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**WORLD BANK GROUP**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL FINANCE CORPORATION  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES  
MULTILATERAL INVESTMENT GUARANTEE AGENCY

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**INTERNATIONAL MONETARY FUND**

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Statement by the Hon. **HLA TUN**,  
Governor of the Bank for **MYANMAR**,  
at the Joint Annual Discussion



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Governor of the Bank for Myanmar,  
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**Mr. Chairman,  
Fellow Governors,  
Distinguished Delegates,  
Ladies and Gentlemen,**

I have much pleasure to have the opportunity to represent Myanmar and address the 2009 Annual Meetings of the International Monetary Fund and the World Bank.

I would like to express our appreciation to the host government and the people of the Republic of Turkey for the hospitality extended to our delegation since our arrival. I would also like to thank the managements of the Bank and the Fund for the excellent arrangements made for this meeting.

At this point, I wish to congratulate Mr. Zoellick and Mr. Strauss-Kahn for their able leadership. Under their leadership and guidance, the institutions have made considerable contribution to the promotion of international cooperation and development, especially at this time of the global crisis.

Due to the recent financial turmoil, the global economy remains weak. There is no denying that there is still much to be done in order to have the global economy on the path to sustainable growth. In this context collaboration and cooperation, not only between advanced countries, but also between advanced countries and emerging economies, are essential for global macroeconomic stability and prosperity. The present issues of importance are to maintain the pace of growth, lower inflationary pressures and maintain the pace of recovery from the financial turbulence.

At this juncture, I would like to take the opportunity to brief the meeting on recent developments of the Myanmar economy. As have been stated in previous years, we have been formulating and implementing short-term plans since 1992-1993 and 2008-2009 was the third year of the Fourth Five-Year plan. Although the growth rate slowed down somewhat compared to previous years, we have been able to maintain the momentum of the growth rates. Owing to increase in production of agricultural and mineral products, the volumes of exports have increased year after year.

On the external front, the current account is in surplus, due mainly to surplus in the trade account. The surplus can be attributable to increases in exports and remittances from abroad. As such our foreign exchange reserves have also risen considerably.

In the fiscal front, although the budget is still in deficit, the deficit is on a declining trend. We intended and were trying to have a balanced budget this year. However, as we have to spend more for relief, rehabilitation and prevention of contagious diseases for the victims of the cyclone, as well as for Influenza A (H<sub>1</sub>N<sub>1</sub>) we expect this year's expenditure would be quite large. We are making efforts and taking necessary measures to increase revenue which we hope will help us to off-set some of the increase in expenditure.

On the monetary front, supervisory and regulatory powers of the Central Bank have been strengthened and due diligence and care had been taken to ensure that the banking sector is not used for improper transactions, including money laundering and financing of terrorism.

We have been lucky in one way, as we do not have developed capital or financial markets yet and therefore we did not have direct impact of the recent financial crisis on our economy. However, in this globalized world where a country cannot stand alone, there has been some indirect impact on Myanmar mainly through trade, tourism, labour (migrant workers) and remittances. We have taken necessary measures to prevent adverse impact on the social well being of our nationals. We stand ready to cooperate with all the countries in the region in order to overcome whatever challenges and risks that we may face in the future.

In the past few years, we have noted that there has been continuity in the composition of the Article IV consultation missions. We do appreciate the due consideration given by the IMF management for the convenience of both the Fund and Myanmar. We wish to have this practice continued and look forward to it. It is better to have more than (2) previous mission members included in the forth coming mission so that there would not be any need to explain the same issues time and again.

Myanmar has been a member of both organizations for over (57) years. We have always worked closely with these organizations and we will continue to do so in the future.

Thank you.