



## Asian Development Bank & Myanmar

### FACT SHEET

**Table 1. Myanmar: Development Indicators**

Non-MDG	
Population in millions	60.28 (2010)
Annual population growth rate (%)	1.6 (2008–2010)
Adult literacy rate (%)	91.9 (2008)
Percent of population in urban areas	33.2 (2009)
MDG	
Percent of population living on less than \$1.25 a day	...
Percent of population living below the national poverty line	...
Under-5 mortality rate per 1,000 live births	71.0 (2009)
Percent of population using an improved drinking water source	71.0 (2008)

... = data not available, MDG = Millennium Development Goal.

Sources: ADB, 2011. *Basic Statistics 2011*. Manila; UNESCO, 2011. Institute for Statistics Data Centre; World Bank, 2011. World Development Indicators.

**Table 2. Myanmar: Economic Indicators, 2006–2010**

Economic Indicator	2006	2007	2008	2009	2010
Per capita GNI, Atlas method (\$)	...	...	...	...	...
GDP growth (% change per year)	7.0	5.5	3.6	5.1	5.3
CPI (% change per year)	26.3	32.9	22.5	8.2	7.3
Unemployment rate (%)	4.0	4.0	4.0	...	...
Fiscal balance (% of GDP)	(4.3)	(3.8)	(2.4)	(5.4)	(5.7)
Export growth (% change per year)	47.4	23.9	15.5	4.4	4.8
Import growth (% change per year)	48.0	88.0	25.6	1.9	10.0
Current account balance (% of GDP)	7.1	0.6	(2.2)	(1.3)	(2.2)
External debt (% of GNI)	...	...	...	...	...

( ) = negative, ... = data not available, CPI = consumer price index, GDP = gross domestic product, GNI = gross national income.

Source: ADB, 2011. *Asian Development Outlook 2011*. Manila.

Myanmar is the second largest country in Southeast Asia. It borders five nations and is endowed with rich natural resources—arable land, forestry, minerals (including gas and oil), and freshwater and marine resources. However, Asian Development Bank (ADB) has not provided direct assistance to Myanmar in more than 20 years. ADB's last loan and technical assistance projects for Myanmar were approved in 1986 and 1987, respectively. ADB continues to monitor economic developments in Myanmar, and will formulate an operational strategy when appropriate.

Myanmar's economy slowed to an estimated 3.6% in fiscal year (FY) 2008 (ended 31 March 2009) from 5.5% in FY2007. Myanmar was not directly hit by the global financial crisis, given its absence of trade and financial linkages with industrial countries. However, exports and private consumption were reduced by the combined effect of economic slowdowns in neighboring economies, a collapse in commodity prices, and the impact of Cyclone Nargis in 2008.

Economic growth likely picked up to about 4.4% in FY2009, in tandem with a recovery in regional demand and a partial recovery in agricultural production in areas damaged by the cyclone. Private consumption is, however, likely to have remained subdued by a slowdown in inward remittances, and stagnant rural incomes as “farm-gate” prices—the prices of agricultural products when sold by farms—remained depressed. Inflows of foreign direct investment into the energy sector helped to lift international reserves from about \$4 billion in FY2008 to \$5 billion at the end of FY2009, equivalent to 8 months of imports. Despite a fall in growth to 5% in 2008–2009, growth is projected to reach 5.3% in 2010–2011 and stabilize at 5.5% in 2011–2012, as domestic investment, privatization, construction, and services pick up.

Myanmar still has significant poverty reduction needs. A joint United Nations Development Programme (UNDP)–Government of Myanmar Integrated Household Living Conditions Assessment (2007) places poverty incidence at 32%, with rural poverty significantly higher (36%) compared to urban poverty (22%). In the latest 2007 Human Development Index released by UNDP (used to measure the level of human development of countries based on measures of life expectancy, literacy, and standard of living), the country was ranked in the bottom fourth (138 out of 182) among the countries surveyed. Cyclone Nargis, which hit the country in 2008, resulted in extensive loss of life and physical damage and may have further worsened poverty incidence in the country.

Myanmar's Five-Year Plan, FY2006/2007–FY2010/2011, is targeting a growth rate of 12% per year through

- retaining the current growth momentum of the economy;
- solidifying the value of the kyat;
- reducing the budget deficit to have a surplus by the third year;
- curbing inflation; and
- continuing the current account surplus position in the balance of payments.

