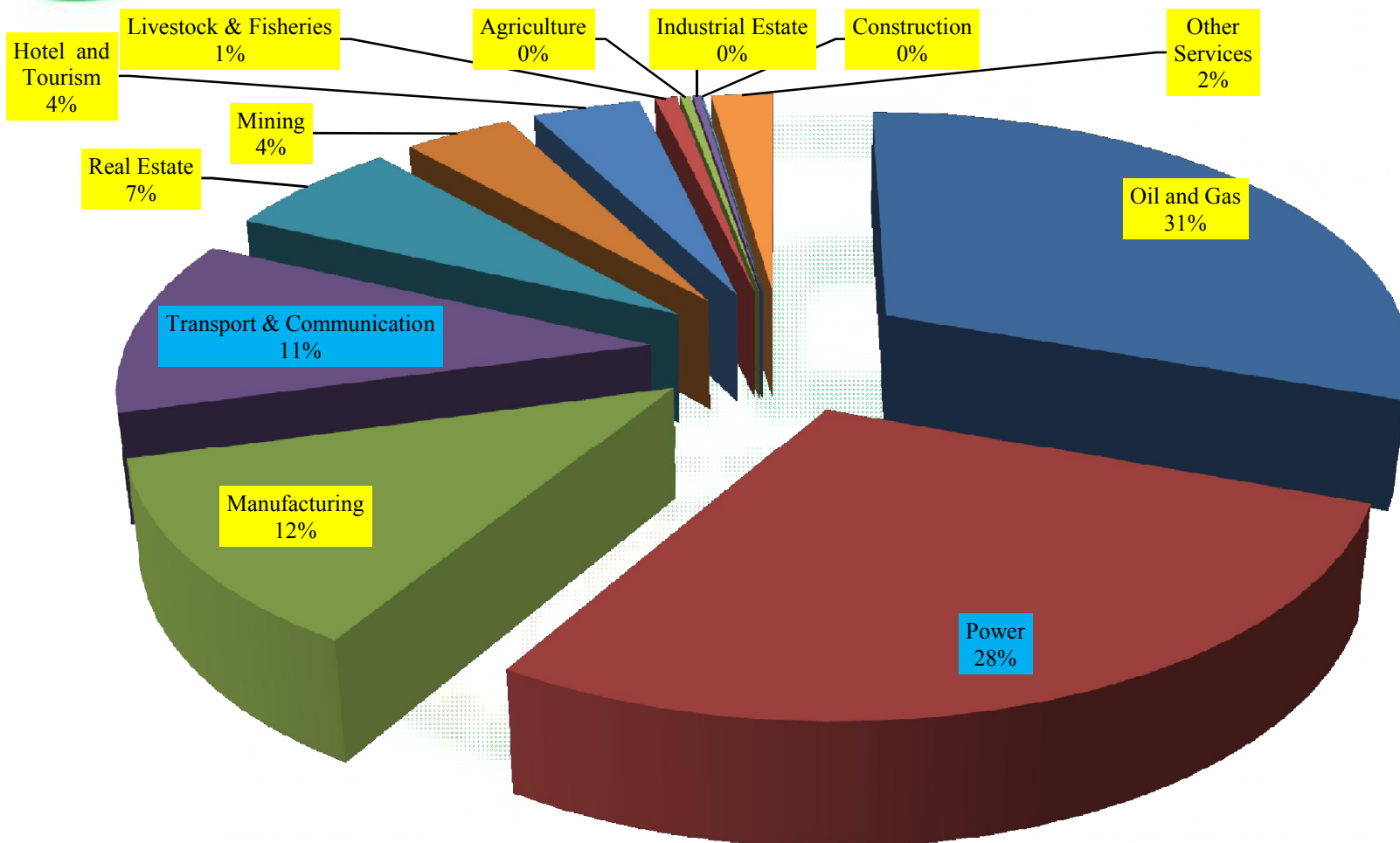


**Science Research  
Development Business**

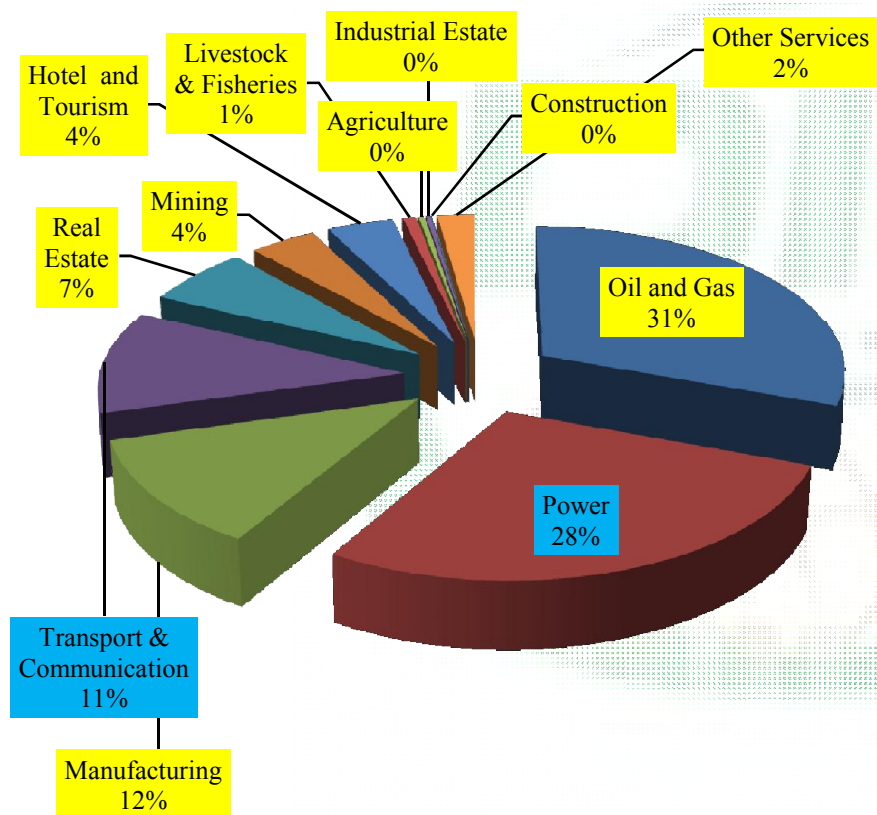


