

New Myanmar import protection law

On 1 July 2020, the Myanmar government issued notification 83/2020 stating that the ‘Law to Prevent an Increased Quantity of Imports’ will take effect on 1 July 2021. The government announced the approval of the law in December last year.

The law attempts to support and protect the competitiveness of local manufacturers and SMEs against an increase in import quantities into Myanmar. The new law will enable the Ministry of Commerce (MOC) to conduct an investigation to determine the risk and impact the increase of imports is having on the domestic market. Increased quantity of imports is defined under the new law as “a quantity of any kind of imports into Myanmar which is significantly higher than the amount of domestically produced goods that are similar or directly competitive”.

Under the law, a committee under the MOC will be formed for the implementation. MOC may assess the extent of increase in import quantities and determine appropriate remedies for the prevention thereof.

Inspection measures to monitor whether local producers are affected may include the following:

- the rate and amount of the increased imported goods;
- the share of increased import goods in the local market / local production volumes; and
- change of a sales / production (capacity) / profit and loss / employment situation.

Trade remedies or safeguard measures to protect domestic producers may potentially include tariff and import quantity restrictions in order to prevent serious injury to domestic producers from uncontrolled imports. MOC will lead the committee and the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) will be a member of the committee representing the private sector.

An importer can apply for appeal in accordance with the law to reconsider the preventive tariff and the restriction imposed on an imported good.

At the other end, a local manufacturer or its representative affected by the increased imports may apply to the committee for the application of a safeguard measure initiative.

A safeguard measure for an investigated product would not apply if it is imported from a developing country and if it meets certain stipulated conditions.

Currently, most imported products in Myanmar include construction materials, food products, fuel and vehicles.

If you are an importer, it would be important to manage your risks and develop strategies to protect your exposure from these potential tariff/non-tariff measures. Look out for our next Trade Intelligence for more details.

Let's talk

If you would like further advice in relation to the topic outlined above or a deeper discussion of how this issue might affect your business, please contact:

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