



SUMMARY REPORT

National Workshop on Developing Fuel Economy Baseline and Policies

September 19, 2017
Nay Pyi Taw, Myanmar

SUMMARY

Myanmar's Ministry of Industry, Clean Air Asia, and UN Environment jointly organized a "National Workshop on Developing Fuel Economy Baseline and Policies" in Nay Pyi Taw, Myanmar, on September 19, 2017. The workshop built on the momentum of the inception meetings held in July 2017, during which government agencies recognized that this was an opportune time to discuss fuel economy policies and instruments such as labelling and fiscal measures.

Twenty-three representatives from various government agencies and the private sector attended the workshop, which introduced the project and fuel economy to a larger audience comprised of key stakeholders, discussed the institutional structure, current legislation and policies, and possible barriers to the development of fuel economy baseline and policies in Myanmar. The workshop was organized with support from the Global Fuel Economy Initiative (GFEI), the Global Environment Facility (GEF), with funding from the European Union.



GFEI is also supported by:





1. INTRODUCTION

The Government of Myanmar communicated in its Nationally Determined Contributions its goal to reduce greenhouse gas (GHG) emissions and air pollution from road transport. Given that these mitigation actions would be contingent on international support for capacity-building and financial resources, UN Environment is extending such assistance to the Government of Myanmar through Clean Air Asia, with support from the Global Fuel Economy Initiative (GFEI), the Global Environment Facility (GEF), with funding from the European Union.

2. OBJECTIVES AND PARTICIPANTS

2.1. Objectives

The main objective of the workshop was to introduce the project and fuel economy policies and instruments to a larger set of stakeholders comprised of relevant government agencies and the private sector, i.e., those involved in vehicle manufacture and/or assembly. The program schedule can be found in **Appendix 1**. The workshop aimed to facilitate discussions on the roles and mandates of various government agencies on implementing fuel economy policies and instruments (e.g., taxation, trade and importation, licensing and registration), and discussions on the current situation and challenges in Myanmar's transport sector. The workshop was also designed to allow the sharing of experiences by other countries.

2.2. Participants

The workshop gathered 23 representatives from the following organizations: The Ministry of Industry, Ministry of Commerce, Ministry of Finance and Planning, Ministry of Transport and Communications, Ministry of Education, Ministry of Electricity and Energy, Central Statistics Office, Ministry of Natural Resources and Environmental Conservation, and Ministry of Construction, as well as the Union of Myanmar Federation of Chambers of Commerce and Industry, and the Myanmar Engineering Society. Attendees are listed in **Appendix 2**.

3. WORKSHOP SUMMARY

Ms Tin Tin Htoo, Deputy Director-General of Directorate of Industrial Collaboration at the Ministry of Industry of Myanmar, made the introductory remarks and formally welcomed participants to the meeting. Mr Bert Fabian, Programme Officer in UN Environment's Air Quality and Mobility Unit provided an overview of the project in his opening remarks and discussed the broader Global Fuel Economy Initiative (GFEI) and global targets. Mr Fabian shared experiences on how the project was being carried out in other countries. He emphasized that cleaner and more efficient vehicles were already available globally, and the government could influence the types of vehicles that are entering Myanmar by enacting the appropriate policies. Clean Air Asia Researcher Ms Kathleen Dematera spoke about the situation in the Philippines with regard to the proposed fiscal measures (i.e., vehicle and petroleum tax reforms) spearheaded by the Department of Finance, and the labeling program spearheaded by the Department of Energy.





Ms Naing Naing Linn, Director of Energy Efficiency and Conservation Division of the Directorate of Industrial Collaboration at the Ministry of Industry, gave an overview of Myanmar's transport sector, and facilitated discussion on the roles of various government agencies related to the transport sector, the outcome of which is in **Table 1**. The following subjects were also discussed:

- a. About 90% of the vehicles in Myanmar were secondhand imports from Japan. It has been suggested that if those vehicles from Japan complied with a particular Euro standard, e.g. Euro 2, then the fuel should also be compliant, e.g. 50 ppm sulfur. Knowing what types of vehicles were entering Myanmar would be one of the outcomes of fuel economy baseline development.
- b. Fuel is not subsidized in Myanmar.
- c. Myanmar has oil refineries. People often opt to buy locally produced diesel because it is cheaper.
- d. Fuel quality is a concern. If the vehicles coming from Japan comply with Euro 2 standards, for example, then gasoline and diesel fuels in Myanmar should be Euro 2 compliant (e.g. 50 ppm sulfur). In order to know which fuel quality to adopt, it is important to understand the fleet composition of Myanmar, which would be the result of fuel economy baseline development.
- e. Their three key solutions are: Energy asset, energy efficiency, and renewable energy. Energy efficiency is deemed the most cost-effective.
- f. Among Myanmar's plans are: National Comprehensive Development Plan 2011-2030, National Energy Policy, Energy Master Plan, Electricity Master Plan, Electrification Plan, and National Energy Efficiency and Conservation Policy, Strategy and Roadmap. For fuel economy-related instruments, they would like to be able to provide guidelines for vehicle manufacturers and importers in observing technical regulations on energy consumption, as well as provide tax incentives for more efficient vehicles in the future.

