

# Thura NewsViews

## Politics

### ■ Proposal to change constitution faces opposition

A parliamentarian from the National League for Democracy (NLD) has put forward a proposal to put together a parliamentary committee that shall work on preparing changes to the 2008 Constitution. The move has already seen strong opposition from military representatives due to what they claim as a lack of following proper parliamentary procedures. On January 29, the Pyidaungsu Hluttaw approved the motion with 394 votes, while the motion was boycotted by military representatives. Debates are now expected to begin on the issue on February 1. Changing the charter was a key election campaign promise of the NLD. However, until now the party has made little progress on the issue since coming to power almost three years ago. U Aung Kyi Nyunt, an NLD representative in the Amyotha Hluttaw (Upper House) submitted the proposal, saying that some sections of the charter contradict one another. "Some provisions also negatively impact free and fair elections, and equal rights," he was quoted as saying by Frontier. The motion was immediately challenged by military lawmaker Brigadier-General Maung Maung. He said it was invalid because it violated parliamentary protocol. Although it is not yet clear what sections of the charter the NLD is hoping to reform, its two most controversial clauses are article 59(f) and article 436. The former bars anyone with foreign family mem-

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### January Highlights

The government body in charge of developing the new Yangon city project announced that it will commence the bidding process in mid-February.

The government announces launch of online project bank which will change how infrastructure initiatives are planned, determined and funded.

The Central Bank of Myanmar (CBM) officially introduced Japanese yen and Chinese yuan as settlement options for banks in cross border payments and transfers.

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## Companies & Investments

Hot news regarding investments in Myanmar



### Yangon to receive much needed new bus stops

Jul 12, 2018

U Maung Aung, secretary of the Yangon Region Transport Authority, stated this week that FMIDecaux ha



### Hello Communications to build train station along Yangon Circular Railway

Jul 12, 2018

Through a joint venture with a local firm, Hello Communications will commence its work at Thamine st

**Upcoming Events**

- Myanmar Blockchain Forum 2018  
July 14, 2018
- Myanmar Supply Chain Summit  
August 29, 2018
- Health & Humanitarian Supply Chain Forum  
August 30, 2018
- Myanmar Global Investment Forum  
September 11, 2018 - September 12, 2018
- Myanmar Connect 2018  
September 18, 2018 - September 19, 2018

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**Highlights**

Trade with the Netherlands exceeds USD 61 million  
July 12, 2018

Bilateral trade with the Netherlands reached USD 61.98 million in two months according to the ...

bers from becoming president, which impacts State Counsellor Daw Aung San Suu Kyi, who has two sons with her late British husband. The article 436, which requires that changes to the constitution are supported by more than 75 percent of legislators. With a quarter of all seats guaranteed to army representatives, this effectively gives the military a veto over any amendments.

## Economy

### ■ Government still discussing final deal for Myitsone

The government is still discussing whether or not the controversial Myitsone Dam in Kachin State will go ahead, and if so in what form. Speaking at the Invest Myanmar Summit in Nay Pyi Taw, U Thaung Tun, Minister of Investment and Foreign Economic Relations, said that the government is currently “working hard to find a solution” to the project. In 2009, work began on the proposed USD 3.6 billion Myitsone Dam. This is one of the seven projects planned in the upper part of the Ayeyarwady River. In 2011, then-president U Thein Sein suspended the project for the duration of his term. The move surprised many as it was viewed as shunning Beijing, which the military government had been close to for decades. However, since the NLD government came into power, the decision regarding the project has not been made. Local groups, as well as environmental campaigners, are against the project, China has lobbied hard for the project to re-start. Thaung Tun said the government wants to find a solution “because we [value] relations with China”.

### ■ State Counsellor highlights economic opportunities

State Counsellor Daw Aung San Suu Kyi has urged international businesses to invest in Myanmar. She promised to develop an “investment friendly environment”, while speaking at the first official investment conference organised by UMFCFI in close cooperation with the government. “Throughout the past 40 years, our region has experienced the greatest surge in economic growth the world has ever seen,” Aung San Suu Kyi said in her speech. She highlighted the rapid growth in Southeast Asia. Also, it was added that the “global economic pendulum” had swung from the west to the east. “Indeed, we live in an era in which Asia is rising,” she said. In her speech, she also highlighted some of the economic progress her government has made. Key changes include new laws aimed at attracting foreign investment, changes to the Myanmar Investment Commission (MIC), and liberalization of certain sectors, in particular retail and wholesale trading and education. Myanmar’s economy has failed to capitalize on the huge progress the country showed just a few years ago. Many foreign investors are expressing concern about a lack of rigid government policy, as well as reputation concerns regarding the crackdown in Rakhine State during late 2017.

