



Myanmar: Innovative Trade Promotion in Myanmar

Project Name	Innovative Trade Promotion in Myanmar	
Project Number	52308-001	
Country	Myanmar	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Innovative Trade Promotion in Myanmar concessional ordinary capital resources lending / Asian Development Fund	US\$ 65.00 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development	
Sector / Subsector	Finance - Small and medium enterprise finance and leasing Industry and trade - Trade and services Public sector management - Economic affairs management	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The project is proposed to support relevant SPS agencies, trade regulatory and promoting bodies, as well as relevant private sector stakeholders to enhance their full spectrum of SPS capabilities, and thus promoting increased trade in Myanmar. It will cover the following preliminary scope: i. Strengthening SPS governance: The project will facilitate a coordination platform among relevant SPS agencies and the trade bodies with the private sector to ensure effective coordination and efficient delivery of required SPS services. ii. Enhancing SPS capability: The project will support upgrading of (a) SPS testing labs and capabilities; (b) relevant IT-based systems to facilitate SPS processing (including improved procedures); and (c) improved surveillance capability to manage market access requirements and outbreak control. iii. Improving SPS trade-enabling functions: The project will enhance the government's capacity in managing SPS market access requirements in concluded and negotiating trade agreements, and engage with private sector stakeholders to build their compliance capability to ensure positive impact on trade flows from the improved SPS capability.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Since its re-engagement and integration into the regional and global economy, Myanmar has made significant efforts to promote trade and investment, building upon its continued participation in regional cooperation and integration frameworks like ASEAN and GMS. Trade and investment, especially in agro-, aqua- and forestry-products, presents a significant opportunity for Myanmar to develop its local economy and reduce poverty towards inclusive growth. Myanmar has developed a national Agriculture Development Strategy and a National Export Strategy to capitalize its potential in these sectors. However, the country is still facing significant challenges in meeting market access requirements to facilitate such trade, as well as in ensuring safety of its surging imports. It is falling behind neighboring countries like Lao PDR and Cambodia in establishing an effective SPS regime to facilitate such trade. Under the GMS framework, ADB has been supporting Myanmar in building SPS capability through a small-scale TA (TA 8705) and a regional TA (TA 8732) that provides technical advice and training to relevant agencies and stakeholders. With the recent fast-growing trade, the country needs to significantly scale up its investment in this area to respond to the increasing demand of the trading community. Such efforts will also help Myanmar to better coordinate with other GMS members and benefit from the GMS Strategy for Promoting Safe and Environment-Friendly Agro-Based Value Chains in the Greater Mekong Subregion and the Siem Reap Action Plan, 2018-2022. Benefits from the projects would be (a) consumers both in Myanmar and in trading partner markets of safer and better products; (b) government agencies in Myanmar and GMS countries in their collaboration on SPS matters (both for trade and for transborder management of diseases and outbreaks); (c) private sector producers, processors, investors and traders in both Myanmar and the GMS region for lower costs of trading both in financial terms and time; and (d) the general population for safer environment and more livelihood opportunities. The project is consistent with the operational priorities of the Hanoi Action Plan 2018-2020 (HAP) for the trade facilitation sector. Coordinated border management is recommended by the HAP, in particular, enhanced coordination between customs, SPS, border agencies, and the private sector following international best practices and other relevant frameworks. The HAP also suggests development of capacities in management tools (e.g., risk-based approaches, coordination across government agencies, promote partnerships with industry and collaboration with regional counterparts, and improve compliance with SPS rules throughout the value chain). These are outcomes that the project will promote.</p> <p>Policy/Institutional Harmonization: The project would facilitate (a) better coordination and improvement in SPS handling across agencies in Myanmar, with a view to be more trade-conducive; (b) more effective policy and institutional coordination among the GMS countries in accordance with their aspired harmonization of relevant regional SPS regimes and cross-border collaboration. Key considerations in the coordination and eventual harmonization of rules, regulations, policies and procedures are the adoption of effective company-centric risk-based control, using appropriate technologies to reduce transaction costs and time.</p> <p>Earlier Regional Cooperation Efforts: The project is continued efforts by ADB supporting GMS countries in upgrading SPS capabilities, both in Myanmar (various preceding TAs) and in coordination with neighboring countries where ADB support for SPS are ongoing, namely Cambodia, Lao PDR, and Viet Nam. It would also help Myanmar ready to further facilitate its trade with PRC and Thailand in the GMS as well as with other trading partners globally.</p>	
Impact		
Outcome		
Outputs		
Geographical Location	Nation-wide	
Safeguard Categories		
Environment	FI-C	
Involuntary Resettlement	FI-C	
Indigenous Peoples	FI-C	

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

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Timetable	
Concept Clearance	14 Dec 2020
Fact Finding	18 Jan 2021 to 29 Jan 2021
MRM	26 Mar 2021
Approval	-
Last Review Mission	-
Last PDS Update	25 Sep 2020

Project Page	https://www.adb.org/projects/52308-001/main
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