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**Supplementary Allowance of MMK1,000 per Day Added to the Minimum Wage**

On 9 August 2024, the National Committee for Determining the Minimum Wage issued Notification No. 1/2024 that mandates an additional wage allowance of MMK1,000 per day. This adjustment marks the second MMK 1,000 upward adjustment to the daily minimum wage, the first having been implemented in October 2023. This means that the current minimum wage in Myanmar now stands at MMK6,800 per day which is comprised of MMK4,800 in basic wage plus an additional MMK2,000 in allowances.

This minimum wage increase applies to all regions and industries throughout Myanmar.

Excluded from the minimum wage regulations, including these adjustments, are small businesses and family-owned enterprises (*i.e.*, businesses/enterprises with fewer than 10 employees).

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**CBM Eases Foreign Currency Conversion Requirement for Exporters**

The Central Bank of Myanmar (CBM), exercising its authority under Section 49(b) of the Foreign Exchange Management Law, issued Notification No. 37/2024 on 7 August 2024 that reduced the mandatory foreign currency conversion requirement for exporters from 35% to 25%. This means that exporters are now required to convert only 25% of their foreign currency earnings into Myanmar Kyat.

The CBM also issued a supplementary guidance on 8 August 2024 on the conversion of past export earnings. Under this guidance, the CBM has allowed exporters to implement the adjusted 25% conversion requirement for exports covered by declarations issued between 3 April 2022 to 7 August 2024, provided that the corresponding foreign exchange from such exports are remitted between 9 August 2024 to 30 November 2024. Failure to convert the specified earnings within this period, however, would result in penalties, including the suspension of the Exporter/Importer Registration Certificate or other administrative actions under the Myanmar Companies Law and the Foreign Exchange Management Law.

**Ministry of Commerce Issues Notification on Import Reference Prices**

On 6 August 2024, the Department of Trade under the Ministry of Commerce (the “MOC”) issued Announcement No. 8/2024 stating that it has established reference prices for 3,279 items across 373 HS code lines. From 12 August 2024, importers are required to adopt and adhere to these pre-determined reference prices when applying for import licenses and processing customs declarations. The Notification also provides that the import reference prices may be subject to amendments based on further analysis, and any changes will be announced accordingly. As of the date of this newsletter, however, the MOC has yet to formally announce these import reference prices.

## Announcement from DICA on Submission of Annual Return

On 30 July 2024, the Directorate of Investment and Company Administration issued an reminder to all Myanmar-registered companies to file their Annual Returns (AR) as prescribed under the 2017 Myanmar Companies Law. Under the MCL, all Myanmar-registered companies are required to file this AR within two months of incorporation, and annually thereafter. The announcement also reiterates the need for these Myanmar-registered companies to select a maximum of five core business activities from a prescribed list when filing the AR Form in the Myanmar Companies Online (MyCo) system.

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## Updates on Import Licence Requirements

Under the current import regulations governing importation, an import licence is required for all categories of goods entering Myanmar. The import licensing system is categorized into the Automatic Licensing System and the Non-Automatic Licensing System, and since applications for import licenses have been automated, traders can now apply for import licenses for both these licensing systems *via* the TradeNet2.0 online system (<https://www.myanmartradenet.com/>) of the Ministry of Commerce (the “MOC”).

Under the Automatic Licensing System, import licenses are issued without further scrutiny by the Department of Trade (the “DOT”) and/or the MOC, provided that the prescribed criteria are satisfied. In contrast, applications for the Non-Automatic Licensing System undergo review and are subject to approval or rejection by the DOT and/or the MOC.

Regarding the import items subject to the Non-Automatic Licensing System, the MOC has issued Notification No. 19/2023 which sets out a list of 8,774 import items from the Customs Tariff of Myanmar 2022, identified by the 10-digit HS Code.