### ■ Chin businesses request tax exemption for investors

Business owners in Chin State have requested the government to exempt tax for 7-10 years for domestic and foreign investors. According to an article in Myanmar Business Today, U Khaw Lelian, president of the Chin State of Commerce and Industry, also urged the government to establish industrial zones in the

### Myanmar in Figures

GDP (PPP): \$330.88bn (2017)

GDP (official ex.rate): \$59.5bn (Jan 2018)

GDP growth rate: 7.23% (2017)

Population: 52.92 mn people (Oct 2017)

Inflation: 6.5% (2017)

Foreign trade: \$29.2bn (2016-2017)

FDI: \$75bn (31/12/2017)

International reserves: \$5.2bn (Jan 2018)

CBM rate Kyat/\$ = 1,518K/1\$ (31/1/19)

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state in order to create jobs for local people. Chin State is one of Myanmar's least developed states, with few job prospects for local people. Many people from Chin State have been forced to move abroad in search of work. The Chin State government is planning to build three hydropower projects in the state. The projects include a 360 MW project in Tonzan Township, a 600 MW plant on the Laymyo River, and a 90 MW dam on the Kalartan River. Work is also underway to construct the state's first airport, at Falam, with operations currently expected to start in 2021.

## Companies and Investments

### ■ **Food investment fund launched by City Mart and Sandanila**

City Mart Holdings and Sandanila Investments have announced the establishment of the City Invest Fund. The fund will invest in SME enterprise food manufacturers, according to a report. The primary motivation of the fund is to increase the quality and quantity of food retail products in Myanmar. "The City Invest Fund will provide financing and along with this funding we aim to provide technical assistance, capacity building, [and] marketing strategies for wider market access and training to improve production quality and standards," Daw Htet Htet Khaing, City Mart Business Development Manager was quoted as saying. Daw Win Win Tint, CEO of City Mart, and Daw Thiri Thant Mon, managing partner of Sandanila will oversee the fund.

### ■ **Shuttle bus services to be launched by Grab**

Southeast Asia's leading ride-hailing app Grab is planning to launch shuttle bus services, "Grabshuttle" in Yangon this year. According to an article in DealstreetAsia, the service connects offices and universities. This is part of a raft of new products being offered in Myanmar. Other new projects include GrabCall and Grab Web Booking, which are a call center and online portal, respectively, as well as Rent, which allows users to book a car with a specific driver. "We will continue to innovate and evolve our offerings to create a more efficient transport network and improve the experiences of our driver partners and passengers," Alvin Loh, acting country manager of Grab Myanmar, was quoted as saying. Grab said that it saw a 300 percent increase in overall daily bookings and rides in Yangon in 2018, compared to a year earlier. It has also launched services in Mandalay and Bagan.

### ■ **Quality education via digital platform to be launched**

Zabai held an office warming party and a small seminar on quality e-learning on 29<sup>th</sup> January 2019 in their new office at Pansodan Business Tower. Core mission of the company is to provide high-quality education for young people in Myanmar. The education will be provided through e-learning, video lessons and blended learning distributed through a digital platform. The platform is specifically created for developing countries. Ivar Viktil, Managing Director of Zabai said, "Nothing can replace a good, qualified and caring teacher and we would like to make the best teachers available on the phones by providing quality content through a reliable technology platform". After the first year in office, Zabai has developed 14 courses in total, containing approximately 25 hours of training/education digital content. Zabai Myanmar currently has twelve full-time employees.

**Legal Box** by Duane Morris & Selvam LLP**Notification towards accounting period for the medium taxpayers**

On 8<sup>th</sup> January 2019, The Financial Institution Supervision Department (“FISD”) under the Central Bank of Myanmar (“CBM”) via Letter No.16(6)/Ou/sa-1/patakha/ 2019(158) notified to all the financial companies, representative offices of foreign bank and representative offices of foreign financial companies in relation to the requirement of closing the financial accounts within 6 months period commencing from 1<sup>st</sup> April to 30 September 2018.

The aforementioned letter is on the premise of the letter No-1834-aa (1)/4/53/2018-2019 issued by the Internal Revenue Department (“IRD”) and the letter issued by the Ministry of Planning and Finance (“MOPF”) dated 07 January, 2019. The IRD expressed that the above referred letter has allowed the medium tax payer to draw their financial year-book and to close the accounts of financial transactions from 1<sup>st</sup> April to 30 September 2018.

