

## **Rules & Regulations related to Import procedures - Myanmar**

The majority of foreign companies set up a service company in Myanmar and partner with local companies or appoint local distributors to import their products due to the difficulties and restriction of applying import licences for foreign companies. Local government offices process documentations and applications using manual paperwork system and information is not easily accessible through websites.

Below is the list of documents that the foreign companies need to provide during the import process

- Proforma Invoice
- Sales Contract
- Packing List
- Country of Origin of the products to be imported

The summary of import license applications, import procedures and customs clearances that the importers (local company) need to have done for the import process can be seen as below.

Documents attached for applying Import Licenses (Applicable for local companies)

- Import License application letter with company's letter head
- Import License application letter (with 6ks revenue stamp)
- The original copy of Proforma Invoice
- Sales contract
- Export earning recommendation
- Recommendation from government departments concerns of and organization concerned (If needed)

### **Import Procedure**

1. Registered importer is required to open foreign exchange account at a Bank in order to apply for an import license from the Directorate of Trade.
2. In applying for an import license, the application shall have attached the sales contract and/or proforma invoice mentioning detailed specifications, mode of packing, and delivery phasing.
3. Import license fees payable on the C.I.F. (Yangon) value of the goods imported from abroad
4. An irrevocable letter of credit (L/C) has to be opened by the importer at the Bank.
5. If the purchase is made on F.O.B. basis, the importer has to secure insurance from Myanma Insurance and freight booking from Myanma Five Star Line.

6. After receiving shipment advice from the suppliers, the importer has to arrange for the clearance of the goods.

### **Customs Clearance Procedures for Import**

The Tariff Law was enacted on March 12, 1992 with a view to assisting the market economy system in order to facilitate external trade. In accordance with the Law, a notification was issued to regulate the classification of imported goods and assessment of duties. For modernisation and standardisation, in line with the international practices, the Harmonized Commodity Description and Coding System (H.S) was introduced in April 1992.

### **Customs Declaration Form for Import Clearance**

Under the existing rules and regulations, all incoming consignments of goods must be cleared through the Customs Department with an Import Declaration form (CUSDEC - 1). The Import Declaration form must be accompanied by the following documents: -

1. Import license / permit
2. Invoice
3. Bill of Lading or Air Consignment Note
4. Packing list
5. Other Certificates and permits issued by the relevant Government Departments as a condition for Import.

Customs duty is payable according to the tariff schedule. Import duty is levied on the tax base, assessable value, which is the sum of C.I.F. value and landing charges of 0.5 per cent of C.I.F. value. Together with customs duty, Commercial tax is levied on the imported goods based on the landed cost which is the sum of assessable value and import duty. These taxes are collected at the point of entry and the time of clearance.

### **Import Duty Tax**

Import duty tax for passive fire protection product was very new in this market when the British Chamber of Commerce Myanmar checked with Myanmar Customs Duty Department. The department stated the approximate duty tax for similar fire protection products below:

- 1) The Custom Duty – 1%
- 2) Commercial Tax – 5%

(Note: details of product discussion will be required if the product is new to this market)



### **Useful information and website**

Please click [here](#) to understand more about **cost of doing business in Myanmar survey report 2017** conducted by Directorate of Investment and Company Administration.

**Myanmar Business Travel Guide** – <http://www.britishchambermyanmar.com/resources/online-resources.html>

**For more info related to Export and Import into Myanmar** - <http://www.myanmartradeportal.gov.mm>

**For the information related to setting up a company** – [www.dica.gov.mm](http://www.dica.gov.mm)

**For the information related to import duty** - <http://www.mof.gov.mm/en/content/customs-department>