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Myanmar sets up dedicated zones to woo investors

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TRAVELLERS in Myanmar need not worry too much about having to carry small change with them, coins that is, as there aren't that many in circulation.

One probable reason is that most people, men and women, still prefer to wear the longji, the equivalent of the sarong in Malaysia.

There are no pockets to keep the coins, while notes are simply tightly rolled up in the longji at the waist. A wallet, if one is carried, is curiously tucked in the back.

Longji is by far the attire of choice, appropriate both as casual and formal wear; common in the office as well as out in the streets.

It is worn with pride, a traditional costume that is practical and comfortable, and also elegant when matched with an equally traditional low, stiff-collared tunic, long or short-sleeved, that is usually in white.

Given the huge ready demand, business in the production or distribution of the longji is brisk. According to a Myanmar government official, there are longji factories, being a promoted industry, in every corner of the country.

Even then, the country still imports a sizeable amount of the product from neighbouring countries.

Meanwhile, as part of the Government's efforts to draw more investors to the country, several dedicated industrial zones have been developed in recent years, and there are now at least one in each of the 14 state administrations.

Investment Commission director Si Si Win said since the implementation of the Foreign Investment Law in 1988, a cumulative foreign capital inflow of US\$7.4 billion (US\$1 = RM3.80) has been approved.

"About 50 per cent of the capital comes from Association of South-East Asian Nations members but Myanmar has also been able to attract investment from developed countries despite the US sanctions imposed two years ago," she told Malaysian journalists on an eight-day visit to Myanmar last month.

The visit was arranged following a meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and Myanmar's ruling State Law and Order Restoration Council chairman Than Shwe in January.

Si Si Win said Singapore is currently the biggest foreign investor in Myanmar, followed by Britain, Thailand, Malaysia, the US and France.

Factors taken into account in the approval of projects include prospects for exports, size of investment, opportunity for the development of support industries, regional development and employment opportunities.

"We are not only encouraging labour-intensive industries but also high technology ones," she said.

Myanmar also invites foreign investors to put their money in the plantation and mining sectors as well as in infrastructure and manufacturing activities.

As for the existence of separate investment policies pursued by the state and federal governments, Si Si Win said foreigners are welcome to set up companies under state policies by registering themselves in accordance with the Myanmar Companies Act.

But they will not be able to enjoy federal government incentives administered by the Myanmar Investment Commission such as three-year tax holidays, and duty-free imports of machines and equipment, and also raw

materials.

As for trade, Myanmar exported 10.8 billion kyats (pronounced charts, RM1 = 150 kyats) worth of goods in its financial year ended March 2001, 7.5 billion kyats of which was accounted for by the private sector and the rest the state sector.

Imports amounted to 14.6 billion kyats, with the private sector accounting for 11.8 billion kyats and the state 2.8 billion kyats.

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