



**MINISTRY OF INDUSTRY**

**CURRENT STATUS OF MYANMAR INDUSTRIAL  
PARK  
FOR SUSTAINABLE DEVELOPMENT**

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# INTRODUCTION

Industrial development is necessary for modernization of agriculture. Industrialization plays an important role of the country. Myanmar is agriculture based country and for implementation of industrial development to become an all round modern developed nation at present . In order to improve the country's basic infrastructures such as roads, bridges and communication system, a deep efforts are made. The change to market oriented economic system and the intensive development of basic infrastructures created many economic activities by industrialization.

## ROLE OF INDUSTRIALIZATION

- Industrialization is an essential element of the whole development of a country.
- One of the most frequent measures of an industry's importance is based on its production (value added or net output).
- Industrial structure can be defined in terms of the relative importance of individual industries, or groups of related industries, within an economy.
- For more than a decade now, Myanmar has been taking several steps and adopting a number of strategic frameworks as comprehensive initiatives towards economic development

# Industrial Sector in Myanmar

Ministry of Industry as State owned industries, 20 industrial zones, 3 SEZ and private industries play in industrial sector.

The Government has concentrated the industrial sector to minimize the pollution to environment.

The Government facilitates the enforcement of laws, by laws, regulations, orders, instructions, rules to be safe the workers in occupational areas and to be prevented the industrial accidents.



# Three Special Economic Zones

## Three special economic zones in progress are expected to further boost economic growth in Myanmar

### KYAUKPHYU SEZ

- Developed by China & Myanmar
- Deep sea port, industrial and estate area zones, strategically located between China and India
- International firms being reviewed for developing this 75 sq.km zone; expected to be announced by end of 2015
- Implementation scheduled in three phases, expected to finish by 2016, 2020 and 2025
- Expected to rival Singapore as a Petrochemical Hub with a USD 2.5 bn oil and gas pipeline supplying to China

