

ABSTRACT

This study is a qualitative research focus on the Myanmar Investment and impact on economic growth of Myanmar. Myanmar is rich in natural resources such as arable land, forestry, minerals, as well as freshwater and marine resources, gems and jade. In recent years, the country has also emerged as a natural gas exporter, with exports to neighboring countries providing an increasingly important revenue stream. GDP composition by sector in 2012 consisted of services 41.8%, agriculture including livestock, fisheries and forestry 38.8% and industry 19.3%, with services the largest contributor to the economy for the second year running the FY11 composition of GDP was services 43.6%, agriculture 38.2% and industry 18.2%. Myanmar highly appreciates foreign direct investment (FDI) as a key solution reducing the development gap with leading ASEAN countries.

Accordingly, It is welcomed by the government Myanmar's Foreign Investment Law was enacted in 1988 soon after the adoption of a market-oriented economic system to boost the flow of FDI into the country. Foreign investors positively responded to these measures in the early years and FDI inflow into Myanmar gradually increased during the period from 1989 to 1996. FDI inflow was dramatically reduced and markedly declined until 2004 . In term of source regions, ASEAN is a major investor in Myanmar, which investment is significantly exceeds the combined investment of other regions of the world. Among top ten countries, Thailand's investment alone is significantly more than combined total investments of the other nine countries.

The combined total FDI inflows into the power and oil and gas sector represent about 65 percent of the total investment. Policy barriers such as exchange rate control and the 10 percent export tax are severely limited to export-oriented foreign investment. In terms of economic openness, Myanmar ranks the lowest among ASEAN countries. To effectively attract FDI into the country , Myanmar needs to minimize the effect of policy while opening and encouraging other potential sectors of FDI to foreign investors in ASEAN and Asian countries. Myanmar should take advantage of the attractiveness of these sectors and take appropriate measure to attract FDI inflows into the country.

Keywords: Foreign Direct Investment, Economic Development, Opportunities and Cooperation