# FDI Situation in Myanmar

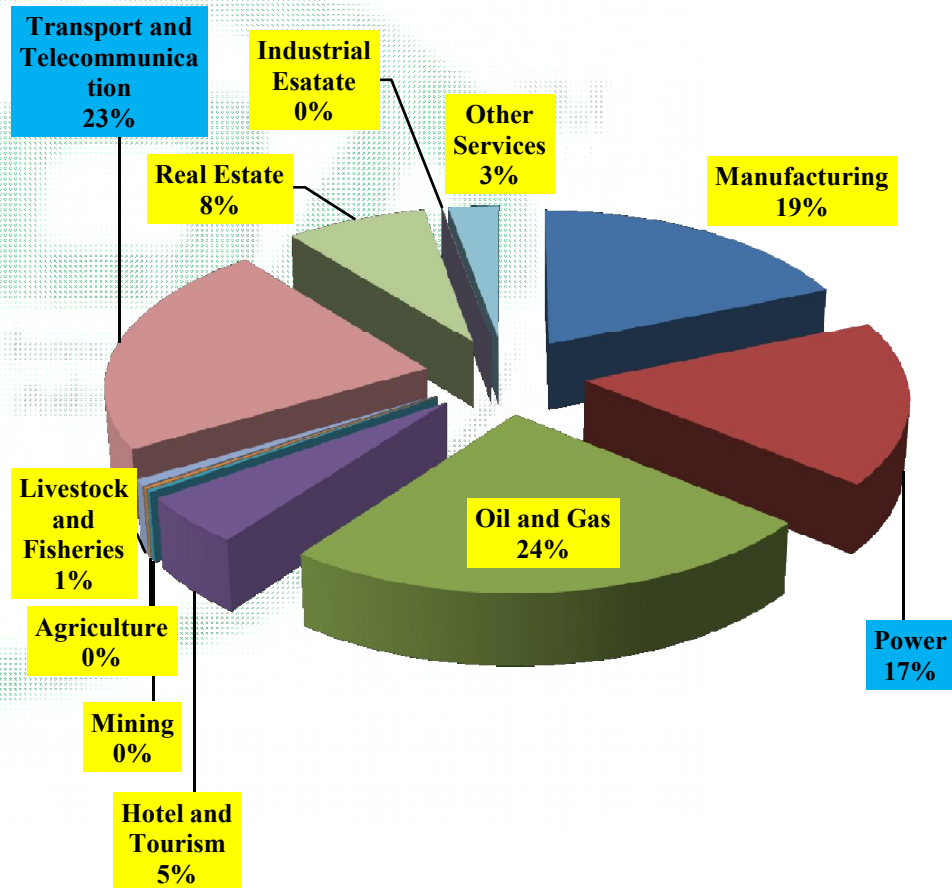
# Foreign Investment in Myanmar (1988-1989 to July, 2017)



