

Thura NewsViews

Politics

Government announces three-step peace plan

State Counsellor Daw Aung San Suu Kyi outlined a three-part mission statement to revitalize Myanmar’s peace process as conflicts continue to rage in the country’s border regions.

Daw Aung San Suu Kyi, the National League for Democracy’s most powerful figure spoke on October 28, the fourth anniversary of the signing of the landmark 2015 National Ceasefire Agreement (NCA). The three steps are to open dialogue with non-NCA signatories, to continue holding the 21st Century Panglong Union Peace Conferences and to “ensure that the people are able to enjoy the fruits of peace,” reported Frontier Myanmar. (The Panglong Union Peace Conferences are extended, multi-party peace talks named for a historic multi-party peace conference held in 1947.)

In 2015, the NCA brought some of Myanmar’s most prominent armed ethnic groups to the negotiating table. Notable signatories included the Karen National Union, which had been battling the Myanmar military for several decades. However, lasting peace would not come as swiftly as many had hoped. Other powerful groups would not sign the agreement, and many continue to skirmish with the Tatmadaw (Myanmar army) in Myanmar’s frontier regions, especially in Shan, Kachin and Rakhine States.

These non-signatories include the Northern Alliance, a confederation of five armed groups that launched a string of attacks in August. That conflict stalled border trade with China and closed off some of the country’s most popular tourist destinations. In the west, the Arakan Army has raided military convoys and taken scores of hostages in recent months. Often, civilians pay the price for these conflicts, with several killed and thousands displaced this year. In parts of Chin State, the fighting has caused a teacher shortage and left thousands of students without education, according to a recent story by the podcast Doh Athan.

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This Week’s Highlights

M. Patana Sangsriroujana, Thailand Deputy Governor for Policy and Planning declared that the Electricity Generating Authority of Thailand (EGAT), has been requested by the Energy Minister to talk to Myanmar to sell energy to the neighboring country. Thailand’s power supply has a surplus capacity of over 10,000 MW that the government wants to trade to countries such as Myanmar, Laos and Cambodia.

Trade between Myanmar and foreign countries reached over USD 2.3 Billion in October 2019, up 7% from the same month last year.

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■ Hostages freed in Rakhine

The Arakan Army (AA) has freed hostages captured in two October raids. On 7th November, the group freed 25 hostages that had been taken from a passenger ferry. The next day it freed 18 hostages captured from a bus outside the city of Mrauk-U. Many of the captives remain in police custody pending official interviews.

Renewed conflict broke out between the Tatmadaw (Myanmar army) and AA early this year, and the group has lately introduced hostage-taking tactics. The AA claims it targeted the ferry boat and bus because they were transporting large numbers of Tatmadaw soldiers. The group released most of the passengers, mostly women and children, soon after the attack. The government, however, has accused the AA of using civilians as human shields. Many civilians were killed during a government rescue operation for the remaining hostages. Both sides blamed the other for the deaths.

The AA, however, has not freed all of its prisoners. The group is still holding National League for Democracy lawmaker U Hawi Tin, captured early this month. While the hostage-taking has only served to worsen the AA's image within Myanmar, ongoing conflicts throughout Rakhine State are damaging the government's reputation abroad. Skirmishes with the Arakan Rohingya Salvation Army (ARSA) and the subsequent displacement of 750,000 Muslims, continue to harm the Myanmar economy by driving away tourists and foreign investors.

Economy

■ Government fears power shortage

The Ministry of Electricity and Energy (MOEE) fears that power supply will not meet demand in the upcoming dry season. It warned of potential blackouts as it regulates hydroelectric dams to conserve water.

Hydroelectric dams produce more than half of Myanmar's electricity, but Myanmar's dams are under-performing as the dry season approaches. "The dams are not full, unlike in previous years, so we have to cut hydropower plant operations," the Myanmar Times quoted U Soe Myint, MOEE Deputy Permanent Secretary, as saying. This regulation involves limiting the flow of water through the dams in order to conserve enough water for generating power throughout the dry season.

