



Ministry of Transport and Communications

2019 Asia PPP Practitioners' Network (APN)

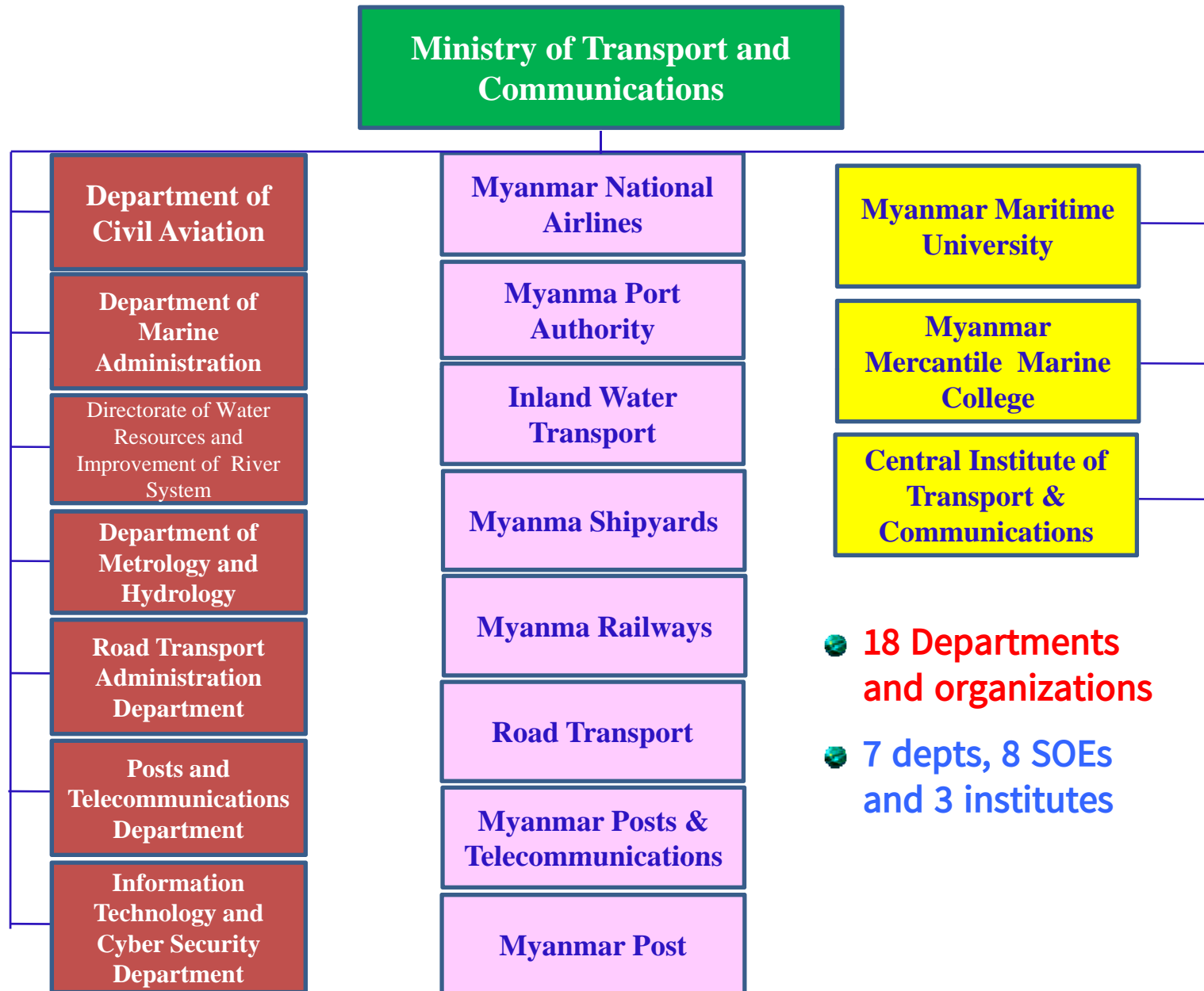
Conference

Financing Infrastructure for Sustainable and Inclusive Development

November 2019

Seoul

Organization Chart



Current Operation of SOEs under MOTC

❖ Out of State Budget (Own Finance)

