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Statement by the Hon. **U WIN SHEIN**,
Governor of the Bank for **MYANMAR**

Statement by the Hon. H.E. U Win Shein,
Governor of the Bank for Myanmar

Honorable Chairman

Honorable Dr. Jim Yong Kim, President of the World Bank Group

Honorable Madam Christine Lagarde, Managing Director of the IMF

Fellow Governors, Distinguished Delegates, Ladies and Gentlemen

It is with distinct pleasure for me to address the 2014 IMF/ World Bank Annual Meetings. At the outset, I would like to extend my profound and sincere thanks to the Fund and the Bank for their excellent meeting arrangements and kind hospitality extended to us.

I am very pleased to note that the global economy is expected to strengthen in 2014-2015, with the growth projected to rise to 3.4 percent in 2014 and 4 percent in 2015, respectively. Recovery in high-income countries is gaining momentum, registering growth projection of 1.7 percent for 2014 in the United States, accelerating to 3 percent in 2015, while the Europe is on the target to grow by 1.1 percent in 2014 and 1.5 percent in 2015, respectively. In Japan growth is also expected at 1.6 percent and 1.1 percent in 2014 and 2015. In contrast, growth projection for developing economies marks down to 4.6 percent in 2014 and then revives to 5.2 percent in 2015. In 2014, softer investment growth would result a sluggish growth in China and other emerging economies. China economy is expected to grow by 7.6 percent in 2014 and 7.4 percent in 2016 compared to 7.7 percent in 2013, while growth in East Asia and Pacific, excluding China, is projected to increase to 5.5 percent in 2016. Prices are expected to be buoyant except in Europe, whereas unemployment would be a concern, though jobs improve in the U.S. Despite signs of recovery, there remain downside risks, among which geopolitical tensions in the Middle East and Ukraine/Russia; financial market volatility that might be caused by monetary policy adjustment in major economies; and the remaining structural weaknesses in both advanced economies and developing economies.

The recent growth projection in developing world indicates a slow trajectory in 2014 and there is no strong point seen yet for developing economies to restore the robust growth achieved before the global crisis. Many of the developing countries are vulnerable to adverse shocks such as natural disasters, financial earthquakes, and catastrophic diseases like Ebola. In this context, I commend that these institutions would further assist low-income countries to effectively reduce their vulnerability to such shocks, and continue their support to developing countries in a more effective manner. The twin institutions should remain to play the linchpin role, in guiding the global economy to get back on the path of dynamic growth.

Given this context, multilateral cooperation should be aggressively strengthened in today's world so as to mitigate the said risks and ensure sustainable and robust global economic growth. Stronger global growth is indispensable to achieving the Millennium Development Goals (MDGs) as the 2015 deadline for the current MDGs is drawing closer. I am pleased to note that the global community is now starting to prepare the Post-2015 development agenda, which will encompass more ambitious goals for environmental, social and economic sustainability with broader coverage than the current MDGs. I welcome this timely effort by the Multilateral Development Banks, which will host a flagship event of the 2014 IMF – World Bank Group Annual Meetings to explore ways for facilitating an effective launch of the beyond 2015 development agenda with all partners, including high-level representatives from Ministries and Central Banks from all parts of the world, and from the United Nations, the private sector, bilateral agencies, foundations, CSOs, and other development partners. I hope the new development agenda for beyond-2015 will be more inclusive and sustainable.

I would like to take this opportunity to express my continued support to the World Bank's implementation of the twin goals to end extreme poverty and to promote shared prosperity. I endorse the Bank Group's agenda for supporting investment in human capital, improved access to markets, tax systems and social safety nets, infrastructure, structural reforms, and combating issues with climate change. I also support the Bank Group's agenda for building statistical capacity in member countries, while placing emphasis on better policy mix with a more appropriate set of priorities. I expect that the Bank Group would further prioritize private-public partnership, with a view to creating jobs, sustaining growth and enhancing shared prosperity. I appreciate the progress made

thus far in the Bank Group's operations and look forward to seeing further progress with more solid outcomes. I strongly commend the Bank Group for taking the leadership in causing swift response to the Ebola epidemic, with its quick funding support to treatment and containing acts.

If I may provide the updates of Myanmar economy at this occasion, I am pleased to mention that the country saw a 7.5% growth in 2013, a slightly increased from 7.3% in 2012. The GDP growth is estimated at a higher rate of 7.8% in 2014 and 2015, which is expected to further accelerate to approximately 7% per annum in the coming 5 years. Favorable growth is mainly due to an increase in investment and stronger business confidence in the economy. This is reflected by the significant increase in imports and new business start-ups, with foreign investments in FY 2012-2013 exceeding US\$40 billion. The large share of foreign investment goes to the power and oil and gas sectors. During 2013, natural gas exports surged by 20%, bringing in US\$3.6 billion income from the gas export. To foster the economic progress, reforms for democratization, economic, financial and social reforms continued, scaling up efforts for further structural reform. Infrastructure development, particularly in the power, telecommunications and transport sectors, rural development and poverty elimination remain the top agenda of the country. The country's poverty incidence is targeted to reduce from 26% in 2010 to 16% in 2015. I understand that energy sector development plays a critical role in fighting poverty and ensuring enhanced shared prosperity. Our country is therefore crafting energy sector development strategy and action plans, securing assistance from the World Bank and other development partners. Economic and social infrastructures are being improved through heightened budgetary support and community-driven development projects supported by the World Bank and other multi-development partners. While legal infrastructure is being improved, the banking sector liberalization and modernization programs take place. The Central Bank of Myanmar (CBM) has become an autonomous monetary authority. Myanmar Government is attempting to enhance accountability among the public sector stakeholders while supporting the private sector to extensively participate in the country's development. As Myanmar is blessed with rich natural endowments, natural resources offer a large portion of the country's income. With serious emphasis on promoting sustainable use of the country's natural resources, Myanmar is making its energy sector master plan and embracing transparency in managing its natural

resources. On the other hand Myanmar is preparing systematically to join the Extractive Industries Transparency Initiative (EITI).

I would like to extend my deep gratitude again to the IMF, World Bank and to all other development partners across the World, which have rendered cooperation to our country for our development purposes. Mr. Chairman, I would like to take this opportunity to express again our sincere appreciation to the Management and staff of both institutions for their ongoing support to our country's greater development efforts. Now, may I conclude by wishing the World Bank Group in achieving its mission and the twin goals.