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## Myanmar Highlights

December 2014

### World leaders visit Myanmar for ASEAN 2014

From 12 – 14 November leaders from the member states of the Association of South East Asian Nations (**ASEAN**) met in Naypyidaw for the annual ASEAN summit (**ASEAN 2014**).

In 2014 Myanmar took up ASEAN's rotating chairmanship for the first time since it first joined ASEAN on 23 July 1997. In 2015, ASEAN will take a further step towards economic integration with the launch of the ASEAN Economic Community (**AEC**).

According to ASEAN the AEC's areas of cooperation include "human resources development and capacity building; recognition of professional qualifications; closer consultation on macroeconomic and financial policies; trade financing measures; enhanced infrastructure and communications connectivity; development of electronic transactions through e-ASEAN; integrating industries across the region to promote regional sourcing; and enhancing private sector involvement for the building of the AEC."

During ASEAN 2014 Myanmar President Thein Sein and members of the Myanmar Government held high level talks with world leaders including United States (**U.S.**) President Barack Obama, Indian Prime Minister Narendra Modi, Japanese Prime Minister Shinzo Abe and Chinese Premier Li Keqiang.

### 2nd ASEAN-U.S. Summit

At the 2nd ASEAN-U.S. Summit President Thein Sein was encouraged by President Obama to continue to pursue reforms of the political system and Myanmar's Constitution. President Obama cautioned that the Myanmar Government needs to end the systematic persecution of Muslims in western Myanmar, which has generated outrage worldwide. Speaking

at a joint press conference held with opposition leader Aung San Suu Kyi the U.S. leader referred to the continued plight of Myanmar's Muslim Rohingya minority in Rakhine State stating "Discrimination toward the Rohingya or any other religious minority, I think, does not express the kind of country, over the long term that Burma wants to be". In response Ms. Aung San Suu Kyi did not directly refer to the Rohingya but instead spoke about the general elections which are scheduled to take place in 2015, saying her top priority was not winning "but building a country where the rule of law would prevail."

Away from politics President Obama reaffirmed the importance of U.S.-ASEAN ties as part of the U.S' relationship with the Asian-Pacific region and highlighted many of the cooperative activities the U.S. has undertaken with ASEAN across its economic, political-security, and socio-cultural pillars.

The U.S. and ASEAN agreed upon the following cooperative measures:-

- It was agreed to expand the U.S.-ASEAN Expanded Economic Engagement Initiative (**E3**) a programme intended to improve trade and investment ties between the U.S. and ASEAN and to create new jobs and business opportunities.
- The U.S. Departments Commerce and State Department will sponsor four business and trade missions to ASEAN in 2015. The delegations will focus on a range of sectors, including health and energy. The first delegation, focusing on the health sector, will travel to Philippines, Indonesia, Vietnam and Malaysia in February 2015.

- The U.S. Department of State, the U.S. Department of Commerce, and USAID, in cooperation with U.S. businesses, will lead a business delegation to the Lower Mekong region in 2015 to highlight regional energy security and sustainability.
- In collaboration with the U.S. Departments of Commerce, State, and Energy, the U.S. Trade and Development Agency plans to lead a high-level ASEAN Ministers Energy and Transport Infrastructure Symposium and Reverse Trade Mission in 2015.
- The U.S.-ASEAN Business Alliance for Competitive SMEs, a public private partnership between USAID and the U.S.-ASEAN Business Council, will begin to create an online academy to support SMEs access finance; regional and international markets; and information and information technology.
- The U.S. endorsed the creation of the ASEAN Single Window programme designed to speed-up customs clearance procedures and lower costs for businesses, allowing increased trade.
- The U.S. Department of Energy, the Department of State and USAID pledged to continue to support the U.S.-Asia Comprehensive Energy Partnership.
- The U.S. committed to working to include non-APEC (Asia-Pacific Economic Cooperation) ASEAN members (Myanmar, Cambodia, and Laos) in APEC's capacity building activities in areas of mutual interest to both organizations so all.

The talks also touched upon enhancing maritime cooperation, building ASEAN's cyber confidence, combating human and wildlife trafficking, ASEAN Youth Volunteer Program, climate change cooperation, the promotion of women and children's rights, and cooperation in science and technology.

## 17th Japan-ASEAN Summit

On 12 November the 17th Japan-ASEAN Summit Meeting took place. Japan's Prime Minister Abe became the first Japanese leader to visit the Myanmar in 36 years. Japan and Myanmar have been working closely on the development of the Thilawa Special Economic Zone situated near Yangon. Japan will provide up to 20 billion yen for the development of the Thilawa project, repayable over 40 years at 0.01% interest. In 2013, Japan forgave almost US\$2 billion of Myanmar's debt contingent upon Myanmar pushing ahead with reforms over the past year that included lifting media censorship, enacting

a new foreign investment law and allowing more freedom for political activists and parties. Despite economic stagnation at home Japan has committed to providing 2 trillion yen (US\$16.8 billion) in official development assistance (ODA) over five years. Part of these funds will be made available to the Japan-ASEAN integration fund.

In the area of maritime security it was agreed that Japan will continue to cooperate on Japan-ASEAN joint exercises, human resources development and safety of navigation. Prime Minister Abe also announced Japan would support human resources development for capacity building of maritime security and safety for approximately 700 personnel over the next three years.

Prime Minister Abe also met with NLD leader and Nobel Peace Prize winner Ms. Aung San Suu Kyi.

## 12th India-ASEAN Summit

Timed to coincide with ASEAN 2014 was the 12th India-ASEAN Summit. On 12 November India's Prime Minister Narendra Modi met with ASEAN Secretary-General Le Luong Minh. Discussions focused on joint counter-terrorism measures, plans to increase ASEAN-Indian bilateral trade to US\$100 billion by 2015 and the proposed India-Myanmar-Thailand highway which will link up with the Cambodia-Laos-Vietnam highway links. Prime Minister Modi emphasised the Indian Governments' commitment to regional cooperation and remarked that India's "Look East" policy is now an "Act East" policy. Modi also met with Ms Aung San Suu Kyi.

## China-Myanmar talks on strategic cooperation

On 14 November 2014 President U Thein Sein held talks with Chinese Premier Li Keqiang. The talks focused on strategic cooperation and development opportunities. Premier Li Keqiang said that China firmly supports Myanmar in its adhering to a development path that conforms to its national conditions and in realizing long-lasting stability and development.

In recent years China and Myanmar have deepened bilateral cooperation in energy and agriculture. Cross border trade has also increased. The two countries are also in negotiations in relation to the development of the Bangladesh-China-India-Myanmar Economic Corridor.

China's pursuit of territorial claims in the East and South China Sea has brought it into conflict with a number of ASEAN member states.

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