



GLOBAL EUROPE:

EU FUNDED
PROJECTS SUPPORTING BUSINESSES TO
LOOK BEYOND THE EU AND
INTERNATIONALIZE



EUROCHAM
MYANMAR

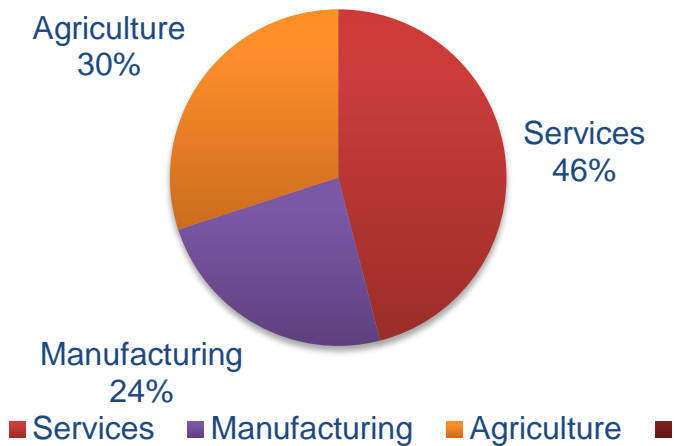
Doing business in
Myanmar

COUNTRY OVERVIEW

The Republic of the Union of Myanmar



GDP Growth by sector 2018-2019



Unemployment rate 1.58.%

in Dec 2019 (0.02% increase from 2018)

- 1948 Independence from colonial rule
- 1962-2011 Military rule, ended by general elections and the introduction of a new constitution
- 2012-2013 EU lifts political and economic sanctions and welcomes business in all sectors but arms (“Everything But Arms”). The EU Delegation opens office in Yangon.
- Nov 2015 First openly contested elections held in Myanmar since 1990, absolute majority win for National League of Democracy
- April 2016 New government takes office
- Dec 2018 The NLD party is half way through the five-year term, undelivered promises and inaction has undermined investor confidence and stalled reform.
- Oct 2020 Election in Oct 2020
Ethnic minority parties are getting stronger in political play ground.

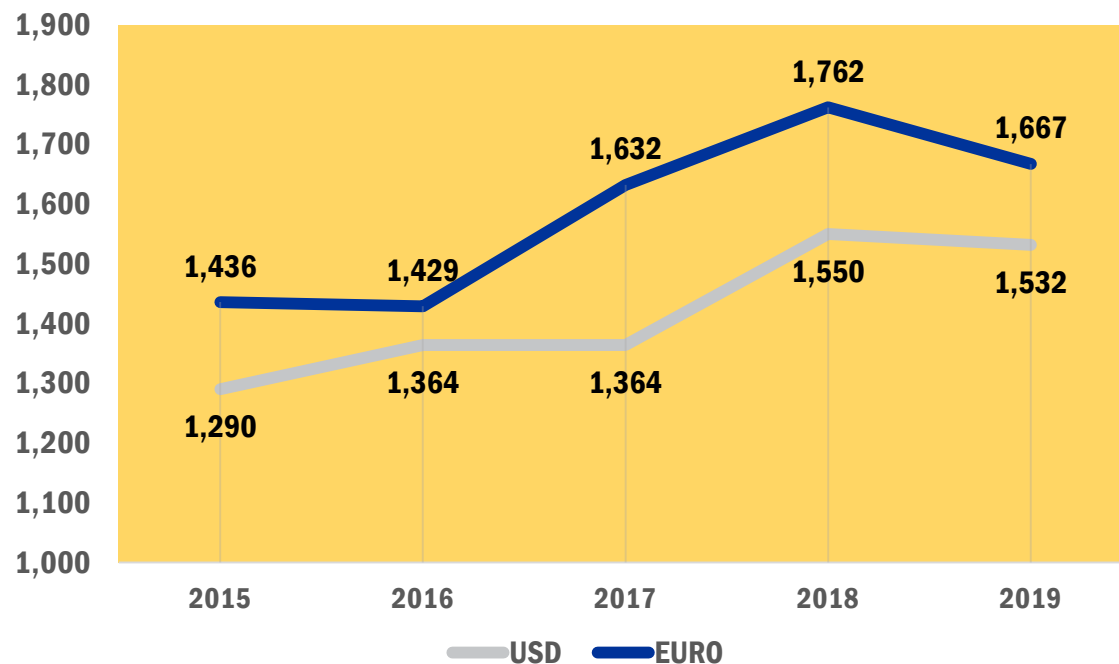


- **Population** – 54 million
- **Area** - 676.578 m² – second largest in SEA after Indonesia
- **Border**- 6.522 km – with 40% of the world’s population surrounding Myanmar’s borders

