

Thura NewsViews

Politics

■ Norther Alliance Armed Groups announce ceasefire

Three of the armed ethnic militias in the Northern Alliance (NA) have announced a one-month, unilateral ceasefire in northern Shan State as negotiations with the Myanmar military (Tatmadaw) continue.

The ceasefire was announced by The Ta'ang National Liberation Army (TNLA), Arakan Army (AA) and Myanmar National Democratic Alliance Army (MNDAA). It is meant as a show of support for ongoing negotiations between NA and the Myanmar army. TNLA Brigadier General Tar Phone Kyaw told The Irrawaddy. "In order to facilitate the peace negotiations, we have declared a one-month ceasefire...We will try to build trust with them for one month as a trial period," he said.

The Myanmar military has already announced its own unilateral ceasefire, which it has extended until September 21, although some Northern Alliance members have claimed Tatmadaw forces have violated it multiple times. The new move by the three factions could be a strong step towards an eventual end to the surge in violence. It has racked northern Myanmar for nearly a month. Peace negotiations are scheduled to resume on September 16th, although a location has not been selected.

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September Highlights

The government has approved the upgrade of a local airport in Thandwe to international status, said Minister of Rakhine State.

Myanmar Agro Exchange Public Ltd is gunning for a listing on the Yangon Stock Exchange by early 2020.

South Korea's KB Kookmin Bank will participate in developing a government-funded residential complex for low income households.

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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

More Events

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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 ...

Fighting has taken a toll on border trade with China, especially at Muse, a major trade outpost. This has prompted Chinese diplomats to talk to both sides and push for an end to the fighting. Domestically, outbreaks of violence have occurred around some of the country's most-visited attractions. 57 foreign tourists were airlifted from the town of Hsipaw. Worse yet, economists and investors, speaking with The Myanmar Times, expressed serious concerns about the future of the Muse-Mandalay Railroad, the USD 8.9 billion railway project that will connect Mandalay to the Chinese border. For the Myanmar economy, peace in the north cannot come soon enough.

■ **New conflict negotiation arm to be formed**

The Myanmar government is planning a new organization to negotiate with ethnic armed groups.

The new Peace Secretariat will hold dialogues with armed groups that are signatories to the 2015 Nationwide Ceasefire Agreement, U Zaw Htay, director general of the Presidents' Office, told reporters on September 10. He said the details are still under discussion, but the body will include both experts and government officials.

Currently, the Peace Commission of the National Reconciliation and Peace Committee (NRPC), usually handles such negotiations. It was set up by the NLD government in 2016. The committee has planned meetings with members of the Northern Alliance, which includes five ethnic armed organizations (EAO). The meetings' objective was to end the fighting that has raged in Shan State since mid August. However, since its inception, EAOs, civil society groups and media have criticized NRPC for inefficient and slow negotiation processes. The current conflict is no exception. Peace talks are happening in fits and starts, despite pressure from China to end the fighting and stabilize border trade.

In July, an officer of the KIO (a member of the Northern Alliance) told BNI that the NRPC's negotiation style was worse than its predecessor, the Myanmar Peace Center. The source said the NRPC was rigid and heavy-handed in its demands. It was comparable to the early regime of General Ne Win, whose tyrannical policies kept the country mired in civil war.

Economy

■ **Ministry of Agriculture proposes loan for rural development**

The Myanmar government is weighing a potential loan of USD 185 from the Asian Development Bank (ADB). The loan is aimed to be used for wide-ranging rural development initiatives.

