



## Doing Business and Investing in Myanmar

15 December 2015, at the Zunfthaus zur Meisen, Zurich

### A New Dawn of Opportunities and Challenges

In 2011, the government of President Thein Sein adopted reforms to open up the isolated country and reconnect it to the global economy. At the date of this publication, it was reported by the BBC that some 70% of its eligible voters participated in the first peaceful free and fair election process of modern Myanmar. Whilst we can expect that the NLD, the main opposition party of Nobel Laureate Aung San Suu Kyi, will win the 'popular vote,' it is widely expected that the ruling USDP party will remain in control of the government. The elections have been held peacefully, but unrest and demonstrations can be expected after the results are issued in the next days. The NLD has no technocracy and lacks the cohesion or administrative experience within its party to effectively manage the country's politics and economy – this is recognized by the government of many Western and Asian countries. It is broadly accepted also that another five years of rule by the USDP is important to ensure that the progress of economic reforms continues as the foundation without which a smooth transition towards social and political liberalization is unlikely to be achieved.

The liberalization of Myanmar presents unique opportunities as well as challenges. Myanmar is situated at an important commercial and geopolitical crossroad between the massive burgeoning markets of China and India and strategically within ASEAN and the AEC states. It is rich in natural resources such as arable land, forestry, minerals (tin, zinc, copper, coal, tungsten, lead, antimony), as well as freshwater and marine resources, gems (precious stones and jade), marble and limestone. In recent years, the country has also emerged as a natural gas and petroleum exporter to neighboring countries, thereby boosting GDP and adding to Myanmar's trade accounts. Myanmar is considered amongst the top investment destinations in ASEAN for 2015, with a growth forecast of 8.3% and with a quarter of its population predicted to be living in large cities by 2030, according to an Asian Enterprise Survey done by the United Overseas Bank (UOB). This growth is driven by higher investment in hydropower, natural gas, oil, and commodity exports.

Extractive industries, particularly oil and gas, mining and timber, continue to be the most productive segments of Myanmar's economy. Other non-gas exports, such as textile manufacturing, agriculture and foodstuffs, tourism and construction are expected to benefit from improved access to capital and foreign markets, and will therefore become increasingly important.

### Reform Programs

While the Myanmar government enjoys good economic relations with its neighbors, further liberalization and improvements in the business and political climate and economic governance will be required to attract significant, long-term investment, particularly from countries beyond Asia.

### Political Freedom

Greater political freedom has fostered more economic and social change. Many economic sanctions against the country have been suspended and some lifted. Myanmar is

reconnecting with the international financial system. International ATM's can be found throughout nearly all urban areas and also in major suburban areas of the country. Many retailers now accept credit cards. More and more Western brands are appearing in shops of major cities and rural areas. An influx of foreign companies and Myanmar repatriates require offices and apartments. Prime parts of Yangon are rapidly being flattened to cater for new real estate developments to meet the expected demand.

### Major Investors in Myanmar

China continues to be the largest foreign investor into Myanmar, followed by Thailand, Hong Kong, the UK, Korea, Singapore, Malaysia, Vietnam and France with greatest concentration in the resource sectors (oil, gas, mining), hotel and property developments, telecom infrastructure, and some manufacturing. At the end of 2015, Myanmar will be the third-fastest growing telecom services market in the world, with estimated revenue of US\$2.39bn or 5.5% of GDP, a 72.8% increase on the previous year. Mobile data was the most important growth driver.

### Encouraging Foreign Direct Investment (FDI)

Myanmar continues to lure foreign investors with its reform policies, last frontier wonder numbers, booming market forecasts and untapped opportunities in tourism and leisure, infrastructure development, knowledge services, agriculture and food, education, transportation, telecoms, fast moving consumer goods (FMCG), etc. However, as with any developing country whose foreign investment and economic climate continues to be shaped by political and social developments, it is imperative for prudent investors to keep abreast of the latest laws, tax regime, employment policies and business practices. Apart from knowing how to enter this new market, it is also advantageous for investors and new entrants to learn from the mistakes and lessons of those before them.



### This Forum will discuss Myanmar's current investment climate and factors to consider for entering Myanmar.

What is the potential of this economy? What impact will the elections on 8<sup>th</sup> November 2015 have on the business environment in the country? Which sectors will benefit or be challenged from the current climate? In a country where less than 10% of the population has a bank account, what is the potential of the financial sector? What role can or should foreign investors play?

The Apero is kindly offered by

# Luther.

Time	Module
11:15 – 11:30 hrs	Registration /Apéro
11:30 – 11:35 hrs	<b>Introduction and Welcome Address</b> Johann Zueblin, Company Director & Chief Compliance Officer, Prime Agri Group Dr. Urs Lustenberger, President, Swiss-Asian Chamber of Commerce
11:35 – 11:50 hrs	<b>Keynote Address: Investing in Myanmar for Financial Returns and Social Impact</b> <b>Presentation of Project Example in Myanmar</b> Kenneth Kyaw Shein, Co-Founder and Group CEO, PRIME Holdings Pte Ltd.
11:50 – 12:20 hrs	<b>Foreign Investments in Myanmar and Legal Environment</b> Nicole Huber MLaw, Attorney-at-Law, Associate, Luther LLP, Singapore Fabian Lorenz, Attorney-at-Law, Legal Advisor, Luther Law Firm Limited, Yangon, Myanmar
12:20 – 12:40 hrs	<b>Panel Discussion</b> with all Speakers
12:40 – 12:45 hrs	<b>Summary</b>
12:45 – 14:00 hrs	<b>Lunch</b>
14:00 – 15:00 hrs	<b>Individual Meetings upon request</b>

## Registration Form

Please register by returning the reply form below to the Swiss-Asian Chamber of Commerce, P.O. Box 1073, 8032 Zurich, faxing 041 620 88 03 or e-mailing to [sacc@sacc.ch](mailto:sacc@sacc.ch), by **Tuesday 8 December, 2015**. The cost of the event is CHF 140.00 for SACC-Members and CHF 160.00 for Non-Members. You will receive a confirmation including the invoice after your registration. Cancellations will be accepted until Friday, 11 December, 2015 at 10.00 a.m.: - otherwise a full no-show charge applies.

Area of Interest: .....

Last Name: ..... First Name: .....

Position: ..... Company: .....

Full Address: .....

Phone: ..... Fax: ..... E-mail: .....

Date:..... Signature: .....