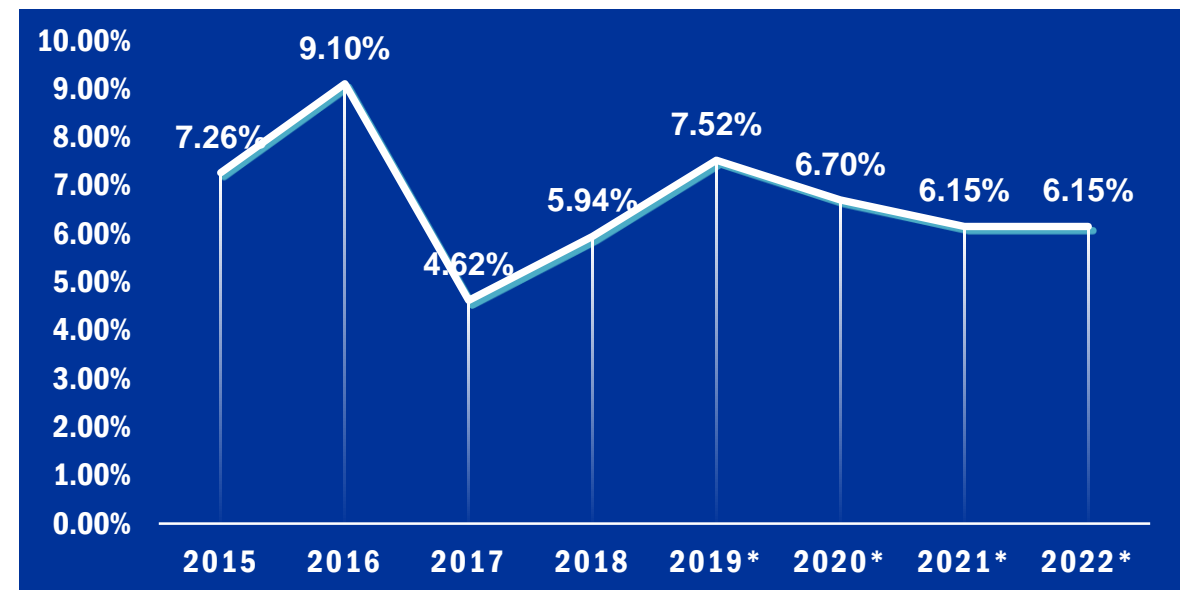
ECONOMIC INDICATORS

Currency | Myanmar Kyats (MMK)

USD/EUR Exchange rate



Inflation rate



Sources: World Bank, ADB, CSO, Directorate of Investment and Company Administration(DICA)

ECONOMIC INDICATORS

Main exports

- Garments
- Natural gas
- Wood products
- Beans and pulses
- Rice



Main imports

- Vehicles
- Iron and steel
- Machinery
- Transport equipment
- Petroleum products



Sources: World Bank, ADB, CSO, Directorate of Investment and Company Administration(DICA)

SPECIAL ECONOMIC ZONES (SEZs)



Three SEZs in Myanmar

Kyaukphyu SEZ (*under construction*)
Thilawa SEZ
Dawei Deep Sea Port and SEZ (*planned*)

Privileges of SEZ

- Investors will be exempted from corporate tax for at least 5 years.
- 50% income tax relief on certain revenue or reinvestment for the next five years.
- Exemption on customs duty for certain goods for five years. A 50% exemption applies for the next five years.
- Carry forward loss for five years from the year the loss is sustained.
- One-stop service centre in Thilawa SEZ that processes all required licenses and permits.

WHY SHOULD EUROPEAN COMPANIES COME TO MYANMAR?

ECONOMIC LEGAL REFORMS POST 2011

- 2012** Foreign investment Law
- 2014** Special economic Zone (SEZ) Law, Notification 49/2014
- 2015** Competition Law, Condominium Law, Myanmar Stock Exchange
- 2016** Arbitration Law, Amendment Factory Act, Shops and Establishment Law
- 2016** New investment Law
- 2017** (Company + Foreign), IP and Trademarks, Companies Act, Labor Law
- 2018** Myanmar Company Law, Regulations permitting Retail/Wholesale business
- 2019** Consumer Protection Law
- 2019** CBM issued Regulation No 1/2019, allowing foreign banks and financial institutions to hold equity of up to 35% in local banks
- 2019** Trademarks Law, Patent Law
- 2019** Five foreign companies have been granted provisional licences to issue life insurance policies through subsidiaries
- 2020** MoPFI released the COVID-19 Economic Relief Plan (CERP)