- ✓ Myanmar National Airlines
- ✓ Myanma Port Authority
- ✓ Myanma Shipyards
- ✓ Myanmar Posts and Telecommunications (will be soon)

❖ Semi Joint Venture

- ✓ Myanmar Posts and Telecommunications (KDDI, Summitomo)
- ✓ Myanmar Post (Partially JV)
- ✓ Road Transport (Partially JV)

❖ Under State Budget

- ✓ Myanma Railways
- ✓ Inland Water Transport
- ✓ Road Transport
- ✓ Myanmar Post

Difficulties of SOEs Reforms

- ❖ **MOT has been strived its SOEs to be commercially viable since 2013-2014 fiscal year, enacting respective rules and regulations;**
 - ✓ **Myanmar National Airlines**
 - ✓ **Myanma Port Authority**
 - ✓ **Myanma Shipyards**
 - ✓ **Inland Water Transport**

- ❖ **However, they were not effectively implemented due to;**
 - ✓ **Huge amount of Pensions**
 - ✓ **Historical debts of SOEs**
 - ✓ **No incentives due to some existing laws (Civil Servant Law....)**
 - ✓ **No definite PPP guidelines**

Now, we have the PPP guidelines and set up the PPP centre so that these issues can be settled in future.

Infrastructure Development (Private)

❖ **Overview of the Projects with private participation**

- Port sector allowed the private participation for the port construction, operation and maintenance since 1995.
- Air transport sector allowed the private operators from local and abroad for the operation of international and domestic airports in recent years.
- Railway transport sector will allow private participation in future.

Current Implementations

Rail Transport

- ❖ **Yangon – Mandalay Rail Line Upgrading**
(Total Length – 620 km)
- ❖ **Yangon Circular Railway Line Upgrading Project** (Total Length – 47 km)
- ❖ **Bago- Mawlamyine Rail Line Upgrading**
(Total Length – 208 km)
- ❖ **FS for Yangon-Pyay Rail Line Upgrading**
(Total Length – 267 km)
- ❖ **Mandalay – Myitkyina Rail Line Upgrading**
(Total Length – 547 km)
- ❖ **FS for Mandalay-Muse Rail Line Upgrading**
(Total Length – 431 km)