"The demand for electricity exceeds 1,000 megawatts in summer. [Liquid natural gas] plants are being built to meet the demand," U Soe Myint continued. The 2019 dry season, too, saw rolling blackouts in Yangon as demand for power outstripped supply. Nevertheless, it is possible that a recent dramatic rise in electricity tariffs may limit the amount of electricity people are using.

In any case, the government is preparing for the worst. It recently awarded five emergency power tenders, four of which went to Hong Kong-listed VPower Group. Those tenders call for 900 megawatts of new, liquid natural gas-based power.

■ Watermelon prices drop as Chinese demand falls

The price of watermelons, a main agricultural export, has dropped due to low demand from China. It is not the first agricultural export to suffer due to the fickle Chinese market, and may encourage farmers to improve growing standards to access buyers in other countries.

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/\$ = 1,518K/1\$ (07/11/19)

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“Prices of around 2,000 yuan [USD 285] per tonne depending on quality have dropped to around 1,600 yuan [USD 228],” U Naing Win, chair of the Myanmar Melon Producers and Exporters Association, told the Myanmar Times. “We made good profit this time last year, but it’s unlikely to be repeated this year.”

Watermelons are one of Myanmar’s largest fruit products with over 800,000 tonnes exported each year. Fluctuations in Chinese demand for this fruit can have huge impacts on Myanmar’s watermelon trade, as the majority of Myanmar watermelons are sold to China. Many other agricultural products, such as rice, rely on the Chinese market as Myanmar farming practices often do not meet standards for European and American markets. “If we can use the Good Agricultural Practices system, we can get more export value,” U Naing Win commented to the Myanmar Times.

Another vulnerability for Myanmar agricultural exports is the lack of value-added, downstream products, such as canned goods. These sorts of products tend to have greater market stability than fresh produce, yet Myanmar has exported almost no value-added agricultural products. Producing canned and packaged food, too, may open up western markets to Myanmar exporters.

In the meantime, Myanmar will continue to consume the majority of its produce domestically. The country has more arable land than any of its ASEAN neighbors.

■ **Rumors of Korean business pullout false**

A rumor that around 100 Korean businesses will leave Myanmar for Bangladesh is false, said U Thant Sin Lwin, Secretary of the Myanmar Investment Commission (MIC).

Speaking to the Myanmar Times, U Thant Sin Lwin dismissed recent reports in Bangladesh media that the Korean business community would seek better arrangements in Myanmar’s western neighbor. “There are no cases at all of South Korean investors returning MIC permits and moving out of Myanmar. In fact, interest among South Korean investors in Myanmar has been mounting,” U Thant Sin Lwin told the Times.

Reports of an impending Korean exodus appear to have come from the Bangladesh Economic Zone Authority (BEZA). According to local media, that body claimed the planned Korea Industrial Complex Co Ltd (KIC) would choose Bangladesh over Myanmar for planned industrial zones. But that project is in its early stages and there have been no official changes of plan, U Thant Sin Lwin continued.

South Korea has long been one of Myanmar’s chief trade partners. According to government data obtained by the Myanmar Times, the country has invested USD 3.9 billion in Myanmar. The largest Korean-backed industries include oil & gas and manufacturing.

Companies and Investments

■ **Westin to open its first hotel in Myanmar**

Global hospitality giant Marriott International will open the first of its Westin Hotels & Resorts located in Yangon in late 2021, the company announced.

The 26-story tower will be located within a USD 400 million development project controlled by developer Yoma Land, which will be acting as Marriott’s local partner in the hotel venture. Paul Foskey, Asia Pacific CEO of the US-listed Marriott International, called the agreement a “milestone” for the company’s presence in Southeast Asia, according to the Myanmar Times.

Westin will follow Hilton, Novotel and, most recently, Wyndham Grand in the ranks of major international brands that have entered Myanmar’s hospitality market. The Yangon Region Tourism Working Committee granted permits for 21 new hotels between May and August 2019, reported the Daily Eleven. The total investment for those new hotels will be almost USD 240 million.

These new hotels have opened despite disappointing growth in Myanmar’s tourism industry. However, investors are banking on an upswing, especially from Asian markets. The Myanmar government has introduced visa exemptions or paperless visas on arrival for several Asian nations. This year, the government even began granting visas on arrival to visitors from some European nations – specifically Australia, Germany, Switzerland, Russia, Spain and Italy. Whether these relaxed visa requirements will coax a new wave of tourists to the Golden Land, and its many new hotels, remains to be seen.

