

## INVESTING IN MYANMAR

### General information

#### **Background**

Various ethnic Burmese and ethnic minority city-states or kingdoms occupied the present borders through the 19th century. Over a period of 62 years (1824-1886), Britain conquered Burma and incorporated the country into its Indian Empire. Burma was administered as a province of India until 1937 when it became a separate, self-governing colony; in 1948, Burma attained independence from the Commonwealth.

Gen. NE WIN dominated the government from 1962 to 1988, first as military ruler, then as self-appointed president, and later as political kingpin. In September 1988, the military deposed NE WIN and established a new ruling junta. Multiparty legislative elections in 1990 resulted in the main opposition party - the National League for Democracy (NLD) - winning a landslide victory. Instead of handing over power, the junta placed NLD leader AUNG SAN SUU KYI (ASSK) under house arrest from 1989 to 1995, 2000 to 2002, and from May 2003 to November 2010. In late September 2007, the ruling junta brutally suppressed protests over increased fuel prices led by prodemocracy activists and Buddhist monks, killing at least 13 people and arresting thousands for participating in the demonstrations.

In early May 2008, Burma was struck by Cyclone Nargis, which left over 138,000 dead and tens of thousands injured and

homeless. Despite this tragedy, the junta proceeded with its May constitutional referendum, the first vote in Burma since 1990. Parliamentary elections held in November 2010, considered flawed by many in the international community, saw the ruling Union Solidarity and Development Party garnering over 75% of the seats. Parliament convened in January 2011 and selected former Prime Minister THEIN SEIN as president. Although the vast majority of national-level appointees named by THEIN SEIN are former or current military officers, the government has initiated a series of political and economic reforms leading to a substantial opening of the long-isolated country. These reforms have



Shwedagon Pagoda

included a senior-level dialogue with ASSK, re-registering the NLD as a political party, enabling party members, including ASSK, to contest parliamentary by-elections on 1 April 2012, the release of many (but not all) political prisoners, preliminary peace agreements with some armed ethnic groups, a reduction in media censorship, and an increasingly open debate in the Parliament.

Source: CIA Handbook

Reforms have continued moving apace in 2012 with greater press freedom, relaxation on imported goods especially electronics and automobiles, a 300% increase in tourism over 2010 and a new Foreign Investment Law providing the guidelines for future investment in the country.

#### **Some facts & figures**

*Area:* 676.000 sq kms

*Population:* 54.5 mln July 2012 est.

*Main cities:* Rangoon (4.2 mln)

Mandalay (1 mln), Nay Pyo Taw (0.9 mln)

*Ethnic groups:* Burman 70%, Shan 9%, Karen 7%, Rakhine 4%, mon 3%, Ka Chin 2.5%

*Religion:* Buddhist 89%

*Urbanisation:* cities 34%,

*Motor vehicles:* 18 per 1000 people

*Currency:* Kyat (MMK)

*Exchange rate:* Free market rate 800-830 MMK=US1.00

*Economy growth rate FY2011:* est. 5.5-5.8%

*Main sectors:* Services 43%, Agriculture (inc. livestock, fisheries, forestry etc) 38% and industry 18%

*Natural resources:* Petroleum, timber, natural gas, coal, hydropower, zinc, copper, tungsten, tin, antimony.

*Environmental issues:* deforestation, inadequate sanitation and water treatment, air and soil pollution.