- **Ministry of Commerce’s Notification No. 19/2023 dated 31-3-2023**  
*Download Link:* <https://www.myanmartradeportal.gov.mm/my/legal/405>

Meanwhile, as regards the import items eligible for the Automatic Licensing System, the DOT has published three (3) issuances as follows:

- **Export-Import Bulletin 8/2023 dated 25-4-2023**  
This letter specifies that a total of 3,075 import items are qualified under the Automatic Licensing System.  
*Download Link:* <https://www.myanmartradeportal.gov.mm/my/legal/406>
- **Export-Import Bulletin 9/2023 dated 21-6-2023**  
This letter reduces the number of import items qualified under the Automatic Licensing System from 3,075 items to 1,525 items only.  
*Download Link:* <https://www.myanmartradeportal.gov.mm/my/legal/415>
- **Export-Import Bulletin 4/2024 dated 16-7-2024**  
This letter states that a total of 1,460 import items previously identified as the items eligible for the Automatic Licensing System, are now reclassified as the import items subject to the Non-Automatic Licensing System.  
*Download Link:* <https://myanmartradeportal.gov.mm/en/legal/459>

Based on these issuances, it would appear that only 72 import items remain eligible for the Automatic Licensing System; import items not covered by the Automatic Licensing System will thereby fall under the Non-Automatic Licensing System and will require detailed review and approval by the DOT and/or the MOC.

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## Ministry of Energy issues the Licensing Order for Testing and Inspecting Petroleum and Petroleum Products

On 25 June 2024, the Ministry of Energy issued Notification No. 40/2024 dated 25 June 2024 entitled “Order Relating to Operating Licence for Testing and Inspecting the Quality of Petroleum and Petroleum Products”, which repeals the previous order under the Notification No. 273/2019 dated 20 June 2019. Through this Notification, qualified private persons are allowed to conduct inspections and testing more broadly. In particular, the Notification outlines two categories of testing licenses: Grade A and Grade B. To obtain a license, applicants must submit company details, a laboratory layout, the types of products to be tested, testing tools and methods, and other pertinent information, including paid-up capital and previous experience. The Petroleum Products Regulatory Department (the “PPRD”) will review and evaluate the applications, notifying applicants within a month to allow for the setup of testing equipment for the laboratory. Once the applicant has completed the laboratory establishment and obtained the ISO 9001 certification, an inspection team appointed by the PPRD will conduct a field inspection. If satisfied, the PPRD will issue the Grade B License. Holders of a Grade B License may apply to the PPRD for a Grade A License, provided they have obtained the ISO/IEC 17025 certification.

The differences between Grade B and Grade A licenses are summarized as follows:

	<b>Grade-B License</b>	<b>Grade-A License</b>
<b>License Term</b>	1 year (renewable)	2 years (renewable)
<b>ISO Requirement</b>	ISO 9001	ISO/ICE 17025
<b>Authorized to test</b>	Imported fuel with the approval of the Ministry of Energy.	Petroleum and petroleum products from local or foreign.
<b>Testing Fees</b>	Both Grade-B and Grade-A license holders shall charge testing fees at the rates stipulated by the Ministry of Energy.	

Please note that this Notification does not apply to laboratories established for the purposes of research and development, personal use and/or other non-commercial purposes.



## About Kelvin Chia Yangon (KCY)

KCY has been in active operation in Myanmar since 1995, currently with offices in Yangon and Mandalay. KCY is the firm of choice for those seeking to navigate Myanmar's fast-changing and complex Supervisory landscape, a jurisdiction in which KCY has gained in-depth legal expertise from the numerous transactions it has handled.

## Our main practice areas

Foreign Investments | Incorporation and Company Maintenance | General Corporate and Commercial | Due Diligence | Mergers and Acquisitions | Joint Ventures and Production Sharing Agreements | Investment Funds | Energy/Oil and Gas | Natural Resources/Mining | Banking | Project and Project Financing | Manufacturing | Education | Agriculture | Real Estate | Infrastructure | Construction | Telecommunications | Compliance / Supervisory | Licensing and Permits | Labour and Employment | Immigration | Taxation | Insurance | International Arbitration | Intellectual Property | Special Economic Zones

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