

# **An overview of Myanmar – Hong Kong Garment Industry Zone**

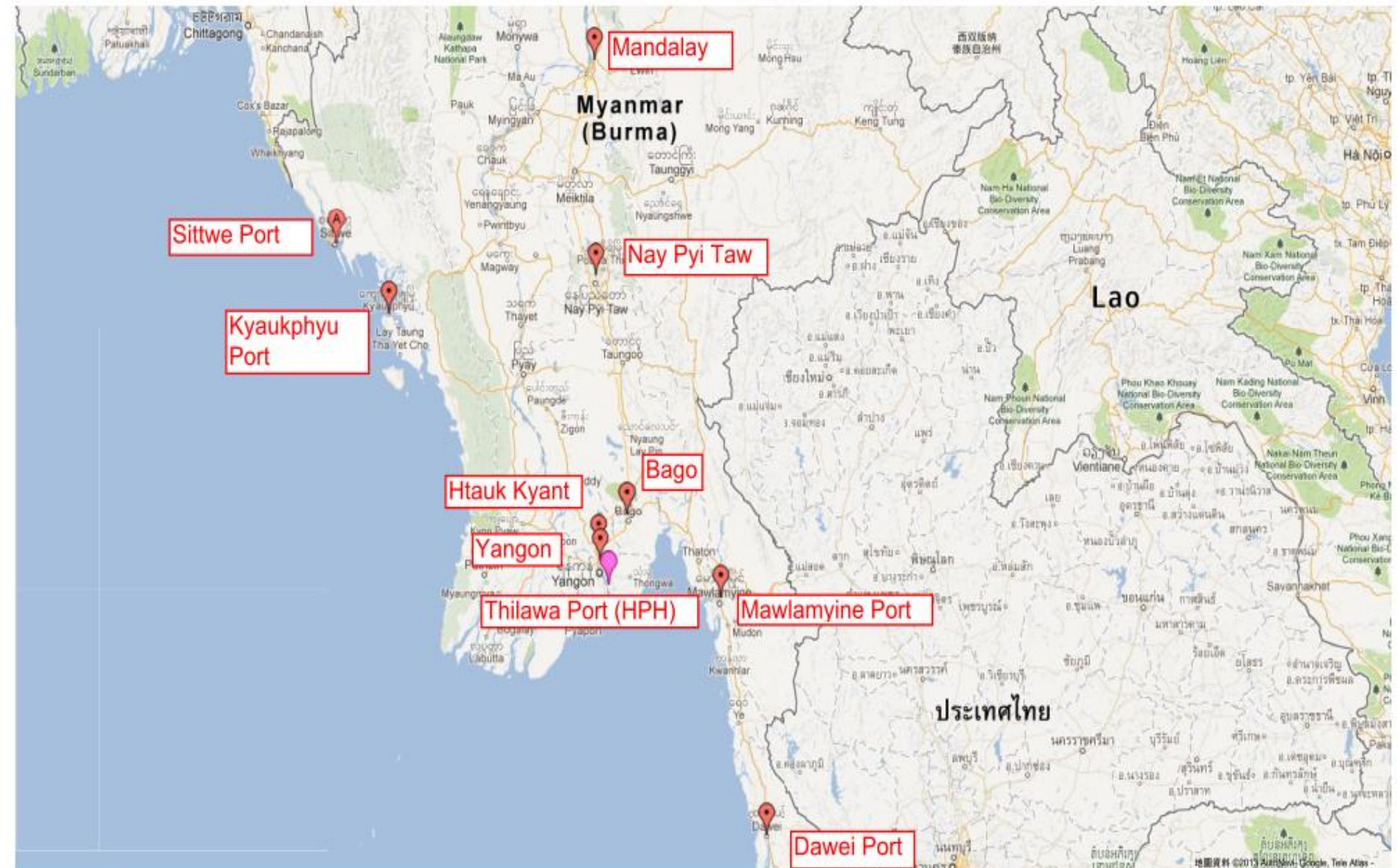
**Hon Felix Chung Kwok Pan  
Member of Legislative Council  
(Textiles and Garment Sector)**

# China plus One strategy

- ◎ The increasing cost of labor (and other inputs) in China has accelerated the number of companies considering this strategy
- ◎ Per the requisition from overseas clients who are providing orders in China
- ◎ “China plus One “ – Create one other Asian country to hold down costs or reduce over-dependence on China

Why do I see Myanmar as one of  
ideal plus one country?

