Second Pyidaungsu Hluttaw’s ninth regular session holds 20th-day meeting

THE 20th-day meeting of the Second Pyidaungsu Hluttaw’s ninth regular session was held at the Pyidaungsu Hluttaw meeting hall yesterday morning where the National Planning Bill for Fiscal Year 2018-2019 was approved and Asian Development Bank (ADB) loan for electricity network development project was explained.

Pyidaungsu Hluttaw approve National Planning Bill for Fiscal Year 2018-2019

First, Pyidaungsu Hluttaw Joint Bill Committee joint secretary Dr. Myat Nyana Soe and secretary U Kyaw Soe Lin tabled a motion to approve by paragraph legal and project matters related to National Planning Bill for Fiscal Year 2018-2019. Officials from union level organisations explained about the matter and obtained the decision of the Hluttaw to approve it.

Deputy Minister for Planning and Finance U Maung Maung Win then tabled a motion for the Hluttaw to approve the entire National Planning Bill for Fiscal Year 2018-2019, and Hluttaw announced its approval.

Explanation on ADB loan for electricity network development project

Next, Deputy Minister for Electricity and Energy Dr. Tun Naing and Deputy Minister for Planning and Finance U Maung Maung Win explained about Ministry of Electricity and Energy obtaining US$ 298.9 million ADB loan for electricity network development project sent by the President.

Deputy Minister for Electricity and Energy Dr. Tun Naing explained that the project will be conducted in Yangon, Ayeyawady, Taninthayi and Bago regions, Mon, Kayin and Rakhine states. The loan amount is US$ 298.9 million, the project duration is six years from 2019 to 2025, and the loan period is 32 years, including 8 years grace period and 24 years repayment period. Interest is 1 per cent during the grace period and 1.5 per cent during the repayment period and the loan terms are similar to previous ADB loans.

The project amount is US$ 308.9 million of which ADB loan is 298.9 million and Myanmar currency equivalent to US$ 10 million is from the Government’s budget. The project will have two parts, electricity transmission and electricity distribution. Electricity transmission part is US$ 143.11 million, electricity distribution part is US$ 98.94 million, project consultant fee US$ 10.48 million, contingency fee US$ 38.6 million and interest US$ 7.77 million will be from ADB loan. Social, environmental, land acquisition and project management fees totaling about US$ 10 million in local currency, will be from Myanmar Government’s budget.

In the electricity transmission part, the plan is to implement the 230 KV Mawlamyine-Ye-Dawei power line from January 2019 to December 2021, 230 KV Ahlo-six-Thida power line and substation from April 2019 to March 2023.

The electricity distribution part will be implemented from April 2019 to June 2025, computerized electricity management and bill collection system from July 2020 to June 2025 and all works to be completed by 2025 December. The project implementation period is 72 months from April 2019 to June 2025 and the estimated completion of the project is December 2025.


Deputy Minister for Planning and Finance U Maung Maung Win explained that the implementing ministry for the project is Ministry of Electricity and Energy and the project will have two parts – electricity transmission and electricity distribution. As of 30 June 2018, Ministry of Electricity and Energy had an outstanding loan of US$3,112,996 million that need to be repaid.

The last repayment of the loan is on 2050, and according to the planned loan amount to be taken out during the grace period, interest during grace period will be from US$ 0.8 million to 3 million per annum. After the grace period, annual loan repayment is US$12 million and annual interest payment is about US$4 million. Annual interest and loan repayment will be made from the Ministry of Electricity and Energy’s increasing revenue from the electricity distribution.

The Government had an outstanding foreign loan repayment of about US$10.2 billion and foreign loan to GDP ratio is about 15.45 per cent. This is within the bearable debt burden and is also in accord with 2018 Union Budget Law, Public Debt Management Law, 2017 midterm loan management strategy and developmental aid policy, explained the Deputy Minister for Planning and Finance.

After the explanations by the Deputy Ministers, Pyidaungsu Hluttaw Speaker U Tun Khin Myat announced for Hluttaw representatives who wanted to discuss the matter of Ministry of Electricity and Energy obtaining US$298.9 million ADB loan for electricity network development project, sent by the President, to register their names.