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# ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>CY</td>
<td>Calendar Year</td>
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<tr>
<td>DFAT</td>
<td>Department of Foreign Affairs and Trade, Australia</td>
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<td>DFID</td>
<td>Department for International Development</td>
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<tr>
<td>EITI</td>
<td>Extractives Industries Transparency Initiative</td>
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<td>FY</td>
<td>Fiscal Year</td>
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<td>GNI</td>
<td>Gross National Index</td>
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<td>ICCP</td>
<td>Investment Climate and Competitiveness Program</td>
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<td>IDA</td>
<td>International Development Association</td>
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<td>IFC</td>
<td>International Finance Corporation</td>
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<td>IGM</td>
<td>Investor Grievance Management</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>JICA</td>
<td>Japan International Cooperation Agency</td>
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<tr>
<td>MDTF</td>
<td>Multi-Donor Trust Fund</td>
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<tr>
<td>NCDDP</td>
<td>National Community-Driven Development Project</td>
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<td>PFM</td>
<td>Public Finance Management</td>
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<tr>
<td>WBG</td>
<td>World Bank Group</td>
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INTRODUCTION

The 2017 Annual Report of the Myanmar Partnership Multi-Donor Trust Fund (MDTF) details progress of the collaboration among the Government of Myanmar, represented by the Ministry of Planning and Finance, and the donor partners: the Australian Government Department of Foreign Affairs and Trade (DFAT); the UK Government Department for International Development of the United Kingdom (DFID); the Kingdom of Denmark; the Republic of Finland; and the World Bank Group, represented by the International Finance Corporation (IFC) and World Bank (IBRD/IDA). The report covers the one-year period, January 2017 to December 2017.

The Myanmar Partnership MDTF is governed by a Steering Committee comprising the Government of Myanmar, the World Bank Group, and heads of agencies of each of the partners. The chair of the Steering Committee is a representative of the World Bank. Since its inception in 2014, the Myanmar Partnership MDTF has had pledges of US$ 168 million from its donor partners. During the course of CY2017, contributions increased to more than twice the amount in any other year, and disbursements rose to a value 10 times the value of the inaugural year, 2014.

This progress underpins the commitment of the Myanmar Partnership MDTF to support Myanmar’s National Development Plan and to enhance the cooperation between the World Bank Group and the donor partners.

The activities financed under the Myanmar Partnership MDTF are categorized under three thematic windows – social development and inclusion, institutional strengthening, and private sector development. These windows give focus and the best possible impact from resources designated to support development in Myanmar. Each of the thematic windows has a working group consisting of a Window Manager from the World Bank Group, technical representatives from each of the development partners, and Task Team Leaders who manage the activities under each of the thematic windows.

The Social Development and Inclusion Window increases social capital and inclusion through participatory local development and service provision. Under this window, the Decentralizing Funding to Schools Project improves and expands Myanmar’s School Grants Program and Student Stipends Program, while at the same time developing transparent and participatory processes and guidelines for implementation and fund allocation. The second most active program in this window, the National Community-Driven Development Project, increases access to and use of basic infrastructure and services through a people-centered approach, currently being implemented in Kayah State.

The Institutional Strengthening Window focuses on improving institutional capacity for (a) effective, efficient, and transparent management of public revenue and expenditure; and (b) enhanced policy formulation and implementation. There are several activities that have been introduced to achieve this outcome, including:

1. Modernization of Public Finance Management improves the efficiency of public service delivery through a more strategic planning and budgeting process that directs resources to the highest priority areas and through a more credible budget management system that delivers resources as intended.
(ii) Extractive Industries Transparency Initiative increases transparency and accountability in Myanmar’s management of extractive industry data.

(iii) Financial Sector Development Program supports the enabling conditions for access to finance and a series of other activities.

The Private Sector Development Window works to reform government-to-business services, promotes inclusive growth, and addresses the vast infrastructure needs in Myanmar. Current activities are geared toward bringing tangible results in business regulation, investment policy framework, corporate governance, economic integration, and trade policy; and to support linkages in key value chains in tourism, agribusiness, and renewable energy.

A Country Gender Action Plan will be developed in the near future. The new Action Plan will be aligned with the World Bank corporate gender strategy with an aim to close gaps in human endowments, remove constraints for more and better jobs, remove barriers to ownership and control of assets, and enhance women’s agency and voice. The outcome of this Country Gender Action Plan would be to identify gender issues, priorities, and actions that are relevant to Myanmar.
KEY RESULTS

SOCIAL DEVELOPMENT AND INCLUSION

THE STUDENT STIPENDS PROGRAM IMPLEMENTED IN

55
OUT OF 330 TOWNSHIPS COVERING ALL STATES AND REGIONS^*

MYANMAR STUDENTS HAVE RECEIVED STIPENDS WORTH

>190K MYANMAR STUDENTS HAVE RECEIVED STIPENDS WORTH

US$ 9.6 MILLION (15 BILLION MMK)

>46K
SCHOOL HEADS IN GOVERNMENT SCHOOLS

>1,540 PARTICIPANTS FROM MONASTIC SCHOOLS

INSTITUTIONAL STRENGTHENING

INCREASED REVENUE FROM COMPLETED SELF-ASSESSMENT

FROM 100 TO 706 LARGE TAXPAYERS

FROM 0 TO 1,523 MEDIUM TAXPAYERS

STRENGTHENED BUDGET CREDIBILITY

REDUCED EXPENDITURE OUT-TURN^*

FROM 25% TO 10% BASED ON THE MEDIUM-TERM FISCAL FRAMEWORK AND ISSUANCE OF CEILINGS

IMPROVED CAPACITY TO AUDIT TAXES

IRD CONDUCTED TAX AUDITS COMPLIANT WITH INTERNATIONAL STANDARDS

20 YEARS

AFTER FINANCIAL RULES AND REGULATIONS WERE UPDATED

IMPROVED BUDGET TRANSPARENCY

8 OUT OF 9 FISCAL DOCUMENTS PUBLICLY RELEASED

PRIVATE SECTOR DEVELOPMENT

US$ 8.4 MILLION

IN COMPLIANCE COST SAVINGS FOR THE PRIVATE SECTOR THROUGH REFORMS

INVESTMENT POLICY REFORM

WORLD BANK GROUP STAR PERFORMER

A RESULTS-BASED APPROACH WAS ADOPTED IN THE PROVISION OF DISTRIBUTED SOLAR ENERGY

PUBLISHED REPORTS:

- PAY, COMPENSATION, AND HUMAN RESOURCE MANAGEMENT REPORT
- PUBLIC EXPENDITURE REVIEW
- MID-TERM FISCAL FRAMEWORK
- POVERTY ASSESSMENT
- FOURTH MYANMAR ECONOMIC MONITOR (DISSEMINATED IN OCTOBER 2017)

FINANCIAL OVERVIEW*

<table>
<thead>
<tr>
<th>US$ MILLIONS</th>
<th>Pledged</th>
<th>Received</th>
<th>Disbursed</th>
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<tr>
<td></td>
<td>168.6</td>
<td>100.0</td>
<td>41.7</td>
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* Compared to Original Approved
^ Cumulative
**CONTEXT**

Myanmar is a lower middle-income economy with a 2017 GNI per capita of US$ 1,455. Strong economic growth translated into a reduction in poverty from 48 to 32 percent between 2005 and 2015. The economy grew at 5.9 percent in FY2016/17 and is estimated to grow at 6.4 percent in FY2017/18, driven by strong industrial performance, particularly in garment manufacturing. Downside risks continue to threaten the growth outlook due to uncertainty about the aftermath of the Rakhine crisis and global economic policy.

