

REPORTING PROFORMA FOR COMMERCIAL WINGS

Name of the Mission (Country): Consulate General of India, Mandalay (Myanmar)

MONTHLY REPORT: May 2023

A. Trade in goods

(i) Quantitative Data

a) Total trade in goods during

0	5	2	0	2	3
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US \$ in millions				
	Monthly (April– 23)	Quarterly (April- April 2023)	Annual (Jan- April 2023)	Status P- Provisional F - Final
India's export to Myanmar	34,706.74	34,706.74	149,381.17	F
India's import from Myanmar	50,157.05	50,157.05	229,613.42	F

(Source: Department of Commerce: India & Trade Map Statistics)

* Figures have been uploaded till April 2023)

b) Preferential trade in goods (2021-22): NIL

0	5	2	0	2	3
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S.No.	Preferential/Free Trade Agreement with India (US \$ million)	Preferential Imports from India (US\$ million)	Preferential Imports from World (US\$ million)
1	NiL	88.616	3243.127

(Source: bilateral trade data 2023-2024 Up to May,

Ministry of Commerce,

The Government of the Republic of the Union of Myanmar)

c) Top 10 items of Export to Myanmar from India during (May 2023)

Note : KG – Kilogram, L-Liter, U-Piece/Item

S.No.	HS Commodity (6 digit HS tariff line)	Unit	Quantity (In thousand)	Value (US \$ million)
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1.	300490	KG	768	13.08
2.	230400	KG	5169	2.48
3.	050100	KG	450	1.71
4.	271019	KG	473	1.19
	271019	L	479	0.37
5.	210690	KG	75	0.99
6.	340231	KG	640	0.95
7.	850720	U	6	0.92
8.	281511	KG	1778	0.87
9.	230500	L	1991	0.70
10.	730820	KG	696	0.66

(Source: Custom Department, Ministry of Panning and Finance, The Government of the Republic of the Union of Myanmar)

* ITC HS Code of the Commodity is either dropped or re-allocated and the unit of the commodity may be changed from March 2023.

Note : The trade data of May for export between India and Myanmar has not been uploaded yet by the Ministry of Commerce, India.

d) Top 10 items of Import from Myanmar to India during (May 2023)

Note: KG- Kilogram, M3- Cubic meter

S.No.	HS Commodity (6 digit HS tariff line)	Unit	Quantity (In thousand)	Value (US \$ million)
1.	071360	KG	39740	31.55
2.	071331	KG	31020	24.05
3.	071333	KG	2071	2.70
4.	854442	KG	36	2.15
5.	441239	M3	3	1.57
6.	800110	KG	59	1.45
7.	780199	KG	470	0.68
8.	400121	KG	519.00	0.66
9.	071335	KG	962	0.58
10.	030389	KG	177	0.49

(Source: Custom Department, Ministry of Panning and Finance, The Government of the Republic of the Union of Myanmar)

* ITC HS Code of the Commodity is either dropped or re-allocated and the unit of the commodity may be changed from July 2023.

Note : The trade data of May for import between India and Myanmar has not been uploaded yet by the Ministry of Commerce, India.

e) Potential products of Exports from India to Myanmar

Sr.No	HS Code	Commodity (6 digit HS tariff line)
1.	010190	LIVE HORSES, ASSES, MULES AND HINNIES OTHER
2.	030289	OTHER:
3.	030299	OTHER FISH FINS OTH THN SHARK FINS TAILS MAWS AND OTH EDIBLE FISH OFFAL FRESEH OR CHILLED
4.	020230	BONELESS
5.	030572	SALTED, NOT DRIED OR SMOKED AND IN BRINE FISH HEADS, TAILS AND MAWS

(ii) Qualitative Feedback

Month- May 2023

Market Access Alerts (attach copy of notification):

a. Alerts on customs tariff changes: - None during this month

Sr. No	Notification no. and date	HS code	Description	Original customs tariff	Present customs tariff	Effective from	Remarks if any
Nil							

b. Alerts on non-tariff measures (SPS/TBT/import and export procedures/ restrictions. prohibitions, licensing/ STEs etc.)