U Hla Kyaw, deputy minister for the Ministry of Agriculture, Livestock and Irrigation, presented the proposal before the Assembly of the Union on September 9. He said the loan would benefit 1.8 million people in over 3000 villages across five states and regions. The regions include Chin, Sagaing, the Naga self-administration region, Tanintharyi and Ayeyarwady. He explained that the money would go towards labor-intensive projects. Those projects are designed to provide jobs and skills for rural populations and alleviate poverty. Many of the projects would protect rural villages from the effects of natural disasters. These

Myanmar in Figures

GDP (PPP): \$330.88bn (2017)
GDP (official ex.rate): \$59.5bn (Jan 2018)
GDP growth rate: 6.2% (2018)
Population: 54.22 mn people (Apr 2019)
Inflation: 7.1% (2018)
Foreign trade: \$35.9bn (2017-2018)
FDI: \$80.9bn (30/06/2019)
International reserves: \$5.2bn (Jan 2018)
CBM rate Kyat/\$ = 1,532K/1\$ (12/09/19)

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projects would be implemented with the “public approach development method”. It would involve recruiting around 1400 young people to serve as local organizers.

“Now we need to take disaster preparedness and preventive measures while trying for sustainable rural development and poverty reduction,” Eleven Media quoted Deputy Minister Hla Kyaw as saying. “Based on these facts, community development projects emerge. If communities themselves try to implement regional development tasks, they will be able to improve their income and living standard, thereby contributing their resilience.”

The proposed loan (payable over 24 years with an eight year grace period) is worth USD 185 million. However, it would bring the value of ongoing rural development projects up to USD 244 million. Of that, the Myanmar government itself is only paying around USD 19 million. The rest comes from aid from the US, the EU and Japan.

■ **Gold prices surge amid banking sector mistrust**

Myanmar’s domestic gold prices reached MMK 1.3 million per tical (about 16.33 grams) on September 5th. It has been the highest rate this year. Economic uncertainty and the rising value of the dollar against the kyat are thought to be driving investment in Gold.

The rise in gold prices corresponds with rumors of an epidemic of non-performing loans in the banking sector. These fears seemed to have been sparked by remarks from U Soe Thein, deputy governor of the Central Bank of Myanmar (CBM). He stressed the need to crack down on the large amount of unpaid loans. A week later, on September 2, the Central Bank of Myanmar (CBM) attempted to put the rumors to rest. A statement was released calling itself the “lender of last resort”. The CMB said that it will continue to work with borrowers to repay unpaid loans. U Soe Thein soon resigned his position.

Although Daw Khin San Hlaing, chair of the Pyithu Hluttaw’s Banking and Financial Development Committee, also denied rumors of a loan crisis after meeting with officials from the CBM, there have been long lines at banks as people scramble to withdraw money from their accounts. People are also queuing at gold shops.

“Demand for pure gold is increasing at gold shops in each township, because people are worried about the economy and the stability of banks. In my experience, gold prices will return to normal in about two weeks,” U Win Myint, the secretary of the Yangon Region Gold Entrepreneurs Association, told The Myanmar Times. Win Myint also said his association had instituted new rules requiring members to make deals only in cash. This is to reduce the impact the price surge has on the market.

■ **South Korea to provide infrastructure projects loan**

Myanmar and South Korea have agreed upon a financing framework that will dole out loans totaling USD 1 billion. The loan will finance a wide range of infrastructure projects.

The agreement was signed by Union Minister for Investment and Foreign Economic Relations U Thaug Tun and South Korea’s Minister for Foreign Affairs Ms Kang Kyung-wha on September 3. Under the framework, South Korea will place the money into an economic development cooperation fund. The fund will finance nine projects in sectors such as agriculture, energy, water supply and transportation. Specific projects include the Myanmar – Korea Friendship Dala Bridge, linking the cities of Yangon and Dala, and an e-government integrated data center project. The most expensive project will be the Mandalay – Myitkyina railway, for which USD 700 million has been set aside.

The signing of the agreement coincided with a visit by South Korean President Moon Jae-in. After meeting with State Counsellor Daw Aung San Suu Kyi, the South Korean president said he hopes the framework will begin a stronger economic relationship between Myanmar and South Korea. He welcomed the possibility of further infrastructure agreements and trade deals.