The devastation in Rakhine State has added to the complexity of issues impacting Myanmar, where populations in its conflict-affected areas – Kachin, Kayah, Kayin, and Shan – are prone to, if not already suffering from, humanitarian crises. Since the August 2017 crisis in Rakhine State, the Bank has adjusted its country strategy, staying engaged to support Myanmar’s historic transition but with a greater focus on social inclusion and conflict areas, including in Rakhine State. In agreement with the Government, the Bank has increased funding for conflict-affected areas, ensured that nationwide projects have a specific emphasis on conflict and made sure that all operations, where relevant, emphasize social inclusion.

Through the Myanmar Partnership Multi-Donor Trust Fund (MDTF), the World Bank Group has worked closely with partners to promote aid coordination, collaboration, and joint financing of activities that are in line with the national development strategy of the Government of Myanmar. By working in sectors such as education, governance, and private sector development, the Myanmar Partnership MDTF aims to (a) support Myanmar’s transition and implementation of the Government’s Framework for Economic and Social Reform and National Development Plan and (b) enhance cooperation among the World Bank Group and MDTF partners.

For all parties, the Myanmar Partnership MDTF facilitates collaboration, alignment, and leveraging of resources. It aims to enhance efficiency and reduce transaction costs through support to commonly agreed outcomes and results, without establishing separate projects and funding streams.
SOCIAL DEVELOPMENT AND INCLUSION
The Social Development and Inclusion Window continues to promote social inclusion of the poor and vulnerable by empowering people, building cohesive and resilient societies, and making institutions more accessible and accountable to citizens. This window has two active projects: Decentralizing Funding to Schools and National Community-Driven Development Project (NCDDP).

### DECENTRALIZING FUNDING TO SCHOOLS PROJECT

The Decentralizing Funding to Schools Project works with the Ministry of Education to improve access to quality education throughout Myanmar. The School Grants and Student Stipends Programs were initiatives of the Government of Myanmar and had been implemented prior to inception of the Myanmar Partnership MDTF. The MDTF partners recognized the potential of these programs and worked with the Ministry of Education to strengthen them.

This collaboration took the forms of (a) formalizing the structure; (b) developing transparent and participatory processes and guidelines for implementation and fund allocation; (c) collecting and systematically using administrative data to inform implementation; and (d) expanding the scale and scope through the allocation of more financial resources.

In parallel, the project contributed to putting in place the foundations for defining learning standards in literacy and numeracy for the early grades and measuring
whether children are mastering these. The internationally recognized Early Grade Reading Assessment Tool and Early Grade Math Assessment Tool were adapted to the Myanmar context and language(s), and four rounds of data were collected. By building on existing programs, the Decentralizing Funding to Schools Project is fully integrated within Ministry of Education operations, resulting in strong government leadership and ownership, and sustainability.

The World Bank Group continues to provide technical assistance to the Ministry of Education. In 2018, this assistance focuses on preparing the Additional Financing to the Decentralizing Funding to Schools Project and supporting the implementation of the new teacher mentoring program in 80 townships, working with the Ministry of Education to improve safeguard processes and instruments, and producing reports on the impact of the stipends on education outcomes and early learning assessment.

REDUCING DROP-OUT OF THE MOST VULNERABLE CHILDREN

Analysis of two rounds of survey with 1,800 stipend applicants (recipient and non-recipient) indicates that the School Grants and Student Stipends Programs are mostly reaching the poorest and most vulnerable students and have led to significant positive impact on education outcomes.

The survey covered a sampling of 10 townships. Surveyed stipend recipients reflect the following features about these students:

- **6** to **9%** Less likely to drop out in Grades 5 and 6
- **5** to **8%** More likely to transition to Grade 6
- **25%** Less likely to be absent
- **26%** Less time spent on domestic tasks
- **8%** More likely to report being very happy at school
- **5** to **6%** Caregivers more likely to expect the student to continue their education up to Grade 11
Key Achievements:

- All government and registered monastic schools have received school improvement funding.
- School heads from government schools: 46,467.
- School heads from government schools + participants from monastic schools: 46,468.
- 99% of the recipients have prepared a school improvement plan.
- Early grade math assessment data was collected in.
- The student stipends program implemented in.
- 198 schools from >3,500 students.
- 55 out of 330 townships covering all states and regions^.
- 192,586 students registered to receive stipends in 2017-18.

^ Cumulative
The National Community-Driven Development Project seeks to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach. Implemented by the Department of Rural Development of the Ministry of Agriculture, Livestock and Irrigation, the project has at its core an annual transfer of community grants from the union government to village tracts within the 63 townships participating in the NCDDP.

For equity purposes, all village tracts within townships receive four cycles of these annual grants, with prioritization and decision on use of resources in the hands of the communities. The NCDDP has trained facilitators who work with communities to prioritize needs and prepare village development plans, as well as to provide technical support to communities in subproject implementation as needed.

The NCDDP includes a particular focus on bringing women, minorities and marginalized groups into community decision-making processes, and includes provisions to ensure representation of women in leadership positions and gender equity throughout the implementation process. Eighty percent of NCDDP subprojects are hands-on constructions by communities themselves and typically include small feeder roads, foot-paths and bridges, small dykes, drinking water systems, rehabilitation of class rooms and health centers, and small-scale rural electrification.

Since November 2013 when the project began implementation in three townships, it has expanded annually to include new townships. The overall funding for the NCDDP comes to US$ 554 million, with contributions from the Government of Myanmar, US$ 400 million in IDA credit, US$ 80 million in IDA grants, as well as concessional and grant financing from the Government of Italy.