Sr. No	Notification no: and date	Measure	HS Codes	Effective from	Remarks if any
Nil					

c. Alerts on standards, technical regulations and conformity assessment procedures:

Sr. No	Notification no: and date	Standard/ technical/ regulation/ conformity assessment procedure	HS Codes	Effective from	Remarks if any
NiL					

d. Alert on trade defense Measures taken by respective country: NiL

e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

Sr.No	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
Nil					

(iii) Other Feedback

- a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country:

Sr.No	Name of Business House	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max. 200 words)
<p>Due to the prevailing political instability, the exporters and importers from India are facing</p> <p>(a) Frequent changes in visa and entry regulations</p> <p>(b) Difficulty in legal banking transactions and frequent changes in fiscal and monetary policy and related banking regulations .</p> <p>(c) Restriction in withdrawal or transfer of dollar holdings in the banks</p> <p>(d) High volatility in Dollar vs Kyat valuation which affects all export/import</p> <p>(e) Restrictions in import licenses to Indian business who are operating in Myanmar</p> <p>(f) Local travel restrictions for foreigners</p> <p>(g) General security concern to business and foreigners due to the prevailing politico-social unrest.</p>				

- b. Feedback on major trade activities including logistic events (trade fairs/BSM including Indian participation)

S.No	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/key participants from India	Feedback received (Max.200 words)
Could not be conducted due to the prevailing political – social unrest.					

- c. Feedback from local commercial visitors to trade fairs in India, including under BSM;

Sr. No	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/key participants from the relevant country	Number of Business Visas issued	Feedback received (Max.200 words)
Nil						

B. Trade and Investment:

a. Significant trends in trade and investment

S.No	Category	Details of significant trends (Max.200 words)	Analysis (Max.200 words)
NiL			

b. Opportunities for investments/assets on offer/major company divestment:

S.No	Sector Name (List attached)	Particulars of the asset/ Company	Contact details
1.	Agro Industry	Myanmar has a huge potential in agro and agro-processing industry which India can tap into. India can also help to train and develop agriculture extension techniques to boost agriculture yield in the most efficient ways. Government of Myanmar has recently granted exemption in import license for a total of 70 agricultural-related products. Source: Myanmar Trade Portal	
2.	Energy Sector	Due to Myanmar's dependence on imports to meet energy needs, there is a huge potential for India to tap into the market. Power and Oil & Gas Sectors are favorite sector for Foreign Investors.	
3.	IT Sector	India is an acclaimed IT power giant and Myanmar IT sector can be harnessed for mutual benefit. The local demand for IT-related projects is constantly increasing and Indian investors could look to focus its resources to tap into this market and increase their market share.	
4.	Pharmaceuticals	There is a growing demand for pharmaceuticals in Myanmar and it is crucial to health sector. India is a leading powerhouse in producing generic medicines and could increase its market share in Myanmar.	
5.	Consumer Goods	There is a sizeable market for various packaged and consumer goods particularly in the cosmetic , beauty and hygiene segments . The major barriers in these segments is the heavy presence and deep penetration of Thai, Korean and Japanese goods . Indian brands are relatively unknown in Myanmar . A concerted effort in brand building coupled with sustained supply of goods in these segments can create a good market for Indian products . The caveat being that the distributor would have to stay put for some time to get the populace acquainted with the products and compete with the Thai, Korean and Chinese goods.	

c. Information on tender Notices for projects and procurement of interest to Indian project exporters/ suppliers (USD 15 million & above)

S.No	Tender/ procurement notice No and date	Sector	Value of tender/ procurement
	Nil		

No. of Post	NiL	NiL	21	19	NiL	NiL	NiL
No. of Impressions			-----	---			
likes			15.4 K	13.2 K			

d) Details of activities conducted out of Trade promotion budget:

BE for current financial year	RE for current financial year	Amount utilized	Details of Activity (Max.200 words)
Nil			

e) Complaints from foreign buyer/supplier on quality and trade disputes:

Name of Foreign Buyer/ supplier	Address & contact details of foreign buyer/ supplier	Name & address of Indian Exporter/ importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.
NiL				

f) Any other information

National Trade situation of Myanmar in 2019-2020 Financial Year to 2023-2024 Financial Year (Up to May Monthly) (Oversea+ Border)					
2021-2022 (Mini Budget) in US Dollar			2023-2024 Up to May (Financial Year) in US Dollar		
Export	Import	Trade	Export	Import	Trade
504.641	311.384	816.025	102.973	88.616	191.589

(Source: Ministry of Commerce, The Republic of the Union of Myanmar)

Economy

1) Russia Uses Myanmar Pipeline to Transport oil to China

Russia has shipped three million barrels of crude oil, over 100,000 barrels per day, to China via a Myanmar pipeline since February, according to Energy Intelligence, a UK-based monitoring group and leading provider of global energy information and data.