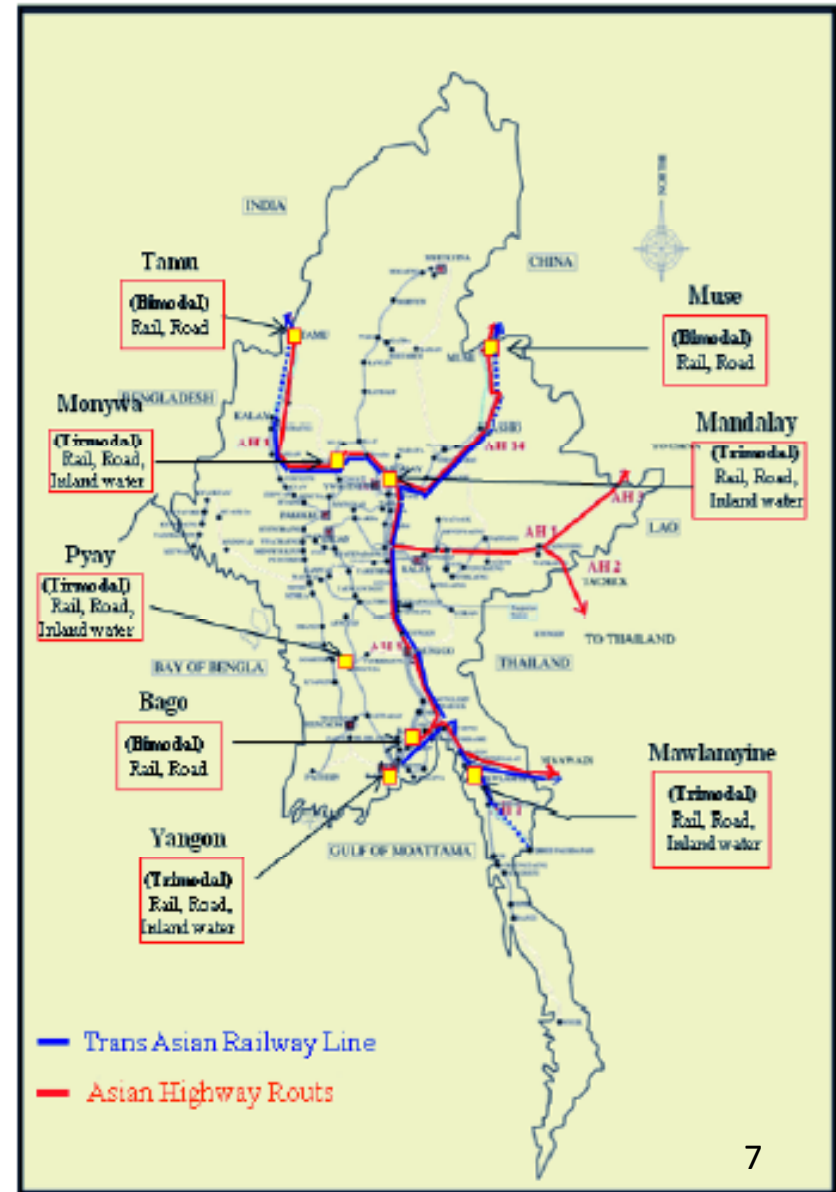


Dry Ports Infrastructure

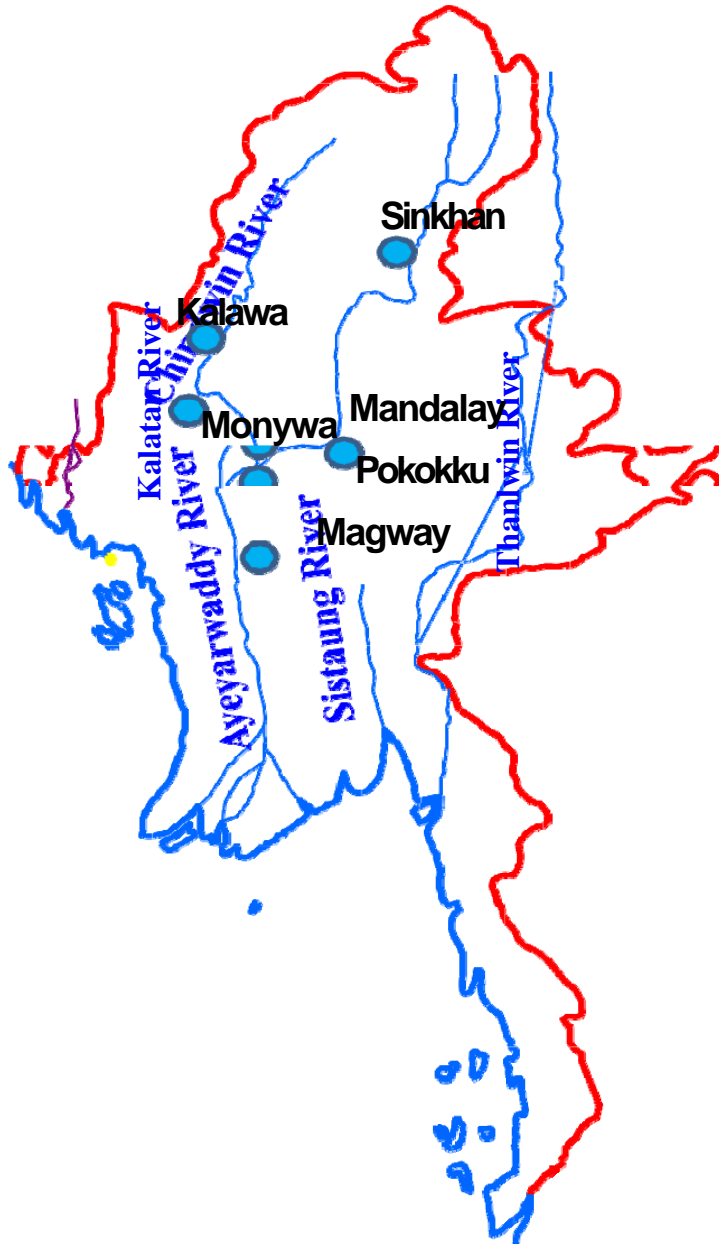
- ✓ Myanmar signed on the Intergovernmental Agreement on Dry Ports” in Nov, 2013.
- ✓ Eight potential dry port places has been proposed to UNESCAP, namely, Mandalay, Tamu, Muse, Mawlamyine, Bago, Monywa, Yangon and Pyay.