In May 2017, the Myanmar Partnership MDTF agreed to add US$ 5.3 million to the NCDDP. With this contribution, the Project was able to expand by directly supporting community investments in all townships in Kayah State through the allocation of community block grants. In addition, a contribution was made to support World Bank-executed policy and analytical activities that aid the effectiveness of scaling up and mainstreaming of the NCDDP approach. The analysis will include lessons learned from the implementation of the NCDDP and a better understanding of key policy issues through strategic research.
INSTITUTIONAL STRENGTHENING
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>IMPLEMENTING PARTNER</th>
<th>OBJECTIVE</th>
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<tbody>
<tr>
<td>Modernization of PFM Project</td>
<td>Ministry of Planning and Finance</td>
<td>Support efficient, accountable and responsive delivery of public services through modernization of PFM systems and strengthening institutional capacity.</td>
</tr>
<tr>
<td>Implementation Support for PFM</td>
<td>World Bank</td>
<td>Support and coordinate with MDTF partners on PFM reforms and support program implementation and assist in linking social accountability initiatives with government reform program. Provide targeted analytical work on PFM reforms and period evaluation of the project.</td>
</tr>
<tr>
<td>Public Administration Performance</td>
<td>World Bank</td>
<td>Support the Government in reforming public administration for service delivery including pay, compensation and human resource management review; civil service reform; subnational public expenditure review; and beneficiary engagement.</td>
</tr>
<tr>
<td>Macro-Fiscal Program</td>
<td>World Bank</td>
<td>Economic policies of the Government informed by quality and timely macro-fiscal analysis and technical assistance.</td>
</tr>
<tr>
<td>Analysis for Better Public Spending</td>
<td>World Bank</td>
<td>Strengthen the use of evidence in policymaking and oversight in Myanmar.</td>
</tr>
<tr>
<td>Financial Sector Development Program</td>
<td>World Bank</td>
<td>Expand access to finance by helping to build and strengthen Myanmar’s financial systems through:</td>
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<tr>
<td></td>
<td></td>
<td>(a) Modernizing the Central Bank of Myanmar,</td>
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<td></td>
<td></td>
<td>(b) Restructuring state-owned banks,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(c) Building microfinance and insurance regulatory and supervisory capacity</td>
</tr>
<tr>
<td>Myanmar EITI</td>
<td>Ministry of Planning and Finance</td>
<td>Increase transparency and accountability in Myanmar’s management of extractive industry data, revenue, and impacts.</td>
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The Institutional Strengthening Window aims to fortify core government functions; enhance transparency, accountability and effectiveness in the management of revenue and expenditure; and increase access to high-quality financial services. The Government of Myanmar recognizes that improving management of public finances will be a long-term commitment that is vital to keeping the reform process on track in order to bring lasting social change and shared prosperity to its citizens. The Myanmar Partnership MDTF supports this goal through the following activities under this window: Public Finance Management (PFM); Financial Sector Development; Pay, Compensation and Human Resources Review; Extractives Industries Transparency Initiative (EITI); Myanmar Macro-Fiscal Program; and Analysis for Better Public Spending.

MODERNIZATION OF PUBLIC FINANCE MANAGEMENT PROJECT

The Modernization of Public Finance Management Project aims to improve the efficiency of public service delivery through a more strategic planning and budgeting process that directs resources to the highest priority areas, and through a more credible budget management system that delivers resources as intended. The Project activities are embedded within existing Government structures and carried out under government leadership and supervision with technical assistance provided by the World Bank Group. The Modernization of PFM Project is being implemented by the Ministry of Finance, the Ministry of National Planning and Economic Development, the Public Accounts Committee, and the Office of the Auditor General. The Project also works to help improve accounting and reporting of budget execution – how public resources are spent – and to strengthen accountability for service delivery.
The Myanmar tax policy and administration suffered from legacy issues and had not been modernized and changed over the years. Tax collection remained low at around 3-4 percent of GDP in 2012. The Modernizing PFM Project has supported “improving revenue mobilization and strengthening tax administration” since 2014 with a move from the official assessment system to the self-assessment system, setting up of a Large Taxpayers Office, reorganizing the Internal Revenue Department headquarters to strengthen efficiency and transparency of tax operations, and supporting the introduction of information technology infrastructure for the Internal Revenue Department. The Medium Taxpayer Office also introduced the self-assessment system in July 2017. The introduction of the self-assessment system is expected to further expand the tax base and increase the tax collections.

**Other reform interventions and design strategy**

**Improved capacity building.** The Modernizing PFM Project supports the international tax audit advisor, who is helping the Internal Revenue Department staff to streamline the self-assessment process and functions and undertake tax audits in the Large Taxpayers Office. These actions have resulted in increasing revenue collections. The advisor also provides on-the-job training for both the Large and Medium Taxpayer Offices staff, including senior officers and audit team leaders, on conducting tax audits and understanding the audit process manual.

**Strengthening information technology infrastructure and systems.** Two mini data centers were provided to Internal Revenue Department offices in Yangon and Nay Pyi Taw for general office automation and to support the Integrated Tax Administration System.

**The results**

Significant interim results have been achieved. About 75 detailed tax audits were conducted in 2017 leading to the collection of outstanding debts. About 700 large taxpayers and 1,520 medium taxpayers completed a self-assessment in 2017. The turnover reported by the taxpayers through their tax returns had shown an increase of 60 percent from FY2013-14 to FY2016-17. Large Taxpayers Office’s tax revenue-to-GDP ratio showed a consistent increase, 1.51 percent in FY2015-16, 2.95 percent in FY2016-17, and 3.15 percent in FY2017-18.

Between FY2016-2017, the tax-to-GDP ratio rose to 8.03 percent. However, the ratio is much lower than the average for other lower middle-income countries. The Government of Myanmar aims to raise the ratio to over 15 percent of GDP. Achieving these levels of tax collection requires addressing the weaknesses in the tax administration system and practices that lead to low tax collection. These weaknesses include lack of a tax-paying culture, limited availability of data and information on tax bases, dated tax rules and procedures, low capacity in the tax administration, inadequate technology infrastructure and systems, and high level of corruption.
MODERNIZATION OF PUBLIC FINANCE MANAGEMENT
PROJECT KEY ACHIEVEMENTS

- Improved Budget Transparency
  - 8 out of 9 Fiscal Documents Publicly Released

- Improved Oversight of Audit Reports
  - For the first time, Joint Public Accounts Committee reviewed the Union Audit Report of FY 2015-16. The recommendations are now publicly available.

- Strengthened Budget Credibility
  - Reduced Expenditure Out-turn*
    - From 25% to 10%
    - Based on the Medium-Term Fiscal Framework and Issuance of Ceilings

- Transparency of Procuring Large Items
  - Tender Rules and Procedures Were Introduced

- Improved Capacity to Audit Taxes
  - IRD Conducted Tax Audits Compliant with International Standards.

- Increased Revenue from Completed Self-Assessment
  - After 20 Years
    - From 100 to 706 Large Taxpayers
    - From 0 to 1,523 Medium Taxpayers

- Improved Capacity to Prepare Union Audit Report
  - Staff received training on International Public Sector Accounting Standards with an objective to improve their ability to produce timely comprehensive audit reports

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* Compared to Original Approved
PUBLIC ADMINISTRATION PERFORMANCE PROGRAM

The Public Administration Performance Program is comprised of civil service and service delivery reforms with a special focus at subnational level. Under civil service reform, a review of pay, compensation, and human resources was undertaken. In service delivery, the third public expenditure review is underway to ascertain where and how government monies are being spent.

The Pay, Compensation, and Human Resource Management Review began as a request in 2015 from the Ministry of Planning and Finance to the World Bank for technical support to undertake a study to establish a robust analytical and empirical basis to inform compensation and human resource management reforms. The capable performance of Myanmar’s public sector depends critically on knowledge and skills of its civil service. The quality of the civil service depends, in turn, on an efficient compensation and human resource management system that is able to attract and retain qualified personnel. This will be crucial to the functioning of Myanmar’s public sector in particular, and to Myanmar’s development trajectory more broadly.

