

Opening Remarks

by Vice Chair of the Board of Governors, Governor U Soe Win,

Union Minister for Planning, Finance and Industry of

Myanmar

at the Fifth Annual Meeting of the Board of Governors of

the Asian Infrastructure Investment Bank (AIIB)

28 July 2020

President Xi,

Mr. Chairman,

President of AIIB Mr. Jin Liqun,

Honorable Governors,

Distinguished Guests, Ladies and Gentlemen

Good Afternoon,

It is my great pleasure to congregate here at this auspicious Fifth Annual Meeting of AIIB with our colleagues from the member countries.

First, I would like to express my deepest gratitude to the Chairman for granting me an opportunity to deliver an opening remark as a Vice-Chair together with my counterpart from Iceland.

In remembrance of AIIB's past accomplishments, AIIB launched its first operations in 2016 with 57 founding members and has now grown to (102) members worldwide within a short time span of five years in operation. It is our pride and privilege to be standing here as one of the founding members of the institution. With much appreciation and adulation, we witness its genesis and tremendous growth over the past few years. As we all know, the world has been lingering under the long and destructive shadow of COVID Pandemic.

- 2 -

At this historic juncture, the role of multilateral financial institutions such as AIIB has become ever more critical and significant in strengthening and marshalling our collective economic defenses and offenses against the pandemic. As a vice chairman, I would like to beseech all of our members to unify as unalienable constituents of our collective humanity and harmonize our national policy responses so that we can reverse downturns and doldrums through the strength of unity.

We are very pleased to say that the Bank has provided loans from its COVID-19 Crisis Recovery Facility for member countries to deal with urgent economic, financial and public health issues. Under the facility, the Bank proposed the creation of a new Special Fund Window (SFW) to reduce the

financial burden of AIIB members that hail from the International Development Association (IDA).

Under the Bank's new SFW, IDA countries including Myanmar would be eligible to Sovereign-backed loans from the SFW, thus providing these nations with much-needed financial resources to buffer against multidimensional impacts of the pandemic. While most IDA countries are bootstrapping all of its scarce domestic resources to contain and reverse the epidemiological and economic effects of the pandemic, the Bank's extension of SFW loans to these countries come at the most opportune time.

Myriad threats of COVID accentuate and amplify the growing call for resilient and sustainable infrastructure that can effectively operate amidst the miasma of pandemic and other future threats to global economic order. Under the mandate of AIIB, it is our collective responsibility to incubate novel ideas and implement innovative programs to design, build, and operate pandemic-proof infrastructure projects for nations across Asia and beyond.

- 3 -

Mr. President, Honorable Governors and Distinguished Guests,

Sharing the fates and destinies of other nations around the world, COVID had entered into Myanmar with tidal waves of disruption and destruction to Myanmar ways of life. Myanmar economy faces grave and daunting

challenges from disruption of supply chain, coagulation of trade flows and evisceration of tourism. To buffer against the most damaging impacts of the pandemic, the Government of Myanmar has formulated the COVID-19 Economic Relief Plan (CERP) on 27 April 2020. The CERP is designed to meet the current exigencies that Myanmar faces in ways that reaffirm our long-term direction for the economy with realistic and implementable COVID-specific policies. As a comprehensive stimulus package, it covers a constellation of pro-poor and poor MSME countercyclical measures for the most-affected sectors and the most vulnerable populations including cash transfers to 5.4 million vulnerable households, cash and in-kind transfers to Internally displaced population around Myanmar, cash transfers to young mothers and children, extension of social pension for the elderly, cash for work programs for returnees and out-of-work casual workers in our villages around the country. The government is also proffering a plethora of tax credit, waiver, moratorium and exemptions to various industries and MSMEs to relieve the tremendous pressure that COVID has imposed on these industries. The most central piece of our response strategy is a targeted concessionary lending program to support farmers, MSMEs, garment industries and teashops, cafes and mom and pop grocery stores that are essential in the fabric of our economy and our culture. By reprogramming our fiscal space and through the generosity of G-20 debt relief program, we have mustered over 2 billion USD to finance all these myriad countercyclical programs under the CERP during this fiscal year.

- 4 -

With an expected increase in public expenditure from the implementation of CERP in conjunction with a potential steep shortfall in public revenue due to COVID, the government is now devising a careful fiscal and monetary strategy to manage the very real possibility of a budget deficit that far surpasses our normal range. However, we are very fortunate to be supported by a whole contingent of development partners such as World Bank, IMF, ADB and JICA. Developing countries such as Myanmar are strongly encouraged and inspired by the strength and robustness of multilateralism during the time of Pandemic. We are deeply committed to further strengthen the role of multilateral institutions in responding to this pandemic as well as all other challenges yet to come.

Mr. President, Honorable Governors and Distinguished Guests,

In conclusion, we stand ready to forge stronger and closer relationships with all of you to actualize the goals and objectives of AIIB as an emblem of multilateralism in Asia. Last but not the least, we are looking forward to harvesting fruitful outcomes from deep and meaningful dialogues with the participants in amity and friendship.

I wish courage and resilience for all of us in overcoming adversity and restoring normalcy for all nations.

Thank you.