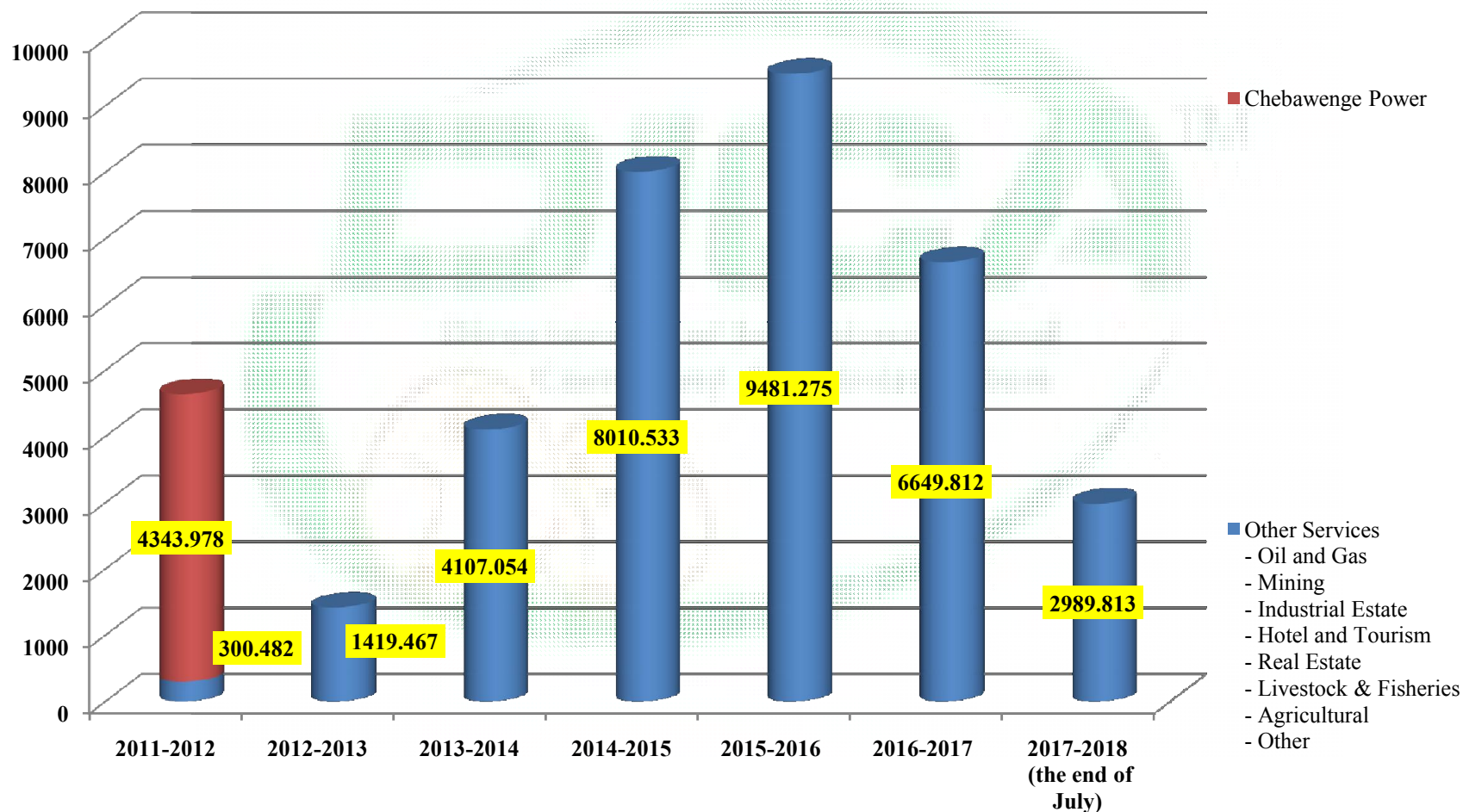
**Foreign Investment of Permitted Enterprises as of (31/7/2017) (Sectors)**