**Through our office in Yangon, Duane Morris & Selvam advises corporations on investment, business and regulatory processes in Myanmar. For further information, please contact Mr. Krishna Ramachandra (kramachandra@duanemorrisselvam.com), Mr Priyank Srivastava (psrivastava@duanemorrisselvam.com), or Mr CN Beilo (CBLo@selvamandpartners.com) or visit [www.duanemorrisselvam.com](http://www.duanemorrisselvam.com). Duane Morris & Selvam is recognized as a leading law firm for Myanmar related Corporate, M&A and Projects (including Energy) work – The Legal 500 (2017 & 2018).**

## Events

Name	Details	Organizer/Ministries	Contact Information
Mobile Money & Agent Banking Summit	<b>Venue:</b> Yangon <b>Date:</b> 19-20 Feb 2019	Magenta Global Pte Ltd	enquiry@magenta-global.com.sg +65 6846 2360
AVPN Myanmar Social Investment Forum	<b>Venue:</b> Pan Pacific Hotel, Yangon <b>Date:</b> 26 Feb 2019	Asian Venture Philanthropy Network Limited	marketing@avpn.asia +65-6536 1824
Emerging Asia E-Commerce Summit	<b>Venue:</b> Park Royal Hotel, Yangon <b>Date:</b> 26-27 Feb 2019	Magenta Global Pte Ltd	enquiry@magenta-global.com.sg +65 6846 2360
International Conference on Future Computer & Communication	<b>Venue:</b> Yangon <b>Date:</b> 27 Feb - 1 Mar 2019	Science and Engineering Institute (SCIEI)	info@sciei.org
ANDE & Nexus for Development Workshop & launch of Myanmar Entrepreneurial Ecosystem Snapshot	<b>Venue:</b> Sule Shangri-la, Yangon <b>Date:</b> 27 Feb 2019	Aspen Network of Development Entrepreneurs (ANDE)	sari-ta.worravitudomsuk@aspeninstitute.org +66 9 009 1590
International Conference on Computer Applications	<b>Venue:</b> Novotel Hotel, Yangon <b>Date:</b> 27 Feb - 1 Mar 2019	University of Computer Studies	ucsy.admin@ucsy.edu.mm +95-1-610 889
LPG Myanmar Summit	<b>Venue:</b> LOTTE Hotels & Serviced Apartments, Yangon <b>Date:</b> 3 Apr - 4 Apr 2019	East Africa Institute	eai@aku.edu +25-4203 661200
Myanmar Coffee Teas & Sweets Festival	<b>Venue:</b> Myanmar Convention Center, Yangon <b>Date:</b> 1-4 May 2019	ALT Exhibitions SDN BHD	support@altexpo.my +60-1233 45696
International Food & Drink Carnival	<b>Venue:</b> Fortune Plaza Information Centre and Sale Gallery, Yangon <b>Date:</b> 9-12 May 2019	ALT Exhibitions SDN BHD	support@altexpo.my +60-1233 45696
Food & Hotel Myanmar	<b>Venue:</b> Yangon Convention Centre (YCC), Yangon <b>Date:</b> 5-7 June 2019	UBM Myanmar	info-hk@ubm.com +95-1-378 975

## Tenders

### ■ Myanmar Port Authority: Open Tender

1. Myanmar Port Authority under the Ministry of Transport and Communications is planning to construct the following two vessels by foreign currency, USD only within for the 2018-2019 and 2019-2020 fiscal years. Therefore, interested bidders are cordially invited to submit complete project proposal for the following project.

Particular	Currency	Tender closing date and time
5000 BHP, 65T ASD Tug (2-units)	USD	5th March, 2019

2. Tender forms can be purchased at the Planning Section, Theinbyu Dockyard, Mechanical Engineering Department, No. 557/ 559, Strand Road, Seikkan Township, Yangon, Myanmar of during office hours starting from 21st January, 2019.
3. Tender to be performed by one tender two sealed envelopes system, prequalification bid and price bid to be submitted with each sealed envelope. We will explain about the prequalification bid at **01:00 p.m. on 4th February, 2019** at the Meeting Room - No. 1 of Head Office, Myanmar Port Authority, No-10 Pansodan Street, Kyauktada Township, Yangon, Myanmar.
4. Further information can be obtained under the telephone numbers: +95-1-8610218, +95-1-8610225 and via email address: [amhr1@mpa.gov.mm](mailto:amhr1@mpa.gov.mm).

