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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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Mr. Chairman,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen.

It is indeed a great pleasure for me to represent Myanmar and address the 2005 Annual Meetings of the International Monetary Fund and the World Bank. First of all, Mr. Chairman, please allow me to extend my warm congratulations on your election to the Chair. I would also like to welcome the new President of the World Bank, Mr. Paul Wolfowitz.

I would like to join my fellow Governors to take this opportunity to express our appreciation to the Fund and the Bank and the Government of the United States of America for successfully convening these meetings.

I would like to offer my deepest sympathy to the Government and people of the USA for the tragic loss of lives and devastation caused by Hurricane Katrina recently. We are truly saddened by the extent of the destruction that your country has suffered along the Mississippi River basin. Please accept our deepest condolences to those who have suffered and lost their families and loved ones.

As you are aware, the global economy is improving. However, as in previous years, risks still remain. The major one being the continued rise in oil prices, which has posed serious concerns across the emerging markets (including Asian economies) and caused many governments to cut their growth targets. Therefore, both developed and developing nations need to work closely together in order to address those issues as well as unforeseeable natural disasters, so as to achieve strong and sustainable global economic growth.

I would now like to briefly touch on some recent developments of Myanmar. In order to achieve economic growth while at the same time lift the living standards of the people, Myanmar has been implementing National Development Plans with the aim of accelerating growth and achieving equitable and sustainable development. Due to the efforts of the Government together with the ever diligent endeavours of the people,

Myanmar has achieved significant growth rates with relatively low inflation in recent years.

The greatest challenge that we face today is to successfully implement the objectives of the Millennium Development Goals (MDGs). I am pleased to inform you that while implementing the national plans and programmes, in line with the country's political, economical and social objectives, Myanmar has been able to achieve significant progress in attaining some of the targets of the MDGs. Some the MDG targets have already been exceeded and some are expected to be achieved much earlier than the targeted time frame. However, there is no denying that there are still some challenges ahead and more efforts will be needed to meet some of the targets by the year 2015.

We wish the international community to know that Myanmar does not accept any form of terrorism and is continuing its efforts at combating financing of terrorism as well as fighting money laundering. We have already enacted the relevant laws and rules, such as the Control of Money Laundering Law and Rules and Mutual Assistance in Criminal Matters Law and Rules. With regard to combating financing of terrorism and money laundering, we have also strengthened our regulatory and supervisory systems consistent with international norms and standards, especially the 40+ 9 special recommendations. Myanmar has also enacted the Anti- Trafficking of Persons Law on the thirteenth of this month.

Myanmar is an active member of various international agencies as well as various regional groupings. It is also one of the Greater Mekong Sub-region (GMS) countries striving for collective prosperity through pragmatic cooperation. Myanmar's border trade with neighbouring countries has been increasing yearly. Therefore, in order to facilitate better economic cooperation and smoother trade flows, as well as border area development and expansion of cross border tourism, Myanmar is also participating in various regional projects; such as the Ayeyarwaddy, Chaophraya, Mekong Economic Strategy and the East-West Corridor projects. To enhance trade in the region, bilateral as well as trilateral talks and negotiations have been held with respective countries (such as India, Thailand, Bangladesh) resulting in agreements to construct roads and rail network among the participating countries.

It should be noted once again that the achievements that have been attained thus far, in the economic, social, legal and infrastructure fronts, have been without foreign official development assistance from bilateral and multilateral sources but undertaken with our own resources together with the assistance of some of our friendly neighbouring countries. I would like to state that we would have achieved more if our efforts have been underpinned by international support.

However, I am sad to say that what little assistance we have from the international community has been suspended. At the time when we, in order to achieve the MDGs, are giving priority to improve the social sectors, the Global Fund, which is an international financing agency designed to help the fight against HIV- AIDS, tuberculosis and malaria, terminated its assistance to Myanmar last month. Grants termination of the Global Fund is against values and principles embodied in the MDGs. It contradicts the 8th MDGs which sets out to strengthen partnership. Therefore, the international community is urged to respond positively and in the spirit of social justice to this unjust action.

At this juncture, I would like to stress that, in pursuit of our common goals of attaining sustained development, while fighting against poverty, and terrorism and money laundering, there is a need to strengthen international cooperation. The international agencies' treatment of Myanmar had been unjustified. However, Myanmar reaffirms its commitment to reinforce its national efforts to achieve the global common goals and that we intend to continue to work and cooperate closely with them. At the same time, we would like to stress that international organizations should avoid any bias that unjustly discriminate against some while favouring others.

Myanmar has been a longstanding and legitimate member of the Fund and the World Bank, but both institutions have suspended their financial assistance to Myanmar since 1987. Myanmar has been deprived of its legally entitled assistance for more than a decade. I would like to reiterate that the multilateral institutions should consider resuming their assistance to Myanmar without any political influence. We are still looking forward to having normal relations with these institutions.

The Fund and the Bank should adhere to their principles which were clearly stated when they were founded. They should not loose tract of the fact that different countries develop differently, according to their stages of economic structure and institutional capacities. In order for them to operate their mandates effectively, members need to have adequate voice and representation in these institutions. There is need for equal partnership between developed and developing nations. As we understand, the existing representations and voting powers in these institutions are inconsistent with the increasing role of the emerging market economies in global growth. This issue of under-representation of developing countries in the decision making process should be addressed.

I would also like to point that there is lack of continuity in mission work. Especially, in the case of Myanmar, composition of consultation mission members differ yearly, which makes it difficult for the missions' side to understand and assess the true state of our economy. On our side also we have to start all over, again and again, from the very beginning. All of these lead to loss of time, energy and understanding on both

sides. Mutual trust should be enhanced by continuity of at least the mission head and therefore we call for addressing this issue accordingly.

In conclusion, I would like to state that I look forward to resuming normal relations with both the Fund and the World Bank, so as to have better cooperation and collaboration for mutual benefit. We, on our part, would continue to implement our plans for socio economic growth with stability.

Thank you.