

**The Statement of 53<sup>rd</sup> Joint Advisory Group (JAG) Meeting**  
**by H.E Mr. Aung Htoo, Deputy Minister,**  
**Ministry of Commerce, the Republic of the Union of Myanmar**

Mr. Jaime Coghi Arias, Minister Counsellor, Permanent Mission of Costa Rica

H.E. Ms. Terhi Hakala, Ambassador, Permanent Mission of Finland

Mr. Roberto Azevedo, Director-General of World Trade Organization (WTO)

Mr. Mukhisa Kituyi, Secretary-General of United Nations Conference of Trade and Development (UNCTAD)

Ms. Arancha Gonzalez, Executive Director of International Trade Centre (ITC)

H.E. Ms. Chileshe Mpundu Kapwepwe, Secretary-General of the Common Market for Eastern and Southern Africa (COMESA)

Mr. Mamadou Traore, Commissioner for Industry and Private Sector, Economic Community of West African States (ECOWAS)

Good Morning Distinguished Guest

Ladies & Gentlemen,

At the very outset, I would like to extend my sincere appreciation to International Trade Center for inviting me to join today's meeting of the 53<sup>rd</sup> Joint Advisory Group ( JAG) and providing me with the opportunity to discuss on trade for structural transformation. It is indeed my great pleasure and honour to be here with you all, exchanging our views on such an interesting topic.

With a view to enhance the trade sector of Myanmar, we have been working very closely with development partners (DPs) and associations, and International Trade Center is one of our very close and friendly development partners. We have been cooperating with ITC about one decade and National Export Strategy (NES) of Myanmar is one of the milestones for us.

**Ladies and Gentlemen**

Myanmar has been striving to implement with its utmost effort for the national development in various aspects, similarly the Ministry of Commerce is supporting the country by implementing the national development plan and by promoting the trade sector in accordance with the market economic system.

In recent years Myanmar has put in place key reforms that affect the overall trade environment, integrating our economy with the global system and encouraging private participation in international trade, and also facilitating access to trade financing. As a result, trade openness, measured as total export and import value over GDP, has increased steadily, and the ratio of trade to GDP reached 52% in 2017.

Myanmar recognizes the role SMEs play in the development of the economy. As a significant openness, foreign-owned companies and joint-venture companies are permitted to operate wholesale and retail businesses. Our goal is to foster competition and thereby ensure consumers have more choice and pay less. In addition to this, we aim to develop the quality of goods and services in the distribution sector, and to upgrade the local market's technology systems.

Myanmar's current account deficit declined from 5.5 percent of GDP (US\$ 3.5 billion) in 2016/17 to 2.6 percent of GDP (US\$ 1.7 billion) in 2017/18. The trade deficit narrowed from 8.5 percent of GDP in 2016/17 to 5.7 percent of GDP in 2017/18, driven by rapid increase in exports from 16.8 percent of GDP to 20.2 percent of GDP, driven by rapid growth of garment exports. Imports increased marginally in the same period, with investment goods imports declining by 6 percent in 2017/18 due to declining industrial investment and moderation in construction activity, while imports of petroleum products increased by 43 percent in 2017/18 due to higher fuel prices.

Myanmar's macroeconomic performance improved in 2018 as recovery in the agriculture sector, rising oil and gas prices, and substantial growth in several manufacturing segments helped the country regain positive momentum. Efforts to encourage private sector activity and liberalize the economy have been extensively detailed in a new long-term economic development agenda, and recent legislative reforms should further bolster business engagement. At the same time, the country is facing several notable challenges. The liberalization of financial services has been slower than anticipated: deficits in the fiscal budget and the external balance of trade remain large and continue to grow, and currency depreciation hampered growth and spurred inflation in 2018.

The GoM continues to encourage equitable and inclusive private sector development (the true and most reliable engine of growth) and many infrastructure projects are being developed through various Public-Private Partnership (PPP) mechanisms to facilitate this. The Government has successfully launched of the Government's 12-target Economic Policy and Myanmar Sustainable Development Plan (2018-2030). Competitive and dynamic private sector is key for job creation and economic development. The MSDP has taken maximum advantage of existing sector and thematic-level plans and policies.

In this regard, the MSDP is intended to provide a whole-of-government development framework that offers coherence to these existing strategic documents, ensuring that they are executed in ways that are consistent with macro-level national development priorities. Therefore, the MSDP is the integration and distillation of existing plans and priorities. Furthermore, the MSDP mediates between local developmental needs and global sustainable development agenda by aligning MSDP action plans with global SDG targets.

### **Ladies and Gentlemen**

Along with rapid growth, the Government of Myanmar (GoM) attaches utmost importance to both political and economic stability, implying peace and national reconciliation on the political side, as well as strong macroeconomic management and good governance on the economic side.

In international and regional fora, Myanmar has always been very supportive of the multilateral trading system, and has actively been participating in the WTO , ASEAN, BIMSTEC, GMS, ACMECS and so on. As a sign of our commitment for multi-lateral trading system, we have already sent the notification on the acceptance of the Protocol regarding WTO Trade Facilitation Agreement since December 2015. Ministry of Commerce of Myanmar has been striving hard to enhance the trade sectors and to integrate Myanmar's trade regionally and globally. We have also been striving hard to contribute our best to meet the United Nation's Sustainable Development Goals - SDGs which aims to create better world in 2030 through consultation and coordination with the related ministries.

In conclusion, Myanmar has committed to work closely and constructive with all development partners particularly with ITC. We encourage and support all development initiatives of ITC including EU-ARISE Plus Program for which ITC is main implementation entity. We are fully confident that all those development activities contribute to export diversification, value chain development, food safety and SPS compliance, and trade policy formulation and implementation. Having said that, let me thanks again to International Trade Center for successful convening of this meeting and all honorable speakers, participants and invited guests for your distinguished presence in this event.

Thank you for your kind attention!