

# Myanmar leader eager for Japanese investment

MALCOLM FOSTER - Associated Press - Associated Press

Myanmar's president told Japanese business leaders Friday that his country is eager for their investment as it carries out key political and economic reforms.

After shying away from Myanmar during its decades as an international pariah, many Japanese businesses are now taking a hard look — and some are already taking the plunge.

Visiting Tokyo for this weekend's summit between the leaders of Japan and five Mekong region nations — Thailand, Cambodia, Vietnam, Laos and Myanmar — President Thein Sein said Japanese investment and know-how was needed to help shrink the economic gap between these nations and other more developed economies in Southeast Asia.

"We hope that Japan's famous and successful firms ... will support us in this endeavor," he told a luncheon organized by the Keidanren, Japan's biggest business lobby.

Japanese companies have held back from investing in Myanmar in recent years because they didn't want to upset relations with the U.S. and the EU, which have imposed sanctions on the country. Another factor was the lack of transparency in laws governing business and foreign investment.

There have been moves toward lifting of Western sanctions after Myanmar's nominally civilian government implement a series of political reforms and economic over the past year, including releasing prominent political prisoners and allowing democracy icon Aung San Suu Kyi to run as a candidate — and win — in recent parliamentary by-elections.

Myanmar earlier this month unshackled its kyat currency from government controls with the introduction of a managed float for the exchange rate.

"We are going through political and economic changes, and we are also setting up special economic zones," Thein Sein said. "We welcome Japanese corporate investment in this opportunity."

Asian investors and international tourists have started to flock to the country in recent months, and a number of Japanese companies have started projects and expressed interest in doing business in the desperately poor country. The country is rich in natural resources, including timber, oil, natural gas and gems.

Last week, the Tokyo Stock Exchange and Daiwa Securities Group said they had reached an agreement with the Central Bank of Myanmar to help establish a stock market by 2015.

## Myanmar leader eager for Japanese investment

Published on Electronic Component News (<http://www.ecnmag.com>)

---

On Thursday, NTT Data Corp. said it will establish a subsidiary in Yangon, citing the country's "large potential."

"Whichever way you look at it, this is an opportunity," said Eitaro Kojima, an official at the Japan External Trade Organization, or JETRO, who says retailers, manufacturers and tourism companies have expressed interest about doing business in Myanmar.

"There was a political barrier until now, but that's falling. I expect investment will accelerate from here on out."

By strengthening its ties with Myanmar and other Mekong region countries, Japan is also looking to counter China's growing influence in the region.

Since 1989, Japanese investment in Myanmar has totaled just \$212 million — a tiny amount by global standards and a fraction of the top two investors in the country, China and Thailand.

**Source URL (retrieved on 09/16/2014 - 5:19pm):**

<http://www.ecnmag.com/news/2012/04/myanmar-leader-eager-japanese-investment>