Table 1. Roles of government agencies

	Procedure	Department	Ministry
1	Trade Policy and Regulation	Department of Trade	Ministry of Commerce
2	Import Permit and Import License	Department of Trade	Ministry of Commerce
3	Checking and inspection for imported vehicles, Tax	Customs Department	Ministry of Finance and Planning
4	Vehicle Inspection and Registration	Road Transport Administration Department	Ministry of Transport and Communications
5	Inspection for local manufactured vehicles	No.1 Heavy Industries Enterprise	Ministry of Industry
		Road Transport Administration Department	Ministry of Transport and Communications
6	Standardize vehicles components and System	No.1 Heavy Industries Enterprise	Ministry of Industry
		National Standards and Quality Department under Department of Research and Innovation	Ministry of Education





		Road Transport Administration Department	Ministry of Transport and Communications
7	Setting standards and label for fuel consumption	Energy Efficiency and Conservation Department	Ministry of Industry
8	Database for Vehicles Data Control	Customs Department	Ministry of Finance and Planning
		Road Transport Administration Department	Ministry of Transport and Communications
		Undefined	Ministry of Electricity and Energy
		Undefined	Central Statistics Office
9	Data for fuel	Customs Department	Ministry of Finance and Planning
		Myanmar Petrochemical Enterprise	Ministry of Electricity and Energy
10	Automobile Policy (under development)	No.1 Heavy Industries Enterprise	Ministry of Industry
11	National Environmental Quality Standard (under development)	Environmental Conservation Department	Ministry of Natural Resources and Environmental Conservation

The planned next steps are as follows:

- a. Reporting requirements, project activities and timeframe in the form of Terms of Reference will be shared with Ministry of Industry.
- b. Template or data requirements for baseline-setting (e.g. GFEI online toolkit) will be shared with Ministry of Industry so they can evaluate the scope and timeframe, and appropriately assign tasks.
- c. Additional references to be shared with Ministry of Industry are as follows:
 - New Zealand's experience on used vehicle labeling, because about 90% of the vehicles in Myanmar are secondhand imports from Japan.
 - Global Sulphur Strategy: <http://www.unep.org/transport/global-sulphur-strategy>

News story: "Transforming Myanmar's vehicle fuel economy landscape"

<http://cleanairasia.org/myanmar-workshop/>

GFEI is also supported by:





APPENDIX 1 WORKSHOP PROGRAM

September 19, 2017

Shwe Bo Room, Mingalar Thiri Hotel

Nay Pyi Taw, Union of Myanmar

09:00-09:30 Welcome Remarks

Ms. Tin Tin Htoo

Deputy Director General, Directorate of Industrial Collaboration

Ministry of Industry

Mr. Bert Fabian

Programme Officer, Air Quality and Mobility Unit

UN Environment

09:30-10:15 Doubling the Efficiency of Light-duty Vehicles Worldwide

Mr. Bert Fabian

Programme Officer, Air Quality and Mobility Unit

UN Environment

10:15-10:45 Photo Session and Morning Snacks

10:45-11:15 Setting of Fuel Economy Baseline

Mr. Bert Fabian

Programme Officer, Air Quality and Mobility Unit

UN Environment

11:15-12:00 Discussion on Roles of Government Agencies

Ms. Naing Naing Linn

Energy Efficiency and Conservation Division

Ministry of Industry

12:00-13:00 Lunch

13:00-13:45 Transport Sector in Myanmar

Ms. Naing Naing Linn

Energy Efficiency and Conservation Division

Ministry of Industry

13:45-14:15 Experience in the Philippines

Ms. Kathleen Dematera

Researcher

Clean Air Asia

14:15-15:15 Open Forum

15:15-15:30 Synthesis and Closing Remarks

GFEI is also supported by:



 FOUNDATION





APPENDIX 2 LIST OF PARTICIPANTS

	NAME	DESIGNATION	AFFILIATION
1	Bert Fabian	Programme Officer	Air Quality and Mobility Unit, UN Environment
2	Kathleen Dematera	Environment Researcher	Clean Air Asia
3	U Thein Han Oo	Chief Engineer	Ministry of Transport and Communications
4	U Kyi Soe	Staff Officer	Ministry of Transport and Communications
5	Daw Khin Nu Nu Soe	Staff Officer	Ministry of Natural Resources and Environmental Conservation
6	Daw Mya Theingi	Staff Officer	Ministry of Natural Resources and Environmental Conservation
7	U Win Oo	Deputy Assistant Director	Ministry of Electricity and Energy
8	U Aung Win	Assistant Director	Ministry of Electricity and Energy
9	Daw Hay Mon Oo	Assistant General Manager	No.1 Heavy Industries Enterprise, Ministry of Industry
10	Daw Myat Mon Thein	Assistant General Manager	No.1 Heavy Industries Enterprise, Ministry of Industry
11	U Thein Htun	Assistant Director	Ministry of Commerce
12	U Win Tint	Senior Metrology Officer	Ministry of Education
13	U Aung Ko Oo	Principal Scientist	Ministry of Education
14	U Thet Naing Oo	Director	Customs Department, Ministry of Planning and Finance
15	Daw Khin Kwe Latt	Director	Ministry of Planning and Finance
16	Dr. Hlaing Moe	Director	Ministry of Construction
17	U Myat Zaw	Deputy Director	EECD, MOI
18	U Htun Naing Aung	Central Executive Committee	Union of Myanmar Federation of Chambers of Commerce and Industry
19	U Hla Htay	JHA	Myanmar Engineering Society
20	Daw Naing Naing Linn	Director	Energy Efficiency and Conservation Division, Ministry of Industry
21	Daw Aye Kay Khaing Soe	Deputy Director	Energy Efficiency and Conservation Division, Ministry of Industry
22	U Arkar Soe	Assistant Engineer	Road Transport Administration Department, Ministry of Transport and Communications
23	U Aung Phyo Minn	Assistant Director	Energy Efficiency and Conservation Division, Ministry of Industry
24	Daw Khaing Yadana Swe	Assistant Director	Energy Efficiency and Conservation Division, Ministry of Industry
25	Tin Tin Htoo	Deputy Director General	Directorate of Industrial Collaboration, Ministry of Industry

GFEI is also supported by:

