



H.E. Daw Aung San Suu Kyi
State Counsellor
Nay Pyi Taw
Republic of the Union of Myanmar

31st August 2020
 Letter No. 15-2020/AG-Auto/ECM

Subject: Objections of Foreign Chambers of Commerce and Local Business Association to Vehicle Importing Permit System Granted to Government Employees

The undersigned foreign chambers and local business association include the complete range of representatives from the automotive industry from authorised vehicle manufacturers, importers and distributors to retailers operating in Myanmar.

The purpose of this letter is to share with you our concerns about the plan to grant tax-free vehicle import permits to government employees and senior civil servants with significant years of experience. The proposed measure has the unfortunate consequence that buying new vehicles from abroad will be more convenient and cheaper than purchasing the same models from the local official importers. Most concerning is that the licensing initiative is inconsistent with the government’s Ministry of Industry May 2019 Automotive Policy.

As business representatives, the undersigned are aligned and fully support the importance of investing in Myanmar and in providing sustainable long-term employment prospects to its people. However, the proposed license scheme in its current form will create unprecedented disruption within the automotive business community as well as jeopardise future FDI into the country. The need of the government to reward those who have served Myanmar and its institutions should not come at the expense of the nascent automotive sector. We believe the dialogue with all stakeholders involved is vital at this stage. Therefore, should the government, in its wisdom, remain committed to proceed with the implementation of the vehicle importing permit scheme there are less damaging implementation methodologies to consider:

- The measure should permit tax refunds, but should not allow individual imports to take place;
- Vehicles need to be purchased exclusively from official manufacturers, importers and distributors based in Myanmar;
- Limits regarding the engine size of the vehicles that government officials can purchase according to their ranking need to be clear.

It is also proposed that all future direction with the automotive industry include consultation with industry representatives to ensure government makes fully informed policy decisions.

Please accept, Your Excellency, the assurances of our highest consideration.

Sincerely yours,

Nicolas Delange	Peter Beynon	Martin Klose	Jens Michel	Guillaume Rebiere	Paolo Arnello	Aung Win
Chairman	Chairman	Delegate	President	Executive Director	Board Member	Chairman
European Chamber of Commerce	British Chamber of Commerce Myanmar	Delegation of German Industry and Commerce in Myanmar	German Myanmar Business Chamber	French Myanmar Chamber of Commerce and Industry	Italy Myanmar Chamber of Commerce	Automotive Association Myanmar (AAM)