Establishment of Two Dry ports at Yangon and Mandalay

- **Location and Area** - Ywarthargyi (Yangon) - 80 acres Myitnge (Mandalay) -75.1 acres
- **Estimated Investment** - Total 80 million USD
- **Concession Period** - 50 years, Under PPP Scheme.
- **Developer s**– Kerry logistics Co.ltd and Resource Group Logistics Co.Ltd.



Inland Water Transport Infrastructure



Navigable Waterways

- Ayeyarwaddy River - 1534 km
 - Chindwin River - 730 km
 - Thanlwin and rivers in Mon State - 380 km
 - Ayeyarwaddy Delta - 2404 km
 - Rivers in Rakhine State - 1602 km
- Total - 6650 km**

Ports to be developed-

- Sinkhan
- **Mandalay** → **Ongoing**
- Pakokku
- Magway
- **Monywa** → **Request for FS**
- Kalawa

- ❖ **Mandalay Ports Port Construction has been started recently.**
- ❖ **Requested to conduct FS for Monywa River Port by KOICA.**

Priority Pipeline Projects under MPAC

Myanmar has proposed (4) major railway lines to be implemented in future as the priorities of MPAC–

- **Mawlamyine- Ye- Dawei Rail Line Upgrading Project**
- **Dawei – Htee Khee New Rail Line Project**
- **Mandalay – Tamu New Rail Line Project**
- **Muse – Mandalay New Rail Line Project**

All lines are important for the regional rail connectivity.



Future PPP Projects (2020 onwards)

No.	Project Name
1.	Heho Airport Upgrading Project
2.	Mawlamyaing Airport Upgrading Project
3.	Kawthaung Airport Upgrading Project
4.	Thandwe Airport Development Project
5.	Dawei Airport Upgrading Project
6.	Tarchileik Airport Upgrading Project
7.	Loikaw Airport Development Project
8.	New Muse Airport Construction Project
9.	Inland Port Development Projects on Ayeyarwaddy and Chidwin River (Bahmo, Pakokku, Magway, and Kalawa)

Future PPP Projects (2020 onwards)

No.	Project Name (Railways)
10.	Yangon Central Railway Station Development Project
11.	Insein Railway Area development Project (Yangon)
12.	Thamine Station Development Project (Yangon)
13.	The Multi-sector Development in the area of Alanpyar Pagoda Road (Yangon)
14.	Gyoe Kone Station Development Project (Yangon)
15.	Hanthawaddy Station Development Project (Yangon)
16.	Shan lann Station Development Project (Yangon)
17.	Myitkyina Station Development Project