Events

Name	Details	Organizer/Ministries	Contact Information
ASEAN LPG Forum Series LPG Myanmar	Venue: Sedona Hotel, Yangon Date: 13-15 Nov 2019	Gas Academy	info@gasacademy.com.sg +65 6742 2485
Myanmar Entrepreneurship Summit	Venue: Fortune Plaza, Yangon Date: 16 Nov 2019	Myanmar Young Entrepreneurs Association (MYEA)	https://myanpwel.com/event/detail/2196/myanmar-entrepreneurship-summit-2019 +95 (0)9765 000 719 +95 (0)9765 000 649
Myanauto	Venue: Myanmar Event Park (MEP) at Mindama, Yangon, Myanmar Date: 15-17 Nov 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603 2692 6888
Asia IoT Business Platform	Venue: Sedona Hotel, Yangon Date: 21-22 Nov 2019	Industry Platform Pte Ltd	irza@industry-platform.com +65 6733 1107
Myanmar Hardware Expo	Venue: Yangon, Myanmar Date: 28-30 Nov 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603 2692 6888
Green Power	Venue: Yangon, Myanmar Date: 28-30 Nov 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603 2692 6888
Myanwater	Venue: Tatmadaw Hall, Yangon Date: 28-30 Nov 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603 2692 6888
Myanbuild	Venue: Tatmadaw Hall, Yangon Date: 28-30 Nov 2019	AMB Tarsus Exhibitions Sdn Bhd	support@ambtarsus.com +603 2692 6888
Electricity & Energy Expo	Venue: Tatmadaw Hall, Yangon Date: 29 Nov-01 Dec 2019	Dagon Exhibitions	dagonexhibitions@gmail.com +959 450098008

Tenders

■ Ministry of Electricity and Energy: Open Tender

1. Myanmar Oil and Gas Enterprise under the Ministry of Electricity and Energy now invites open tender for 2019-2020 fiscal year for supply of the following respective items in MMK.

Sr No.	Tender No.	Description	Remarks
(a)	DMP/L-153 (19-20)	Spares for Volvo Tractor (54) Items	MMK
(b)	DMP/L-154 (19-20)	Spares for NAT C-245-125 Torque Converter (25) Items	MMK
(c)	DMP/L-155 (19-20)	Spares for Kobelco Excavator (73) Items	MMK
(d)	DMP/L-156 (19-20)	Spares for Drilling Rig Drive Group (21) Items	MMK
(e)	DMP/L-157 (19-20)	Spares for National C 300-100 (FH) Torque Converter (25) Items	MMK
(f)	DMP/L-158 (19-20)	Spares for A 1700 PT Pump Ex USS Oil Well Rig (16) Items	MMK
(g)	DMP/L-159 (19-20)	Assorted Sizes of Seamless Steel Casing (3) Items	MMK
(h)	DMP/L-160 (19-20)	Assorted Sizes of TRI Cone Bits (10) Items	MMK
(i)	DMP/L-161 (19-20)	Air clutch & Spares for Drawworks and Catworks (6) Groups	MMK
(j)	DMP/L-162 (19-20)	Spares for Drawwork and Catwork (6) Groups	MMK
(k)	DMP/L-163 (19-20)	Spares of All Swivels (7) Groups	MMK
(l)	DMP/L-164 (19-20)	5" Drill Pipe for HDD Rig (1900) M	MMK
(m)	DMP/L-165 (19-20)	Hand Tools for BOP & Wellhead (9) Items	MMK
(n)	DMP/L-166 (19-20)	Power Tong & Air Winch Spares (4) Groups	MMK
(o)	DMP/L-167 (19-20)	Assorted Sizes of Steel Wire Rope (10) Items	MMK

2. The open tender forms including description of materials/ Qty with detailed specifications and tender terms and conditions can be available during office hours commencing from **4th November, 2019** at the Finance Department, Myanmar Oil and Gas Enterprise at No. 44, Complex, Nay Pyi Taw, Myanmar.
3. The interested bidders should submit the technical specifications with original bid bond and commercial quotation in each separate sealed envelopes on which to be addressed to the Managing Director, Myanmar Oil and Gas Enterprise and should reach in tender box of the Myanmar Oil and Gas Enterprise not later than **2:00 p.m.** on **4th December, 2019**.
4. The tender closing date and time is **4th December, 2019 at 2:00 p.m.**
5. Further information can be obtained at the Myanmar Oil and Gas Enterprise under the telephone number: +95-67-411206.