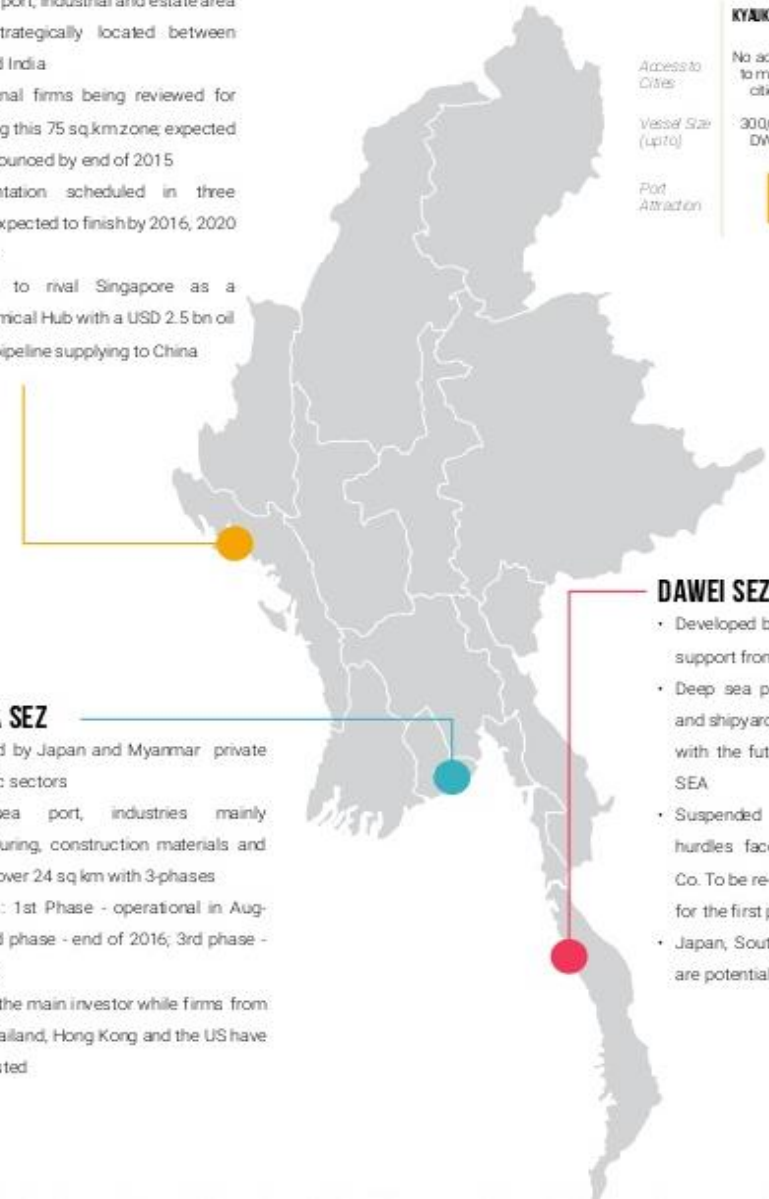
### THILAWA SEZ

- Developed by Japan and Myanmar - private and public sectors
- Deep sea port, industries mainly manufacturing, construction materials and garment over 24 sq km with 3-phases
- Timelines: 1st Phase - operational in Aug-2015; 2nd phase - end of 2016; 3rd phase - end 2018
- Japan is the main investor while firms from Korea, Thailand, Hong Kong and the US have also invested

	KYAUKPHYU	THILAWA	DAWEI
Access to Cities	No access to major cities	~20km away from Yangon	~300km away from Bangkok*
Vessel Size (upto)	300,000 DWT	20,000 DWT	300,000 DWT
Port Attraction			

### DAWEI SEZ

- Developed by Thailand and Myanmar with support from Japan
- Deep sea port, multiple industrial zones and shipyard covering a total of 196 sq.km with the future largest industrial zone in SEA
- Suspended in 2013 due to financial hurdles faced by developer, Italian-Thai Co. To be re-initiated with a USD 1.7 bn deal for the first phase in August 2015
- Japan, South Korea, Thailand and China are potential investors



## Objectives to Boost Industrial Park in Myanmar

- Creation of technical-trained manpower around the nation.
- Creation of job opportunities for youth to take up industrial employment.
- Arrangement of technical-trained workers to take the test from National Skilled Standard Authority (NSSA).
- Adoption of productivity and quality control techniques at factories.
- Intensification of research & development activities for the establishment of competent design and to improve innovative approach for future products.





## **Factors to Implement for Sustainable Development of Industrial Park**

- Vocational training center
- Foreign investment – need peace and tranquility of country
- Skillful labor
- Technology
- Quality of products
- Market
- Electricity
- Raw material
- Implementation of Waste water Treatment

