

# Making Integration Count: People, connectivity, Integration in Myanmar's context

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# Four objectives of National Economic Policy

- To support national reconciliation and the emergence of a united federal democratic union.
- To achieve balanced economic development across the States and Regions.
- To create opportunities for the emergence of capable and skilled new generations for the benefit of the country.
- To establish an economic system that can achieve and maintain positive development outcomes through the participation, innovation and efforts of all citizens.



# Myanmar's 12 Economic Pillars

Transparent public  
financial management



Improve operations  
of state-run  
enterprises



Foster human  
capital

Prioritise  
physical and IT  
infrastructure

Create  
more jobs

Balance growth  
in agriculture  
and industry



Enable private sector growth  
in line with market economy



Achieve financial  
stability



Establish fair,  
efficient tax  
system

Encourage creativity  
and innovation

Build environmentally  
sustainable cities



Identify changing  
business environment  
in ASEAN





# Myanmar Investment Law and Myanmar Investment rule (2017)

- Merge of Foreign Investment Law and Myanmar Citizen's investment Law
- Myanmar Investment Rule (April, 2017)
- Reduction of the time required to obtain MIC approval from six months to three months
- Cutting in half the number of firms required to obtain MIC approval
- Implementing increased investor protections against unfair treatment and expropriation of property, among others.
- To detect and address investor grievances at an early stage to avoid escalation into open disputes requiring international arbitration.
- Decentralization of investment decisions at the sub-national level.
- Myanmar Company's Law

Figure 1: Share of Sector by GDP (1995-2014)

Source ([www.mmsis.gov.mm](http://www.mmsis.gov.mm))

