Govt looks to re-build ‘rice bowl’

By Myo Lwin

The government is aiming for Myanmar to regain its status as the “rice bowl” of Southeast Asia, a sector official said as it pushed the country’s agriculture sector to prospective foreign investors last week.

Speaking at a two-day agriculture summit in Yangon on July 25, Deputy Minister for Planning and Economic Development Dr Kan Zaw said there were “excellent opportunities” to expand the agriculture sector with foreign assistance.

Addressing the summit, in all fronts between Myanmar and its business partners from all over the world,” Dr Kan Zaw said in his opening remarks.

The government was “aiming to overcome” many of the existing barriers to investment, including the banking system, exchange rate, land policy, infrastructure and lack of human resources, he said.

By taking these steps, we have to build joint ventures with domestic rice bowl in the region. We have to grow that can reduce poverty and we must try to drop the inequality to get income security," said Dr Kan Zaw.

"I hope this meeting will bring more recommendations and concrete ways forward (for a better rice economy)."

In a statement to the Myanmar Times after his address, Dr Kan Zaw said the country was moving “in the right direction” and invited foreign investment in the agriculture sector, which directly and indirectly employs about two-thirds of the country’s workforce.

The “Into Myanmar Agri Trade, Investment and Infrastructure Summit”, organised by Singapore-based Magneta Global, attracted about 200 stakeholders from the global agriculture sector, many of whom were scouting for new opportunities in Myanmar.

More than 20 presentations were made by foreign and local experts at the July 25-26 event, focusing on topics such as the rice industry, electricity, water, banking, marketing, other food crops and fertiliser.

Representatives from some foreign firms at the event said they had already identified potential Myanmar partners while many are still looking for a suitable opportunity.

The spokesperson for the producer of Tda Chang-brand ploughs said the company had seen a large increase in business, with 10,000 diesel ploughs sold in Myanmar last year.

"Normally we sell a few thousand units a year, but last year was a big increase," said Mr Iwase Tsuboyouthangyaw of Thai firm Siam Kubota.

In southern Myanmar, country manager of Victory Capital, a Cambodian-based investment management firm that also has a presence in Vietnam, said his company was in the process of opening an office in Yangon. However, he said many prospective investors were still somewhat sceptical about the country’s political stability.

"People realise that Myanmar has huge potential. Human resources and technology will be the problems here," he said.

"Business in Vietnam is slow. The market is already saturated. So, we're interested in Myanmar.

A spokesperson for Singapore-based fertiliser producer Yara said his firm also saw a great deal of potential to expand business in Myanmar.

The country produces 100,000 tonnes of fertiliser a year, importing about 700,000 tonnes to meet the rest of the demand.

"But we still have no idea which crop will bring maximum income for the farmers here. Only then can we give the right solution," said Mr Adrian Ng, market development manager for Yara, which has branches in 11 countries.

A business development adviser from Malaysia, Mr Hishamuddin Koh, said the summit addressed many issues related to production, financing and marketing of agricultural products in Myanmar.

"Myanmar is now in the best position to act as a provider of food to a region where no other nations have similar resources," said Mr Koh, who has been based here for 20 years.

Myanmar has rich bio-diversity and can grow many agricultural and horticultural crops, he said.

Myanmar exported $44.5 million in rice last year earning US$324 million, a 57 percent increase on the $26.9 million it exported the previous year, according to Ministry of Commerce figures.

The government has targeted increasing rice exports by 30 percent, to more than one million tonnes, this year.