In January 2016, the Union Cabinet established the Inter-Ministerial Committee to oversee the Pay, Compensation, and Human Resource Review. The Government of Myanmar and the World Bank jointly conducted the review during 2017. The full review report will be released in 2018 with follow-up recommendations. A hardship policy review note will also be prepared. New activities recommended from the Review include a policy note on digital identification for employees and a mainstreamed payroll system with the Ministry of Education.

PAY, COMPENSATION, AND HUMAN RESOURCES MANAGEMENT KEY ACHIEVEMENTS

- Reviewed current pay, compensation, and human resource management with the Government
- Conducted functional review of the Ministry of Commerce, including recommendations for civil service reform
- Provided project screening manual and tool in April 2017 to support Myanmar Development Institute screening of proposals
- Piloted phone-based beneficiary engagement innovations were launched with Bago Region Government, Ministry of Electricity and Department of Rural Development
- Shared policy notes on (i) government hardship area financial benefits policy and (ii) proposed human resource management information systems
- Smart phone-based project monitoring tools being mainstreamed with the Project Appraisal and Progress Reporting Department of the Ministry of Planning and Finance
The Financial Sector Development Program aims to expand access to finance in Myanmar by (a) reforming and modernizing state-owned banks; (b) updating financial rules, regulations, and supervisory capacities; and (c) supporting the institutional capacity of the Ministry of Planning and Finance and Central Bank of Myanmar to exercise oversight of the financial system.

Myanmar’s financial system is one of the least developed in the world. As a result, firms and households overwhelmingly lack access to basic financial services such as credit, savings, insurance, and payments. According to the World Bank’s Global FINDEX database, only 26 percent of adults have access to an account at a formal financial institution.

Lack of financial access is also a major obstacle for firms — of all sizes and across sectors. The 2014 Myanmar Investment Climate Assessment reported the lack of access to finance was the most frequently identified obstacle to doing business in Myanmar, more than access to land (21.3 percent), electricity (16.9 percent), and a skilled workforce (9.5 percent). Without access to a full range of services, firms are unable to expand their operations and invest adequately in new technologies. Ultimately, this limits job creation, particularly by small and medium-size enterprises that make up approximately 90 percent of Myanmar’s private sector and are a large source of employment.

Against this background, Myanmar’s financial system is undergoing a rapid transformation. The Government of Myanmar is implementing a wide range of reforms to transform a small and closed financial system that only serves a limited number of clients and make it into an open, modern, and more inclusive financial system. The project is expected to expand access to finance in Myanmar by helping to build and strengthen Myanmar’s financial systems. The program involves an integrated and comprehensive approach that centers around the following three pillars:

(a) Modernizing the Central Bank of Myanmar
(b) Restructuring state-owned banks
(c) Building microfinance and insurance regulatory and supervisory capacity.

All of the activities will be carried out in close collaboration with the relevant authorities and other donors.

**FINANCIAL SECTOR DEVELOPMENT KEY ACHIEVEMENTS**

- Support given to the Central Bank of Myanmar in the completion and issuance of 5 out of 12 prudential regulations by the Central Bank of Myanmar following the newly effective Financial Institutions Law
- Guidelines issued enabling microfinance institutions to borrow domestically and abroad; liberalizing savings regime; and increasing minimum capital requirements for deposit- and non-deposit-taking microfinance institutions
- Gap analysis completed of the banking network system of the Central Bank of Myanmar to ensure efficient automation of its operations
- Training conducted for both microfinance and insurance sectors, including on-the-job, onsite inspection for risk-based supervision
- A roadmap was prepared and submitted to Ministry of Planning and Finance for insurance sector liberalization
- Special diagnostics completed for the state-owned banks
The Extractives Industries Transparency Initiative (EITI) Project gained attention in December 2012 when the Government of Myanmar announced its intention to join EITI in the interest of introducing transparency in revenue management and the strengthening of natural resource governance.

Myanmar has abundant natural resources, which includes petroleum, minerals, gemstones, hydropower, and timber. Weak management and lack of transparency in the extractive industries have contributed to poverty, inequality and conflict.

The reform process has given rise to the expectation that resources can be better managed to leverage broad-based economic and social development. The country became an EITI candidate in July 2014. The EITI Multi-Stakeholder Group was officially created in February 2014 and agreed to the first EITI work plan in April 2014. The work plan called for publication of an annual report of revenue collected from the oil, gas, and mining industry. Comprehensive dissemination and capacity-building activities were also envisaged. The first EITI Reconciliation Report was produced in January 2016.

In 2017, the implementation arrangements of the Myanmar EITI were confirmed, including the Multi-Stakeholder Group, a National Coordination Secretariat with personnel from the Renaissance Institute, and an administrative office in the Ministry of Planning and Finance.

Ongoing activities include the preparation of Myanmar’s second EITI Reconciliation Report and a separate Forestry Sector Reconciliation Report (to be completed in 2018).

Work commenced on digitization of the mineral license registry.
The publication in January 2016 of the first Extractive Industries Transparency Initiative (EITI) Report was a landmark achievement in Myanmar’s transition toward democracy and transparency. The Report reconciled government revenue from oil, gas, and mining operations. The EITI Multi-Stakeholder Group of representatives from civil society, private sector, and government promoted public disclosure of and debate about the country’s inherent riches. However, with the change of government in spring 2016, the Multi-Stakeholder Group was effectively dissolved. Once touted as an example of progress toward improving government operations with more responsible resource management, Myanmar’s EITI edged nearer collapse with each passing month after installation of the new government in 2016. No Multi-Stakeholder Group meetings were held between March and December of 2016.

The transition and competing leadership priorities had stalled the process to bring Myanmar’s handling of its vast wealth of oil, gas, gems, forests, and minerals in line with international standards. In the absence of a functioning Multi-Stakeholder Group, implementation delays turned into paralysis. Stakeholders warned of dire consequences, including the possible demise of Myanmar’s EITI process if international deadlines were not met. Uncertainty and frustration could have led to risk aversion and disengagement. Instead, the World Bank and Myanmar Partnership MDTF played key roles in restarting the EITI process and mitigating setbacks. With support from DFID and DFAT, the World Bank task team continued working on whatever could be done in the absence of a functioning Multi-Stakeholder Group. In parallel, the United States Government engaged in policy reforms of the gems and jade industry.

Throughout 2016, DFAT, DFID, the United States, and the World Bank met regularly to evaluate the project paralysis and focus on collaborative efforts to keep alive the reform effort. This included developing several versions of common talking points. The partners raised these points as often as possible, ensuring that high-level meetings included frequent references to Myanmar EITI.