■ Yangon City Development Committee: Invitation for Bids

1. The government of the Republic of the Union of Myanmar has received a loan from Japan International Cooperation Agency (JICA) toward the cost of Greater Yangon Water Supply Improvement Project (MY-P5), Lagunbyin WTP and Nyaungnnapin WTP No. 1 & No. 2. Also need to include upgrading the existing dosing facilities

of he Nyaunghnapin WTP No. 1 & No. 2. It is intended that part of the proceeds of the contract for the Supply and Delivery of Poly Aluminium Chloride.

2. Bidding will be conducted through procedures in accordance with the applicable guidelines for procurement under Japanese ODA loans, and is open to all eligible bidders from eligible source countries, as defined in the loan agreement.
3. The Yangon City Development Committee (YCDC) now invites sealed bids from eligible and qualified bidders for the procurement of the Supply and Delivery of Poly Aluminium Chloride.
4. Interested eligible bidders may obtain further information from and inspect the bidding documents at the office mentioned below.
5. A complete set of bidding documents may be purchased by interested bidders on the submission of a written application to the address below, and upon payment of a non-refundable fee MMK 50,000.
6. The provisions in the instructions to bidders and in the general conditions of contract are the provisions of the Standard Bidding Documents under Japanese ODA loans for the procurement of goods.
7. Bids must be delivered to the address above at or before **2:00 p.m. on 5th December, 2019**.
8. Bids will be opened in the presence of the bidders' representatives who choose to attend at **2:00 p.m. on 5th December, 2019** at the office of Engineering Department (Water and Sanitation), Yangon City Development Committee at 12 1/2 Storey Office Building No. 390, Merchant Road, Botahtaung Township, Yangon, Myanmar.
9. The address (es) referred to above is (are):

Mr. Myint Zaw Than, Head of Department, Engineering Department (Water and Sanitation), YCDC

Office: 12 1/2 Storey Office Building, No. 390, Merchant Road, Botahtaung Township, Yangon, Myanmar

Email: lagunbyin@gmail.com

■ **Ministry of Transport and Communications: Open Tender**

1. Myanma Railways under the Ministry of Transport and Communications invites open tender for supply of the following items in MMK or Euro.

Sr No.	Tender No.	Description
1.	12(T)9/MR (CME)/ Kyat	Procurement for Assembling and Manufacturing of (5) Nos of Microprocessor Controlled 1200 HP Complete Knocked-Down Meter Gauge D.E.L
2.	12(T)10/MR (CME)/Euro	Procurement of (5)Sets of Diesel Engine & Main Alternator Sets with Foundation Frame and Related Necessary Parts for Microprocessor Controlled 1200 HP D.E.L
3.	12(T)11/MR (RBE)/Euro	Wheel Steel Forged for RBE (240) Nos
4.	12(T)12/MR (ISN)/Euro	Wheel Monobloc for YDM 4 Locomotive (240) Nos
5.	12(T)13/MR (ISN)/Euro	Spare Parts for Alco Engine (100) Items
6.	12(T)14/MR (ISN)/Euro	Spare Parts of Caterpillar Engine (94) Items
7.	12(T)15/MR (ISN)/Euro	Spare Parts for DPMS (89) Items

2. The tender closing date and time is **10th December, 2019 at 2:30 p.m.**
3. Tender documents can be obtained at its office starting from **29th October, 2019** within office hours.
4. Further information can also be obtained by reaching to the Deputy General Manager, Supply Department, Myanma Railways at the Corner of 51th Street and Merchant Street, Botahtaung Township, Yangon under the telephone numbers: +95-1-291985 and +95-1-291994.