Companies and Investments

■ Earnings surge at Yangon Power Company

The Yangon Electricity Supply Corporation (YESC) reported MMK 91 billion in revenue for the month of July. This is a 65 percent jump from the previous month.

The surging numbers are due to a spike in electricity prices instituted by the Ministry of Electricity and Energy on July 1. Electricity now costs MMK 35 to MMK 125 per unit for households and up to MMK 180 per unit for commercial customers. For a middle-income household consuming 200 units, the power bill would have more than doubled from MMK 7,500 to MMK 17,550.

The price hike was largely praised by economists. For years, YESC has offered power at prices unsustainable in the modern market. Massive government subsidies have supported this low price point. Subsidies on power tariffs are expected to total around USD 500 million this year. Meanwhile, demand for such inexpensive power outstripped supply. Yangon suffered chronic blackouts during this year's dry season when more people ran fans and air con units. The rivers that fuel Myanmar's hydroelectric dams were at their lowest points.

Although the government plans to spend less on tariff subsidies, it will continue to pump money into power infrastructure. Currently, around half of Myanmar households cannot access the national power grid. The government has taken hundreds of millions of dollars worth of loans from development organizations such as the IMF. The loans are taken to improve transmission and distribution networks.

Events

Name	Details	Organizer/Ministries	Contact Information
Myanmar Connect	Venue: Pan Pacific Hotel, Yangon Date: 17-19 Sep 2019	TelCap/ Capacity Media	info@capacitymedia.com +44-020-7779-7227
Agri Myanmar	Venue: Rose Garden Hotel, Yangon Date: 26-28 Sep 2019	Minh Vi Exhibition & Advertisement Services Co., Ltd (VEAS)	info@veas.com.vn +95-9-4200 25684
International Construction Power & Mining Exhibition	Venue: Fortune Plaza, Yangon Date: 9-11 Oct 2019	UBM Myanmar	yeemon.chen@ubm.com +95-1-378957
Medex Exhibition	Venue: Tatmadaw Hall, Yangon Date: 9-11 Oct 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603-2692-6888
Myanmar Textile Summit	Venue: Yangon Date: 30-31 Oct 2019	ECV International	marketing@ecvinternational.com +86-2156-797705
International Conference on Wireless Communications and Sensor Networks	Venue: Mandalay Date: 1-2 Nov 2019	SciencePlus	papers.scienceplus@gmail.com +91 8763630137
Myanmar Plas Print Pack	Venue: Yangon Convention Center, Yangon Date: 1-4 Nov 2019	Chan Chao Int'l Co., Ltd.	overseas@chanchao.com.tw +886-2-2659-6000
Oil & Gas Myanmar	Venue: Novotel Yangon Max, Yangon Date: 6-7 Nov 2019	Fireworks Myanmar	myanmar@asiafireworks.com +95-9-2501-75661
Myanmex Myanmar Marine Expo	Venue: Yangon Convention Center, Yangon Date: 7-8 Nov 2019	Fireworks Myanmar	myanmar@asiafireworks.com +95-9-2501-75661
ASEAN LPG Forum Series LPG Myanmar	Venue: Sedona Hotel, Yangon Date: 13-15 Nov 2019	Gas Academy	info@gasacademy.com.sg +65-6742-2485