This approach, supported by the Development Assistance Coordination Unit, created momentum that led to high-level government decisions allowing the Myanmar EITI process to resume. In December 2016, the Cabinet appointed a Leading Authority comprised of ministers from the Ministries of Planning and Finance, Natural Resources and Environmental Conservation, and Power and Energy. This cleared the way for the re-establishment of the Multi-Stakeholder Group and for eventual signing of a critical grant from the Myanmar Partnership MDTF. The Multi-Stakeholder Group reconvened in March 2017.

The lengthy stall in the EITI process highlighted the vulnerability of reforms but also demonstrated the importance of regular, candid communication and joint approaches in response to serious implementation challenges. In short, mutual support works.
MYANMAR MACRO-FISCAL PROGRAM

The Myanmar Macro-Fiscal Program supports policy and institutional actions under the Government’s economic policy priorities, which are critical to modernizing economic management and building an effective state. These priority actions include macroeconomic stability, which is a precondition to sustainable and inclusive growth. It also includes measures to enhance fiscal resilience, which is critical to creating and sustaining fiscal space for public service delivery and poverty reduction.

The Government released its economic policy priorities at the end of July 2016. The policy priorities include (a) national reconciliation and unity around a federal and democratic system of government; (b) equitable development across states and regions; (c) creation of economic opportunities for the youth of the nation; and (d) sustainable and inclusive growth through innovation and people-centered development.

MYANMAR MACRO-FISCAL PROGRAM KEY ACHIEVEMENTS

- Second joint Public Expenditure Review completed with Ministry of Planning and Finance on increasing fiscal space
- Fourth Myanmar Economic Monitor completed and disseminated October 4, 2017
- Workshop conducted and policy note drafted on options for interest rate liberalization for Central Bank of Myanmar and Ministry of Planning and Finance
- Two rounds of workshops held in May and August 2017 with participants from all union-level government departments on how to submit their budget proposals electronically
The Analysis for Better Public Spending Project addresses Myanmar’s lack of a well-established tradition of using evidence to inform public policy. Data in Myanmar has typically been viewed as a monitoring tool to report progress toward a target rather than as a means to provide information to guide public policies and priorities. Due to the incentive structures in place in previous decades, the Government’s incentive to accurately report progress was severely diminished, further reducing confidence and investment in the statistical system. Even today, data is rarely analyzed prior to a policy reform or used to inform debate. With such a limited use of data in public space, the quality of data has suffered. However, the space for debate and use of evidence in policy-making has opened since the transition.

The Analysis for Better Public Spending Project addresses these issues through three key strategies:

• Building the foundations for better quality data.
  The task team provides technical assistance to the Central Statistical Organization to improve data production. The engagement focuses on priority support areas that are needed for the statistics system to produce better-quality, more accurate, and regular statistics for use by policymakers.

• Generating and sharing policy-focused analysis.
  Analytical services, using the data that has been collected, will help to inform policymaking and public spending decisions. Activities are carried out in a manner that builds data analysis capacity within government.

• Strengthening data literacy.
  The Project includes activities to increase the demand for better quality data by supporting key users, including decision-makers, researchers, and civil society organizations, to better understand and use available data.

**ANALYSIS FOR BETTER PUBLIC SPENDING KEY ACHIEVEMENTS**

- Policy note on health expenditures completed, feeding into National Health accounts discussions
- Action plans for the National Strategy for the Development of Statistics were developed with the Central Statistical Office, in consultation with all statistics units across 20 government departments
- Joint Poverty Assessment in 2015 with the Ministry of Planning and Finance included a new poverty measure that reflects the needs of the poor
PRIVATE SECTOR DEVELOPMENT
### PRIVATE SECTOR DEVELOPMENT

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>IMPLEMENTING PARTNER</th>
<th>OBJECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Regulatory Reform</strong></td>
<td>IFC</td>
<td>Improve the business environment in Myanmar by supporting sustainable business regulatory and legal reforms as well as strengthening the advocacy role of the private sector.</td>
</tr>
<tr>
<td><strong>Investment Policy</strong></td>
<td>IFC</td>
<td>Improve Myanmar’s investment policy, including the legal and regulatory framework to strengthen investor protections, streamline investment entry procedures, and improve the investment incentive regime.</td>
</tr>
<tr>
<td><strong>Strengthening Economic Integration and Trade Policy</strong></td>
<td>World Bank</td>
<td>Strengthen the capacity of Myanmar’s institutions to formulate and implement trade-related reforms and activities to effectively use trade as a driver to reduce poverty and promote shared prosperity.</td>
</tr>
<tr>
<td><strong>Agri Inputs</strong></td>
<td>IFC</td>
<td>Increase incomes and improve productivity and quality in Myanmar’s agricultural sector by removing legal and regulatory obstacles, developing quality standards for export commodities and local food processing, and developing skills related to the use of agricultural inputs.</td>
</tr>
<tr>
<td><strong>Tourism</strong></td>
<td>IFC</td>
<td>Support planning, development and management of tourism assets at destinations; support legal and regulatory reforms; build skills in tourism sector and ensure women’s participation.</td>
</tr>
<tr>
<td><strong>Lighting Myanmar</strong></td>
<td>IFC</td>
<td>Support international and Myanmar-based companies to create a sustainable market for high-quality off-grid energy solutions, including solar lanterns, solar home systems and potentially mini-grids.</td>
</tr>
<tr>
<td><strong>Improving Corporate Governance</strong></td>
<td>IFC</td>
<td>Improve Corporate Governance practices in Myanmar by building awareness, increasing the capacity of corporate governance training firms and private sector associations, and partner with the Securities and Exchange Commission to increase their capacity to lead corporate governance supervision and regulation.</td>
</tr>
</tbody>
</table>
The Private Sector Development Window aims to strengthen the private sector by working with the government to reform government-to-business services, promote inclusive growth and address the vast infrastructure needs of Myanmar. Current activities work to improve: Business Regulatory Reform; Investment Policy Reform; Economic Integration and Trade Policy; and to support linkages in Key Value Chains including Tourism; Agribusiness; Renewable Energy and Corporate Governance. In the last quarter of 2017 a greater focus was placed on incorporating gender-specific activities across relevant projects under the PSD Window.

Developing a dynamic private sector is an important pathway for Myanmar to sustain structural changes that lead to poverty reduction and shared prosperity. Enabling the private sector in Myanmar to respond effectively to market opportunities will not only create the jobs needed to reduce poverty but also bring gains associated with better allocation of resources.

Under the Private Sector Development window, the Investment Climate and Competitiveness Program (ICCP) has been designed to incorporate analytical soundness and benefits from existing and ongoing WBG diagnostics, including the Investment Climate Assessment, Doing Business and the Diagnostic Trade and Integration Study (DTIS) as well as from ongoing advisory programs aimed at improving the investment climate and investment policy.