# About Myanmar



# About Myanmar

- **Nay Pyi Taw** – Capital of Myanmar
- **Yangon** – Old capital at south of Myanmar
- **Bago** – Region next to Yangon
- **Mandalay** – Ancient capital of Myanmar, at the centre part of Myanmar with lots of industries and active Chinese companies
- **Existing sea port : Thilawa Port**  
Invested by HPH 15 years ago;

# About Myanmar

- Myanmar has a population of around 60 million, with a workforce estimated at 30 million
- Plenty of unskilled labour available - millions in Myanmar aged between 18-24 actively looking for jobs
- 25% of unemployment rate
- Many skilled workers have moved to Thailand after US sanctions

# Sea transportation

- **Yangon's ports handle 90% of Myanmar's external trade, and less than 400,000 TEU a year**
- **Yangon Port: 20-30 km from most industrial parks, handling 80-90% of containerized cargo, with occasional congestion**
- **Myanmar International Terminal Thilawa (MITT) – Set up by Hutchison ,operates at int'l standards, yet far below current capacity. It is another 20 km away, it is just adjacent to the Thilawa Special Economic Zone**
- **Most frequent feeder services from Yangon to Malaysia/Singapore**

# About Myanmar

## Monthly Wage (US\$)

Country	Minimum Wage	Average wage –Money in Pockets (60 hours per week)
China	250	600
Vietnam	100	300
Cambodia	128	230
Myanmar	-	100
Bangladesh	68	120

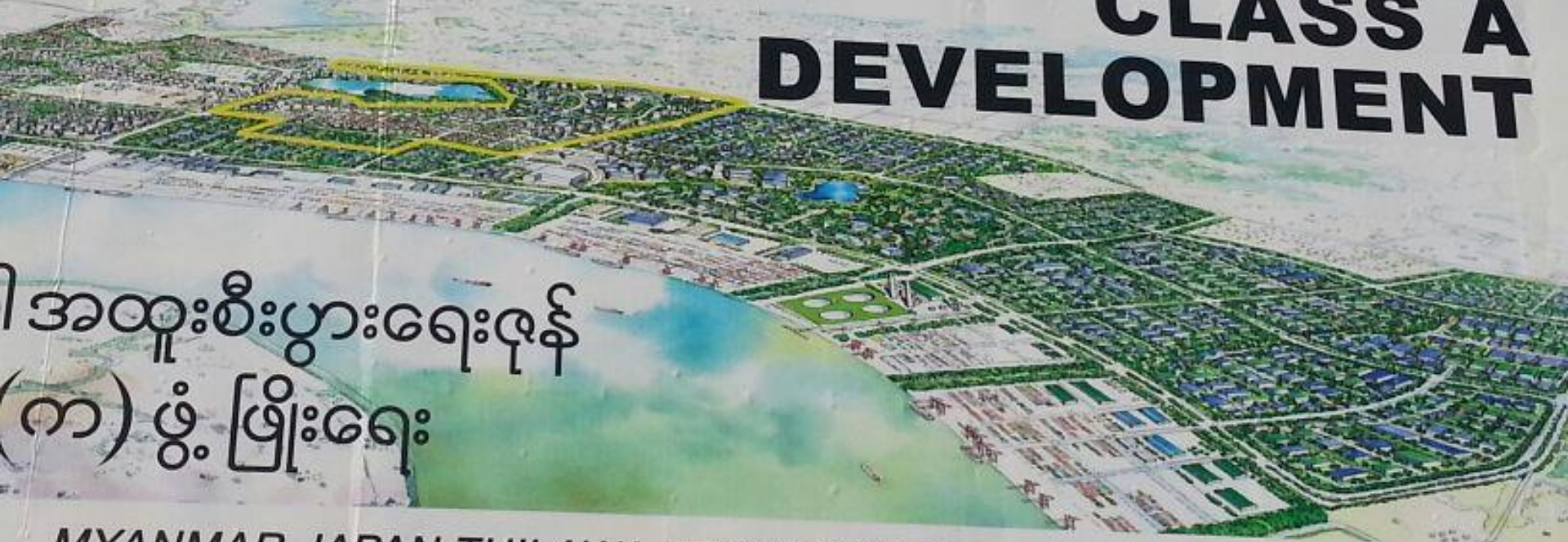
Source: Internet web page of respective countries