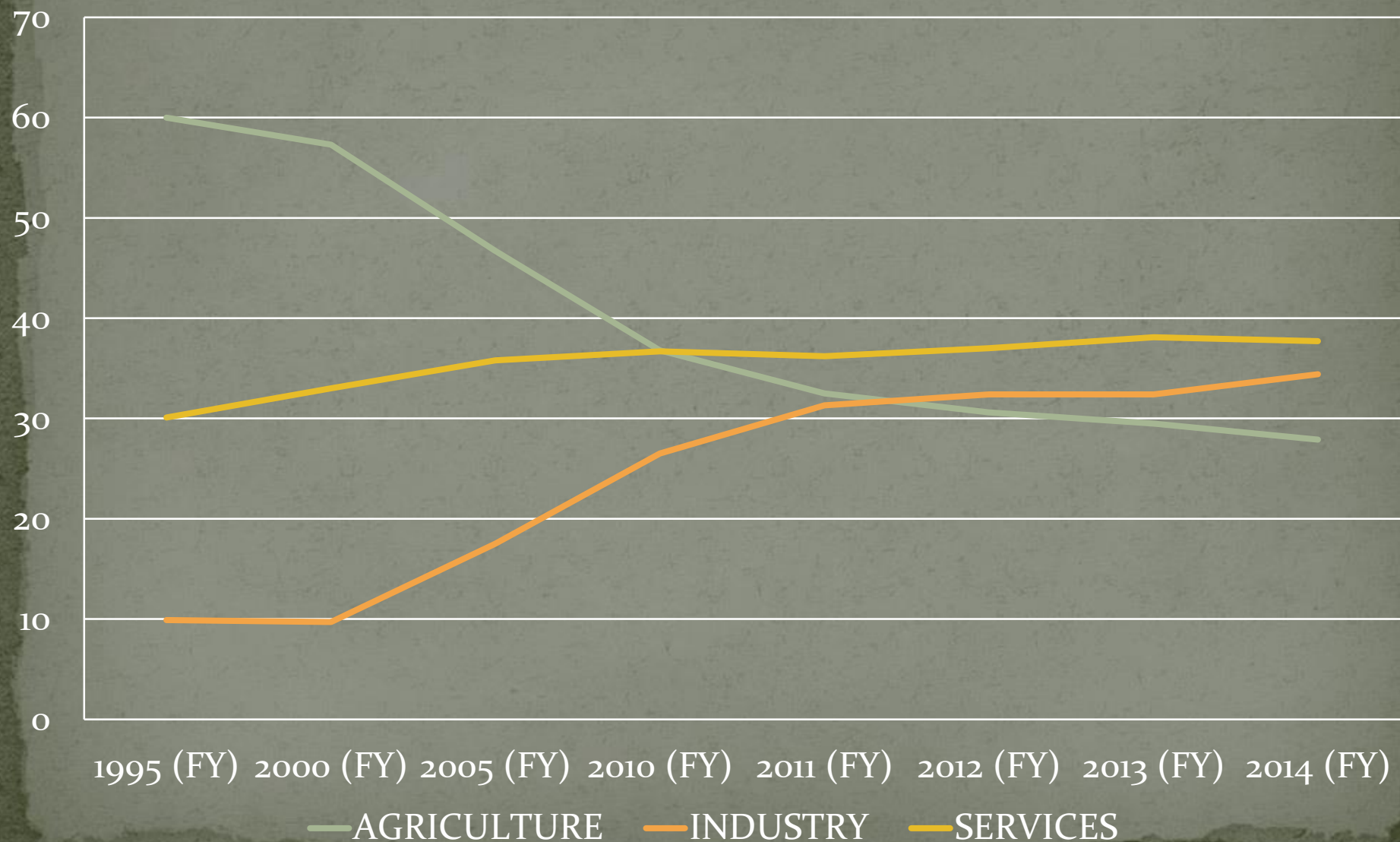
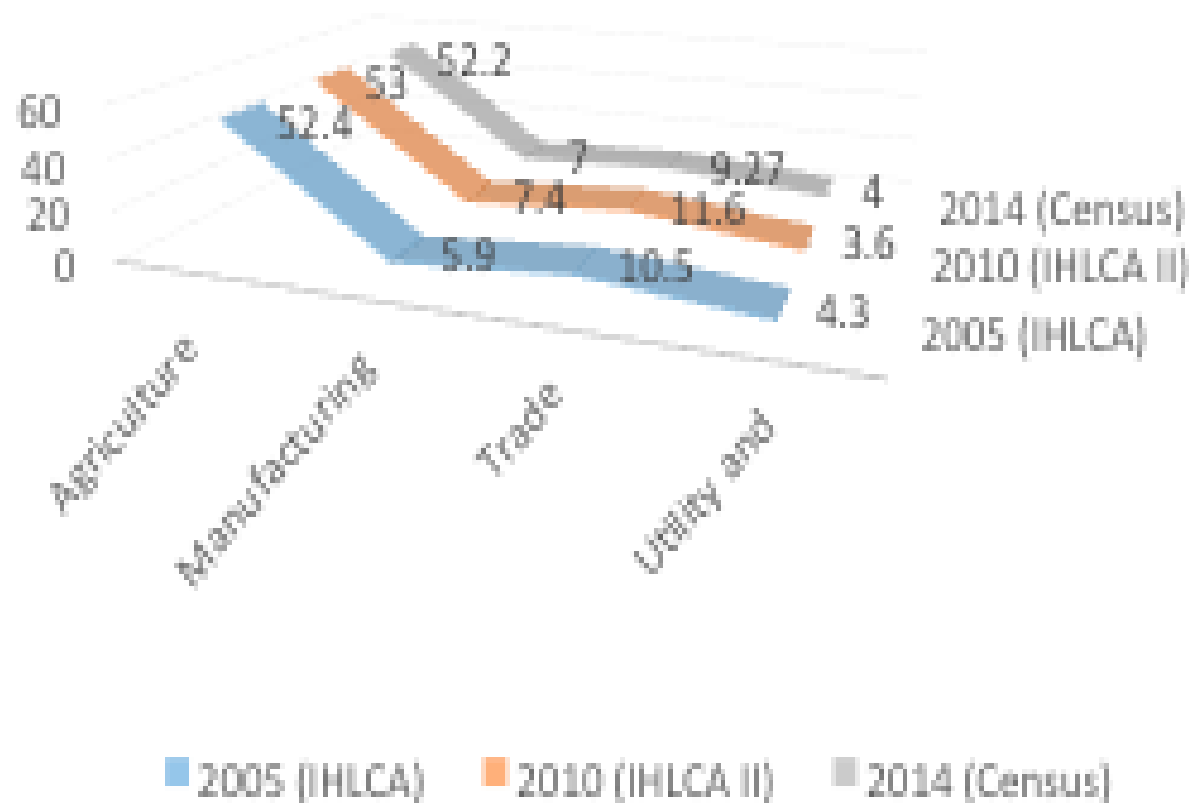
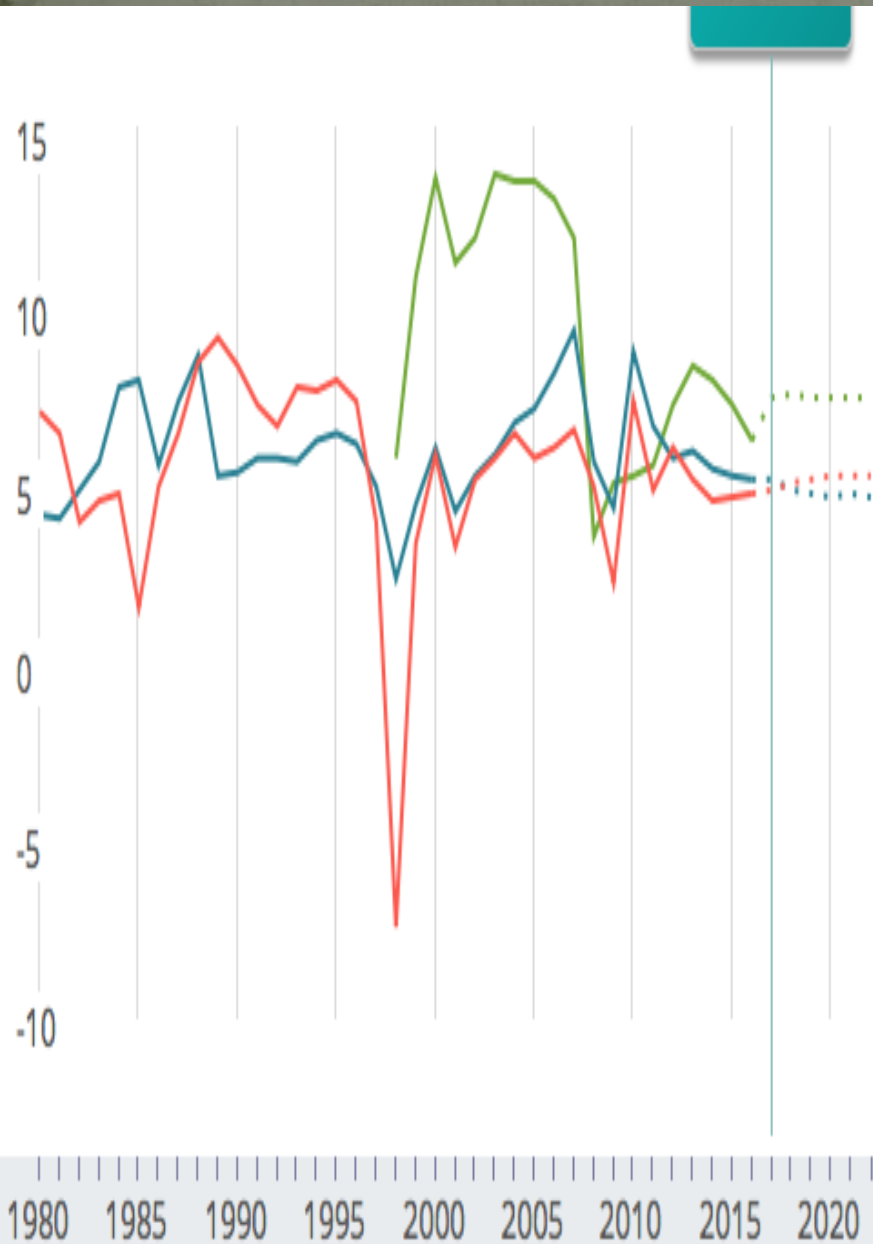