ADB has maintained close coordination with the International Monetary Fund, the World Bank, and UNDP, with an emphasis on assessing the government's economic reform program and recommended policy actions. ADB liaises with Myanmar's major bilateral donors regarding the status of their assistance programs.

Myanmar is a participating member of the Greater Mekong Subregion Economic Cooperation Program (GMS Program), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the Association of Southeast Asian Nations (ASEAN). Myanmar participates in regional meetings and workshops along with other GMS and ASEAN member countries. Following the recent elections, ADB will monitor political and economic developments in Myanmar and a new operational strategy will be formulated when appropriate

**Table 3. Myanmar: 2010 Loan, Technical Assistance, and Grant Approvals (\$ million)**

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
–	–	–	–	–
– = nil.				
Cumulative Lending (as of 31 Dec 2010)			: \$530.9 million	
Cumulative Disbursements (as of 31 Dec 2010)			: \$411.8 million	

**Table 4. Myanmar: Cumulative ADB Lending as of 31 December 2010**

Sector	Loans (no.)	Amount (\$ million)	% <sup>a</sup>
Agriculture and Natural Resources	15	316.10	59.54
Education	–	–	–
Energy	4	26.80	5.05
Finance	2	20.00	3.77
Health and Social Protection	2	63.10	11.89
Industry and Trade	3	26.40	4.97
Public Sector Management	–	–	–
Transport and ICT	2	42.50	8.01
Water Supply and Other Municipal Infrastructure and Services	4	35.96	6.77
Multisector	–	–	–
<b>Total</b>	<b>32</b>	<b>530.86</b>	<b>100.00</b>

– = nil, ICT = information and communication technology.

<sup>a</sup> Total may not add up because of rounding.

**Table 5. Myanmar: Project Success Rates**

Sector	% <sup>a</sup>	No. of Rated Projects/Programs
Agriculture and Natural Resources	60.00	5
Energy	100.00	1
Health and Social Protection	–	1
Industry and Trade	50.00	2
Transport and ICT	100.00	1
Water Supply and Other Municipal Infrastructure and Services	100.00	1
<b>Total</b>	<b>63.64</b>	<b>11</b>
<b>Year of Approval</b>		
1970s	66.67	6
1980s	60.00	5

– = nil, ICT = information and communications technology.

<sup>a</sup> Based on aggregate results of project/program completion reports (PCRs), PCR validation reports (PCRVRs), and project/program evaluation reports (PPERs) using PCRVR or PPER ratings in all cases where PCR and PCRVR/PPER ratings are available.

Sources: PCRs, PCRVRs, and PPERs containing a rating circulated as of 31 December 2010.

## Cofinancing and Procurement

Cofinancing operations enable ADB's financing partners—government or their agencies, multilateral financing institutions, and commercial organizations—to participate in the financing of ADB projects. The additional funds are provided in the form of grants, official or commercial loans, and syndications.

As of year-end 2010, cumulative direct value-added cofinancing for Myanmar amounted to \$38.10 million for six investment projects and \$5.8 million for 14 technical assistance projects.

From 1 January 1968 to 31 December 2010, contractors and suppliers were involved in 186,186 contracts for ADB loan projects worth \$97.66 billion. During the same period, contractors and suppliers from Myanmar were involved in 137 contracts for ADB loan projects worth \$45.67 million.

From 1 January 1968 to 31 December 2010, consultants were involved in 11,643 contracts for ADB loan projects worth \$4.63 billion. During the same period, consultants from Myanmar were involved in three contracts for ADB loan projects worth \$0.57 million.

From 1 January 1968 to 31 December 2010, consultants were involved in 22,350 contracts for ADB technical assistance projects worth \$3.15 billion. During the same period, consultants from Myanmar were involved in 23 contracts for ADB technical assistance projects worth \$1.65 million.

A summary of procurement contracts awarded to companies and consultants from Myanmar for goods and works and consulting services can be found at [www.adb.org/Documents/Fact\\_Sheets/Myanmar/procurement.asp](http://www.adb.org/Documents/Fact_Sheets/Myanmar/procurement.asp)

## Partnership

ADB cooperates with civil society organizations to strengthen the effectiveness, quality, and sustainability of the services it provides. To this end, ADB regularly shares its experiences and expertise with international nongovernment organizations that are undertaking development activities in Myanmar.

## Operational Challenges

Successful macroeconomic management and continuing economic reforms are central development challenges for the economy.