Based on independent port data of shipments, Energy Intelligence reported that Russia unloads its crude oil at the Kyaukphyu deep seaport on Made Island in

western Myanmar's Rakhine State, from there it is transported via a 770km pipeline to a refinery owned by PetroChina in Kunming, the capital of China's Yunnan Province.

Energy Intelligence reported that the shipments to China through the Myanmar pipeline indicate that Russian oil exporters are trying out new export routes in Asia, which has been receiving the bulk of Russia's crude oil since the European Union imposed an embargo on Russian crude oil in December last year.

2)India-Myanmar Multisector B2B Matchmaking enhances cooperation

India-Myanmar Multisector B2B Matchmaking was held at the India centre in Yangon on 24 April 2023 in cooperation with Embassy of India in Yangon and Global Network International Trade Advisory. This B2B matchmaking was aimed at building joint ventures between Myanmar businesspersons and Indian partners to work together in pharmaceuticals, hospital services, manufacturing, fibre and garment, construction, food products, information technology, agriculture, sugarcane and sugar production, and energy and banking sectors. Ambassador Shri Vinay Kumar, Indian Ambassador to Myanmar, and Mr Naresh Kumar Dinodiya, chairman of the India-Myanmar Chamber of Commerce, gave opening remarks on the occasion.

This B2B event will open up opportunities in business, trade and investment and cooperation in manufacturing, food production, garment, pharmaceuticals, health care services and IT. 25 Indian companies joined the event, majority of them are IT companies and pharmaceutical companies.

3) Chinshwehaw border trade value reaches US\$3.322 mln in 3rd week of April

The statistics of the Ministry of Commerce indicated that the Chinshwehaw border post handled exports and imports worth US\$3.322 million in the third week of April. From 15 to 21 April, the Chinshwehaw border post managed exports valued at \$0.478 million and imports worth \$2.844 million. Between 8 and 14 April, Myanmar exported broken rice, corn, mung bean, butter bean, rice bean, peanut, dried tea leaves, sorghum, wet ginger, dried konjac, onions, and cotton.

4) Two investment projects allowed by Yangon Region Investment Committee

On 28 April, the Yangon Region Investment Committee granted approval for two investment projects with a total amount to K2.5 billion and US\$ 1 million respectively. The investment projects are expected to generate 163 employment opportunities for the local workforce. As per the report, the endorsed businesses

include the export of value-added raw materials of rubber and the production of cartons to be sold to domestic market .

5) Lashio Town At Risk Of Chinese Domination As Land Deals Soar

The fertile red soil that was previously used for seasonal farming is now being marked with poles and converted into commercial plots for sale. Lashio, a bustling trading hub between China and Myanmar, is currently witnessing the operation of multiple bulldozers that are converting farmland into plots to be sold commercially . This recent activity has turned buying and selling land into a significant business in the Lashio region.

6) India-funded Sittwe Port set to open May 9

A new port in Sittwe that is part of the US\$500 million Kaladan Multi-Modal Transit Transport Project will be opened on May 9. The India-funded port, which is considered important for trade between the two countries, will be inaugurated with a ceremony.

Merchants in Arakan State believe that the new Sittwe Port will be able to accommodate large ships of 5,000 to 6,000 tonnes that can conduct direct trade with India. The port has the potential to transform aspects of the Arakan State economy for the better. Myanmar and India signed a bilateral agreement in 2008 to connect the port and inland water transport terminals in Sittwe and Paletwa to the northeastern Indian state of Mizoram, also linking Sittwe to the port city of Kolkata in “mainland” India. The Kaladan multi-modal project, which is being funded by India, will include two major land and sea routes: the waterway from Sittwe to Paletwa and a road link from Paletwa to Mizoram.