Figure 2: share of employment by sector (2005-2014)  
 (Source: Integrated Household Living Condition Assessment I and II, Population  
 Census 2014))



## Real GDP Growth Rate in Myanmar (2010-2017)



Myanmar

7.5

East Asia

5.2

Southeast Asia

4.9

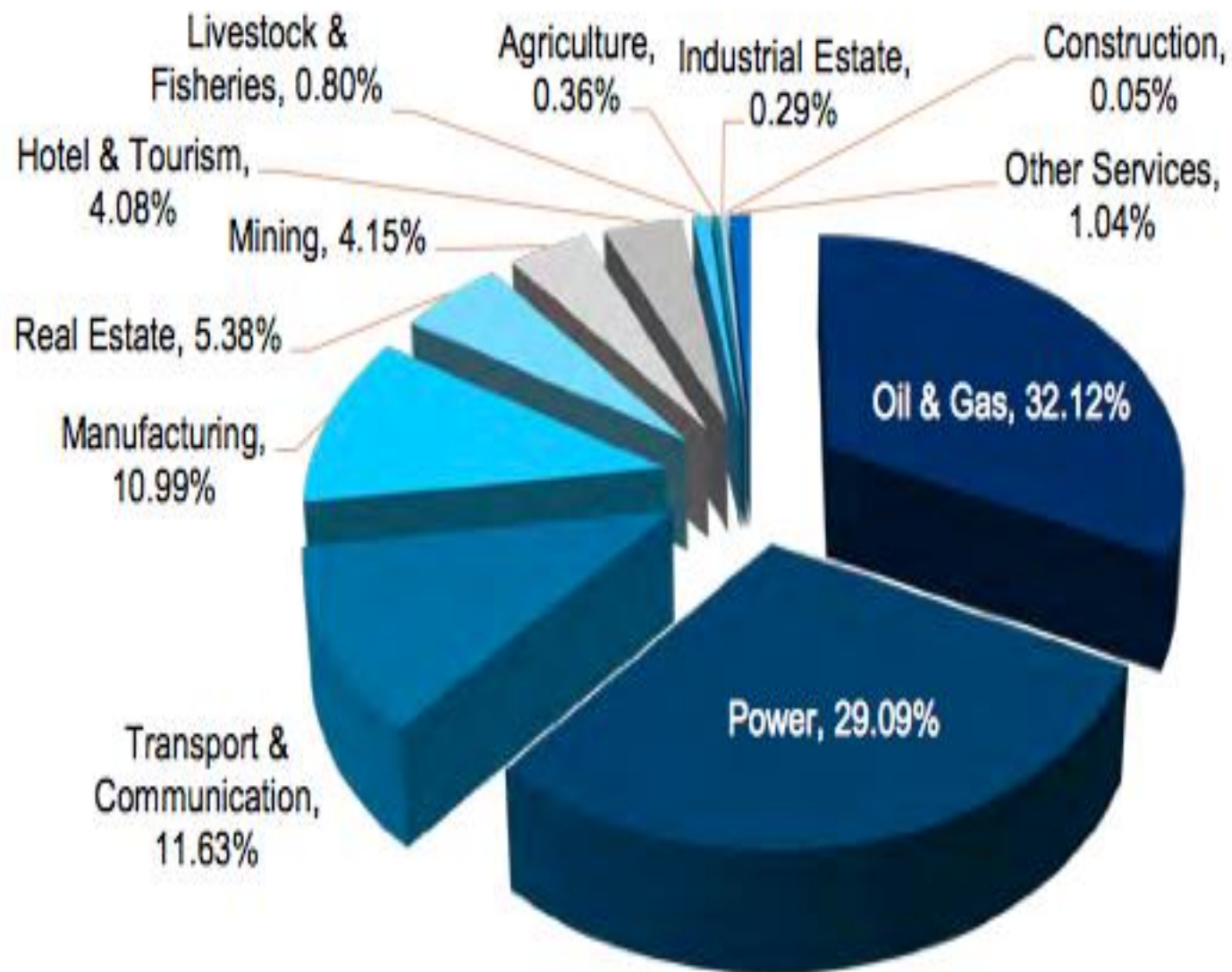
+ ADD AN ITEM TO THE CHART

