

ABSTRACT

In the last four years, major developments have been initiated within Myanmar's banking sector, an industry which is almost entirely in its infancy and which desperately needs to make up for the lost time. The challenges become even more important when considering foreign banks entering the market from 2016 onwards, after Myanmar joined the single market of AEC. The financial system in Myanmar is dominated by banking sector and is the least developed in South East Asia. Due to the recent reform process, however, the sector has already undergone tremendous changes.

The purpose of this paper is to see how Myanmar's banking system can implement its level in the reform process to international standards in comparison with other developing countries. The main objective of the study is to propose the banking system and its economic development prospects in present day. This would provide basic essential of banking sector that will increase the efficiency of banking system and bank facilities impacting on the growth of economy and business transactions. Banking sector is likely important with regarding to dealing with AEC region, included international communities for doing business in Myanmar.

The research was used qualitative method to collect data information. The sources of data were primary and secondary data. Therefore, the results of this research modernize the banking system to international standard linking the network of finance. It will be providing an overview of the financial sector and will focus on the banking industry. One thing to take a note of, data in Myanmar is scarce, not always reliable, and often difficult to compare, as information is barely prepared in a consistent manner in the last a few years. Most banks do not publish annual reports or disclose their financial data.

Regarding to the results from the role of bank in business; it divided into 2 questions and the results from how business growth using bank credit is that was found most of respondents were giving their answers on cash payments, banknotes and savings. The results from how much bank credit helps business, in this case, most of respondents

were answered that the commercial bank helps them as they need bank credit for their business but some said that it is depending on both the borrower's capacity to repay and the overall amount of credit available.

Overall, the recommendations for CBM are to do more trust buildings for customers. Peoples' trust in the financial and especially the banking sector was important to bank account users. As if the needs, the bank has to provide more loans to the public. Instead of cash payments, credit/debit cards and ATM software-stalled have to create more than before through the country. It is in case by taking a closer look, however, it seems as if the bank still has a long way to go in line with international, the banking system is, therefore, needed improvement.