Liberalization of agriculture, trade, and state-owned enterprises, which began in the 1980s, have improved efficiency and growth in some parts of the economy. However, reforms have often been piecemeal, without an apparent strategy to overcome the many structural impediments to realizing the economy's potential.

## Future Directions

Myanmar held its first national elections in 20 years in November 2010 and several political detainees were released. These developments will continue to be closely monitored.

Table 6. Myanmar: Share of Procurement Contracts

Item	2009		2010		Cumulative (as of 31 Dec 2010)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods and Works	–	–	–	–	45.67	0.05
Consulting Services	–	–	–	–	2.22	0.03

– = nil.

Table 7. Myanmar: Top Consulting Firm Involved in ADB Loan Projects, 1 January 2006–31 December 2010

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Seng Hkum Nhkum	2	0.30

Table 8. Myanmar: Top Individual Consultants Involved in ADB Technical Assistance Projects, 1 January 2006–31 December 2010

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Individual consultants	1	0.19

Table 9. ADB Assistance to Developing Member Countries, 2009–2010<sup>a</sup>

	2009 (\$ million)	2010 (\$ million)	Change (%)
Lending	13,215.89	11,462.27	(13.27)
ADF, Sovereign	2,210.31	2,212.57	0.10
OCR, Sovereign	10,567.71	8,196.96	(22.43)
OCR, Nonsovereign	437.87	1,052.73	140.42
Public Sector	134.30		
Private Sector	303.57	1,052.73	246.78
Equity Investments	220.00	243.00	10.45
Grants <sup>b</sup>	1,113.52	1,052.86	(5.44)
Technical Assistance	267.00	326.54	22.30

( ) = negative, ADF = Asian Development Fund, OCR = ordinary capital resources.

<sup>a</sup> Excludes terminated loans, equity investments, technical assistance, and grants.

<sup>b</sup> Excludes grant cofinancing not administered by ADB.

## About Myanmar and ADB

### ADB Membership

Joined 1973

### Shareholding and Voting Power

Myanmar is the 17th largest shareholder among regional members and the 25th largest overall. It shares both positions with Hong Kong, China.

Figures are as of 1 April 2009, before ADB's Board of Governors voted to adopt the fifth general capital increase. The process is ongoing, and the final figures are expected to be available by 30 June 2011. Current subscription levels are available from the Office of the Secretary.

Shares held 19,270 (0.54%)      Votes 32,502 (0.73%)

**Chaiyuth Sudhitanakorn** is the Executive Director and **Govinda Bahadur Thapa** is the Alternate Executive Director representing Myanmar on the ADB Board of Directors.

ADB continues to monitor economic and humanitarian developments in Myanmar but does not have a country partnership strategy in place. ADB's Southeast Asia Department provides the primary operational link to the government, private sector, and civil society stakeholders in its activities. The department engages in policy dialogue and acts as a knowledge base on development issues in Myanmar.

The Myanmar government agencies handling ADB affairs are the (i) Foreign Economic Relations Department under the Ministry of National Planning and Economic Development, and (ii) Ministry of Finance and Revenue.

### About the Asian Development Bank

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance (TA). In 2010, lending volume was \$11.46 billion (106 projects), with TA at \$175 million (243 projects) and grant-financed projects at \$982 million (40 projects). In addition, \$3.67 billion in direct value-added loan, grants and TA cofinancing was generated. From 1 January 2006 to 31 December 2010, ADB's annual lending volume averaged \$10.3 billion. In addition, TA and investment grants funded by ADB and special funds resources averaged \$692.6 million and \$175.4 million in TA over the same period. As of 31 December 2010, the cumulative totals excluding cofinancing were \$167.1 billion in loans for 2,328 projects in 42 countries, \$4.4 billion in 163 grants, and \$3.15 billion in TA grants, including regional TA grants.

## Contacts

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### Useful ADB websites

Asian Development Bank  
[www.adb.org](http://www.adb.org)

Country website  
[www.adb.org/myanmar](http://www.adb.org/myanmar)

Asian Development Outlook  
[www.adb.org/documents/books/ado/2011/ado2011-mya.pdf](http://www.adb.org/documents/books/ado/2011/ado2011-mya.pdf)

Annual Report  
[www.adb.org/Documents/Reports/Annual\\_Report/2010/default.asp](http://www.adb.org/Documents/Reports/Annual_Report/2010/default.asp)

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