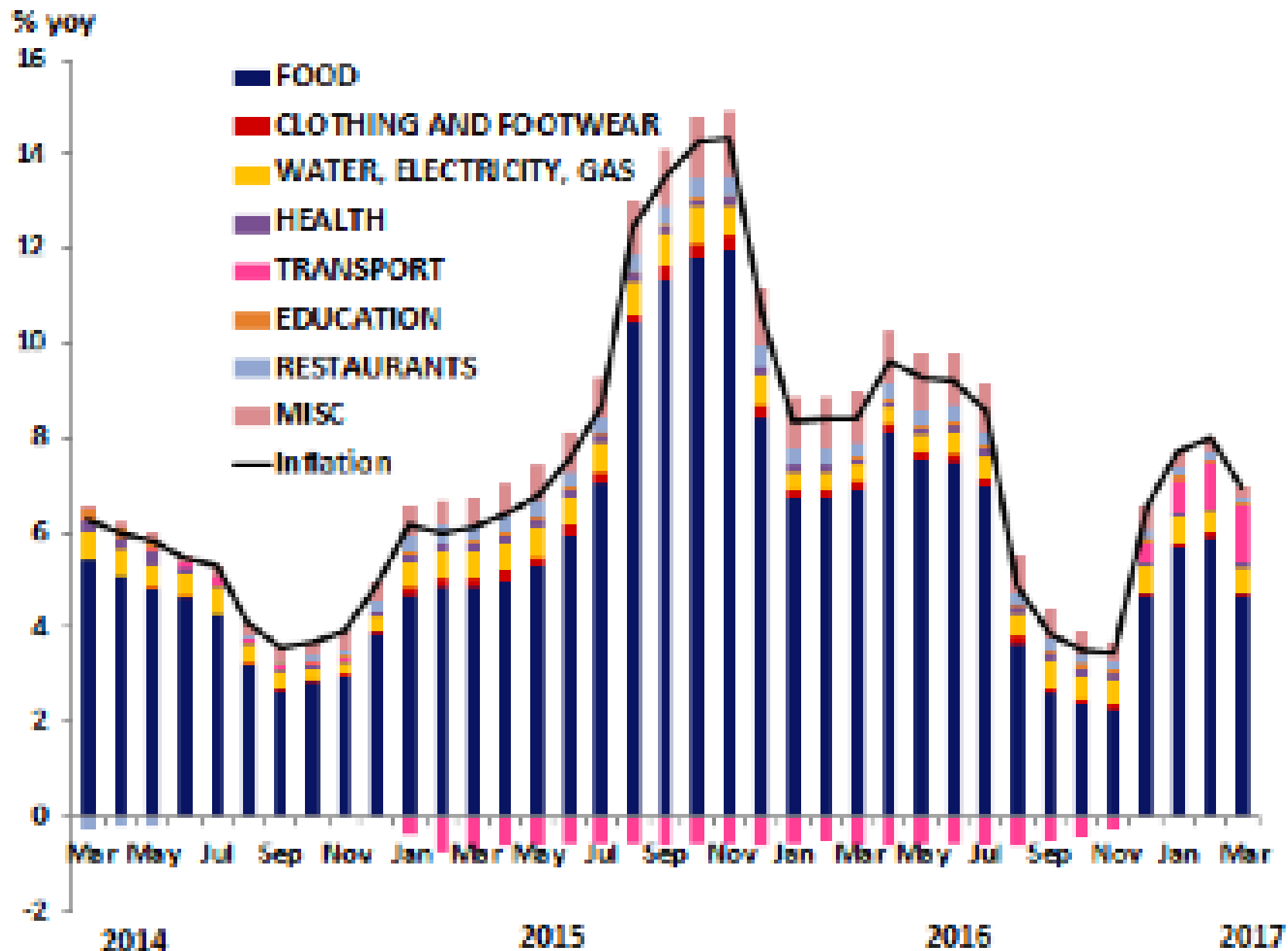
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Source: Myanmar DICA (as of 28 Feb 2017)

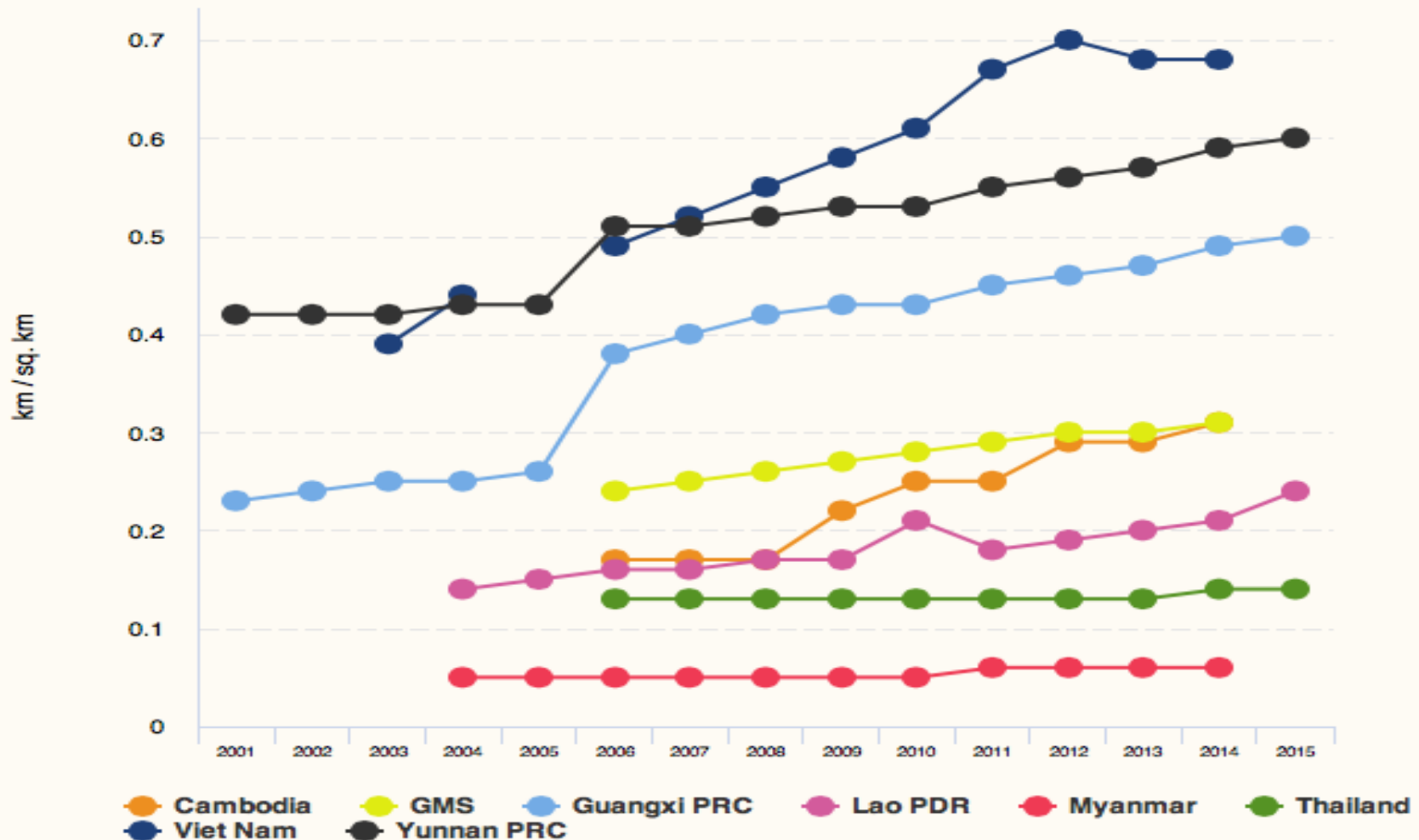




# Road Density in Myanmar and Selected Countries and Regions in the Greater Mekong Region (2000-2015) (ADB)

Road density (km / sq. km)