SECTOR OF OPPORTUNITIES FOR FOREIGN INVESTORS

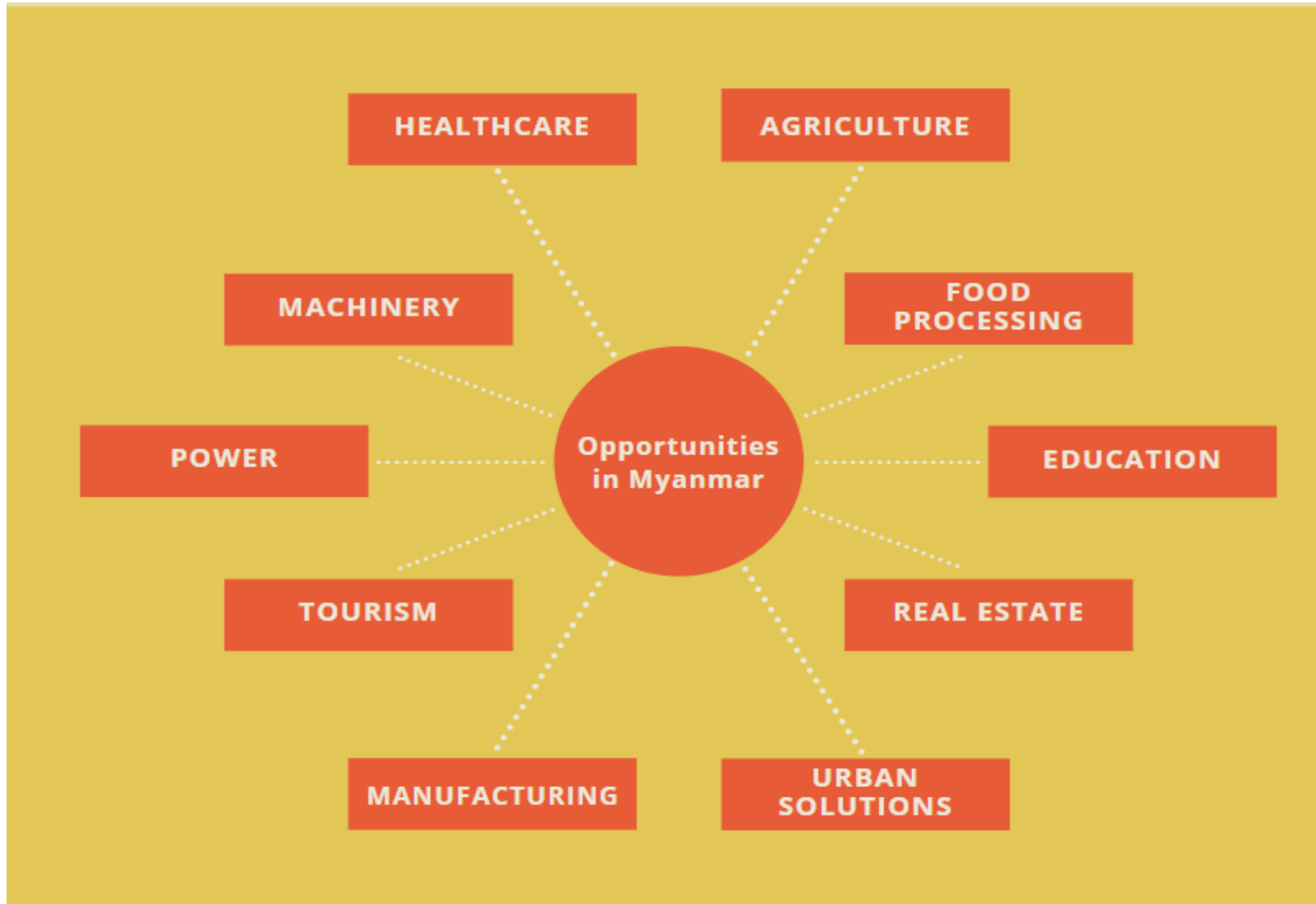


Eight sectors identified by Local and Foreign agencies:

- Manufacturing – light and heavy sectors
- Garment – in particularly cut-make-pack (CMP) garment
- Power generation and distribution
- Food processing and fisheries
- Tourism
- Education
- Healthcare
- Property (Real estate and Commercial estate)