**BUSINESS REGULATORY REFORM**

The aim of this activity is to develop an enabling regulatory business environment for private sector development and strengthen the advocacy role of the private sector. During the reporting period, IFC continued to provide technical assistance to the government, including to the Trade and Business Promotion Task Force, as well as technical assistance to the private sector through the Myanmar Business Forum (MBF). The secretariat for the MBF, a function previously provided by IFC, was handed over to the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) with resources redeployed to supporting the Doing Business Working Groups. Technical assistance was also provided to the Yangon City Development Committee (YCDC) to work towards streamlining construction permits and industrial licensing processes.
INVESTMENT POLICY

This component is assisting the Government of Myanmar to attract private sector investment by working to improve Myanmar’s investment policy through improving the legal and regulatory framework to strengthen investor protections; streamlining investment entry procedures; and improving the investment incentive regime.

During the reporting period the project focused on finalizing by April 2017 the legal frameworks to support the New Investment Law that was enacted in October 2016. These frameworks included New Investment Rules, implementing regulations and procedures. The project is now shifting its attention to finalizing an Investor Grievance Mechanism; reviewing and supporting introduction of standard operating procedures for the implementation of the new law and regulations in State and Regional Investment Committees.

INVESTMENT POLICY KEY ACHIEVEMENTS

In October 2017, the Directorate of Investment and Company Administration (DICA) was recognized for its commitment to investment policy reform, receiving the Star Reformer Award at the World Bank Group Investment Competitiveness Forum in Vienna.

BUSINESS REGULATORY REFORM KEY ACHIEVEMENTS

ADDITIONAL

US$ 8.4 MILLION

In annual compliance cost savings for reforms attributed to time and cost reductions for starting a business, under the coordination of the Trade and Business Promotion Task Force [TBPTF] and advocated by the Myanmar Business Forum (MBF). To date the project has achieved a total of $12.4 million in cost savings and is on track to exceed the planned compliance cost savings target of $13.6 million from business regulatory reforms

A number of reforms that had been advocated for by the Myanmar Business Forum (MBF) were approved by the Government. These reforms include a considerable reduction in the stamp duty fees (over 60% in average) and a reduction/elimination of tax rates (Commercial Tax from 25% to 5% and Export Tax from 8% to 0%). The Ministry of Commerce (MOC) also issued two new notifications eliminating the need to obtain an Export or Import Permit for 926 products

A legal review and process mapping of the current construction permit procedures were presented to the Yangon City Development Committee. A work plan for process reform and automation was prepared for YCDC’s consideration

BUSINESS REGULATORY REFORM KEY ACHIEVEMENTS

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INVESTMENT POLICY KEY ACHIEVEMENTS

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The enactment of the Investment Law and implementing rules marked a significant milestone in government-led investment policy reforms by underscoring the importance of frank and inclusive consultations throughout the process. The Myanmar Partnership MDTF, through IFC’s implemented Private Sector Window, played an integral role in supporting these efforts to improve Myanmar’s investment climate.

Throughout the process of preparing this new legal and regulatory framework, there was interest and input from all stakeholders. More than 200 pages of written comments from the private sector, civil society, and development partners were submitted to the Directorate of Investment and Company Administration during the Investment Law consultation period. These comments were summarized and shared with participants at consultation meetings that took place as part of the Investment Law preparation process.

At the same time the Directorate frequently posted drafts of the laws and implementing regulations on its website and welcomed written comments at any time. This openness to sharing early drafts of both the law and implementing rules provided the business community and civil society a good platform for providing comments and suggestions.

The Director General of the Directorate of Investment and Company Administration and the drafting team participated in 10 consultation meetings, including several with civil society organizations. In these meetings, they fielded questions and explained the drafts of the proposed law and implementing rules. This openness to consultation was identified by media outlets, such as The Economist, and was referenced frequently by meeting participants and civil society.

This process reaffirmed the importance and benefit of frequent and early consultations during a reform process. Even though the Investment Law was largely prepared during the period of the previous government, the fact that there had been significant consultation and agreement on various drafts resulted in the new government moving more quickly to adopt the new legislation. The consultation process had confirmed the importance of this policy reform while also ensuring a broad consensus on the content of the new legal framework.

The implementing rules were prepared with due consultation by the new government, adhering to the principles of the law. The result has been broad satisfaction with the overall investment policy framework, evidenced by positive media reports and commentary from legal professionals and the business community.
STRENGTHENING ECONOMIC INTEGRATION AND TRADE POLICY

Through the Strengthening Economic Integration and Trade Policy intervention, ICCP is supporting the government to improve trade facilitation and connectivity to market, both of which are currently extremely costly and limited. The intervention is also supporting the government to identify reforms needed for enterprise development. The capacity of Myanmar’s institutions to formulate and implement trade-related reforms and activities is being strengthened so that trade can be used effectively as a driver to reduce poverty and promote shared prosperity.

STRENGTHENING ECONOMIC INTEGRATION AND TRADE POLICY KEY ACHIEVEMENTS

- Provided input into the Ministry of Commerce’s Medium-Term Program for trade development, which set out the government’s strategy for coordination of technical assistance on trade
- Supported Myanmar’s compliance with the World Trade Organization’s (WTO) Trade Facilitation Agreement, including a reform facilitating the MOC’s exit from valuations in the import licensing process, speeding up processes for business

AGRI INPUTS

The Agri Input Reform Project is working with government and private sector to improve productivity, increase incomes and improve quality in the agricultural sector through legal and regulatory reform, the development of quality standards for key export commodities, and upskilling farmers and regulatory authorities in the use of agricultural inputs and improved quality standards.

Key activities include assisting the government to develop and implement seed certification and licensing regulations to enhance the role of the private sector, supporting the introduction of risk-based inspections processes, facilitating the establishment of quality standards for Myanmar’s primary agricultural export crops, and supporting the government establish Myanmar Good Agriculture Practices and building the capacity of farmers with implementation.
TOURISM

The Myanmar Tourism activity is a new activity for 2017 and is focused on the Inle Lake and Myeik Archipelago tourist destinations with an emphasis on strengthening destination management and sustainable development of these destinations. The project is also supporting the Ministry of Hotels and Tourism to review the existing legal and regulatory bottlenecks that discourage the growth of the industry and supporting private sector capacity development.

KEY ACHIEVEMENTS IN TOURISM

- Stakeholder engagement of key tourist sites at Inle Lake and Myeik Archipelago completed as part of the foundations for a Destination Management Organization (DMO)

- Supported the formation of a new women entrepreneur’s organization at Inle Lake, with the aim of building a united community of businesswomen, help educate and empower women as individuals and leaders, and build supportive professional relationships. The Inle Professional Women’s Network (IPNET) held its first meeting in October 2017

AGRI INPUTS KEY ACHIEVEMENTS

- Held regional and national consultations on Seeds Regulation in Yangon, Nyaungshwe, Mandalay and Nay Pyi Taw with the private sector, resulting in recommendations for the National Seeds Committee to improve and streamline regulations

- IFC signed a cooperation agreement with Ministry of Agriculture and Irrigation (MoALI) in August 2017 to supported the launch of the Myanmar Good Agriculture Practice (GAP) protocols for 15 crops including tomatoes, rice, mango and sesame seeds. The project aims to support the implementation of Myanmar GAP, starting with a pilot for tomato farmers at Inle Lake

- Supported the review of the Myanmar rice standards by working closely with the Myanmar Rice Federation. The first rice conference was held in Yangon as a forum to discuss opportunities and challenges for Myanmar’s rice exports
LIGHTING MYANMAR

The Lighting Myanmar project is supporting the private sector through in-depth market analysis, consumer education, business development, and policy support to create a sustainable commercial market for quality solutions for off-grid energy users. Working primarily at a market-level with companies, it is an integral part of the Myanmar Government’s National Electrification Plan (NEP), and complimentary to a $400 million World Bank loan program for increasing energy access in Myanmar.

