

SMEs the Queen of AEC



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Sketch of Myanmar Economy

The Governments.

The Economic Policies.

The Results.

Myanmar Economy and AEC

4 Pillars of AEC Blue Print.

- The Goal : Fully Integrated into The Global Economy.
- Single Market and Production Base.
- Highly Competitive Economic Region.
- Equitable Economic Development. (SME Development)

Definations of SMEs

Country	Definition	Measure
Indonesia	Less than 100 employee	Employment
Malaysia	Less than RM 2.5 million and Less than 75 employees Different for Bumiputera enterprises	Shareholders funds, and employment
Philippines	Micro : P 150,000 and below and 1-4 employees Cottage: Above P 150,000 to P 1.5 million and 5-9 employees Small : Above P 1.5 million to 15 million and 10-99 employees Medium : Above P 15 million to P 60 million and 100-199 Employees	Investment and employment
Singapore	Manufacturing: less than \$12 million fixed assets	Fixed assets and Employment
Thailand	Less than 200 employees for labour intensive industries Less than 100 million baht for capital intensive industries	Employment and capital
Vietnam	Less than 5 billion Vietnam Dong of capital investment	Capital
Myanmar	Small - 50 employees (300 for labour intensive, 30 for services, retail and wholesales) - 500 million kyats investment, previous year Y 100 million kyats for services, 50/100 for retail and wholesales) Medium - 300 employees (600 for labour intensive, 100 for services, 60 for retail and wholesales) - 500 to 1000 million kyats investment, previous year Y 200 million kyats for services, 100/300 for retail and wholesales)	Employment, capital investment and previous year income (Y)

Categories of Industries in Relation to Markets and Resources

	Resource based Industries	Non-Resource based Industries
Export-Oriented	<ul style="list-style-type: none"> - Oil and Gas - Agro-based Ind. - Wood Based Ind. - Rubber Products Ind. 	<ul style="list-style-type: none"> - Garments - Light manufacturing (handicrafts etc.) - Textiles/Apparel Ind. - Foot ware Ind.
Domestic Market-Oriented	<ul style="list-style-type: none"> - Agro-based Ind. - Food and beverages (rice, cooking oil, sugar mills etc.) - Agro supportive Ind. - Farming tools and equipments threshing machine, etc. - Chemical fertilizer. 	<ul style="list-style-type: none"> - Cement - Simple Electronic and Machinery components. - Plastic wares - Agro supportive Ind (Tractor, water pumps) - Packaging Ind.

The Industrial Zones and No. of SMEs

- Existing Industrial Zone			19	
- New Industrial Zone			8	
- Registered Firm (appro:)			11000	
- No of SMEs small	(DISI)		37298	
-	(Other)		2114	39,412
	Medium			7,287
	Total			46,699

Note : 200,000 no of SMEs (registered or non-registered) are still running.

Sectoral Distribution of Industries in Myanmar

Sr	Categories	Medium	Small	Total	%
1	Food & Beverages Industries	4110	20976	25086	65
2	Clothing & Wearing apparel Industries	380	1001	1381	
3	Construction materials Industries	650	2117	2767	
4	Personal goods Industries	410	330	740	
5	Consumer produce Industries	79	97	76	
6	Literature and Art Industries	117	183	200	
7	Raw good production Industries	240	282	522	
8	Metal and Mineral Production Industries	381	1204	1585	
9	Agriculture Machinery Industries	25	37	62	0.16
10	Industrial tools and equipment production Industries	49	66	115	
11	Automobile production Industries	40	33	73	
12	Electrical equipment Industries	15	12	27	0.08
13	General Industries	791	4799	5590	
	Total	7287	31137	38424	

Financial Support for SMEs

SME Loans Provided by SMIDB

- 1st Batch (2012-2013) - 5 billion kyats.
 - 2nd Batch (2013-2014) - 5 billion kyats.
 - 3rd Batch (2014-2015) - 20 billion kyats.
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- 344 Enterprises of 13 groups are supported by Government.

Enterprises by Council, Regions and States (Loan provided Max : Min)

- Mandalay Region	47	out of	7508
- Bago Region	47	out of	4629
- Ayarwaddy Region	43	out of	5884
- Yangon Region	28	out of	5993
- Kayin State	0	out of	927
- Chin State	1	out of	706
- Tanintharyi Region	7	out of	1445

What we need for SMEs Development

- SMEs Agency, and Policy Support.
- Effective Financial Support for Export - Oriented SMEs.
- Technical Training and Set up of New machineries.
- Full - fledged infrastructure (Hard and Soft).

Choice of Industries

- What will be produced (Production, Services and Trading)
- What We can get.
- What strategic plan for AEC Market.
- Who will take Leading Role (PPP)

“Do What you can, with what you have,
Where you are”

(Theodore Roosevelt)

Thank You
For Your Attention