Achieving structural transformation and economic growth in Myanmar: challenges and opportunities

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Outline

- LDC Status of Myanmar
- Structural Transformation
- Challenges and Opportunities
LDS Status of Myanmar

- Identified as one of the LDCs in 1987
- According to the UNESCAP Statistical Year Book 2013 and
- According to the UNCTAD's LDCs Report 2014,

<table>
<thead>
<tr>
<th>Year/ Myanmar Status on Threadshold of Criteria</th>
<th>Gross National Income (GNI) per capita</th>
<th>Human Asset Index (HAI)</th>
<th>Economic Vulnerable Index (EVI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>704.2/1190</td>
<td>68/66</td>
<td>45/32</td>
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<tr>
<td>2014</td>
<td>994/1190</td>
<td>68.8/66</td>
<td>45/32</td>
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LDC Status of Myanmar

- Fulfilled all three eligibility criteria for the first time to graduate from the LDC status at the 2018 Triennial Review.

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<tr>
<td><strong>Thresholds for Graduation</strong></td>
<td>US$ 1230 or above</td>
<td>62.0 or above</td>
<td>32.0 or below</td>
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<tr>
<td><strong>Myanmar value</strong></td>
<td>US$ 1255</td>
<td>68.5</td>
<td>31.7</td>
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Source: 2018 Triennial Review
LDC Status of Myanmar

• Pave the way for Myanmar to graduate from the LDC status in the following years if Myanmar continues to meet at least two out of the three criteria again in the 2021 Triennial Review.
Istanbul Programme of Action - IPOA

➢ The Fourth United Nations Conference on the Least Developed Countries was held in Istanbul, Turkey from 9 to 13 May 2011 and

➢ adopted the Programme of Action for the Decade 2011-2020 on 13 May 2011.
Renewed and strengthened partnership for development

with the objectives of

➢ to achieve sustained, equitable and inclusive economic growth
➢ to build human capacities
➢ to reduce the vulnerability
➢ to ensure enhanced financial resources and their effective use
➢ to enhance good governance at all levels
Principles for partnership

The following will guide for successfully achieving its objectives.

➢ Country ownership and leadership
➢ An integrated approach
➢ Genuine partnership
➢ Result orientation
➢ Peace and security, development and human rights
➢ Equity, voice and representation
Structural Transformation

➢ Launched 12 Points Economic Policy in 2016
➢ ODA : one of the Special Support Measures for LDCs
➢ Established Development Assistance Coordination Unit (DACU) in 2016 to take a more strategic view of aid flows and ensure that aid is being allocated strategically and systematically
➢ DACU : the peak government body for decisions on aid and aid policy
➢ Launched Development Assistance Policy (DAP) in 2018
➢ The development of Myanmar Sustainable Development Plan (MSDP) which is firmly aligned with global commitments, SDGs, Myanmar Economic Policy, various regional commitments

➢ MSDP: 3 Pillars, 5 Goals, 29 Strategies, 250 Action Plans

➢ Identifying the Projects under those action plans with the linkage of Public Investment Programme - PIP (known as Projects Bank)

➢ Enacted a new Myanmar Investment law in 2017 that can assure foreign investors
Challenges

➢ One of the world’s most disaster-prone countries
➢ Political instability and protracted conflict
➢ Poverty, Infrastructure gaps and lacking access to essential public services in rural areas
➢ Did not have opportunities such as any assistance from International Community due to being imposed Sanctions even though being a LDC until 2011
➢ Started to enjoy the special rights for international trade and markets - later on 2011 Democracy system practiced widely
➢ Declining flows of ODA and loosing access to highly concessionary aid resources when the country graduates from LDC status
Opportunities

➢ One of the fastest growing economies in the East Asia and Pacific Region
➢ From low income country to lower Middle Income Country according to World Bank Report (2017)
➢ Estimates Myanmar’s growth at an annualized rate of 6.8% in 2018 and 7.2% in 2019 according to The Asian Development Outlook (ADO) 2018
➢ Have increased the volumes of ODA significantly since the transition to democracy
➢ Take full advantage of the current and new concessional financing windows
➢ Have a pipeline of major investments eligible for concessional financing through the development of the Public Investment Programme
Importance of ODA

➢ ODA is significant for developing countries and LDCs to promote their development and achieve the internationally agreed development goals including SDGs.

➢ DC should fulfill their commitments on targets for ODA of 0.7 of GNP to Developing Countries and 0.15 percent to 0.2 percent of GNP to LDCs.
Conclusion

➢ Myanmar will definitely strive to achieve the Sustainable Development Goals and to meet the criteria for graduation from LDC.

➢ But, need to consider above mentioned challenges
Thank You for Your Attention!