# Myanmar Industrial Zones

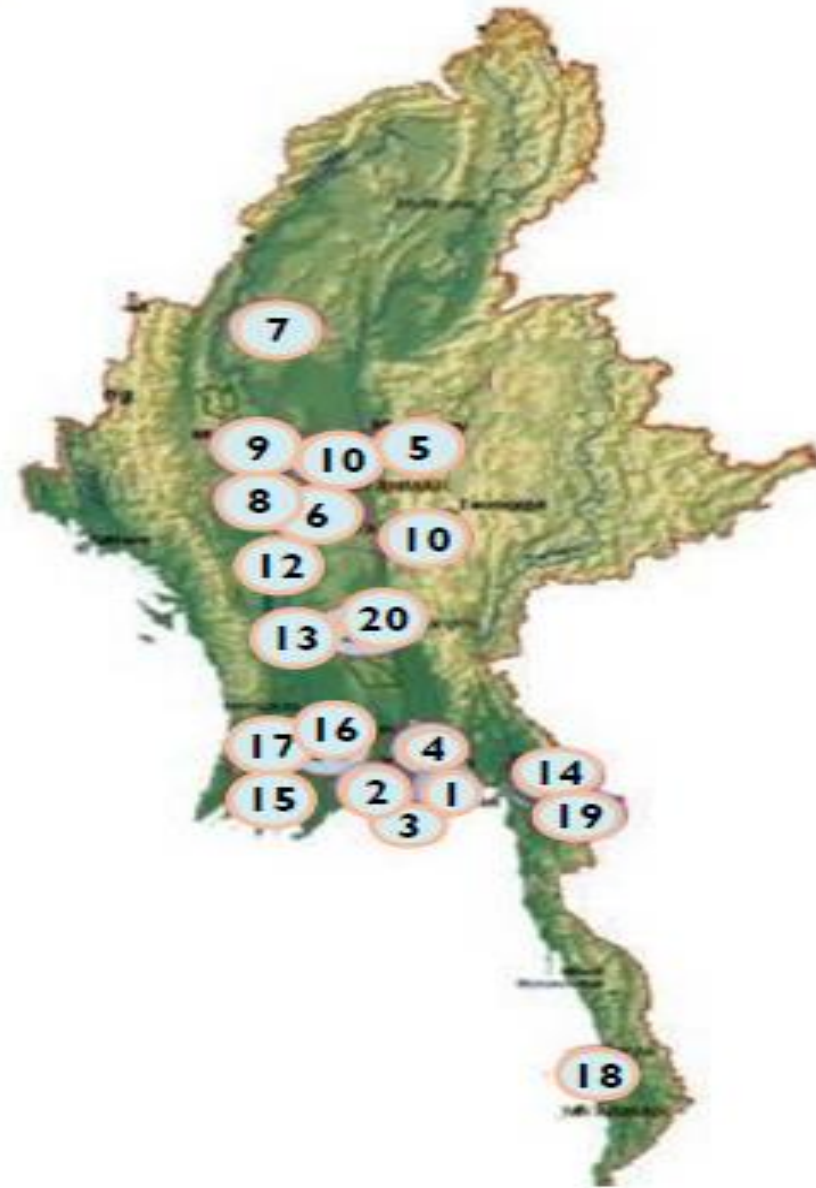
To promote industrial development, a total of 20 industrial zones had been established across the country.

To develop an industrial zone in a specific regions along with employment opportunities.

However , the industrial parks would suffer much when a zone is developed in a place where the market does not exist, out of reach from the port and trade routes and with a scarcity of raw materials and skillful labor.

## Existing 20 Major Industrial Zones in Myanmar

1. East Yangon Industrial Zone
2. West Yangon Industrial Zone
3. South Yangon Industrial Zone
4. North Yangon Industrial Zone
5. Taunggyi Industrial Zone
6. Mandalay Industrial Zone
7. Kalay Industrial Zone
8. Monywa Industrial Zone
9. Pakokku Industrial Zone
10. Meikhtila Industrial Zone
11. Myingyan Industrial Zone
12. Yaynanchaung Industrial Zone
13. Pyay Industrial Zone
14. Mawlamyine Industrial Zone
15. Myaung Mya Industrial Zone
16. Hinthada Industrial Zone
17. Patheingyi Industrial Zone
18. Myeik Industrial Zone
19. Pha-an Industrial Zone
20. Datkhina Thiri Industrial Zone