# THILAWA SEZ CLASS A DEVELOPMENT

အထူးစီးပွားရေးဇုန်  
(က) ဖွံ့ဖြိုးရေး



MYANMAR JAPAN THILAWA DEVELOPMENT LTD  
မြန်မာ - ဂျပန် သီလဝါ ဖွံ့ဖြိုးတိုးတက်ရေး လီမိတက်

PENTA-SUNTAC PARTNERSHIP



PENTA-OCEAN  
CONSTRUCTION CO., LTD.  
五洋建設

SUNTAC TECHNOLOGIES

# Thilawa Special Economic Zone

## Background :

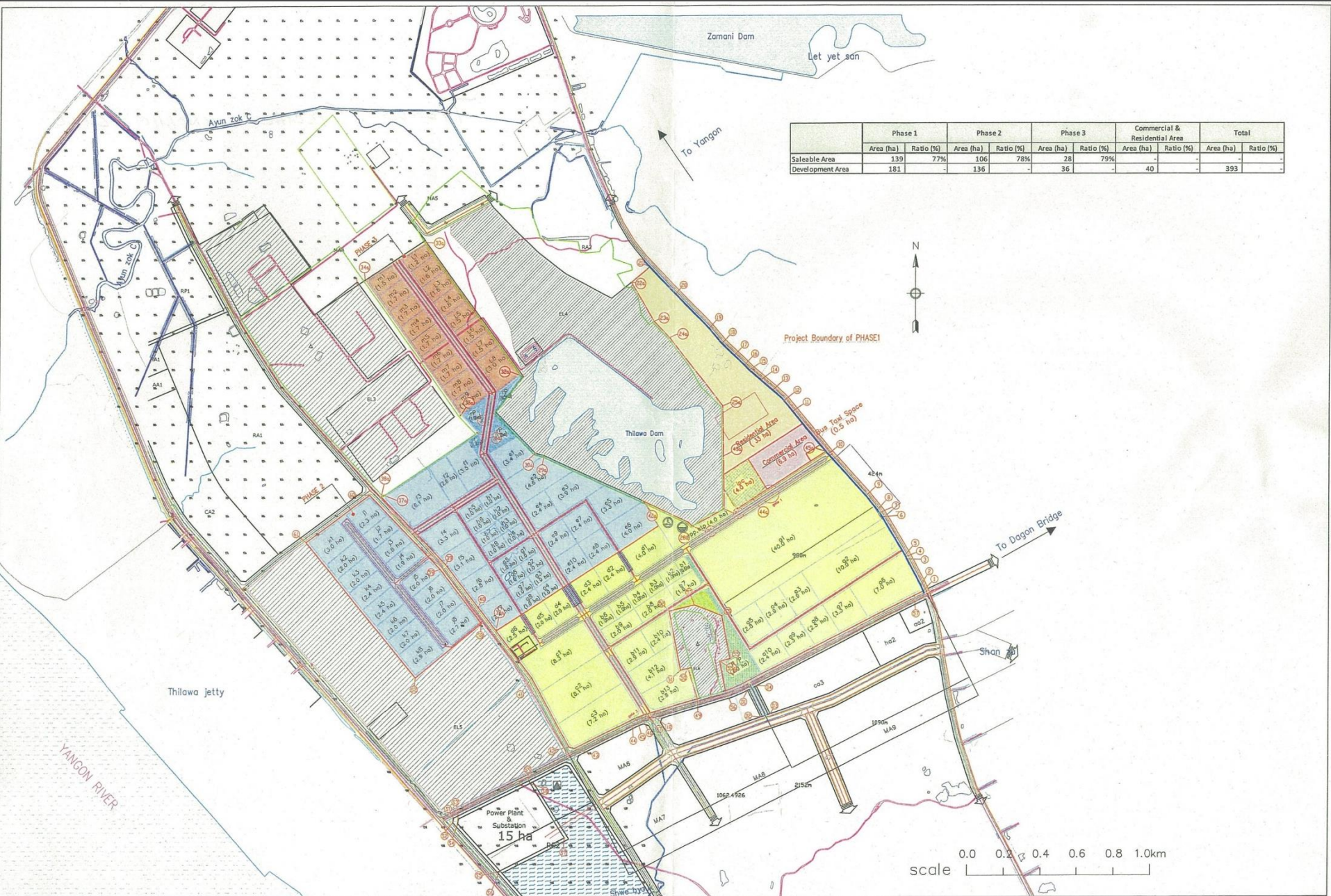
- ◎ Special Economic Zone (SEZ) development project with active Government participation and support
  - > Japanese Government (JICA) &
  - > Myanmar Government
- ◎ Investment from Japan Private Consortium with **3** Multi-National Corporations
  - > Marubeni Corp.
  - > Mitsubishi Corp.
  - > Sumitomo Corp.
- ◎ Investment from Myanmar Private Consortium made up of **9** Public Companies