**Sectors (2011-2012 to 2017-2018, as the end of June)**



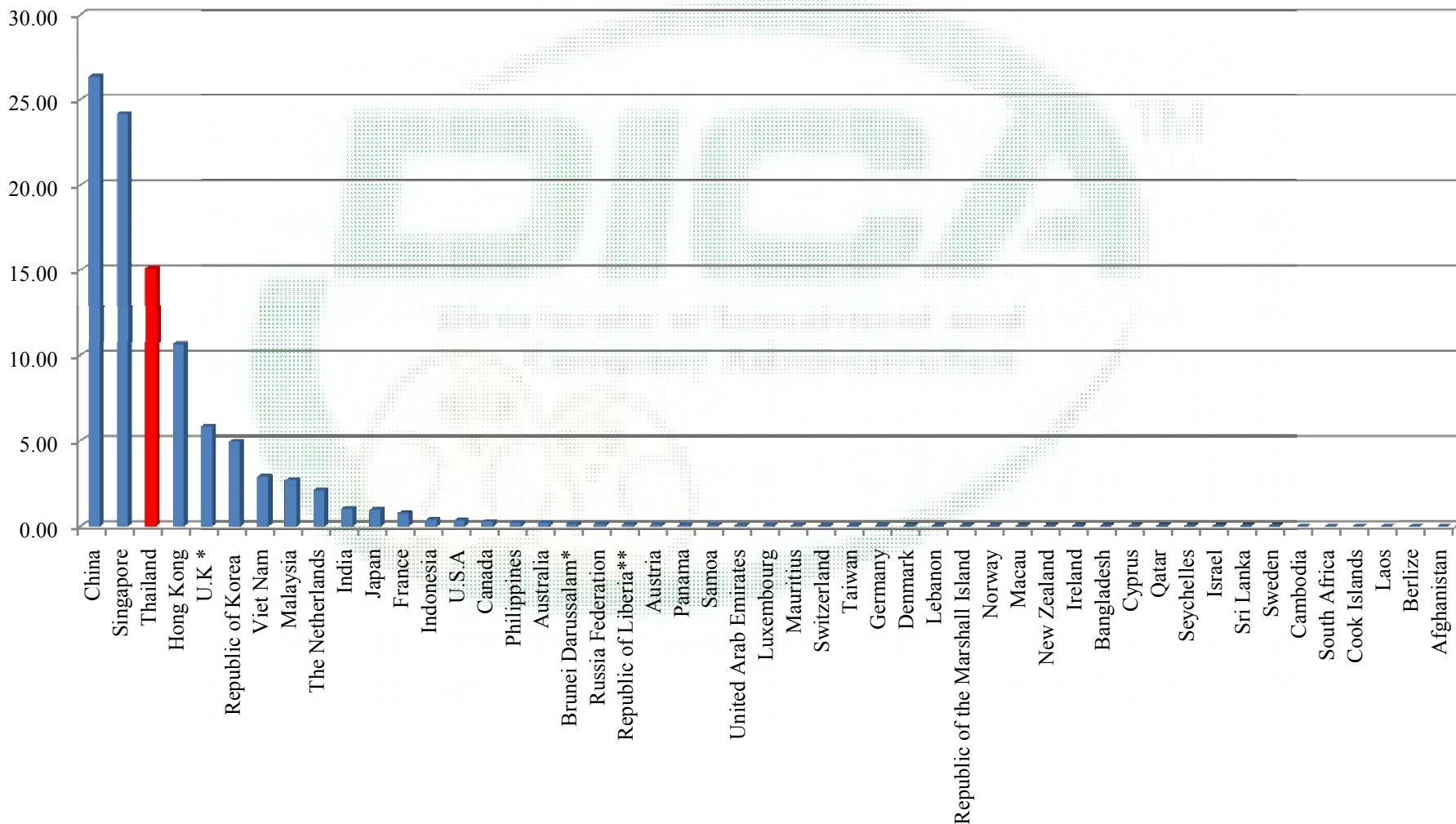
US\$ in Million