## **ISSUES ON LOCAL INDUSTRIAL ZONE**

### **Weakness in integration of industrial Process and Chain system**

**Infrastructure (energy, land, transport, communication, etc)**

**Supporting services ( finance, IT, legal services, public services)**

**Consumers / market ( the distance from market)**

**Suppliers / resources (( the distance from suppliers )**

**Environmental security**

### **Poor LAND USE Planning and INDUSTRIAL LAYOUT**

### **Weak in Development Control and Law Enforcement**

### **Inadequate provision of INFRASTRUCTURE and Utility Services**

**Lack of Proper Drainage System, Power Supply and Water Supply System**

**Lack of Waste Water Treatment System**

**Insufficient Industrial Waste Disposal & Management System**

### **ENVIRONMENTAL ISSUE**

**No Pollution control, without Monitoring System**

**Environmental Problems - Water, Air, Noise, Soil and Visual**

**Pollution & Ground water contamination**

### **LAND ISSUES**

**Very High Land Price and Land Speculation**

**Unused industrial Land and low productivity**

**Farm Land – Farmers & Squatter Problems**

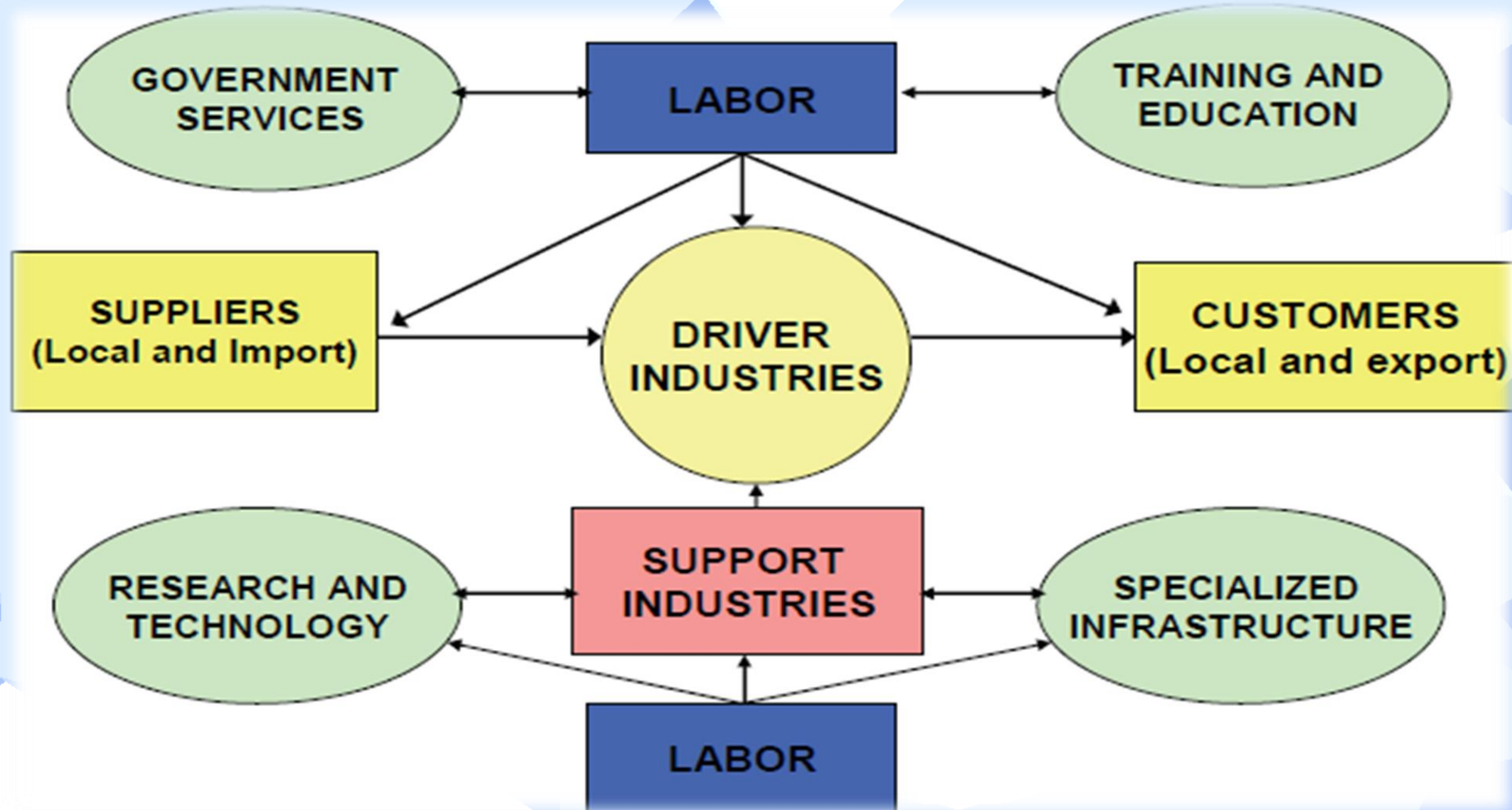
# Industrial Training Center

Ministry of Industry has already opened six Industrial Training Centers with the aid of foreign countries. And the centers conducted machinery courses , computer and CAD/CAM courses, electric and electronic course.

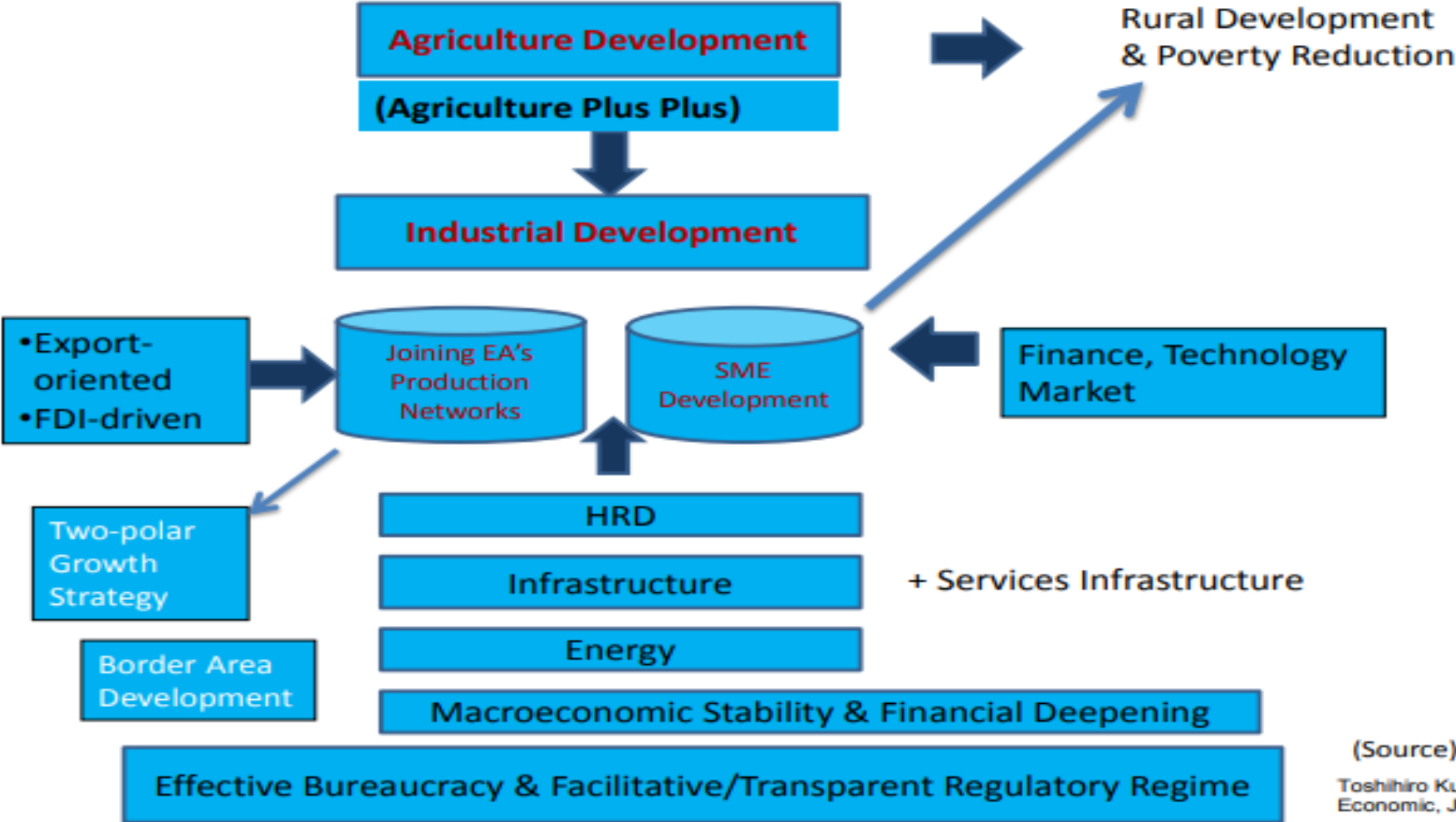
- ❖ To produce the excellent skilled workers as the driving power of national industrial development .
- ❖ To place them in appropriate fields of career interest.
- ❖ To adjust unbalance of demand and supply of qualified knowledge workers.

