

Myanmar strives to implement SEZ projects to boost economy

YANGON, May 31 (Xinhua) -- Myanmar has been striving to implement three special economic zone (SEZ) and deep sea port projects since the new civilian government took office in March 2011, as part of its efforts to create jobs and boost economic development. "Implementation of the Thilawa SEZ is in the pipeline as the project has seen investment from Japan," President U Thein Sein told a meeting of the Central Committee for Myanmar SEZ on Thursday. The other two SEZ and deep sea port projects are namely Dawei and Kyaukpyu. Hitherto, a number of Japanese companies have showed interest in investing to build infrastructure and establish factories in both Thilawa and Dawei SEZs. Among them are Mitsubishi Corporation, Marubeni Corporation and Sumitomo Corporation, Oshimaya Co., ASMO Co. Ltd., JFE Engineering Corp. and METACC Manufacturing Ltd. The Thilawa SEZ project, which comprises high-tech industry, textile, labor-intensive industry and manufacturing industry, will be jointly developed by Myanmar and Japan with Myanmar holding 51 percent stake and Japan with 49 percent, an official of Thilawa SEZ Management Committee said. Covering an area of over 2,000 hectares, the project is located between Thanlyin and Kyauktan townships in Yangon region, which adjoins the Dawei SEZ in southern Taninthayi region. Though started as early as in the previous military government, the Thilawa and Dawei SEZ and deep seaport projects failed to be implemented due to fund shortage, U Thein Sein disclosed. Myanmar and Thailand signed a memorandum of understanding on Dawei SEZ and deep sea port project in 2008, while the Myanmar Port Authority and Italian-Thai Company also inked a framework agreement in 2010 to implement the project. The government has also negotiated to invite investment from Japanese companies, and it is expected that investment from them would flow in very soon. Encouraged by Thailand, U Thein Sein discussed the project with Japanese Prime Minister Shinzo Abe during the latter's recent visit to Myanmar. The Myanmar president stressed that Myanmar and Thailand must be committed to the success of Dawei SEZ and related projects. Myanmar and Thailand have formed a joint committee in November 2012 to speed up the comprehensive development of the Dawei SEZ and related projects, inviting capable international investors to engage in the project. Thailand, on its part, is committed to building roads, deep seaport, industrial zone, power plant, water supply and water treatment system, communication and high-speed train in the Dawei SEZ, according to a Myanmar-Thai joint declaration issued in Phnom Penh on the occasion of the 21st Summit of the Association of Southeast Asian Nations (ASEAN). Although Myanmar has been determined to carry out the three projects, the country saw slow foreign investment over the past two years as it's been focusing on enacting a new Foreign Investment Law and removing economic sanctions imposed on it. "Myanmar had made progress in relaxing economic sanctions imposed by European Union countries and the United States through diplomatic means,

overcoming challenges for foreign investment," U Thein Sein said. Meanwhile, the World Bank and the Asian Development Bank have forgiven Myanmar its debts, and the country has got new loans with low interest rate after negotiating with member countries of the Paris Club. U Thein Sein called for preparing for the ASEAN Free Trade Area that would take effect in 2015, in an attempt to compete with goods from ASEAN member countries and some developed countries. He also urged his people to participate in joint-venture businesses and corporations by cooperating with foreign investors to produce quality goods. Dawei SEZ is the western gate of the southern economic platform of the Greater Mekong Subregion and it would benefit not only Myanmar but also other countries in the region in terms of economic development, said the president.