Source: UMFCCI Investment Myanmar Summit 2019

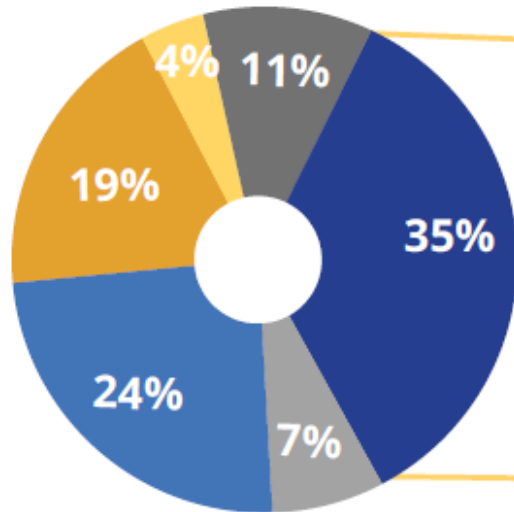
Opportunities for business



PROFITABILITY

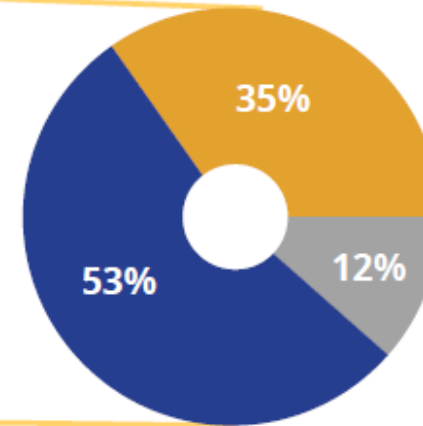
Current and outlook as per EuroCham Business Confidence Survey 2019

Q: WHEN DOES YOUR COMPANY **EXPECT TO BE PROFITABLE IN MYANMAR?**



- Already profitable
- Within two years
- Between 2 and 5 years
- After 5 years
- This year
- Not applicable

Q: YOU HAVE SELECTED THAT **YOUR COMPANY IS ALREADY PROFITABLE, TO WHAT EXTENT?**



- Profitable and meeting budget expectations
- Profitable and significantly exceeding budget expectations
- Profitable but not meeting budget expectations

CEO QUOTES ON DOING BUSINESS IN MYANMAR



Flora, **Country Manager MAERSK LINE**: *"If you're willing to work hard and be patient, the opportunity in Myanmar is unparalleled!"*

Frederik, **General Manager Zuellig Pharma Myanmar**: *"Every country is different and has its own opportunities and difficulties. It's important that industries come together and learn from each other to accelerate growth for both companies and the country the companies operate in."*



Dieter, **Head of Roland Berger Myanmar**: *"To be successful in Myanmar, foreign firms need be in it for the long run, tap into Myanmar people's motivation, maintain an impeccable reputation and leverage new technologies and ideas – It's a frontier market!"*

WHY EUROCHAM?



Our mission

- To promote the development of trade, commerce and investment between the EU and Myanmar
- To provide a platform for EU businesses in Myanmar
- To advocate member interests with relevant organisations in Myanmar, the ASEAN region and the EU
- To improve conditions for doing business in Myanmar

Our services

- Support for market entry
- Information on market and legislation
- Identification of business opportunities
- Organisation of business delegations and B2B meetings
- Membership offers access to extensive network of EU Chambers in Myanmar and the ASEAN region

EUROCHAM MYANMAR

The voice of European business in Myanmar

BUSINESS SERVICES

Support for market entry, Information on market and legislation, delegations and b2b meetings, Business Center and more.

ADVOCACY SERVICES

Advocacy groups, meetings, annual White Book and Myanmar-EU Economic Forum.

PUBLICATIONS

Business Guides, Business Confidence Survey, Papers etc.

> eurocham-myanmar.org/publications



ADVOCACY

EuroCham Myanmar – The voice of European business in Myanmar



MYANMAR-EU ECONOMIC FORUM

Platform for more than 700 business leaders and policy makers from Myanmar and Europe to interact and debate key business and trade issues.

WHITE BOOK 2019

Third edition of annually released publication identifying focal business, trade and investment issues.





BUSINESS CONFIDENCE SURVEY 2019

AGRICULTURE GUIDE 2020

BUSINESS GUIDE 2020

ENERGY GUIDE 2020

GARMENT GUIDE 2020

HEALTHCARE GUIDE 2020

MANUFACTURING GUIDE 2020

CONSUMER GOODS GUIDE 2020

Available for free at eurocham-myanmar.org/publications

CONCLUSION

Key information to remember:

- Knowing that Myanmar isn't an easy market to do business with, EuroCham team can assist your company at all stages.
- As a 1st start, feel free to consult our publications on eurocham-myanmar.org/publications



Stay in touch



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Thank you to our
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PLATINUM



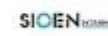
Luther.

Legal Advice Tax Advice Corporate Services

GOLD



SILVER



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