



# The **ENGLISH** Business Tank

## MYANMAR BUSINESS & TRAVEL

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### Myanmar

*Welcome to Business Tank*

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# News in Brief

#### **TOURIST ARRIVAL (From April 2003 to October 2003)**

From April 2003 to October 2003, 82,837 visitors via Yangon gateway, 3,066 visitors to Mandalay and Bagan by air route, 1,229 visitors to Yangon and Mandalay via border points entered. A total of 87,132 visitors visited Yangon, Mandalay and Bagan during that period. A total of 190,515 visitors visited border areas such as Muse, Namkham, Tachileik, Kaw Thauung, Thuhtay Kyunm, Myawassy and Three Pagodas Pass. The total number of foreign visitors entered Myanmar from April 2003 to October 2003 is 277,647. The figure has increased by 59,614 visitors in compared with the total of 218,033 visitors during the same period of last year.

#### **Marine products export to Japan Up in October**

According to the Custom Data, in converting against US\$ inline with average international conversion rate for October, the exported value of marine products reached over 16.87 million US\$. The amount has dropped a little when compared with last year same period figure of 16.88 million US\$. During this October 2003, the marine products are being exported to 23 countries. Among which Japan is highest with the exported value of over 5 million US\$. In the last year October, the amount of marine products export was only 2 million US\$. During this October, Sea Water Prawn (Tiger) ranked first among marine products export with the amount over 11 million US\$. 5.3 million worth of Seawater Prawn (Tiger) are being exported to Japan.

#### **Export of gas to Thailand highest among mining products in October**

In converting against US\$ inline with average international conversion rate for October, the exported value of mining products reached over 116 million US\$. The amount has dropped 3.4 percent when compared with last year same month figure of 120 million US\$. During this October 2003, the mining products are being exported to Thailand, Indonesia, S Korea, China and Malaysia among which, Thailand ranked first with the exported value of 113 million US\$. The export value of Gas to Thailand reached 111 million US\$ and this amount accounted for 98 percents of total mining products export. During this October, exports of mining products include Gas, Zinc Dross, Tin Concentrates and Copper Cathodes, it is learnt.

#### **Fisheries Department to take responsibility for Eel exports**

As Eel Association cannot effectively take the responsibility of eel exports to foreign countries, the Fisheries Department as of 22-10-03 has withdrawn the permission given to the Association to take the responsibility of exporting eels abroad, it is learnt. To export water products work procedures and order and papers issued by the Fisheries Department needs to be abided. The company which is exporting eels needs to submit the contract signed with the buyer. For the

- **Domestic Travels**

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buyer abroad to pay the money to the local entrepreneur in accord with price rates prescribed, arrangements are being made for the buyer company and also the selling local company to open the joint bank account at the Myanmar Livestock and Fisheries Development Bank, it is learnt.

### **Agricultural products export up in October**

According to the custom data, 25.74 million US dollar, 4.89 million Euro, 0.50 million Yen and 1.95 million Singapore dollar worth agricultural products are being exported during October 2003, through the normal trade. In converting against US\$ inline with average international conversion rate for October, the exported value of agricultural products reached over 32 million US\$.

The amount has up 28 percent when compared with last year same month figure of 25 million US\$. During this October 2003, the agricultural products are being exported to 24 countries and, among which, India ranked first with the exported value of 18 million US\$. In last year October, agricultural products, exported to India, was only 14 million US\$. So this year's figure is up 29 percents. During this October, Toor Whole ranked first among the agricultural products exported to India with 7 million US\$. Over 8 million worth of Toor Whole was exported to Belgium, India, Indonesia and Singapore during this October.

### **Sino- Myanmar cooperation in mining sector**

The Myanmar delegation led by the Minister and the Deputy Minister for Mines attended the "China Mining 2003" held from 27th to 28th October, 2003. The Deputy Minister presented a paper "Mining Rights Information System Construction in Southeast Asia Region". In addition, in the evening of 27-10-03, the extension agreement for MOU in Cooperation in Mining Sector signed in July 2001. In the evening of 28-3-03, the Myanmar delegation discussed with the responsible personnel from Yunnan Land and Resource Department, Yunnan Provincial Committee of the Chinese People's Political Consultative Conference, China Reformed Journalists Group, China Non-Ferrous Metal Mining and Construction Co Ltd for bilateral cooperation in mining sector, it is learnt.

### **Myanmar Agricultural Sector Review Project underway**

Myanmar Agricultural Sector Review Project (MYA/01/008) has been implemented with the objectives of identifying investment requirements, setting strategic goals, getting ready in collecting basic statistics for international aids and foreign investment, and maintaining sustainable development in the whole agricultural sector. UNDP and ADB will support US\$ 874,390 as financial assistance for technical matters. FAO is also taking the role of Executive Agency and implement the 10-month project (from June 2003 to March 2004) with the cooperation of the Ministry of Agriculture and Irrigation.

During the Project period, the study groups composed of foreign and local experts broadly study the present situations of agricultural sector, technical conditions, the quality of supporting sub sectors, effectiveness of public and private institutions, allocation of state budget for agriculture, and infrastructure and social investment relatively. The study group is composed of 11 foreign experts in agriculture, research, economics, livestock and breeding, finance and irrigation and other 12 local experts from relevant fields. Future plans and appropriate strategies for establishing basic framework for future investment will also be set in order to maintain development paces in agricultural sector.

### **Antimony Production agreement signed**

In order to exploit Antimony in Phae Khon southern Shan State, agreement between No. 3 Mining Enterprise and Four Star Kayan Regional Development Company for Production Sharing Contract for Antimony small scale mining was signed on October 21, 2003. The duration of contract term is five years and test exploration will be made six months after signing the contract. The production process will continue if the test results are positive.

### **Changing trend of IT in business world**

In today's changing world where IT is developing in a galloping pace day by day, Myanmar is also catching up with the time in this field where computers are being used extensively. And also e-mail, Internet users are increasing at alarming pace. Computer users have begun net

working and there are also businesses which have started Business Application Programs in line with the changing trend of IT. Together with businesses that are using Internet/Intranet extensively, Business to-Customer, B2C systems are being used for easy and quick communications among business industries that is why Business to Business B2B is being practiced for E-Commerce Solutions.

For easy economic and business access in communicating among business industries M.Y.-DPS (Digital Map Information System) Yangon Map and Economic News Data System CD ROM is being created and produced by M.Y. Associates Co., Ltd & Design Printing Services Co., Ltd with the use of IT technology.

In that CG ROM, all 34 townships in Yangon Township are included and main business industries in Yangon, government departments and facts are shown and together with the map, easy access can be made.

On that CD ROM, locations of the industries, detail facts about the entrepreneurs, addresses, phone and fax numbers are shown. Moreover, E-mail (or) Internet Address eg. [www.yangonmap.com](http://www.yangonmap.com) is also being included. If a business has internet or email access, CD ROM has already connected E-mail and Internet, it can contact easily through E-mail and Internet Website to businesses concerned and made queries on required produce and services in a short period of time. In other words, M.Y.-DPS CD- ROM is being produced together with Map of Yangon and economic facts Directory with IT technology and commercials can be seen free of charge by opening the [www.yangonmap.com](http://www.yangonmap.com),

Besides arrangements are in progress with the support given by Bagan Cybertech, the branch of D.P.S., [WWW.Media](http://WWW.Media) is compiling and producing a book for all E-mail, Internet. On the Internet section of book, part of the Directory, there are facts concerning, How to: Use E-mail/Internet Services, useful website, Myanmar Website news are included. For students, there are foreign schools and universities and Scholarship Programs, Cyber Cafes, Bagan net products & services etc are all included. It is divided in two parts in the classified E-mail Directory section, : Yellow Pages and White Pages. In the Yellow Pages section there are Business, e-mail and website addresses included.

DPS is collecting and implementing the electronic map and data Geographic Information System (GIS). Based on Yangon Map roads in Yangon, Townships, Wards and significant buildings, rivers and creeks and lakes, business industries, hotel and tourism activities are specifically drawn up and shown by DPS. Now, at the moment, Database is being constructed and this map can be used together with Global Positioning System (GPS), it is learnt.

