

Dawei Integrated Regional Development

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Opportunities/Challenges of Dawei Deep Sea Port Project



Mega Project: *"An Industrial Project That Could Change Myanmar"*



Project Site

- Northern Maungmagan ideal
- Water deep enough to accommodate ships and oil-carrying supertankers with loads of up to 300,000 tons
- Number of islands form a barrier for the port
- Adjacent area flat
- Plentiful water supplies suitable for factories and refineries that will manufacture plastics and other petrochemical products



Dawei Development Project

- US\$ 60 billion
- Industrial zones,
- A new city,
- Deep-sea ports,
- Chemical fertilizer plant
- Coal-fired power plant
- Steel plant
- Chemical fuel plants,
- Oil refineries
- Ship maintenance buildings
- Railroad, roads and
- Oil and natural gas pipelines.



- Factories & industrial city (steel, fertilizer, petrochemicals)
- Steel mill estimate runs to B300bn - production capacity of 10 million tons per year, and downstream products for industrial and electronic uses.
- Oil-and-gas venture
- Power plants
- Cement and paper plants
- 4,000 megawatts of electrical power
- Serve 55 vessels at once



- 8 times bigger than the Map Ta Phut Industrial Zone in Rayong
- Map Ta Phut estimated cost 370 billion baht (US \$10.5 billion)
- Send and receive ship goods from Thailand and avoid the Singapore and Straits of Malacca detour, more feasible than the Isthmus of Kra canal idea



Development Chronology

- Industrial estate divided into six industrial zones
- Residential/commercial zone with related infrastructure within the industrial estate
- Connecting road and rail link to Thailand
- Oil and gas pipeline from the Gulf of Martaban to the Myanmar/Thailand border along the road and rail link



Regional Transport Connectivity

- Respond to progressive trade and increase economic growth within Southeast Asia and South China
- Continuing demand for sea transportation in the Indian Ocean and Andaman Sea
- Dawei-Yangon-Mandalay-Muse and further connecting to the Chinese railway system to Kunming
- Major logistic hub of the region.



New Commercial Gateway

- Alternative sea route to India, China, Middle East, Europe, and Africa
- Lessen the dependence on the congested Straits of Malacca
- Reducing tremendous transportation time and logistic costs



Competitive Advantage

- Direct access to the Andaman Sea and Indian Ocean for the transportation of goods and commodities
- New market for foreign investment
- Strengthening economic cooperation, trade, and development among the Greater Mekong Subregion (GMS) nations



Costs and Benefits



Benefits

- Largest Industrial Area in Myanmar
- Transform Dawei into a newly opened investment destination and logistic hub of the region
- Increase the economic value to not only Myanmar, but also to the region as a whole.
- SEZs in China and Viet Nam



Costs

- Adverse affect to the environment
- Relocation of local villages



Natural Environment

- Impact massive
- Adverse affect
- Minimize damages
- EIA



Pollution

- Foreign companies freed from restraints of strict anti-pollution laws
- Cheap and convenient to export “dirty” refineries
- Ex-PM – Abhisit Vejjajiva



Virgin territory

- 250 square kilometers, or about 97 square miles
- Four times the size of Manhattan, NY
- Hotels and resorts further down sparsely populated southern coast, which extends 500 kilometers, or about 300 miles, south
- Rare coastline



Displaced People

- 10,000 to 30,000
- Small, medium and large homes for relocated residents
- 1,000 homes valued at about 15 million kyat each (about US\$ 19,000)
- Four new villages to serve residents of 21 villages
- Cash compensation