This project aims to increase access to modern energy and associated services for 4 million people (approx. 7 percent of the population) or 800,000 households in Myanmar by the end of the post-implementation period.

LIGHTING MYANMAR KEY ACHIEVEMENTS

Piloted results-based financing (RBF) program as an alternative to the Department of Regional Development’s existing off-grid solar program. This was a significant success in moving towards a more market-based approach and in signaling to the private sector that market potential in Myanmar remains strong.

IMPROVING CORPORATE GOVERNANCE

The project is focused on building awareness on the importance of corporate governance and building capacity for Myanmar’s companies and other stakeholders to improve their corporate governance practices. The program is aiming to build local capacity by supporting the establishment of a Myanmar corporate governance institute and developing a local group of trainers to provide ongoing corporate governance training. The program is partnering with the Securities and Exchange Commission of Myanmar (SECM) to build the commission’s capacity to lead corporate governance supervision and regulation.

Organized pilot consumer education and marketing events in Bago Region and Nay Pyi Taw Region, in partnership with Lighting Myanmar retailers. These events will be used to design a comprehensive consumer education program in regional areas to be rolled out during 2018.
Organized the Women in Business and Leadership Development Conference in November, in partnership with AustCham Myanmar. The conference, aimed at creating opportunities for women in business and leadership positions in Myanmar and as a platform for sharing knowledge and experience from current women leaders, was attended by 560 people.

Provided support to Women Corporate Directors (WCD), the world’s largest community of women corporate board directors to launch its Myanmar Chapter.

Provided two-day Training of the Trainers Program for officials from Myanmar’s regulatory agencies on how to use the IFC developed Corporate Governance Scorecard to assess the governance practices of Myanmar companies.

Engaged in the third roundtable discussion validating the concept and establishing a taskforce to prepare for the launch of Myanmar Institute of Directors.
CROSS CUTTING
CROSS CUTTING – ADDRESSING GENDER INEQUALITIES

The Myanmar Partnership MDTF does not identify gender as a separate strategic area, but rather seeks to integrate an awareness of gender inequalities throughout its programs. The Myanmar Partnership MDTF’s desired outcome is to deepen Myanmar’s engagement on gender inequalities, shifting the focus to measurable results.

In so doing, the activities in the program will align with the East Asia and the Pacific Regional Gender Action Plan, “Toward Gender Equality in East Asia and the Pacific”. The action plan aligns with the main objectives of the World Bank corporate gender strategy: (a) closing gaps in human endowments, as reflected in health and education outcomes; (b) removing constraints for more and better jobs; (c) removing barriers to ownership and control of assets with a focus on land, housing, financial services, and agricultural supply chains; and (d) enhancing women’s agency and voice, including support for gender diversity in leadership positions, and efforts to prevent and reduce gender-based violence.

It is expected that a Country Gender Action Plan will be developed shortly. The outcome of the Country Gender Action Plan would be to identify gender issues, priorities, and actions that remain critical to Myanmar.

KEY ACHIEVEMENTS IN GENDER

Gender Equality Module delivered as part of the Customs Executive Leadership Courses conducted in Nay Pyi Taw in October 2017
When the NCDDP came to my village, my community suggested me to work for the monitoring and evaluation sub-committee. I became a member of the project’s committee and I came to realize the important role of women by participating in trainings and discussions of the project. Also, I have been able to support other community work as much as I can. Through these experiences, a thought came to mind which led me, a single mother, to find a way to support my family.

I owned a motorbike and I could ride it very well. I decided to work as a motorbike taxi driver. Traditionally, the community thought of that profession as solely a man’s territory. Now, because of the CDD project, I think differently. I’m currently earning a regular income, ranging from 5,000 Kyats (around USD 3.8) to 6,000 Kyats (around USD 4.6) per day.

This is because of the mindset change through the NCDDP, for which I thank the project. I suggest that women like me do not need to feel small, but rather lead by participating in the CDD project in any possible way they can, for the development of our own community.
FINANCIAL STATUS
The following section of the Annual Report details the financial trends over the past three calendar years (CY2014 to CY 2017). The CY2017 was noteworthy in that contributions increased to more than twice the amount of any other year, and disbursements rose to a value ten times the value of the inaugural year. The current disbursement rate is 41 percent; this is expected to increase in the next calendar year as new activities begin and several large procurements are completed for the Institutional Strengthening Window. As of December 31, 2017, the Myanmar Partnership Multi-Donor Trust Fund had enough funding to finance its planned projects and activities.

**FINANCIAL TRENDS (CY2014 – 2017)**

The following is a synopsis of all donor pledges to the Myanmar Partnership Multi-Donor Trust Fund from inception to December 2017 by calendar year and in total.

The amount pledged in CY2017 doubled what had been the highest amount pledged in previous years. As of December 2017, the total amount pledged was US$ 104.1 million. In CY2017, US$ 45.3 million had been pledged. Prior to that, the largest pledge amount was US$ 20.3 million in 2014. Figure 1 represents the amount pledged per year with a red line representing the total amount pledged from inception to the respective calendar year.

Several factors contributed to the increase in pledges for CY2017. DFAT and Denmark nearly doubled their contributions in CY2017 compared to previous years. DFID pledged a quarter more than it pledged in CY2016. Finland became a new donor with an initial contribution of US$ 0.5 million for CY2017. Figure 2 shows a breakdown by year with a running total for each of the partners.
The amount pledged is identical to the amount received for pledges made by DFAT, Denmark and Finland. For example, DFAT pledged US$ 13.7 million in CY2015 and the World Bank Group has received US$ 13.7 million. The amount received compared to the amount pledged is slightly less in the case of DFID. In CY2016, for example, DFID pledged US$ 9.2 million, and only US$ 5.5 million has been received. This is because DFID utilizes a needs-based method for disbursing their funds to the World Bank Group. Figure 3 shows the comparison between amounts pledged and received for each of the partners.
Total disbursements have risen almost 10 times since inception of the Myanmar Partnership MDTF, from US$ 4.4 million in CY2014 to US$ 42.3 million in CY2017. Over US$18 million was disbursed in CY2017; this amount is four times the amount disbursed in CY2014 (inception) and is 33 percent higher than the amount disbursed in 2016 (Figure 4). The Annex reflects the cumulative disbursement by activity.