Logistics Projects

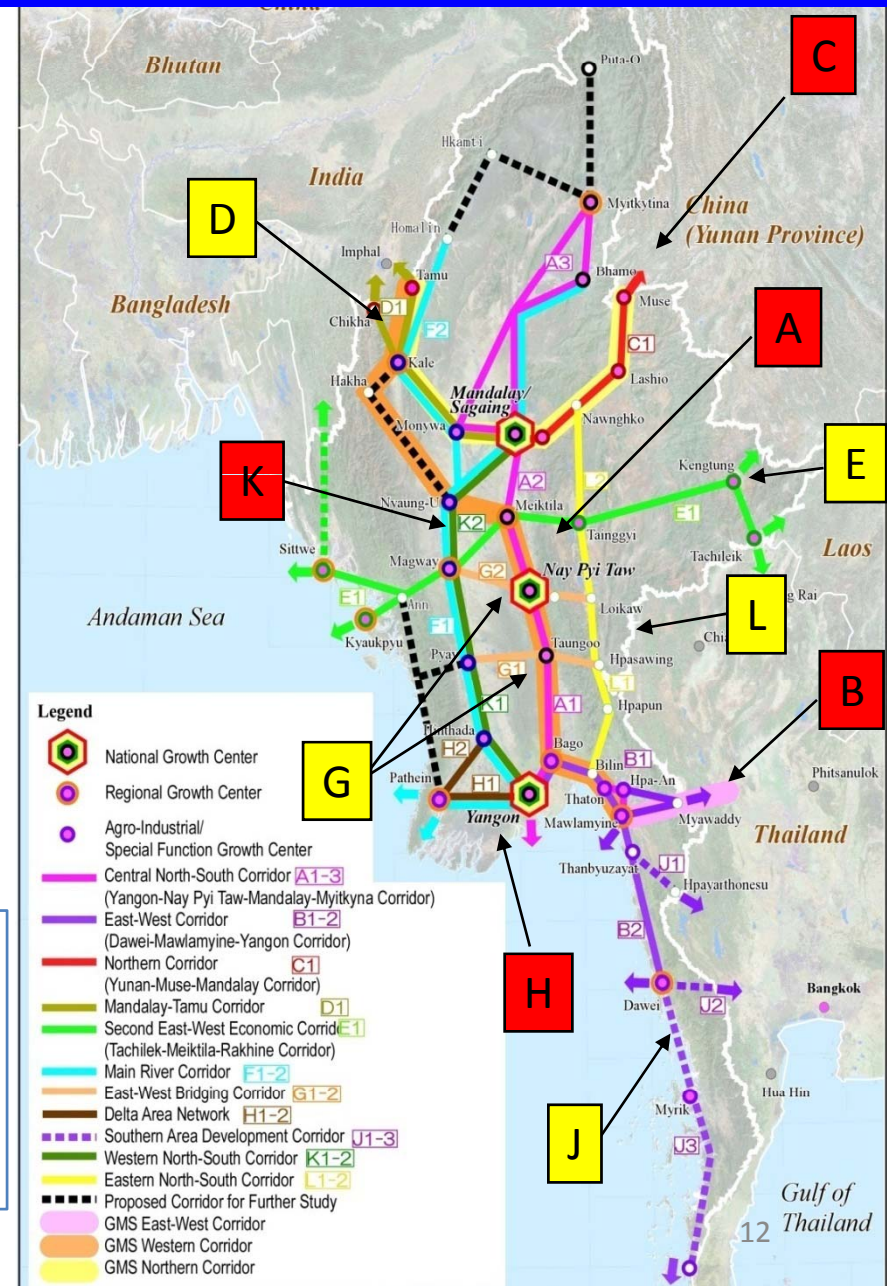
- ❖ Establishment of Dry Ports at Tamu, Monywa, Musem Bago, Mawlamyine and Pyay
- ❖ Establishment of cold storage, truck terminals and multimodal hubs

Major Corridors of National Transport Master Plan

- ❖ **Total** (142) Projects
- Road (48) Projects
- Rail (14) Projects
- Maritime (15) Projects
- Inland Water (33) Projects
- Air (32) Projects

❖ **Projects Cost** (48.06) Billion US\$

Transport Infrastructures are being developed to meet increased passenger and cargo demand in accordance with the National Transport Master Plan.



Overview of Transport Infrastructure



- Myanmar's transport system is comparatively lower than in ASEAN
- 60% of highways and most rail lines in poor condition
- 20 million people without basic road access
- \$45–60 billion investments needs (2016–2030)
- Selected initiatives could, by 2030:
 - ✓ Reduce transport costs by 30%
 - ✓ Raise GDP by 13%
 - ✓ Provide basic road access to 10 million people
 - ✓ Save People's lives

Conclusion

- Required Infrastructures will be developed with -
 - ❖ Private Investment(Local and Foreign)
 - ❖ Loans and Grants
 - ❖ State Budget.
- Transport Infrastructures have to be developed to meet increased traffic demand due to Political and Economic Reform.
- Private / PPP Programs are crucial for our transport sector development.



Thank You