

## What is Myanmar's import and export procedure?

The import and export procedure follow the same rules, but the respective licenses are different. Foreign companies that wish to import or export must register with the Directorate of Investment and Company Administration (DICA). They can register up to five years and obtain a digital single clearance window at the One Stop Service (OSS) provided by DICA<sup>1</sup>.

Once the company is registered with DICA, it must also register itself with Myanmar's Department of Trade under the Ministry of Commerce, and join the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). Companies can register up to three years with the Department of Trade and at annual cost of K 50,000 (US\$ 36.50).

All exporters and importers are required to join UMFCCI. For exporters, there are four types of entities which can apply for export: limited companies, joint venture corporations, co-operatives (registered under the Co-operative Societies Law), and foreign firms registered under the Myanmar Investment Law, 2016.

### Required Documents for Importers and Exporters

It is necessary for importers and exporters to check and ensure that all commodities being brought in or out of Myanmar have all required documents and that these are correctly processed, based on the World Customs Organization's 8-digit Harmonized System (HS). An exhaustive list of commodities and their necessary documents and HS code can be found on Myanmar's Trade Portal.

All imports must be cleared through customs using the CUSDEC-1 Import Declaration Form along with the CUSDEC-4 Custom Valuation Form. In addition, required accompanying documents include:

1. An import license
2. Invoice
3. Bill of landing, air consignment note, or truck note
4. Packing list

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5. Other certificates, permits or import recommendations as required (for example, a country of origin or SPS or FDA certificate)

All customs declarations and supporting documents must be submitted to customs when the goods arrive.

For exporters, all exports must be cleared through Customs using the CUSDEC-2 Export Declaration Form along with the CUSDEC-4 Custom Valuation Form. In addition, required accompanying documents for exports include:

1. An export license/permit
2. Invoice
3. Packing list
4. Sales contract
5. Payment advice: reference Inward Telegraphic Transfer Private No. / Inward Telegraphic Transfer Government No.
6. Sample of goods
7. Pass for the shipment of forestry products
8. Health certificate for the export of live animals
9. Permit for the export of wild live animals
10. Other certificates, permits or import recommendations, as required (for example, a country of origin or SPS or FDA certificate)

All customs declarations and supporting documents must be submitted to customs upon export.

### **Customs duties and taxes**

For imports, the government can tax three types of taxes on imports: import duties, commercial taxes, and license fees. Tariffs generally range from 0 to 40 percent. For agricultural goods, the average tariff is 8.7 percent while non-agricultural goods have an average tariff of 5.1 percent. Although Most Favored Nation (MFN) tariff rates are arranged in 15 tariff bands ranging from 0 to 40 percent, 93% of most ASEAN Free Trade Areas are duty free.

For the customs valuation of goods, the Customs Department bases its valuation on customs, insurance and freight (CIF) value. For some import commodities, the Customs Department uses its own reference guide to determine the value of imports.

For exports, once a declaration has been submitted and accepted by customs, payment for duties are required for specific goods. Customs collects 2 percent of income tax on export for the Internal Revenue Department. However, some export commodities are assessed on commercial taxes, including raw gems (15%), finished gems (5%), electricity (8%), gas (8%), crude oil (5%), teak and conversions (50%) and timber and conversions (50%). However, a Specific Goods Tax (SGT) on manufactured goods has been approved, and may replace commercial tax in the future.

In conclusion, as Myanmar is attempting to boost its economy, the import and export procedure may frequently change in the future according to changing circumstances. As a member of the ASEAN Free Trade Area (AFTA), Myanmar reduced intra-ASEAN import tariffs by 93% of the total trade lines and aims to reduce by 100% of the total trade lines by 2018.

#### References:

<http://www.aseanbriefing.com/news/2017/06/06/import-and-export-procedures-in-myanmar-best-practices.html>

<https://www.export.gov/article?id=Burma-import-tariffs>

<http://informationmatrix.net/ntr-v2/>

<http://dica.gov.mm/en/information-departmental-cooperation-team-one-stop-service-or-oss>