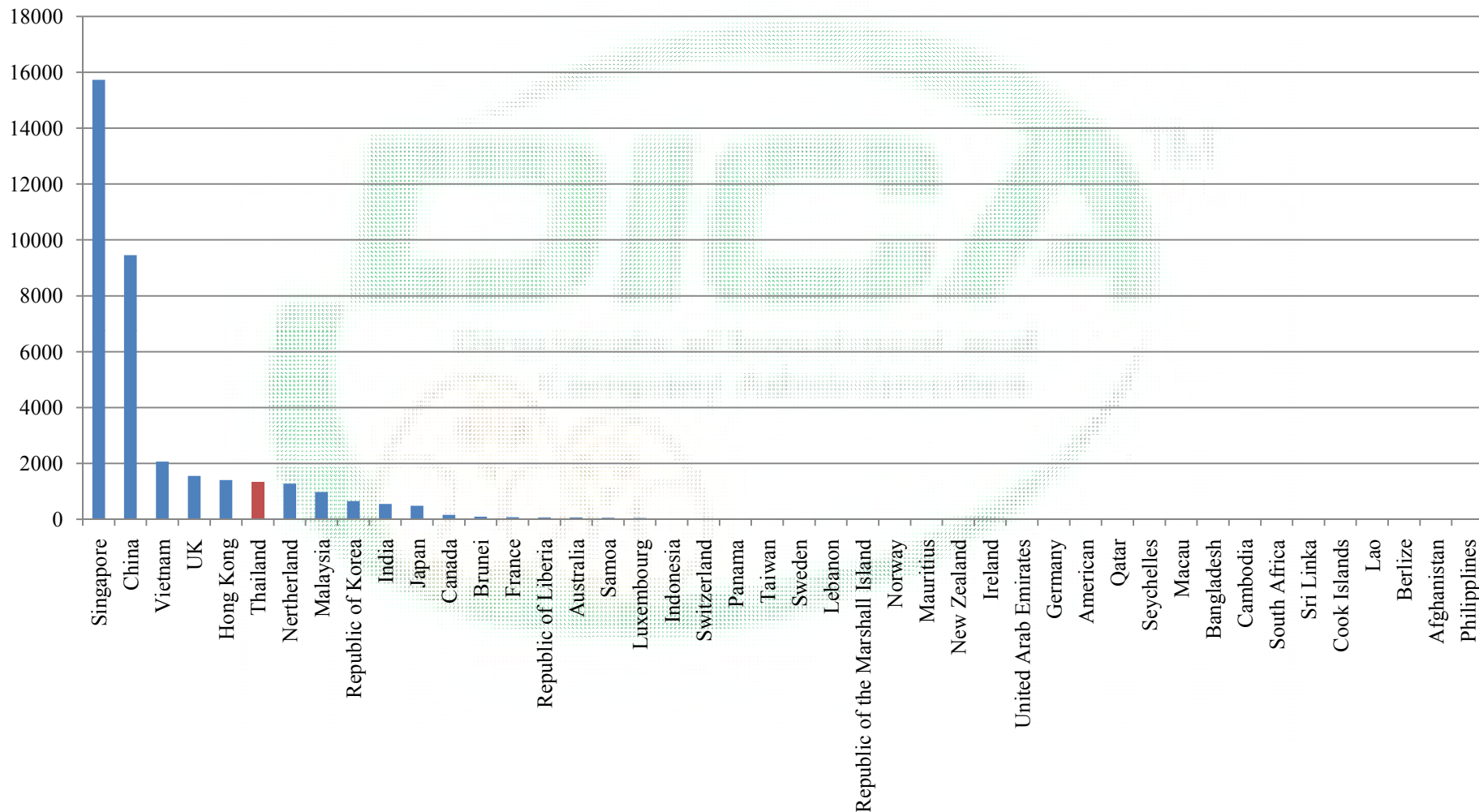
## Foreign Investment of Permitted Enterprises as of (30/6/2017) (Countries)