7) Myanmar-Thailand border trade crosses US\$390 mln in April 2023-2024

Myanmar’s border trade with the neighboring country, Thailand, totaled US\$393.233 million in April during the current financial year 2023-2024. The figures surged from \$329.046 million recorded in the year-ago period, showing a significant increase of \$64.187 million. Myanmar carries out cross-border trade with Thailand via Tachilek, Myawady, Kawthoung, Myeik, Hteekhee and Mawtaung borders. Among them, the Hteekhee border performed the largest trade worth \$273.366 million last month. The trade values stood at \$97.113 million at Myawady border post, \$12.986 million at Tachilek, \$7.189 million at Myeik, \$2.491 million at Kawthoung and \$0.088 million at Mawtaung.

8) Above 1 mln tonnes of fertilizers, over 38,000 tonnes of pesticides required for monsoon growing season

Myanmar Fertilizer, Seed and Pesticide Entrepreneurs Association have proposed the initial approval of around 1.2 million tonnes of fertilizer and 38,850 tonnes of pesticide this rainy season, according to the Urea Fertilizer Distribution and Sale Steering Committee. A total of 2.87 million tonnes of various fertilizers and 34,489 tonnes of pesticides will be required for a 22.48 million acreage of cultivation during the 2023-2024 financial year, according to the proposal to the Department of Agriculture. The Union minister of the Ministry of Cooperatives and Rural Development, who is also the chairman of the Urea Fertilizer Distribution and Sale Steering Committee, approved the importation of 11.22 million tonnes of urea fertilizer and 11.11 million tonnes of compound fertilizer as of end-April 2023.

9) Rakhine business people hope to trade directly with India through Sittwe Port

Local merchants and business owners in Myanmar's Rakhine State expect to trade directly with India via the India-funded international Sittwe Port, which opened on 9 May, according to a report by the Development Media Group, conveyed by UNOPS. The Rakhine State Chamber of Commerce and Industry (RSCCI) and an Indian delegation led by India's Ministry of Ports, Shipping and Waterways met at Sittwe Hotel. The meeting focused on increasing production by small-scale and medium-scale businesses in Rakhine State, their access to markets, and joint ventures between Indian and local business people in Rakhine State.

Officials of the Rakhine State Coastal Ship Owners Association also held talks with the Indian delegation. To bring the proposals to fruition, there is a need for the two countries to sign a coastal shipping line agreement, said Rakhine State businessman Khin Maung Gyi.

10) CBM to launch Digital Payment Switch

The Central Bank of Myanmar (CBM) conducted a workshop on launching Digital Payment Switch using CBM's MMQR (Myanmar Quick Response) to the financial industry in Nay Pyi Taw. CBM Governor Daw Than Than Swe said the CBM developed the CBM-NET for large payments between the banks in accordance with the Myanmar National Payment System Strategy 2020-2025 and Myanmar Payment Union-MPU, and would introduce the Digital Payment Switch that can ensure real-time retail payment by using QR Code this year.

If the Digital Payment Switch is implemented, it can create a safe and transparent payment system. It can also reduce the use of cash as it can connect any mobile

wallet, develop the legal currency flow framework to prevent using digital payment for illegal cross-border payment like Hundi, ensure fast currency flow in the economic system, support the country's economy, supervise the payment system of the country, strengthen the Financial Inclusion and facilitate the delayed payment in the business sector.

11) India's NRL will open fuel retail outlets in Myanmar in coming financial year

Myanmar Trade Promotion Organization says the state-owned Numaligarh Refinery Limited (NRL) in Assam, India would open its filling stations in Sagaing Region in Myanmar in the coming financial year. NRL had interest in opening filling stations in Myanmar but this plan was delayed by the coup in Myanmar. They said that it was likely that they could open their fuel retail outlets in Myanmar in the coming financial year. NRL has started its plan of exporting premium diesel to Myanmar via the border town of Moreh by the land route since 2017.

NRL has four refineries in Assam State and one of them was built in Numaligarh near Moreh and they plan to sell the fuel produced by this refinery to Sagaing Region in Myanmar. NRL invested 28,000 crores of Rupees (approx. US\$ 3.41 billion) and it has the production capacity of 3 million metric tons per annum with an expansion project to produce 9 million metric tons per annum.

