



Adjusting regulations to respond to COVID-19 : insights from Myanmar

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Outline

- ❖ Impact on economy;
- ❖ Responses;
- ❖ Way forward.



Impacts on economy

World Bank's forecast

- ❑ Wholesales & retail, tourism related services, transportation and the service sector (42% of GDP) growth fall to 1%;
- ❑ Industrial Production (36% of GDP) is expected to contract by -0.2%;
- ❑ Agriculture (22% of GDP) growth to slow to 0.7%;
- ❑ GDP growth forecast has been revised downward from 6.4% to 0.5%.



Impacts on economy

IMF

IMF: Projections of GDP and GDP per capita growth rates, 2019-2020

<u>Percent change in GDP (constant prices)</u>	2019	Proj. 2020	Change
World	2.9	-4.9	-7.8
Emerging and developing Asia	5.5	-0.8	-6.3
ASEAN-5	4.8	-2.0	-6.8
Myanmar	6.5	1.8 ^{a/}	-4.7
<u>Percent change in GDP per capita (PPP prices)</u>			
Emerging and developing Asia	4.6	0.2	-4.4
ASEAN-5	3.8	-1.7	-5.5
Myanmar	5.7	1.1	-4.6

^{a/} Based on the April 2020 WEO; the June 2020 update does not include a projection for Myanmar.

Source: IMF WEO Database, April 2020



Responses

- ❑ Formation of the National Level Central Committee on Prevention, Control and Treatment of COVID-19;
- ❑ Establishment of COVID-19 Control and Respond Committee;
- ❑ Setting up of the Working Committee to address COVID-19 Economic Impact;
- ❑ COVID-19 Economic Relief Plan (CERP).



- ❖ 7 goals,
- ❖ 10 strategies,
- ❖ 36 action plans and
- ❖ 76 actions,



CERP

Goals

- ❑ Goal 1 : Improve macroeconomic environment through monetary stimulus;
- ❑ Goal 2 : Ease the impact on the private sector through improvements to investment, trade & banking sector;
- ❑ Goal 3 : Easing the impact on laborers & workers;
- ❑ Goal 4 : Easing the impact on households;
- ❑ Goal 5 : Promoting innovative products & platforms ;
- ❑ Goal 6 : Healthcare systems strengthening;
- ❑ Goal 7 : Increase access to COVID-19 response financing.



CERP

Expediting process

- Introduce fast track approval process;
- Solicitation of renewable energy projects;
- Solicitation of strategic infrastructure projects.

Simplification

- Procedure of investments for manufacturing of COVID-19 and/or medical related products;
- Importation of medical related products.



CERP

Reduce regulatory burden

- Waive import licensing and FDA requirements as long as the products are FDA approved in another country.
- Remove export/import license requirements that are not required to maintain market access or to protect health, safety and security.
- Extend online applications.



CERP

Reduce compliance cost

- Waiver and reduction of fees;
- Tax deferral;
- Exempt lease fees charges to affected firms.



Way forward

Economic recovery plan...?



Thank you !