Tenders

■ Ministry of Electricity and Energy: Invitation for Bids

1. The Ministry of Electricity and Energy has received financing from the World Bank towards the cost of the **National Electrification Project**, and intends to apply part of the proceeds towards payments under the contract for Distribution Transformer for National Electrification Project.
2. The Ministry of Electricity and Energy now invites sealed bids from eligible bidders for supply of Steel Parts for 11k Distribution Line and Transformer Station, for the total quantities of 6,326,361 Steel Parts to be delivered in 2019 and 2020 to multiple destinations in all Regions and States of Myanmar. Domestic preference with the margin of 15% will apply. The goods will be grouped into 9 lots and bidders may submit bid for any one more lots. Evaluation and award of contract will be on a lot-wise basis.
3. 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.
4. Interested eligible bidders may obtain further information from Project Manager at the office No. 27, Ministry of Electricity and Energy through email address - nep.pmomoep@gmail.com and inspect the bidding documents during office hours at the address given below.
5. A complete set of bidding documents in English may be obtained free of charge by interested eligible bidders upon the submission of a written application to the address below. The bidding documents will be issued through email only.
6. Bids must be delivered to the address below on or before **10:00 a.m. on 26th Sept, 2019**. Electronic bidding will not be permitted. Late bids will be rejected. Bids will be publicly opened in the presence of the bidder's designated representatives at the **Yadanar Hall, Grand Floor, Office Building No. 27**, Ministry of Electricity and Energy, Nay Pyi Taw below at **10:00 a.m. on 26th Sept, 2019**.
7. All bids must be accompanied by a Bid Security as stated in ITB 19.1 Bid Data Sheet of the bidding document.
8. The address (es) referred to above is (are):
 - National Electrification Project
 - Attention: Project Manager, Project Management Office
 - Office: Building No. 27, Ministry of Electricity and Energy, Nay Pyi Taw
 - Telephone: +95-67-3431175
 - Fax: +95-67-3431176
 - Email: nep.pmomoep@gmail.com

■ Ministry of Transport and Communications: Invitation for Bids

1. The Government of the Republic of the Union of Myanmar has received a loan from Japan International Cooperation Agency (JICA) towards the cost of the **Yangon Mandalay Railway Improvement Project Phase 2**. The bid is invited by Myanma Railways as follows:
2. Bidding will be conducted through procedures in accordance with the applicable Guidelines for Procurement under Japanese ODA Loans, and is open to all bidders from eligible source countries, as defined in the Loan Agreement.
 - (a) The eligible Nationality of the contractor (s) shall be Japan in case of the prime contractor.
 - (b) In case where the prime contractor is a joint venture, such joint venture will be eligible provided that the nationality of the lead partner is Japan, that the nationality of the other partners is Japan and/ or the Republic of the Union of Myanmar and that the total share of work of Japanese partners in the joint venture is more than fifty percent (50%) of the contract amount.
3. The Myanma Railways, Ministry of Transport and Communications now invites sealed bids from eligible bidders for design, manufacture, supply, installation, delivery, testing and commissioning of FD Clips and Con-

crete Sleeper's Moulds as described above ("Procurement of Goods"). International Competitive Bidding will be conducted in accordance with JICA's Single-Stage (One Envelope) Bidding Procedure.

4. A complete set of the bidding documents may be purchased and inspected by interested bidders upon submission of a written application to the address below during office hours.

Invitation for Bid	Description: Procurement of FD Clips and Concrete Sleeper's Moulds	Issuing Date	Closing Date & Time	Non-refundable Document Fee
IFB No: IFB-MR/BD/2107	(1) Supply of 673,500 units of PAN-DOROL FD Clips (2) Design,, manufacture and supply of the concrete sleeper's moulds as follows: (i) 470 sets of the concrete sleeper's moulds for FD clip sleeper	5th August, 2019	18th September, 2019	USD 1,000

5. Bids must be submitted to the address below on or before **2:00 p.m. on 18th September, 2019** and must be accompanied by a bid security of Japanese Yen forty-four million (44,000,000 JPY). Electronic submission is not allowed.

6. The address (es) referred to above is (are):

Managing Director, Myanma Railways, Ministry of Transport and Communications

Nay Pyi Taw Railway Station Compound, Pobba Thiri Township, Nay Pyi Taw, Myanmar

Telephone: +95-67-77024

Fax: +95-67-677164

Email: dgmplan.rail@mrt.gov.mm, dgm.planning.mr@gmail.com