

EU-Myanmar relations

Myanmar's efforts in **combating forced labour**, acknowledged by the International Labour Organisation, have opened the way for the EU to reinstate preferential market access under the "*Everything But Arms*" scheme in 2013. As a result **bilateral trade reached €1.55 billion in 2016** up from €404 million in 2012. **Myanmar exports to the EU reached almost €1 billion**. Major exports from Myanmar to the EU were garments (more than 69% of total exports), rice (8%), and footwear (6%). According to Myanmar's official statistics (as of January 2017), the **EU was the 4th largest foreign investor in 2016**. According to Myanmar's official figures (end January 2017), cumulated existing investments originating from the EU amounted to USD 4.8 billion (or 8.2%), behind China (USD 18.4 billion or 31% of total), Singapore (USD 15.7 billion or 27%) and Hong Kong (USD 7.4 billion or 13% of total).

The EU is working towards concluding an **Investment Protection Agreement** to enable European businesses to realise the full potential offered by the country's economy, while complying with the highest standards of corporate social responsibility and responsible investment.

The EU demonstrated its commitment to work with the government, the International Labour Organization and other partners (Denmark, the United States and Japan) **on labour rights** when joining the *Initiative to Promote Fundamental Labour Rights and Practices in Myanmar* in May 2015. The EU is also actively engaged to promote **responsible business conduct** and is funding a €9 million ILO/OECD project in this area in a number of Asian countries, including Myanmar.

In order to help European business to better tap Myanmar's vast economic and investment potential, Myanmar has been selected as a **European Economic Diplomacy** case study country. The recently established [Eurochamber](#) can play an important role in representing EU business interests in the country.

Steps have been taken to prepare for negotiations on a [Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement \(FLEGT VPA\)](#). Progress is however dependent on the outcome of the peace process since vast forest areas are located in ethnic areas. The EU attaches particular importance to the preservation of environment and biodiversity.