### ■ Ministry of Transport and Communications: Procurement of Goods

1. The government of the Republic of the Union of Myanmar has received financing from the World Bank towards the cost of the **Ayeyarwaddy Integrated River Basin Management (AIRBM) Project**, and intends to apply part of the proceeds toward payments under the contracts for two Cutter Suction Dredgers Type 500 and Ancillary Equipment.
2. The Ministry of Transport and Communications (MoTC), Directorate of Water Resources and Improvement of River Systems (DWIR), Project Management Unit (PMU) now invites sealed bids from eligible bidders for **Supply and Delivery of 2 Cutter Suction Dredgers Type 500 and Ancillary Equipment**.
3. Function and use of Vessel: Dredging
4. The bidders shall furnish documentary evidence to demonstrate that they meet the following experience and technical capacity requirements:
  - (a) The average annual turnover of the last three years should not be less than USD 15,000,000.
  - (b) The bidder is a Corporate Member (s) of a Shipbuilders & Ship Repairers Association for more than 5 years.
  - (c) The bidder is ISO9001, 2008 certified company at least for the last 3 years.
  - (d) The bidder has built at least 10 cutter suction dredgers of more than 400 mm diameter piper suction in the last 10 years, at least 50% of all dredgers manufactured during the period must have obtained Class Certificates issued by an International Association Classification Society (IACS) member or equivalent.
  - (e) The bidder has already supplied a new CSD500 in South East Asia or East Asia in the last 10 years.
  - (f) The bidder must have a service center in South East Asia or East Asia. If a bidder is not a manufacturer, but is offering the goods on behalf of the manufacturer under manufacturer's authorization, the manufacturer shall demonstrate the above qualifications and requirements for manufacturer as described in the bidding documents, and the bidder shall demonstrate that it has successfully completed at least 2

contracts of similar goods and size within the last 10 years. In addition, the bidders are required to have certain financial capacity as further detailed in the bidding documents. The Vessel will be delivered to Yangon Port - DWIR site and the estimated delivery time of the CSDs 500 and equipment is 220 days at earliest and -240 days at the latest following date of contract. More details are in the bidding documents. No margin of preference is applicable.

5. Bidding will be conducted through the International Competitive Bidding procedures as specified in the World Bank's Procurement Guidelines, and is open to all eligible bidders as defined in the Procurement Guidelines.
6. Interested eligible bidders may obtain further information from Mr. Aung Myo Khaing, Component 3 Director PMU Office (Building 7), No. 400, DWIR Compound, Lower Pazuntaung Road, Postal Code 11171, Pazuntaung Township, Yangon, Myanmar through email addresses: [component3director@airbm.org](mailto:component3director@airbm.org) with cc to [project-director@airbm.org](mailto:project-director@airbm.org), [procurement-unit@airbm.org](mailto:procurement-unit@airbm.org), [geerinck@gmail.com](mailto:geerinck@gmail.com), [eikyipyarsoe@gmail.com](mailto:eikyipyarsoe@gmail.com), [aungminaung1977@gmail.com](mailto:aungminaung1977@gmail.com) and inspect the bidding documents during office hours from 09:00 a.m. to 04:00 p.m. at the address given above.
7. A complete set of bidding documents in English may be obtained free of charged by the interested eligible bidders upon the submission of a written application to the address below. PDF copy of the bidding documents will be issued through email only.
8. Bids must be delivered to the address below on or before **02:00 p.m. on 11th March, 2019**. Electronic bidding will not be permitted. Late bids will be rejected. Bids will be publicly opened in the presence of the bidders' designated representatives and anyone who choose to attend at the address below at **02:00 p.m. on 11th March, 2019**.
9. All bids must be accompanied by a Bid-Securing Declaration.
10. The address referred to above is:

PMU Office (Building 7)

Attention: Ms. Ei Kyipyar Soe or Mr. Aung Min, Procurement Officers

Office: No. 400, DWIR Compound, PMU Office (Building 7), Lower Pazuntaung Road, Postal Code 11171, Pazuntaung Township, Yangon, Myanmar.

Telephone: +95-9-263657191, +95-9-5058307

Email: [procurement-unit@airbm.org](mailto:procurement-unit@airbm.org) with cc to [project-director@airbm.org](mailto:project-director@airbm.org), [dwir.airbm@gmail.com](mailto:dwir.airbm@gmail.com), [component3director@gmail.com](mailto:component3director@gmail.com), [eikyipyarsoe@gmail.com](mailto:eikyipyarsoe@gmail.com) and [aungminaung1977@gmail.com](mailto:aungminaung1977@gmail.com)

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