US\$ in Millions

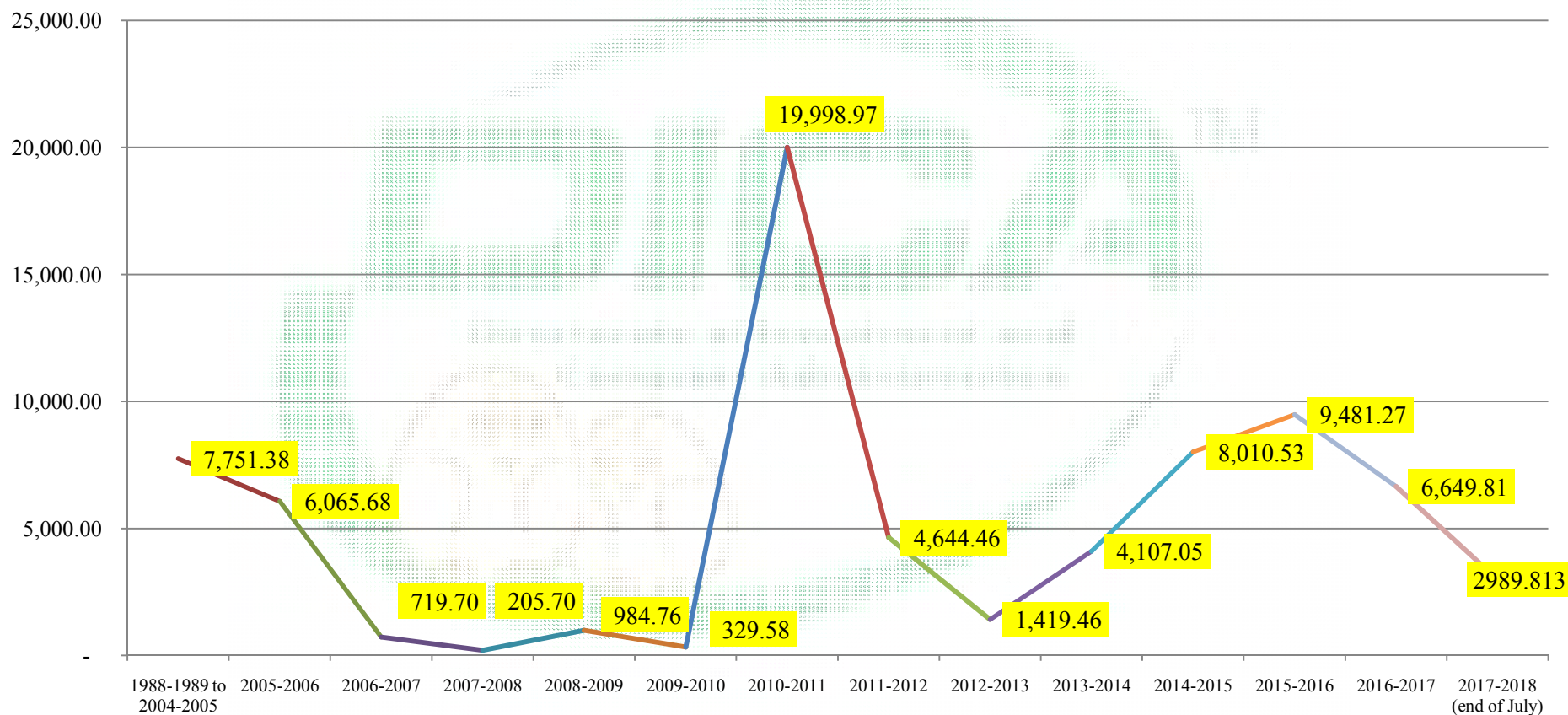


## Countries (2011-2012 to 2017 June)

US\$ in Millions



**US\$ in Millions**



# Thank You



*Cooperator of Business Community,*

*Developer of National Economy*

*DICA*

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