DAWEI AND THE REGION
DAWEI PROJECT OVERVIEW
G-to-G MOU signed on May 19th 2008

MOU signed between ITD and Myanma Port Authority, Ministry of Transport on June 12th 2008

Framework Agreement signed between ITD and Myanma Port Authority, Ministry of Transport on November 2nd 2010 for the development of the Dawei Deep Sea Port, Industrial Estate, and Road and Rail Link to Thailand on a BOT basis.

- Project established as a Special Economic Zone (SEZ)
- Concession Period: 60 Years + Possible Extension
- Land Lease Period: up to 75 Years
- ITD granted concessions to develop the following projects:
  - Deep Sea Port
  - Industrial estate incl. heavy industries such as: steel mill, oil refinery, petrochemical complex, fertilizer plant, power plant, and other utility services
  - Cross border road and rail link with connecting transmission lines
  - Township for residential and commercial development
The Central Working Body established on 28th April 2011 by the Myanmar Government.

The Minister of National Planning and Economic Development as the Chairman.

The Committee comprises of 15 other Deputy Ministers and Director Generals from various Ministries.
### Project Area defined as the Dawei Special Economic Zone

Industries and businesses in DSEZ shall be granted the protection and special privileges as follow:

- ✔ No Nationalization
- ✔ The right to own land for development of industries and businesses
- ✔ The right to import raw materials for processing and export without import duties and corporate income tax exemption
- ✔ Production for domestic consumption subjected to normal tax rate
- ✔ The right to import foreign management and skilled labor
- ✔ Allowance for financial transactions required for normal business operation
- ✔ Facilitate immigration and work permit
- ✔ Facilitate company and business registration, permits, and licenses in ONE-STOP-SERVICE
| TAX EXEMPTION (proceeds of overseas sale) | Year 1-5 0%  
Year 6-10 15%  
Year 11-15 15%; if profit is reinvested, **otherwise 30%** |
| Possible extension of the tax exemption | **After the Tax Exemption period, income tax relief for that year may be applied for; depends on the **VALUE OF EXPORT ITEMS** are met according to the below conditions:**  
  * **Large Scale Investment:** > 50% of total value of product  
  * **Medium Scale Investment:** > 60% of total value of product  
  * **Small Scale Investment:** > 70% of total value of product |
| EXEMPTION OF COMMERCIAL TAX & VAT | Export items |
| EXEMPTION OF IMPORT TAX & CUSTOM DUTIES FOR RAW MATERIALS AND MACHINERIES | Export-oriented processing business  
  * 0% for 5 years  
  * 50% reduction for the next 5 years |
| LAND USE | Large Scale Investment: up to 75 years  
Medium Scale Investment: up to 60 years  
Small Scale Investment: up to 40 years |
PROJECT INVESTIGATION
Good Location for Port Development

- **Natural water depth** able to accommodate large-size vessels.
- **Natural shelter** good for anchorage.
- **No physical underwater & sub-soil obstructions** for approach channel & port basins.
- **Sufficient flat hinterland** for Industrial Estate in order to support / create throughput for the PORT.
- **Economical transportation** for the Road and Rail Links between DAWEI Port and Thailand.
- **Sufficient supply** of local construction material.

Dawei Deep Sea Port and Industrial Estate will cover an area of **250 km² or 61,775 acres**.

The Dawei Project will demand sufficient land area to prevent industrial congestion, environmental problems and for future project expansion will altogether promote the well-being and livelihood of the community.
PROJECT DEVELOPMENT PLAN
 Establishment of **Dawei Development Company Limited** in Myanmar to implement the Dawei Project.

**Development of Basic Infrastructure:**

- Port
- Road and Rail Link
- Water Supply and Treatment System
- Electricity
- Telecommunication
- Township

Hired reputable consultants for detailed design study for port and road link.

Upon approval by the Myanmar Government, Port (1\textsuperscript{st} Phase) and Road Link will begin construction by early 2012 and expect to complete within 4 years.

**LAND AVAILABLE FOR IMMEDIATE RESERVATION BY INVESTORS.**
DEEP SEA PORT and ROAD LINK TO THAILAND

- Appointed reputable consultants to conduct detailed design study
  - Port: Halcrow, Aurecon, Nippon Koho
  - Road: EPSILON, TESCO, MINDWAY

- Port: Servicing liquid cargo, agricultural products, general cargo, containers, and bulk cargo
- Road Link: 4-Lane Toll Highway with expansion to 8 lanes in later phase
- Temporary Jetty: NOW available for use.
- Roads
- Railways
- Transmission Lines
- Oil & Gas Pipelines
Abundant water supply from the Ka Loat Htar Reservoir which will serve in total more than 400 Million Cu.M. to the Industrial Estate.
Coal-Fired Power Plant:

- Land available for power plant development to serve Dawei Industrial Estate
- Plot location next to Bulk Port
- Development of an initial 400 MW to supply electricity during the Dawei Project construction period
  - Increase capacity to match future electricity demand in the industrial estate.
- Possibility to develop power plant to sell to EGAT and within the Industrial Estate under a long-term contract (PPA)
  - Proposal of 3,600 MW Sale to Thailand under consideration by EGAT and to conclude Tariff MOU.

Hydro Power Plant

- Tanintharyi Hydro Power Development up to 670 MW to serve the Dawei Industrial Estate.
PROJECT LAYOUT
DAWEI DEEP SEA PORT
DAWEI ROAD LINK
NOTE: DETAILED DESIGN OF THE "KANCHANABURI - BANG YAI" MOTORWAY COMPLETED BY THE THAI DEPARTMENT OF HIGHWAYS, MINISTRY OF TRANSPORT.
TOWNSHIP DEVELOPMENT
Tha Pyae Zoon
(169 households)

Kya Khat Tabin-in
(331 households)
ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT
Engaged international experienced consultants to conduct environmental and social impact assessment.

- **Economic Benefits**
  - Economic benefits to industries with low cost or no cost interventions and with cost-effective common services at industrial park level.
  - Higher investments in newly planned industrial parks.

- **Environmental Benefits**
  - Reduced negative environmental impacts and climate benefits through source control at industry level and through common treatment facilities at industrial park level.

- **Social Benefits**
  - Employability of workers due to reduced closure risks on industries, CSR activities benefiting the neighbouring population.

Compliance with International Guidelines (World Bank, Asian Development Bank)
BUSINESS OPPORTUNITY FOR INVESTORS
DAWEI PROJECT INVESTMENT STRUCTURE

Strategic Level Partners

Right to Develop

Sectorial Agreements

Port
Toll Road
Railway
Township
Industrial Estate
Refinery & Gas Complex
Chemical Complex
Integrated Steel Mills
Utility Services

Coal-Fired Power Plant
Water
Tele-communication
Shipyards
Fertilizer Plants
Petrochemical Complex
Logistics
World Class Holiday Resort
Pulp & Paper
WORK PROGRESS AND PHOTOS
ROAD LINK SURVEY AND CLEARING
TEMPORARY BRIDGE CROSSING DAWEI RIVER
“An Industrial Project That Could Change Myanmar”

Thank You

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