

## Renovation Project for Alcohol No.2 Plant



Various types of industrial alcohol products

### Outline of Loan Agreement

Loan Amount / Disbursed Amount	1,970 million yen / 1,884 million yen
Loan Agreement	August 1984
Terms & Conditions	Interest rate 2.75% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	January 1993

### Project Outline

The project comprised the construction of a plant for industrial alcohol production that would supply the domestic market with 1.2 million gallons of alcohol per year.

### Results and Evaluation

The industrial alcohol plant constructed under this project utilizes agricultural resources that are abundant in Myanmar, predominantly to produce rectified spirit. Modification of the alcohol manufacturing method (fermentation method) resulted in the maximum production capacity of the plant being scaled back to 960,000 gallons/year from the initial plan of 1,200,000 gallons/year, however, production reached approximately 80% of installed capacity (approx. 770,000 gallons/year) in fiscal 2000. Domestic demand for industrial alcohol products is currently limited, and the five alcohol plants, including the project plant, that are operated by the executing agency, Myanmar Foodstuff Industries (MFI), are supporting domestic demand.

MFI is supervised by the Ministry of Industry (1) and although it has not adopted a self-supporting accounting system, it is supported by smooth production at all the plants under its jurisdiction and its profits for the last three years have been favorable. No specific problems have arisen in terms of the operation and maintenance of the plant to date.