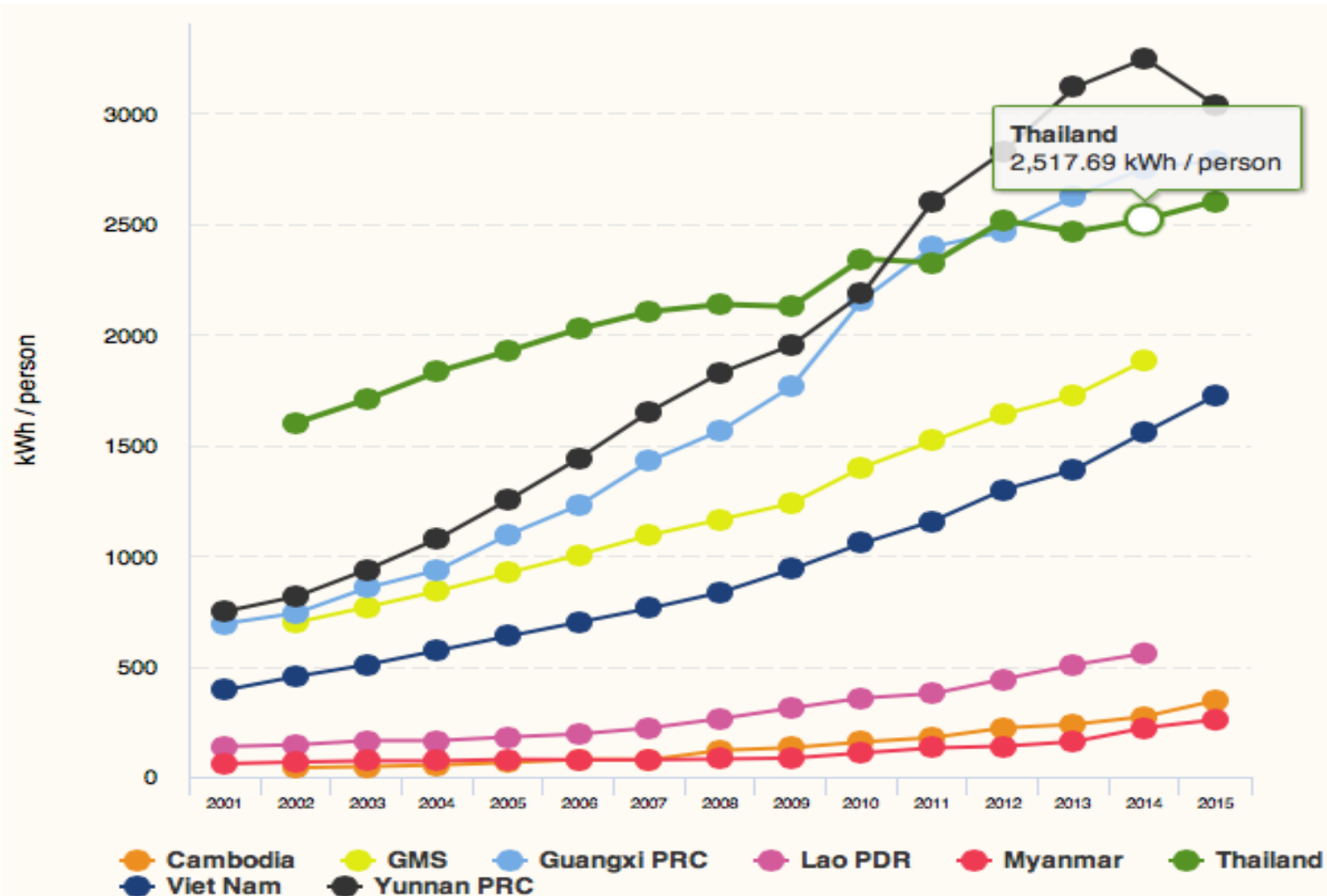
Theme: Transport



Yet, Myanmar has the lowest electricity consumption per capita in the entire greater Mekong region. In 2016-2017, per capita consumption increases to 300 KWH per year although it is lower than per capita consumption in Laos in 2015.

## Electricity consumption per capita (kWh / person)

Theme: Energy



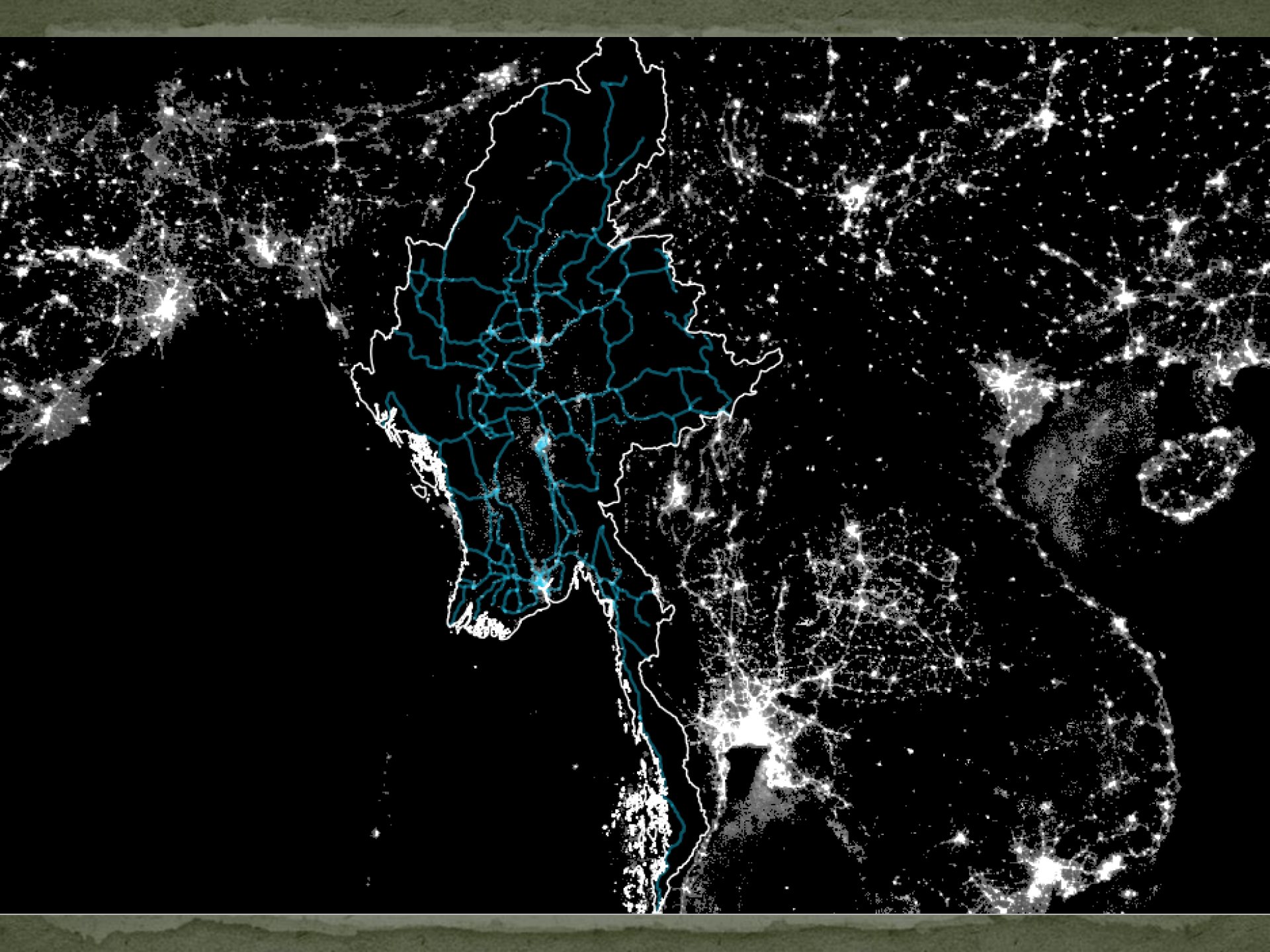


# Stocktaking: Infrastructure

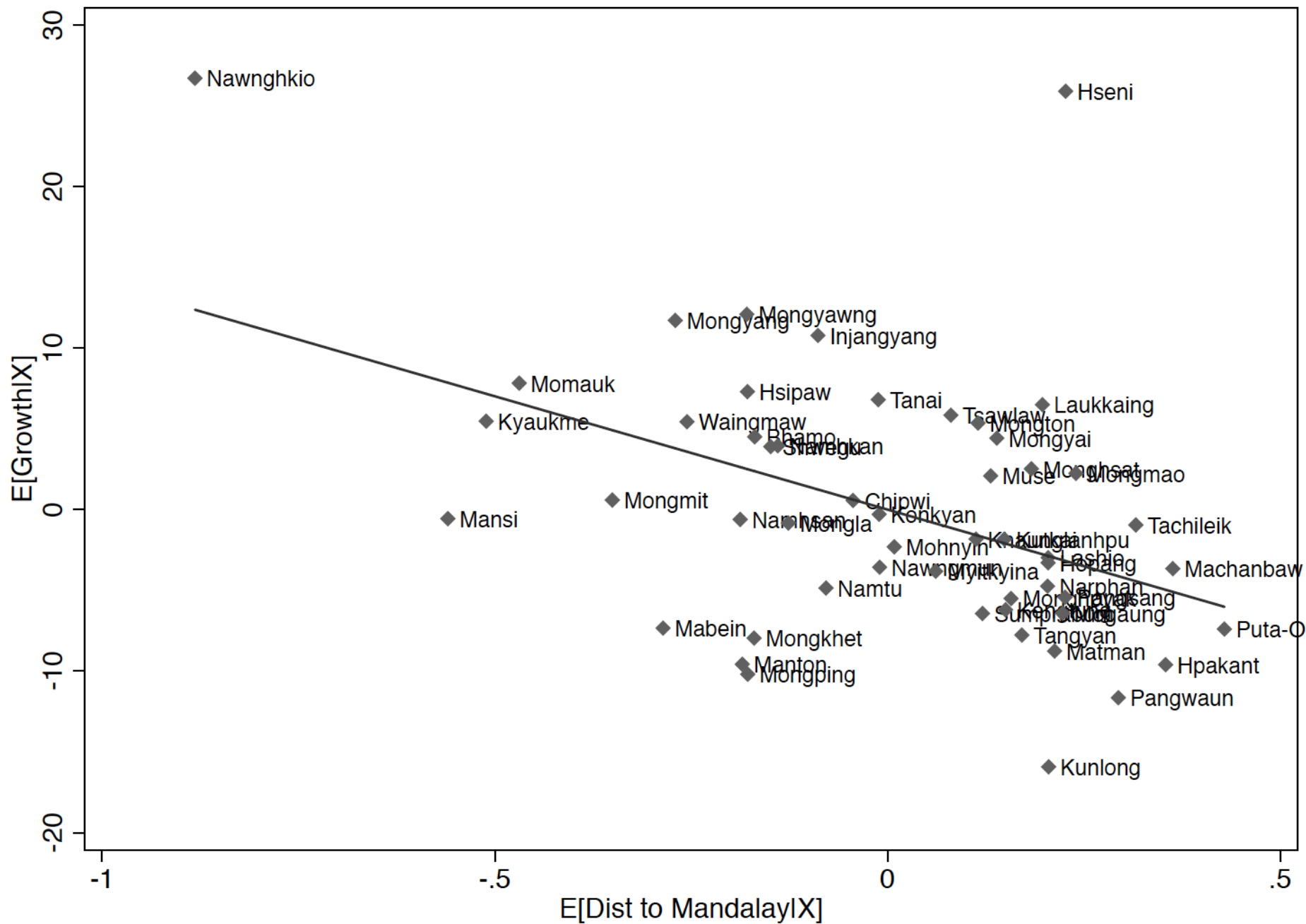
- Myanmar has the lowest Infrastructure stock per person for all low income countries in the sample of 50 countries (Global Infrastructure Hub, 2017)
- Myanmar also has the lowest “power” stock per person and the fourth lowest “road” stock per person trailing behind Kenya, Ethiopia, Vietnam, Bangladesh, Cambodia and Egypt.

# Role of Infrastructure and trade in Sub-National Convergence (MDI, 2017)

- Convergence is strong, both across and within states. However, Rakhine and Chin are exceptions to the pattern.
- The speed of convergence has increased over time.
- Infrastructure matters:
  - Road increases both growth and convergence rate
  - Rail improves convergence rate.
- Border trade matters, but depends on the border.
- Border states benefit the most from within-country integration and market access.
  - Particularly in the non-Thai border regions, border states benefit more from within-country spillovers than trade spillovers.





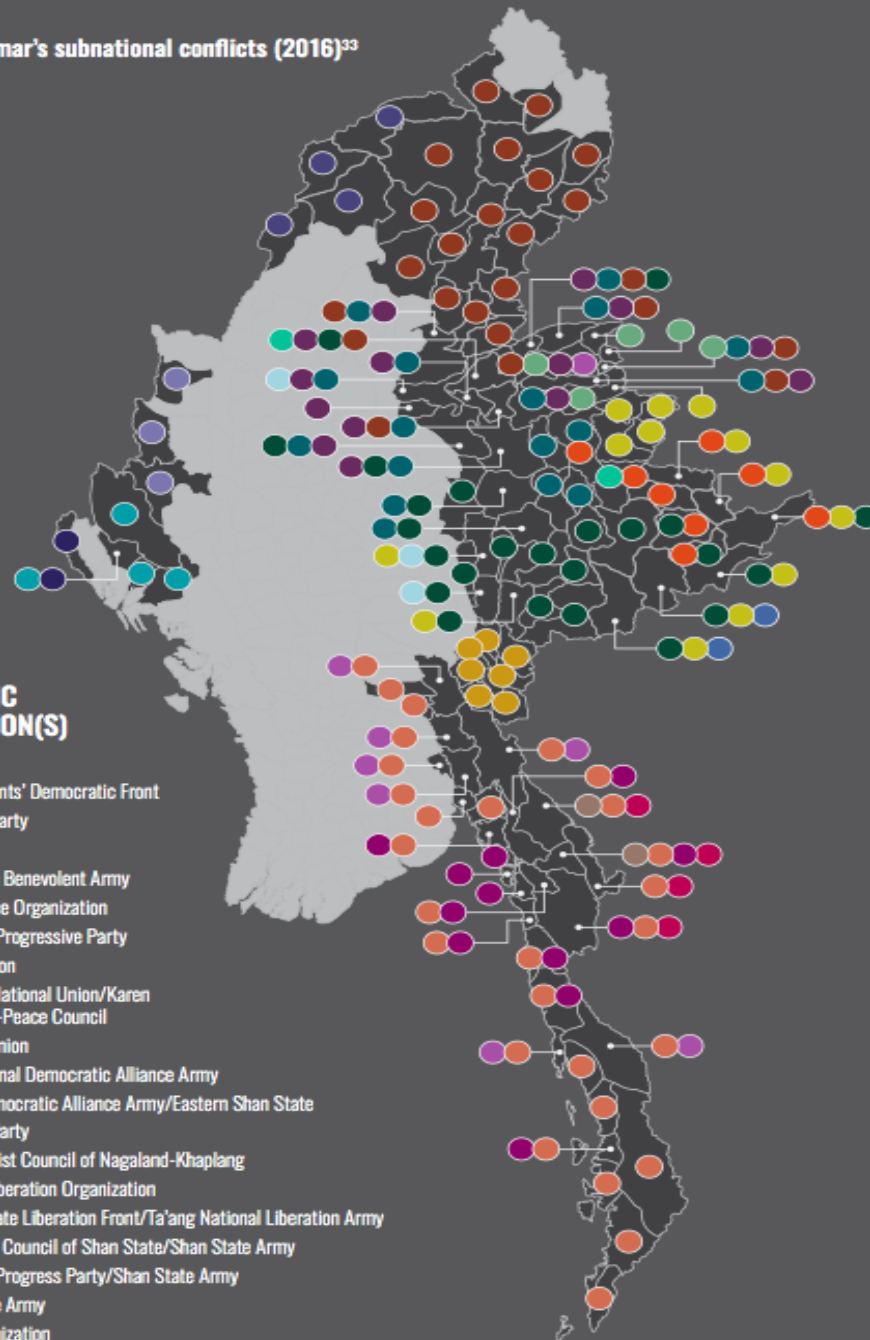


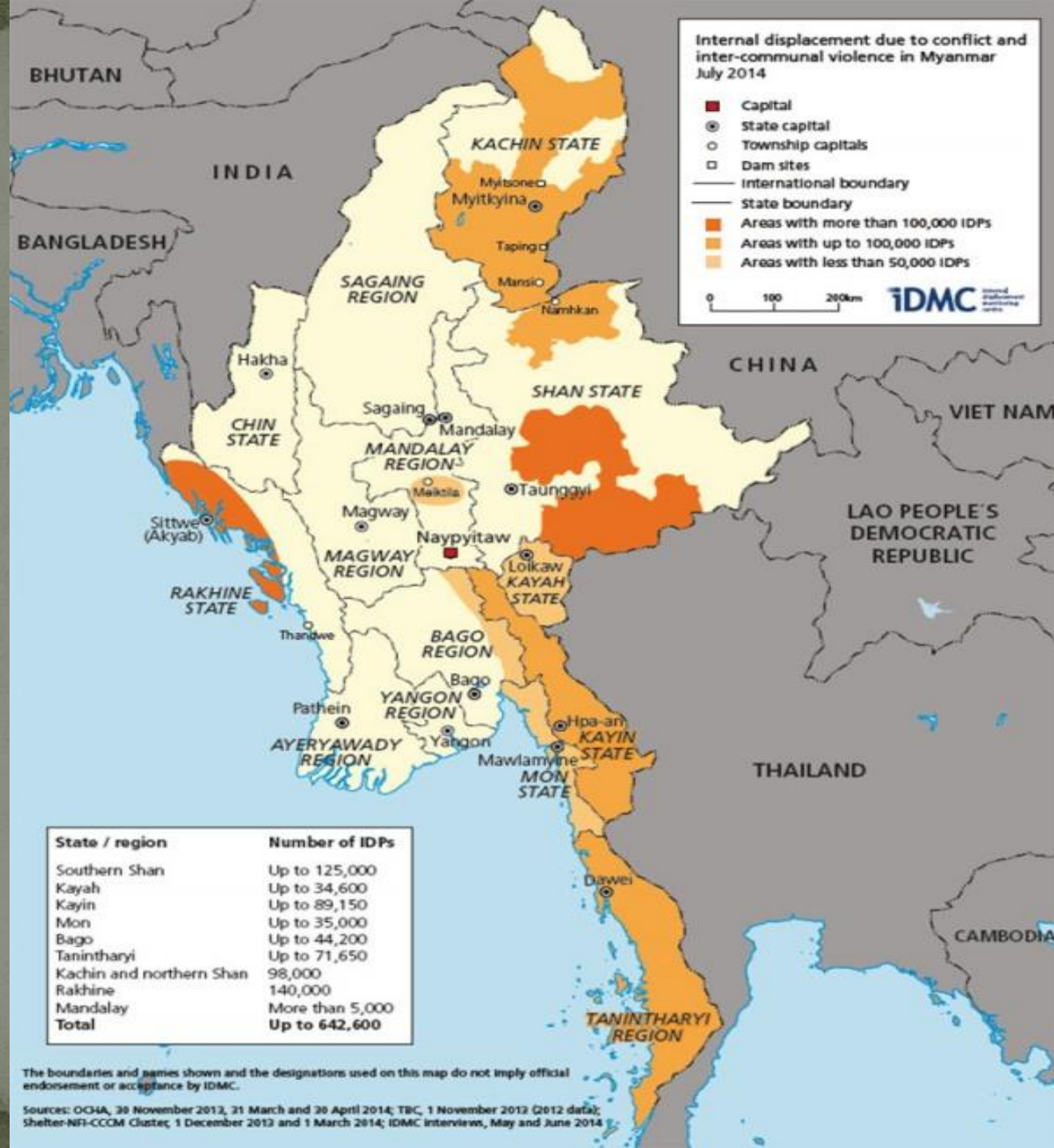


**FIGURE 2.4**  
Armed groups in Myanmar's subnational conflicts (2016)<sup>23</sup>

**PRESENCE OF ETHNIC  
ARMED ORGANIZATION(S)**

- **AA:** Arakan Army
- **ABSDF:** All Burma Students' Democratic Front
- **ALP:** Arakan Liberation Party
- **CNF:** Chin National Front
- **DKBA:** Democratic Karen Benevolent Army
- **KIO:** Kachin Independence Organization
- **KNPP:** Karenni National Progressive Party
- **KNU:** Karen National Union
- **KNU/KNLA-PC:** Karen National Union/Karen National Liberation Army-Peace Council
- **LDU:** Lahu Democratic Union
- **MNDAA:** Myanmar National Democratic Alliance Army
- **MNDAA ESS:** National Democratic Alliance Army/Eastern Shan State
- **NMSP:** New Mon State Party
- **NSCN-IM:** National Socialist Council of Nagaland-Isak-Murong
- **PNLO:** Pa-O National Liberation Organization
- **PSLF/TNLA:** Palaung State Liberation Front/Ta'ang National Liberation Army
- **RCSS/SSA:** Restoration Council of Shan State/Shan State Army
- **SSPP/SSA:** Shan State Progress Party/Shan State Army
- **UWSA:** United Wa State Army