## Thilawa Special Economic Zone

- ◉ The first phase of construction and expected to become operational for manufacturing by 2015.
- ◉ Aim to dedicate the free zone 100% to manufacturing, to draw industries focused on export process. The promotion zone will facilitate both manufacturing and service industries
- ◉ Expects Thilawa to create nearly 200,000 jobs and double foreign investment in the 2014-15 fiscal year.
- ◉ Total 2,400 acres, 1<sup>st</sup> phase - 400 acres, HK Industrial Zone takes up 100 acres.



# The SEZ Master Plan





# Industrial Zone in Bago

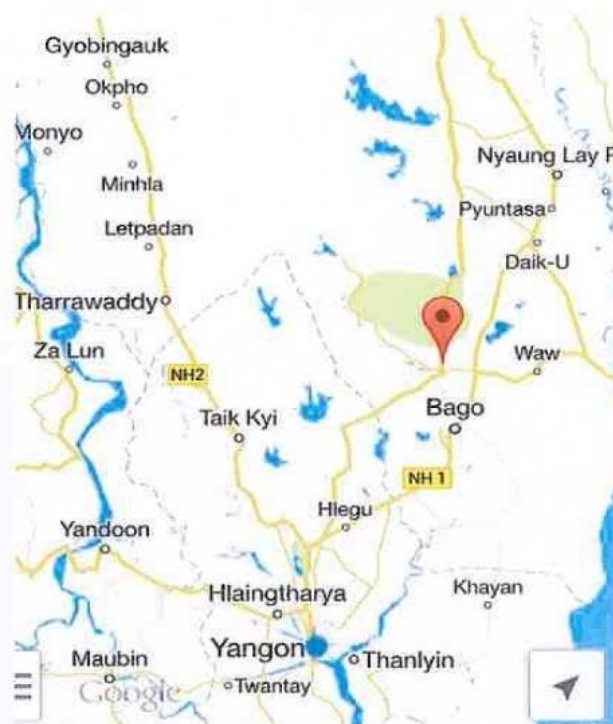
## Location

i-Land located alongside the Yagon – Naypyidaw – Mandalay highway, 15 mins to Myanmar's biggest New Airport, good potential for investment