<b>Sr. No</b>	<b>Industrial Training Centers</b>	<b>Established Year</b>	<b>Trainees/ Year</b>	<b>Assistance</b>
1	<u>No (1) Industrial Training Center (Sinde)</u>	1979	200	Germany
2	<u>No (2) Industrial Training Center (Mandalay)</u>	2008	180	China
3	<u>No (3) Industrial Training Center (ThaGaYa)</u>	2009	150	Korea
4	<u>No (4) Industrial Training Center (Pakokku)</u>	2010	216	India
5	<u>No (5) Industrial Training Center (Magway)</u>	2011	150	Korea
6	<u>No (6) Industrial Training Center (MyinGyan)</u>	2013	192	India

# Growth Strategy Based on Industrial Development



# Growth Strategy Based on Myanmar Industrial Development



(Source) MCDV Report.  
Toshihiro Kudo, Institute of Development Economics, JETRO



## Effects of Industrialization on the Environmental Impact

**Pollution:** Industrialization normally adds to pollution in air, water, soil, due to the waste products it produces.

**Extraction:** Industrialization makes use of resources - raw materials from the land, water, perhaps wood and plants, fossil fuels, etc. This has an effect on the environment, since demand for all these goes up, and more quantities are extracted from the land.

**Urbanization:** Industrialization needs people to work in factories. So, people move from rural/agricultural areas, that are spread out, to industrialized cities, that are concentrated. A higher population puts added pressure on the local environment.

**Waste material:** Industrialization produces a greater amount of waste, both directly as a result of production of goods, as well as the disposal of those goods once their purpose has been served. For example, if a factory makes plastic furniture, it produces waste plastic ... and once the plastic furniture is worn, it is added to the rubbish pile too.

**Possibility of long term beneficial impact:** Industrialization adds to the wealth of society, and makes a greater quantity of goods available at lower cost, thus uplifting the lives of society.

## CONCLUSION

The industrial procedure which is adaptable for one country could not be successful for the other. The industrial policies of each developing countries should be relevant to its resources, political and socio-economic environment. With this respect we stress on : For the same country, the main starting of an industrial plan in definite point might not be adapting in the following step.

- 1.Plans in developing countries should consider the scarcities of capital compared with manpower, this will help in the choice of the industrialization procedure.
2. Production cost is influencing the decision, also the technology considered.
3. Lack of natural resources is leading to apply light industries.
4. Heavy industry should be started by implement through infrastructures plans.

**In all, Myanmar have to build modern industrial sector through good conception, execution and steering of industrial policies. This means essentially better mobilizing resources, improving business environment, building sound macroeconomic stability, insuring good governance and enhancing human capital to attract the adequate foreign direct investment from abroad which is an important goal to achieve successful industrialization.**



**THANK YOU**