**Figure 4: Disbursement trend over calendar year**

![Disbursement trend over calendar year](image)

<table>
<thead>
<tr>
<th>Year</th>
<th>Disbursement</th>
<th>Total Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>2015</td>
<td>6.9</td>
<td>11.3</td>
</tr>
<tr>
<td>2016</td>
<td>12.7</td>
<td>24.0</td>
</tr>
<tr>
<td>2017</td>
<td>18.3</td>
<td>42.3</td>
</tr>
</tbody>
</table>

**DISBURSEMENTS BY GRANT TYPE (RECIPIENT VERSUS BANK EXECUTED)**

As of 2017, there were three recipient-executed trust funds: two in the Institutional Strengthening Window, represented by Public Finance Management Project and Extractive Industries Transparency Initiative Project; and one in the Social Development and Inclusion Window. The following data refer to recipient-executed disbursements under these activities.

There has been an increase in disbursements of recipient-executed trust funds; the amount disbursed in CY2017 is almost three times the amount disbursed in CY2014. From CY2014 to CY2016, a large proportion of all disbursements occurred through recipient-executed disbursements. While the amount disbursed by recipient-executed trust funds increased sharply in CY2017, it was only slightly higher than the amount disbursed by Bank-executed trust funds during the same period (Figure 5).
Disbursements for the Public Finance Management Project have doubled since CY2016 and are 10 times the amount disbursed in CY2014. In 2017, US$ 5.3 million was disbursed compared to US$ 2.5 million in CY2016 and US$ 0.5 million in CY2014. The decrease in disbursements for the Decentralized Funding to Schools Project in CY2017 is attributed to the closing of its first phase. The disbursement is expected to increase once the additional finance is effective and the funds already received from the partners are utilized. Figure 6 illustrates the disbursements by calendar year of the three recipient-executed trust funds.
ANNEX
### LIST OF GRANTS
**AS OF DECEMBER 31, 2017**

<table>
<thead>
<tr>
<th>Type</th>
<th>Total grant</th>
<th>Current disbursements (a)</th>
<th>Disbursements (b)</th>
<th>Commitments (c)</th>
<th>Available (a+b+c)</th>
<th>Current disbursement ratio ((a+b+c)/a)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Development and Inclusion</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Development and Inclusion Window</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitoring School Grants and Stipends Bank</td>
<td>5,200</td>
<td>5,200</td>
<td>2,946</td>
<td>737</td>
<td>1,517</td>
<td>71%</td>
</tr>
<tr>
<td>Myanmar Decentralizing Funding to School Recipient</td>
<td>17,000</td>
<td>17,000</td>
<td>15,150</td>
<td></td>
<td></td>
<td>89%</td>
</tr>
<tr>
<td>Additional Funding Decentralizing Funding to Schools (pending) Recipient</td>
<td>45,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Myanmar Emergency Community-Driven Development Bank</td>
<td>1,918</td>
<td>1,918</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>69,118</td>
<td>24,118</td>
<td>18,096</td>
<td>737</td>
<td>1,517</td>
<td>78%</td>
</tr>
<tr>
<td><strong>Institutional Strengthening</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Finance Management Window</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modernization of PFM Recipient</td>
<td>20,000</td>
<td>11,863</td>
<td>8,506</td>
<td></td>
<td>3,357</td>
<td>72%</td>
</tr>
<tr>
<td>Implementation Support for PFM Bank</td>
<td>6,314</td>
<td>5,171</td>
<td>3,464</td>
<td>137</td>
<td>1,571</td>
<td>70%</td>
</tr>
<tr>
<td>Macro-Fiscal Program Bank</td>
<td>2,592</td>
<td>2,592</td>
<td>2,009</td>
<td>150</td>
<td>433</td>
<td>83%</td>
</tr>
<tr>
<td>Analysis for Better Public Spending Bank</td>
<td>2,000</td>
<td>742</td>
<td>505</td>
<td>148</td>
<td>89</td>
<td>88%</td>
</tr>
<tr>
<td>Myanmar Subnational Public Expenditure Review Bank</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub Total - Public Finance Management</strong></td>
<td>30,906</td>
<td>20,368</td>
<td>14,484</td>
<td>434</td>
<td>8,096</td>
<td></td>
</tr>
<tr>
<td>Extractive Industries Transparency Initiative Project Recipient</td>
<td>3,500</td>
<td>1,190</td>
<td>540</td>
<td></td>
<td>650</td>
<td>45%</td>
</tr>
<tr>
<td>Implementation Support for Myanmar EITI Bank</td>
<td>629</td>
<td>698</td>
<td>553</td>
<td>69</td>
<td>77</td>
<td>89%</td>
</tr>
<tr>
<td><strong>Myanmar EITI Implementation Project Total</strong></td>
<td>4,129</td>
<td>1,888</td>
<td>1,093</td>
<td>69</td>
<td>726</td>
<td></td>
</tr>
<tr>
<td>Financial Sector Development Bank</td>
<td>5,000</td>
<td>2,836</td>
<td>778</td>
<td>1,122</td>
<td>937</td>
<td>67%</td>
</tr>
<tr>
<td>Pay, Compensation &amp; Human Resources Review Bank</td>
<td>1,270</td>
<td>1,270</td>
<td>570</td>
<td>89</td>
<td>610</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>41,304</td>
<td>26,363</td>
<td>16,926</td>
<td>1,715</td>
<td>10,369</td>
<td>71%</td>
</tr>
<tr>
<td><strong>Private Sector Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Sector Development Window</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural Input Reform IFC</td>
<td>2,448</td>
<td>1,376</td>
<td>489</td>
<td>357</td>
<td>531</td>
<td>61%</td>
</tr>
<tr>
<td>Improving Corporate Governance IFC</td>
<td>1,650</td>
<td>1,650</td>
<td>1,130</td>
<td>90</td>
<td>430</td>
<td>74%</td>
</tr>
<tr>
<td>Investment Policy Reform IFC</td>
<td>3,525</td>
<td>3,525</td>
<td>2,378</td>
<td>97</td>
<td>1,049</td>
<td>70%</td>
</tr>
<tr>
<td>Lighting Myanmar IFC</td>
<td>2,000</td>
<td>1,000</td>
<td>224</td>
<td>17</td>
<td>759</td>
<td>24%</td>
</tr>
<tr>
<td>Myanmar Tourism IFC</td>
<td>401</td>
<td>401</td>
<td>336</td>
<td>47</td>
<td>19</td>
<td>95%</td>
</tr>
<tr>
<td>Trade Facilitation and Competitiveness Bank</td>
<td>1,627</td>
<td>1,627</td>
<td>1,597</td>
<td></td>
<td>31</td>
<td>98%</td>
</tr>
<tr>
<td>Strengthening Economic Integration and Trade Policy Bank</td>
<td>923</td>
<td>923</td>
<td>557</td>
<td>233</td>
<td>133</td>
<td>86%</td>
</tr>
<tr>
<td>Agribusiness Development IFC</td>
<td>3,000</td>
<td>400</td>
<td>3</td>
<td>397</td>
<td></td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,574</td>
<td>10,902</td>
<td>6,714</td>
<td>840</td>
<td>6,146</td>
<td>69%</td>
</tr>
</tbody>
</table>