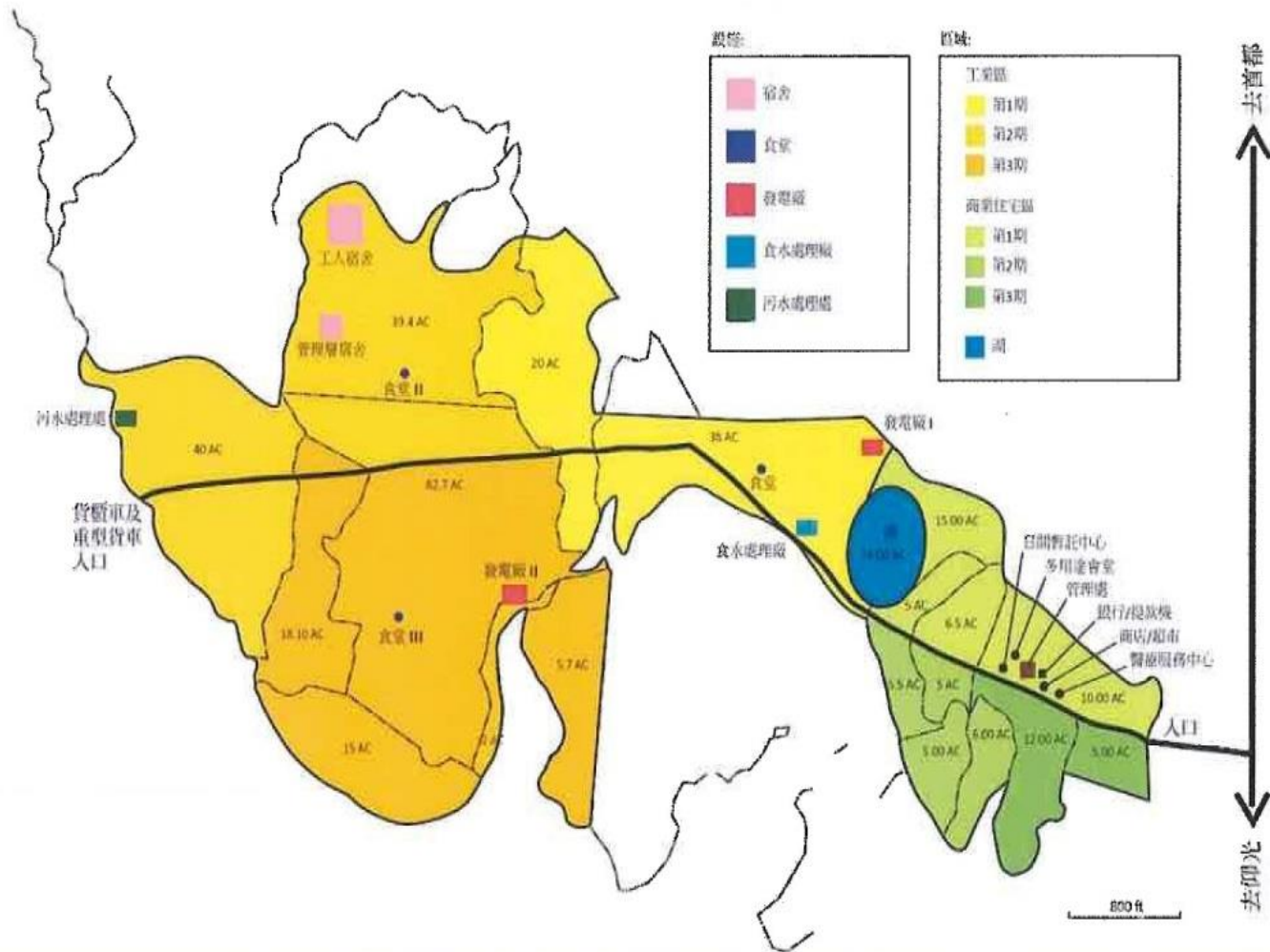


## 位置

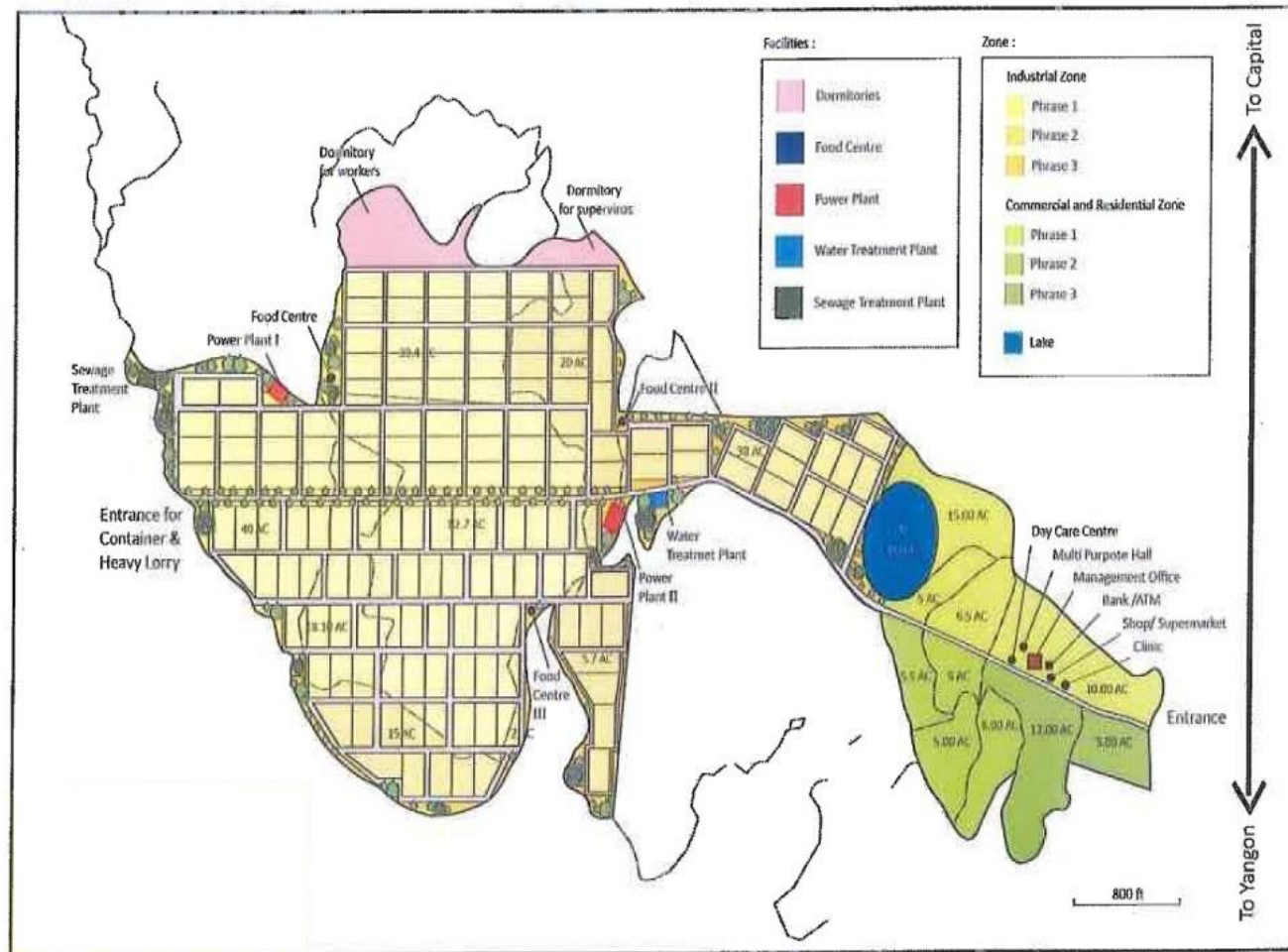
本園座落在從仰光到首都內及第二大城市曼德勒的高速公路旁，與勃固國際機場靠近發展潛力佳



# 3 Phase Development 三期發展項目



# Construction Site Map 項目發展地圖





# Proposal of setting up Sewing training centre

Operating organisation : Clothing Industrial Training Authority





# **Train-the-trainer Sewing Engineering Course :-**

## **● Basic preparation**

- Overview on responsibility and skill requirements for a trainer
- Pre-training tasks

## **● Understanding your sewing machines**

- Knowledge about the various types of sewing machines
- Pattern knowledge related to sewing. Functions performed by merchandiser

## **● Planning the production line**

- Production and planning and control
- Line organization, loading and balance
- Evaluation and enhancement of production efficiency

## **● IE and sewing operation**

- Industrial engineering principles relating to effective sewing skill training
- Work measurement and method study

## **● On-site assessment**

- Knowledge on health and occupational safety in sewing operation.
- On site evaluation and discussions on line management

# The Government of HKSAR has signed “Investment Promotion and Protection Agreements “ with Myanmar



Thank You !