- **WNO:** Wa National Organization





# The Link between connectivity (domestic and regional), peace and prosperity

- Transportation and electricity are keys to Job creation , foreign investment and development (April 26<sup>th</sup>, 2017)
- Peace and power supply efforts must be priorities of the country (August 8<sup>th</sup>, 2017)



# People-Centered ASEAN

- State-centered ASEAN, Elite-Centered ASEAN and People-Centered ASEAN???
- Who are the People?: Definitional issues
- Where are the boundaries? (trans-boundary problems and opportunities)
- Are we moving towards civic regionalism?
- Rights-based regionalism (which rights and whose rights and how)???
- If so, what are the preconditions for civic regionalism or participatory regionalism?



# Locating Myanmar's national Policies amongst global and regional Frameworks

- Myanmar Sustainable Development Action Plan (SDG 2030 agenda, AEC, GMS framework)
- Deepening People-to-people exchanges to promote regional and national dialogue on trade integration (goods and services)
- ASEAN Framework Agreement on Services (AFAS) and on-going negotiation for Regional Comprehensive Economic Partnership (RCEP) can serve as reference points for dialogue on domestic domestic policy reforms



"People-oriented and people-centered" means putting YOU first. The Community has and will always be focused on the welfare of every citizen. ASEAN 2017 will prioritize promoting human rights, enhancing quality of life, and improving access to social services. Think of your mother, baby brother or your relatives working abroad. This thematic priority puts the spotlight on their needs, and that of the most vulnerable in the region: women, children, persons with disabilities, and migrant workers.