Because of these Systems, necessary facts and data in the business sector can be accessed easily in no time and one can use it at different places and different time, it is very beneficial to all business industries.

Moreover, like all developing countries, these systems will gradually improve rapidly and assist the enhancement of country's business with development of IT!

### **Myanmar-China Normal Trade**

Myanmar maintains a long history of relations with the People's Republic of China. Throughout the history, political, economic and diplomatic relations between Myanmar and China reflect by and large optimistic aspects. Since 1988, the broad patterns of Myanmar-China relations largely attract the attention of observers. Undoubtedly, People's Republic of China is one of the major trading partners of Myanmar. During fiscal year 2002-03, the trade volume of Myanmar- China normal trade accounts for about 278 million US\$.

| CATEGORY                 | VALUE(US\$)       |
|--------------------------|-------------------|
| MARINE PRODUCTS          | 24,806,737        |
| TIMBER & FOREST PRODUCTS | 12,696,830        |
| AGRICULTURAL PRODUCTS    | 8,246,521         |
| TEXTILE & GARMENT        | 4,387,685         |
| PRECIOUS & SEMIPRECIOUS  | 3,752,577         |
| MINE PRODUCTS            | 1,187,058         |
| ANIMAL PRODUCTS          | 426,170           |
| OTHER COMMODITIES        | 2,479,564         |
| <b>TOTAL</b>             | <b>57,983,141</b> |

During the fiscal year 2002-03, Myanmar exported its products to over 60 countries and China was the tenth country by export values. The export products to China are seen in the following tables.

Altogether over 60 products were exported to China during 2002-03 fiscal year. Among them, seawater fish (frozen), rubber, textile and garment, jade rough, and teak conversion were top five products. The export of seawater fish to China occupies 30.6 percent (the largest portion) of total seawater fish export. Rubber export to China also ranked first, occupying 41.1 percent of total rubber export. However, textile and garment export to China only stood twelfth of total textile and garment export. The export of jade rough to China ranked second (19.9 percent) after Hong Kong (73.1 percent). Teak conversion export to China accounted for 5.7 percent of total teak conversion export, ranking China as the fourth.

On the other hand, Myanmar imported commodities from above 45 countries in 2002-03 fiscal year. China ranked third in terms of import value.

| PRODUCT               | VALUE(US\$)           |
|-----------------------|-----------------------|
| TEXTILE               | 46,556,938.69         |
| MACHINE PARTS         | 30,402,088.32         |
| TYRE                  | 12,749,659.49         |
| CHEMICAL              | 7,133,311.49          |
| SPARE PARTS           | 4,274,516.54          |
| DEFORMED BARS         | 3,886,453.55          |
| WHEAT FLOUR AND GRAIN | 1,932,971.09          |
| WAX                   | 1,808,251.18          |
| ACRYLIC YARN          | 1,205,008.32          |
| TV                    | 1,108,705.40          |
| OTHERS                | 109,599,666.72        |
| <b>TOTAL</b>          | <b>220,657,570.79</b> |

\*Others- mostly included cars, dry cell batteries, medicine, yarns, zinc products, nylon fishing nets, plastic products, refrigerators, TV, aircons and other various items. In analyzing the top import items from China, it is interesting to find out that China ranked third in import of textile. In import of machine parts, the import from China occupied 29.3 percent of total import of machine parts, ranking first from all. The same finding can be seen in tyre. The import of tyre from China stood for 32.4 percent of all tyre export and China was the number one country out of 16 countries in tyre import by Myanmar.

In import of chemical, import from China ranked first, figuring 24.7 percent of total chemical import. Imports of spare parts and wheat (flour and grain) from China also ranked among top five. In evaluating the export to China, seawater fish are very promising as Myanmar has vigorously promoted her fishery sector. Rubber, the second most export to China, also is viable as long as Myanmar maintains rubber plantation. Due to dependence on other various factors, textile and garment export to China could not guarantee its positions. Jade rough, non-renewable resource, also represents the same prediction. It is also found that the export of pulses and beans, a comparative advantage of Myanmar, to China is relatively low.

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