12) Myanmar delegation led by Union Commerce Minister meets Secretary of CPC Yunnan Provincial Committee, GACC official

Myanmar delegation led by Union Minister for Commerce U Aung Naing Oo attended a business lunch hosted by Secretary of CPC Yunnan Provincial Committee Mr Wang Ning at the Haigeng Garden Convention Center, Kunming. At the working lunch, cooperation to increase the production of Myanmar agricultural produce and export more to the Chinese market, the production of value-added agricultural produce apart from the cultivation for alternative development, and issues related to cooperation in improving agricultural technology and facilitating trade between the two countries were discussed.

13) Myanmar's FDI inflow down over 37 pct in April

Foreign direct investment (FDI) that flowed into Myanmar went down over 37 percent year on year to more than 3.73 million U.S. dollars in April, according to the Directorate of Investment and Company Administration (DICA). The Southeast

Asian country attracted more than 5.99 million dollars in April last year, the DICA's figures showed. In April this year, only one foreign investment enterprise was approved by the Myanmar Investment Commission, and the FDI flowed into the country's manufacturing sector, the DICA said. Myanmar attracted more than 1.64 billion dollars in foreign direct investment in the 2022-23 fiscal year, and Singapore, China and Thailand were the largest investors in the country during the period, official figures showed.

14) Yoma Strategic H2 loss widens to \$44.2 million on higher finance costs

Yoma Strategic's net loss widened to US\$32.7 million (S\$44.2 million) for the second half-year ended March 31, from US\$14.8 million in the previous year. This came amid an increase in net fair value losses and impairment losses for its mixed-use development, Yoma Central, which is still under construction. Higher interest expenses at Yoma Central, rising London interbank offered rates for the US dollar and currency translation losses on its baht-denominated bonds also added to finance costs. The results translated to a loss per share (LPS) of 1.47 United States cents for the same period, compared with an LPS of 0.67 US cents. Myanmar-focused Yoma Strategic has businesses in areas such as real estate, food and beverage, automotive, financial services and investment.

Revenue for the second half rose 126.1 per cent year on year to US\$82.7 million from US\$36.6 million. This was mainly due to record home sales, food and beverage sales, and the completion of the Wave Money acquisition. Wave Money, which comes under the group's financial service segment, became a subsidiary of the group in December 2022. It contributed US\$19.7 million towards the group's revenue from December 2022 to March 2023. No dividend was declared for the period, unchanged from the previous year. For the full year ended March, net loss was US\$41.2 million, while revenue was US\$123.6 million.

15) Construction of Solar plus Gas Engine Hybrid Power Plant in Magwe, finished over 30%

According to the State Administration Council, construction of a 100 MW solar and gas hybrid power plant is under process in Magwe. The power plant, with machine installed capacity of 122-megawatt solar and two 126-megawatt gas engines, is being constructed on 598 acres wide land located near Tha Byay Sann village in Magwe Township in Magwe Region. Upon completion of the project, the electricity to be generated will be distributed to the National Grid through 132-KV Magwe main station. 31 percent of the whole project has currently been completed at the time being, and the Union Minister urged to

finalize the project by February 2024. In addition to the currently arriving nine generators, he said that he will strive for the timely arrival of four more upcoming generators and transformers.

16) Iron and steel association attracts substitution of Yuan payment instead of Dollar

Myanmar Iron and Steel Association (MISA) announced that licenses will be issued in priority if the payment system used is Yuan based instead of dollar for the businesses related to iron and steel. Only dollar was used in the payment system for import and export of iron and steel before. The Ministry of Commerce informed the MISA to substitute dollar with Yuan payment starting from 2023. As per reports, Yuan payment will enhance operations for the companies in the market. Currently, the ASEAN countries are increasingly using Yuan. Substitution of dollar to Yuan payment is more convenient for the businesses,ted.

17) Trade networks expanded from Myanmar-China Trade Fair

Myanmar entrepreneurs had opportunities to expand their business networks in the international community through previously held Myanmar-China Trade Fair. The participants discussed for cooperation in respective business area and trading; and memorandums and trade agreements were signed at the event. Similarly, nine trade agreements hwere signed between 17 companies from both countries on May 26. It is reported that 40 booths of 70 companies of Chinese entrepreneurs, and 79 booths of 65 companies and business associations from Myanmar participated in the exhibition.
