

Information Sheet

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Information Sheet

Union Ministers U Maung Maung Ohn and U Aung Naing Oo Give Interviews to Reporters from Foreign News Agencies



Union Ministers U Maung Maung Ohn and U Aung Naing Oo virtually replied to queries raised by reporters from AP, Reuters, the South China Morning Post and Straits Times, China Central Television (CCTV), People's Daily and Xinhua news agencies at the respective halls of the Union Minister's offices on 21 April.

Union Minister U Maung Maung Ohn replied the queries raised by the respective reporters as follows:

- Generally, the energy and economic sectors are interrelated, and some development can be seen in Myanmar.
- The prices of oil and natural gas triggered by the Russia-Ukraine conflict are remarkably increasing globally.
- With regard to the internal affairs of Myanmar, lesser development of infrastructures, depreciation of Myanmar kyat currency, financial problems and destruction of terrorists to some power lines cause

harmful impacts on Myanmar people.

- At the same time, new economic sanctions were recently imposed against Myanmar by some Western powerful countries. Many media mentioned the departure of some foreign oil and natural gas companies from Myanmar.

Union Minister U Aung Naing Oo replied the queries raised by the respective reporters as follows:

- Significantly, he pledged to explain the statements related to the exchange rate of currency in Myanmar that was interested by media now.
- The current government is facing challenges that are different from previous governments. It faces economic sanctions and instabilities in some regions and states.
- The current government emphasizes the electricity supply to the country at full

capacity.

- Efforts are being made to stabilize the State economy. As energy sector is the priority, the government is emphasizing the rapid implementation of the energy sector and calling for new projects.

No matter how severe the challenges are,

the government decides to overcome these challenges so as to convene the election in 2023. It will continuously strive for stabilizing the economy and gaining development of the nation, he added.

Source: The Global New Light of Myanmar Newspaper (22.4.2022)

Reporters from Foreign News Agency Raised Questions to Union Ministers U Maung Maung Ohn and U Aung Naing Oo



Ms. Elaine Kurtonbach
(Associated Press)



Mr. Chayut
(Reuters)



Ms. Elaine Kurtonbach
(Associated Press)



Mr. Li Bingxin
(People's Daily Myanmar Bureau)



Mr. Wang Yu
(China Central Television)



Ms. Kang Wan Chern
(The Straits Times)



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(Xinhua News Agency)

- **Generally, the energy and economic sectors are interrelated, and some development can be seen in Myanmar.**
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- **The current government is facing challenges that are different from previous governments. It faces economic sanctions and instabilities in some regions and states.**
- **No matter how severe the challenges are, the government decides to overcome these challenges so as to convene the election in 2023. It will continuously strive for stabilizing the economy and gaining development of the nation.**

Union Ministers U Maung Maung Ohn and U Aung Naing Oo Reply to Queries Raised by Reporters from Foreign News Agencies

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The reporter from the Straits Times said that it was known that new investors are being sought in the oil and natural gas sector. Currently, such a press release is not suitable for investors. The reporter asked: why does it release such information? In reply to the question:

- **Union Minister U Aung Naing Oo** said that the instability of the local currency kyat exchange rate harms some businesses. So, such a statement was released on 4 April as part of the initial pace in order to stabilize the currency exchange rate.
- The government has formed the foreign exchange supervisory committee. The committee holds meetings three times a week to discuss currency exchange in the country and seek answers for problems in coordination with relevant ministries and those from the economic community.
- After the Central Bank of Myanmar has issued its announcement, efforts are being made to ease the restrictions for local businesses as much as possible.
- The committee held the meetings three times last week to adopt decisions for exemption of some foreign-invested businesses, especially companies in special economic zones, from the announce-

ment of the Central Bank of Myanmar. Moreover, a decision was adopted to grant the exemption for the foreign-invested businesspersons allowed by the Myanmar Investment Commission from the announcement of CBM. So also, foreign Embassies, INGOs and NGOs will enjoy the exemption from the notification.

- As those from the committee understand that the announcement may have some harmful impacts, they solve the best solution by doing the daily analysis. As now is time for the start of the reform period, efforts are being made to arrange the best solution for all-inclusive persons.

In reply to the question of the Straits Times about whether the exemption is for new investors, current investors or not and will it need to apply for exemption and how to do so, **Union Minister U Aung Naing Oo** replied as follows:

- It includes new foreign investors and current investors. Emphasis is placed on protecting these enterprises against extra impacts triggered by the announcement of the CBM. The supervisory committee always conducts the analyses during the reform process to have progress and success.

The reporter from the Straits Times asked: will the announcement be persistent for a period? **Union Minister U Aung Naing Oo** replied as follows:

- It depends on the situation of progress. It was an announcement of CBM, and the committee formed by the government

can give guarantees for exemption depending on the situation. Depending on the stability of the Myanmar currency kyat exchange rate, the prohibitions may be lifted.

With regard to the question of stability of currency exchange rate, **Union Minister U Aung Naing Oo** answered the following points:

- In reviewing the instability of currency exchange rate, the exchange rate of US dollar was set as K1,350 per dollar in February 2021. Last month, the currency exchange rate reached K2,000-K2,050 per dollar. It can be seen that the currency exchange rate was very high. Hence, the CBM released the announcement for stabilizing the currency exchange rate.

In reply to the questions raised by AP News Agency: Does Myanmar face a shortage of natural gas or fuel due to the withdrawal of foreign companies to end a joint venture with Myanmar? How obvious is the problem? How will the State Administration Council manage it? **Union Minister U Maung Maung Ohn** said the following points:

- Some foreign investors ended the joint venture with Myanmar and the country currently faces a shortage of natural gas and fuel. The rumours spreading on a social network that there is a fuel shortage in the Thilawa oil storage tank terminal is false information.
- The country's stocks held 45 million gallons of petrol and 70 million gallons of diesel. Two fuel oil tankers have docked at the Depot, and fuel oil cannot be unloaded into fuel storage tanks due to the Thingyan holidays. There would be no shortage of fuel stocks.

- The State Administration Council (SAC) arranges to make a Production Sharing Contract-PSC with local/foreign oil companies to explore oil and gas from 21 vacant onshore and 21 offshore blocks, and the international bids are also invited with the permission of SAC.
- The offshore gas drilling projects are being conducted by making PSC contracts with foreign oil companies such as Yadana, Yedagun, Shwe and Zawtika projects. The Yadana gas field produced 21990.90 million cubic feet in December 2021.
- The Yadana gas field transmitted to local and foreign countries during the Partial Shutdown period. The production/transmission of gas was suspended between 31 December 2021 and 2 January 2022. It currently transmits to Thailand as usual.
- The Yedagun gas field daily exports to Thailand via 24 inches pipelines starting from 2000. The Shwe gas field in the Rakhine offshore basin has transmitted gas to China since July 2013, and the project will be ended in 2043. The field yielded 16,092.99 million cubic feet in December 2021.
- The Zawtika project in the Gulf of Mottama has been transmitted gas to China starting in August 2014. It produced 9,140.88 million cubic feet in December 2021.
- Myanmar will reduce its total domestic gas production with two objectives under the title of implementation of the reduction for national level climate change and compatibilities in NDC, in line with the UNFCCC's decision and the Paris Agreement, with a target of reducing the BAU from 105.24 million tonnes by

2030 if the country receives international support.

- However, due to the abundance of renewable energy in Myanmar because of its abundant natural resources, the short-term/long-term projects with the help of foreign technology will ensure that there will be no shortage of natural gas and oil at home.

The reporter from the AP news agency asked whether the news on signing the agreement with the company of Finland for the implementation of two power plants based on natural gas and solar power is correct or not, and asked about the performance of energy projects with China. **Union Minister U Aung Naing Oo** said the following points:

- There are many solar power projects. The Ministry of Electricity and Energy signed the agreements on these projects. The majority of projects are located in central Myanmar, and there are 13 solar power electrification projects.
- Regarding the hydropower projects, the medium-scale hydropower projects will be implemented to electrify the country at full capacity.
- Although, investors from China submitted proposals for some projects in the previous government eras, the meetings are still in progress. But, the condition has not been approved by the government yet. He hoped that the Ministry of Electricity and Energy would approve the implementation of the projects.

One more question was raised regarding the departure of LNG projects and energy companies. **Union Minister U Aung Naing Oo** said the following points:

- It is right that LNG projects were sus-

pending for the unprecedented high prices. They were stopped for no cost-effectiveness in some previous months. But a company submitted its offer to the government for putting an investment in MIC for an LNG project. It is expected that the MIC will approve it in the future.

- Electricity for foreign-invested projects will be taken from Liquefied Natural Gas (LNG), and the projects will go on. If the prices are down, the suspended LNG power plants will resume operations.
- There is no problem for the departure of energy companies such as Petronas. And remaining share-holders will take positions under the agreement of rules for operating the works. Hence, oil and natural gas projects will still be operated, he replied.

Concerning the continuous implementation of the project worth US\$2.4 billion, **Union Minister U Aung Naing Oo** replied as follows:

- As the MIC has approved the implementation of the project in Metlinchaing of Ayeyawady Region, the work process will go ahead. It is a heavy energy project.
- Regarding the departure of oil and gas companies from Myanmar, Union Minister U Maung Maung Ohn added that three oil and gas companies left Myanmar. The reason for leaving may be dissatisfaction with the current government and external pressure.
- Mainly natural gas production in their blocks is declining, and production will decline further in few years.
- He also said human right was just an ex-

cuse, and they left just because the contract was about to expire and the profit was about to decline. As only a tiny percentage of Myanmar's oil and gas sector leaves, he said there is no big impact or loss on investment in the energy sector.

- According to the regulations, the Union Minister said, the current oil blocks are being handed over to PTT (EPI) of Thailand and POSCO of Korea.
- He also added that the government would do its best with any company from any country that will benefit the country and the people, not just a Thai company.

Regarding the question raised by the reporter from the Reuters news agency about whether it can take exemption from the currency exchange rate notification, **Union Minister U Aung Naing Oo** replied the following points:

- Embassies from Thailand, Singapore and Japan, in addition to the US and other western countries operating the invested works in Myanmar, requested to take the ex-emption for their companies from the announcement. The foreign exchange supervisory committee adopted three decisions by holding the meeting.
- It adopted three decisions for immunity for all embassies to Myanmar and all UN agencies, and their companies which have invested in the special economic zones as the second, and all MIC approved foreign-invested businesses as the third.
- As Myanmar wishes investment, it does not have the purpose of harming the invested works. Hence, the MIC-approved works, and the works operated at Thilawa SEZ will have the exemption.

Concerning the question of whether the lessening of electricity is based on the high price of LNG and the blowing up of terrorists on national grids or not and how to take action, **Union Minister U Aung Naing Oo** replied as follows:

- The reasons of the high LNG price are the suspension some LNG plants operations and blowing up of terrorists on power pylons. So, the government is still repairing the towers.
- On the other hand, solar energy power plants are being implemented. One more way is being sought to take natural gas from neighbouring countries.

Regarding the question on the currency exchange rate and export items, **Union Minister U Aung Naing Oo** answered as follows:

- The exporters are difficult in foreign exchange transactions and Myanmar kyat and taking out Myanmar kyat from banks. Due to the instability of the currency exchange rate, they are difficult to operate their businesses. Hence, the CBM set a rate for ensuring the smooth process of these businesses.
- Accordingly, the meetings are held three times a week to review the work processes. Efforts are made to lessen the worse impacts on businesses. To ensure a smooth process, the standard operating procedures-SOP will be released this week. If so, they will do their businesses smoothly.

Regarding electricity, **Union Minister U Maung Maung Ohn** answered the following points:

- About 60 million people exist in the country, and more than six million live in Yangon. He said that the power outage

was caused due to the sharing of electricity with other cities and the destruction of infrastructures by PDFs. Arrangements are made to replenish them.

- Solar power plants, such as the Letpanhla project, which will produce 40-megawatt and the Nyaungbingyi project, which will produce 30-megawatt, are underway. More than half of the work is completed.
- He also said that 18 solar power projects are tendered. Myanmar is working on plans to provide electricity to the whole country by 2030. As such, nine per cent of electricity generation is managed by the solar energy system. It also aims to generate electricity from wind renewable energy sources.
- In order to achieve this goal, 13 solar projects with a capacity of 370 megawatts are implemented.
- Similarly, three more projects to generate 390 megawatts of electricity are implemented. Special efforts are made to continue floating solar projects, rooftop solar projects, and small and medium hydropower projects where possible throughout Myanmar.
- Hydropower projects which produce the country's current electricity needs include 152 MW from Middle Paung Laung, 280 MW from Upper Ye Village, 111 MW from Thu Htay Hydropower, 51 MW from Upper Kengtung, and 6 MW from Napin, and the current projects are also pushed forward.

Regarding the questions of China Central Television (CCTV): “As international airlines will be allowed to enter Myanmar on 17 April, is it a sign that Myanmar will make tourism a key focus of economic de-

velopment?” **Union Minister U Maung Maung Ohn** answered the following points:

- The domestic tourism was launched as the first phase, and now the international tourism will start on 17 April 2022, under the COVID-19 entry requirements.
- As the tourism industry is a smokeless industry and a source of foreign exchange for the country, and one that creates many job opportunities, especially for young people and women.
- Since the COVID-19 infection is significantly under control, the Hotels and Tourism Ministry has prepared with relevant ministries to resume systematically international tourists. Currently, efforts are made to welcome foreigners in Myanmar.
- In order to prevent the disease infection through tourists, travellers must have a COVID-19 negative PCR test within 72 hours before arrival in Myanmar and a copy of health insurance purchased from Myanmar Insurance. He explained that the Ministry of Health, the Ministry of Hotels and Tourism and relevant ministries are scrutinizing and providing necessary services inside the airport.
- There are 67 HSP Certified Quarantine Hotels in Yangon. The tourism sector plays an essential role in our country. I would also like to extend a warm invitation to neighbouring China.
- In consultation with the Consul-General in Mandalay, arrangements have been made to increase the number of visits.
- Although our country is unstable in some places, it is fully secure in the main destinations and has been prepared for more than two years. The tourism industry is

well equipped with full health facilities and new tourist destinations.

- Hence, as tourism industry is the most important in our country, the government invited all countries, especially neighbouring China, to visit Myanmar.

In response to the question of the China Central Television (CCTV) on which Myanmar would focus on to recover its economy in the future, apart from the tourism sector, **Union Minister U Aung Naing Oo** said the following points:

- Myanmar is drawing up and implementing an economic recovery plan to remedy its economy. To increase investments, we prioritize businesses related to the energy sector, such as oil production, refining, and fertilizer production. Secondly, he said that domestic and foreign investments would be invited to provide sufficient electricity in the country's electricity sector.
- We are also working to attract investment in the production of construction materials needed for infrastructure in the country, he said. Myanmar Investment Committee is also inviting to invest in the country. There is great potential for Chinese investment in the food production sector related to agriculture and livestock sectors, which are traditional industries.
- The invited sectors will focus on producing materials and service-related activities needed for the country's economic recovery. China is the most major investor in Myanmar, which accounts for 27 percent of all foreign investment, he said.
- He welcomed the Chinese investment in the investment sector, which will contin-

ue to work together to boost Myanmar's economy.

Regarding the question of the China Central Television (CCTV) on how Myanmar's Ministry of Commerce assesses the negative impact of the Central Bank's announcement to exchange foreign currencies in various bank accounts must be exchanged for kyats at the official exchange rate, as importers say that their businesses have been hit according to Myanmar media reports, **Union Minister U Aung Naing Oo** answered as follows:

- The announcement of CBM aimed to make the Myanmar kyat stable. One US dollar exchange rate was K1,350 when the State Administration Council assumed the State responsibilities.
- Recently, opposition groups have tried to destabilize the local economy and try various means to devalue the kyat. Last month, before the order, was issued, the Myanmar kyat depreciated to K2,100 per dollar. The depreciation -of the kyat has further -upset the local economy.
- The order issued by the Central Bank of Myanmar is to prevent the devaluation of the kyat. By doing so, there may be various effects in the recent months, but in the long run, it is a good plan for all.
- However, our government has set up a Foreign Exchange Supervisory Committee to minimize the negative impact. It is constantly monitoring and making necessary adjustments to reduce the negative impact on foreign exchange and ensure the smooth running of the economy.

In reply to the question of the China Central Television (CCTV) on how the relevant authorities can improve security and whether the security situation will affect the

next general election next year, as there are reports of shootings and arsons across the country before Thingyan holidays, **Union Minister U Maung Maung Ohn** said as follows:

- The government is tackling the security situation. He said the country's stability and development are beginning to accelerate, with more than one year term of State Administration Council, whereas CRPH and NUG groups are stepping up their terror acts.
- Hence, there are acts of terrorism in some regions, and attacks on weak police outposts of Myanmar Police Force. It means that PDFs want to be the famous ones by attacking on the weak outposts. The police outposts are just allocated with the necessary force under the rule of law and they are not real combat posts. So, the government is handling these issues as much as possible.
- These terror acts are occurred in some rural places as well as wide areas such as Sagaing region whereas rest of them are not.
- Regarding the election, arrangements are being made to hold the election in 2023 by announcing in worldwide. In order to hold the election, necessary preparations, for instance, issuing Citizenship Scrutiny Cards to all eligible citizens under "Pankhin" project for voting in righteous manner are being carried out. Moreover, necessary coordination meetings with relevant parties are being hold to reach the path of a Democracy country in line with Myanmar.
- Holding the election is depending on the stability of the State. If the election will be held under unstable conditions of the country, there will be more bloodshed among people and organizations. Hence, the government is striving for the stability of the State as much as it can.
- Stability is needed everywhere in the country to hold a genuine election. If the country has unstable conditions, it will be the lesser chance to be a genuine election. Hence, the government is now making efforts to ensure the stability of the State with intent to hold the election.
- Foreign countries are urged to cooperate with mutual trust on our country in the implementation of holding election and making the stability of the State by the government. Especially, some Western powerful countries are trying to put Myanmar in a difficult position by spreading fake news and false information through various media outlets and other sectors.
- Neighbouring countries especially China is always assisting Myanmar with mutual understanding on our country whenever the country is facing the challenges. It can be seen that China is giving more assistances to our country in political and economic sectors. Moreover, China is urged to give necessary assistances for Myanmar to hold the election.
- The government is striving to be a genuine and discipline democracy country and deeply taking security measures in the country. We may need a little time as the government is implementing the matters in cooperation with public. Therefore, if the foreign countries with mutual understanding and trust will cooperate in local affairs of our country by hoping the interest of Myanmar citizens, we believe that we can go ahead to a new Democracy Country by hold the election that we expect.

Regarding the question of the reporter of People's Daily news agency on how Myanmar think the suggestions of aiming to reduce power outage that there are currently oil and fuel shortages and power outage, and it cannot be built the oil refinery compound and power plants in shot time, then Mr. Wang Yi Minister for Foreign Affairs of People's Republic of China said that it can share electricity to Myanmar if there will be the cross-border electricity interconnector between China and Myanmar in the meeting with China and Myanmar Foreign Ministers' Meeting, **Union Minister U Aung Naing Oo** replied as follows:

- It is the best way to solve the power outage solution that the neighbouring country China want to share its electricity through cross-border electricity connector, and cross-border power grids and connectivity project is a part of China-Myanmar Economic Corridor Cooperation.
- It is learnt that Ministry of Electricity and Energy is implementing the project of cross-border power grids and connectivity with neighbouring countries such as China and Laos, and holding the meetings on Myanmar-India cross-border electricity interconnector project.
- The government is mainly focused on the implementation of the project with China and will receive electricity distributed from cross-border power grids and connectivity, he answered.

Regarding the question why Myanmar does not interest in although the country has sufficient resources to generate hydroelectricity, **Union Minister U Aung Naing Oo** responded as follows:

- The Non-Governmental Organizations

(NGOs) from Western powerful countries are making objections on hydroelectric project implemented with the assistances of China, and moreover Western group want to prevent more Chinese investments in Myanmar.

- Local communities are assuming the environmental impacts is causing the construction of dams with the blocks of rivers for hydroelectric generation. Moreover, as they have less knowledge to see the benefits of hydroelectric generation, they are doing so.
- The sufficient energy can be received from hydroelectricity and Myanmar has good conditions for generating hydroelectricity as per the release of the Ministry of Electricity and Energy. Although the State Administration Council is serving State duties during an interval period, it is implementing the short-term hydroelectric generation project to ensure more electricity in the country.
- Union Minister U Maung Maung Ohn said that most foreign countries are using hydroelectricity but Myanmar is facing such objections on hydroelectricity project depending on the people of Myanmar relating to politic.
- However, the State Administration Council has not faced the objections on this project yet in its tenure and the short-term projects are being prioritized rather than long-term project as the current government is temporarily discharging the State duties.
- Hence, arrangements are being made to fulfill electric power of Myanmar with upmost efforts relating to renewable energy like solar energy which is short-term project instead of long-term project

in electric sector.

In response to the queries about prospect of Myanmar's cooperation with China in generating bioelectricity, that is popular in Chinese countryside; that can meet the energy requirement of rural areas and that can benefit the implementation for poverty alleviation, **the Union Minister U Aung Naing Oo** answered the following points:

- The government has drawn the plans on the access to electricity and poverty alleviation in rural areas. In addition to the hydroelectric power, efforts are being made to generate electricity from bio energy and solar energy. Region and state governments can approve the hydropower projects which do not exceed than 30 megawatt, seeking no permission from the Union government.
- A new ministry, the Ministry of Cooperative and Rural Development has already founded, which has approved projects and undertaken works in rural areas.
- The investors from China are welcomed to make the investment in the projects as China is a perfect country in setting up small scale power projects in terms of technology and practice. Necessary works will be contributed to the investment projects.

In response to the queries raised by Xinhua news agency about the percentage in Myanmar Oil and Gas sector shared by the Oil and Gas companies which left Myanmar recently and how their withdrawals impact on foreign investment sector, **the Union Minister U Aung Naing Oo** answered the following points:

- The total investment amount of the Oil and Gas companies which left Myanmar generates only 10 per cent of the total

foreign investment. The investment amount of Total Energies generates only three per cent of foreign investment in oil and gas in Myanmar. The Chevron company generates 1.6 per cent and the Woodside company generates 5.25 per cent of foreign investment in Myanmar. Therefore, the withdrawals of these companies will not be a great problem for Myanmar.

- The Chinese investment in oil and gas sector in Myanmar accounts for 27 per cent that is larger than the total investment of those three companies. Despite the withdrawal of those companies, other companies will replace them under the contracts and there is no prospect to drop investment in Myanmar.

In response to the queries about the Mee Lin Gyaing project and how it will implement the interest for the socio-economic life in Myanmar, **the Union Minister U Aung Naing Oo** answered the following points:

- The Mee Lin Gyaing project is required for our country. The project includes the production of electricity and a 500 megawatt transmission line to Ayawady and Yangon regions.
- The mega project can produce 1,900 megawatt that will fulfill the electricity demand of the country as well as the infrastructure of the electricity sector.

In response to the queries raised by the reporter of Xinhua news agency about the current Asian economic crisis, **the Union Minister U Aung Naing Oo** answered the following points:

- Asian countries, particularly ASEAN countries have faced economic problems in the wake of COVID-19 pandemic. The second point is because of Russia-

Ukraine issue and the third is the issues pertaining to the South China Sea as geopolitical issues.

- Myanmar is encountering destructive acts of terrorists extra despite the decline of COVID-19 pandemic. The direct impact from Russia-Ukraine does not hit Myanmar but the rise of oil and gas prices can be said its implication.
- Myanmar has advantages as it is an agricultural country when facing the rise of food price around worldwide. I hope that all ASEAN countries including Myanmar will overcome the challenges.

In response to the queries about the recovery of Myanmar economy in post-COVID-19 pandemic, **the Union Minister U Aung Naing Oo** answered the following points:

- Plans are underway to recover Myanmar's economy in which loans for business are included . Meanwhile, construction works will be resumed in connection with Chinese Economic Corridor Cooperation and residents will get more job opportunities.
- Bilateral cooperation between China and Myanmar was agreed. Myanmar will receive great help in oil and gas sector from China. Cross-border transmission project will be launched soon.
- Myanmar exports agricultural products to China. Myanmar has labour force and China has technology and capital. Cooperation between Myanmar and China is critical because both sides can have benefits from cooperation.
- China plays a major role for strong economy of Asia including Myanmar and ASEAN countries in future.

Regarding the question why the investors should make investments in the oil and natural gas sector of Myanmar, **the Union Minister** answered as follows:

- Not every country possesses oil and natural gas fields as they are found in a small number of places including Myanmar. Myanmar is one of the rare countries which has oil and natural gas.
- As some neighbouring countries always need oils and natural gas, the ones who invest in Myanmar can easily sell off the oil and natural gas to its neighbours.
- Myanmar has always undertaken necessary reforms to facilitate the investment process in the country and also to generate profits for the investors as well as for both sides.
- Myanmar is the best country in the region for investments in the oil and natural gas sector.

Regarding the question about the implications of the sanctions made by the Western countries, **the Union Minister** stated as follows:

- The sanctions only impact on the private economic entrepreneurs not on the Government. Such moves create the certain problems for Myanmar business men such as difficulties to access the US dollars; and inability to do money transfer leading to the closures of some factories and plants, resulting in the increase of unemployment rate. The Government suffers nothing.
- Vice versa, the sanctions also help Myanmar strengthen economic cooperation with neighbouring countries.

Regarding the question whether the foreign investors are fully guaranteed in Myan-

mar, **the Union Minister** answered as follows:

- Myanmar Investment Commission – MIC has approved the proposals at soonest and moreover, efforts are also made to facilitate the current investment processes in Myanmar.
- Moreover, Standard Operation Procedures – SoP has been finalized for the incoming investments particularly in contacting with the relevant regions/states and Ministries. If we conduct as per the SoP, the investment process will be easier and smoother.
- For those who want to invest in Myanmar, they can now easily acquire necessary information from MIC using online platforms without coming to the country like before.

Regarding the question about the implications of Myanmar's current political unrests on the China-Myanmar Economic Corridor and related projects, **the Union Minister** clarified as follows:

- Some Ethnic Armed Organizations (EAOs) make vandalisms and creates situations of instability along China-Myanmar border. For instance, if a railway project between the two countries is to be implemented, it will be fast and successful provided that there is no acts of vandalism and hinderances by the EAOs in the area.
- There will be unnecessary delays in the project implementation phase if it is disrupted by the EAOs. There will be no difficulty in the project being implemented in the secure and stable area. Therefore, the internal peace is very important for the country. The Government is also making utmost efforts to secure the

peace in the country.

With regards to the question about the negative impacts on the neighbouring countries due to the responses of the western countries on the political unrests of Myanmar, **the Union Minister U Aung Naing Oo** answered as follows:

- From my personal perspective, the interferences of western countries into the affairs of our country are the result of their worries on the power growth of China and they deliberately make our country unstable.
- They are making various efforts to emerge a government that can be manipulated by them. The Western countries are making the country unstable with an assumption that they can play the game of geopolitics if Myanmar has such kind of government.
- At present, as a result of political instability in Myanmar, some IDPs reach to neighbouring countries inflicting difficulties in the matters of bilateral cooperation.
- For instance, the Asian Highway is not fully applicable due to the instabilities in the Thai-Myanmar border. As a result, the trade flows of exports/import of Myanmar and Thailand encounter difficulties creating certain impacts on neighbouring Thailand.
- The Union Minister U Maung Maung Ohn stated that Myanmar requires the supports of all Nations particularly from neighbours.
- Myanmar as a UN member State, want to tread along with the Western countries in mutual trust. Although the surrounding countries want to join us, there are

certain limitations for them due to the pressures of the Western countries.

- To sum up, only people suffer due to their moves. I simply hope the powerful country of US lend a helping hand to the small country of Myanmar if they sincerely want our country to become a democratic one.

The Union Minister remarked that Myanmar want to tread along with all Nations in friendly manner; we respect the international community; as a UN member and ASEAN member country, Myanmar literally want to join hands together with all Nations with respect.

Source: Myawady Daily Newspaper (25.4.2022)

- **Some foreign investors ended the joint venture with Myanmar and the country currently faces a shortage of natural gas and fuel. The rumours spreading on a social network that there is a fuel shortage in the Thilawa oil storage tank terminal is false information.**
- **Due to the abundance of renewable energy in Myanmar because of its abundant natural resources, the short-term/long-term projects with the help of foreign technology will ensure that there will be no shortage of natural gas and oil at home.**
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- **The reasons of the high LNG price are the suspension some LNG plants operations and blowing up of terrorists on power pylons.**
- **About 60 million people exist in the country, and more than six million live in Yangon. He said that the power outage was caused due to the sharing of electricity with other cities and the destruction of infrastructures by PDFs. Arrangements are made to replenish them.**
- **Hydropower projects which produce the country's current electricity needs include 152 MW from Middle Paung Laung, 280 MW from Upper Ye Village, 111 MW from Thu Htay Hydropower, 51 MW from Upper Kengtung, and 6 MW from Napin, and the current projects are also pushed forward.**

- **As the tourism industry is a smokeless industry and a source of foreign exchange for the country, and one that creates many job opportunities, especially for young people and women.**
- **The invited sectors will focus on producing materials and service-related activities needed for the country's economic recovery. China is the most major investor in Myanmar, which accounts for 27 percent of all foreign investment.**
- **Our government has set up a Foreign Exchange Supervisory Committee to minimize the negative impact. It is constantly monitoring and making necessary adjustments to reduce the negative impact on foreign exchange and ensure the smooth running of the economy.**
- **Regarding the election, arrangements are being made to hold the election in 2023 by announcing in worldwide. Moreover, necessary coordination meetings with relevant parties are being hold to reach the path of a Democracy country in line with Myanmar.**
- **Foreign countries are urged to cooperate with mutual trust on our country in the implementation of holding election and making the stability of the State by the government.**
- **Arrangements are being made to fulfill electric power of Myanmar with upmost efforts relating to renewable energy like solar energy which is short-term project instead of long-term project in electric sector.**
- **The government has drawn the plans on the access to electricity and poverty alleviation in rural areas. In addition to the hydroelectric power, efforts are being made to generate electricity from bio energy and solar energy. Region and state governments can approve the hydropower projects which do not excess than 30 megawatt, seeking no permission from the Union government.**
- **The Mee Lin Gyaing project is required for our country. The project includes the production of electricity and a 500 mega watt transmission line to Ayawady and Yangon regions.**
- **Myanmar is encountering destructive acts of terrorists extra despite the decline of COVID-19 pandemic. The direct impact from Russia-Ukraine does not hit Myanmar but the rise of oil and gas prices can be said its implication.**
- **China plays a major role for strong economy of Asia including Myanmar and ASEAN countries in future.**

- **As some neighbouring countries always need oils and natural gas, the ones who invest in Myanmar can easily sell off the oil and natural gas to its neighbours.**
 - **The interferences of western countries into the affairs of our country are the result of their worries on the power growth of China and they deliberately make our country unstable.**
 - **Although the surrounding countries want to join us, there are certain limitations for them due to the pressures of the Western countries.**
 - **As a UN member and ASEAN member country, Myanmar literally want to join hands together with all Nations with respect.**
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Excerpts from News Release on the Electricity Shortage and Departure of Foreign Companies of Oil and Natural Gas

The Ministry of Information and the Ministry of Investment and Foreign Economic Relations stated on 21 April that Myanmar Government is doing the repair works for the electric power lines destroyed by the terrorists while seeking to increase the foreign investments despite the economic sanctions and will also boost the efforts to develop and promote the hydrocarbon and renewable energy sector.

The temporary electricity shortages have occurred in the country as the results of surge in fuel gas price due to the Russia-Ukraine crisis; the fall of Myanmar's Kyat currency value amid the volatility of foreign exchange; and the terrorist acts and vandalisms of so-called PDF terrorists. The PDF terrorists has made incitements to boycott the electric bills since 2021, and blew up the electricity lines of Lawpita hydro power plant in Kayah state as well. Such acts of vandalism inflict considerable damages, particularly to the ordinary people and small-sized enterprises.

In spite of such domestic unrests, all possible measures have been taken to relieve the difficulties on energy sector under the guidance of the State Administration Council as the State's peace and stability has become better since the first half of 2021.

With the stability of the global energy prices, the State Government is endeavoring to increase the use of natural gas to meet the domestic power requirement. Moreover, security measures will also be boosted after repairing the electricity infrastructure. Furthermore, the Government will also promote

the power generation from the resources of oil and natural gas through the investments in upgrading the existing power plants, as well as combined efforts of partners.

The three Chinese companies – Union Resources and Engineering Company, Yunnan Energy Investment and Zhefu Holding Group – cooperating with Myanmar's Supreme Group has initiated the Mei Ling Chiang project which can generate 1,390 Megawatts-MW LNG. The project has already received approval from Myanmar Investment Commission and expected to operate in coming 2027. Moreover, efforts are also made to promote the projects using the floating solar farms, solar-roof projects and small and medium-sized enterprises.

The hydro power is the primary resources of the electricity across the country possessing over 60 hydropower dams. The Government is now taking measures to purchase 120 MW from Dabein (1) hydropower project. Myanmar has planned to ensure the full percent coverage of electricity across the country by 2030 and also to generate 9 per cent of the power from renewable energy resources.

The Union Ministers also stated that withdrawal of Total Energies company of France from the Yadana gas field and other related gas transportation projects will begin on 20 July 2022; and although a Chevron's affiliate in Myanmar, Unocal Myanmar Offshore Co., Ltd. said it will withdraw its investments from Myanmar, the Government has not received yet the official notification from the company.

Woodside Petroleum Ltd, the third

foreign energy company from Australia has recently left the A6 natural gas project in Rakhine state. Its partner MPRL E&P Group of Companies received its shares without impacting on the current functions of the project.

The news release also described that regarding the foreign investments, most are Singapore, China, Hongkong, Thailand and South Korea; 15 projects in 2020-2021 FY are from China while other 14 are from Singapore; there are 18 projects from China in

2021-2022 FY and 6 from Hongkong; with regard to domestic investments, in the previous two FY, there are 93 domestic projects in 12 sectors (61 projects in 2020-2021FY and 32 in 2021-2022FY) amount to K2,248.7 billion in total (K1,171.8 billion in 2020-2021FY and K1,076.9 billion in 2021-2022FY) respectively.

Source: Myawady Daily Newspaper (23.4.2022)

- **The temporary electricity shortages have occurred in the country as the results of surge in fuel gas price due to the Russia-Ukraine crisis; the fall of Myanmar's Kyat currency value amid the volatility of foreign exchange; and the terrorist acts and vandalisms of so-called PDF terrorists.**
- **With the stability of the global energy prices, the State Government is endeavoring to increase the use of natural gas to meet the domestic power requirement.**
- **The Government will boost security measures after repairing the electricity infrastructure damaged due to the acts of terrorists.**
- **The Government will also promote the power generation from the resources of oil and natural gas through the investments in upgrading the existing power plants, as well as combined efforts of partners.**
- **Efforts are also made to promote the projects using the floating solar farms, solar-roof projects and small and medium-sized enterprises.**
- **Myanmar has planned to ensure the full percent coverage of electricity across the country by 2030 and also to generate 9 per cent of the power from renewable energy resources.**