



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Government of the Republic of the Union of Myanmar

Ministry of Planning and Finance

Notification No. 75/2024

1386, 13th Waxing Day of Tazaungmon

(13 November 2024)

Exercising the powers conferred by section 204 (b) Sea Customs Act, the Ministry of Planning and Finance hereby issues the following procedures.

Chapter 1

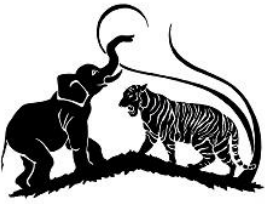
Title and definitions

1. These procedures shall be known as Customs Procedures for the Contract Manufacturing System.
2. Expressions in these procedures shall have the same meaning as in the Sea Customs Act. Furthermore, the following expressions have the meanings given hereunder:
 - (a) “**Contract manufacturing system**” means a system in which raw materials imported from abroad are domestically cut, sewn, modified and reprocessed, processed into finished goods in various ways, and the finished goods are then packaged and re-exported to a destination abroad for a consideration.
 - (b) “**Force majeure**” means natural disasters such as floods, storms, fires and earthquakes, epidemics, wars, government restrictions and prohibitions, law and order disruptions, etc.
 - (c) “**Raw materials**” means raw materials and semi-finished goods imported to produce finished goods for re-export under the contract manufacturing system.
 - (d) “**Packaging materials**” means goods imported to package finished goods produced under the contract manufacturing system for re-export to a destination abroad and as supporting materials.

Chapter 2

Submission of import and goods declarations

3. When importing raw materials and packaging materials under the contract manufacturing system, the following documents shall be submitted together with the import declaration:
 - (a) Import license;
 - (b) bill of lading;



- (c) list of the value of the goods;
 - (d) packaging list;
 - (e) manufacturing contract;
 - (f) order for the goods;
 - (g) approvals and recommendations from relevant departments by type of goods;
 - (h) undertaking letter regarding raw materials and packaging materials (attached Form-1);
 - (i) description of the type and quantity of raw materials required for one unit of finished goods to be exported (attached Form-2);
 - (j) raw materials import list (attached Form-3);
 - (k) packaging materials import list (attached Form-4).
4. When re-exporting finished goods under the contract manufacturing system, the following documents shall be submitted together with the goods declaration:
- (a) Import declaration and accompanying documents;
 - (b) export license;
 - (c) bill of lading;
 - (d) packaging list;
 - (e) order for the goods;
 - (f) advance notice for loading goods;
 - (g) approvals and recommendations from relevant departments by type of goods;
 - (h) undertaking letter regarding raw materials and packaging materials (attached Form-1 (a));
 - (i) description of the type and quantity of raw materials required for one unit of finished goods to be exported (attached Form-2);
 - (j) statement on the re-export of imported raw materials and packaging materials (attached Form-5).



Chapter 3

Determination of the period for re-export and application for extension

5. Imported raw materials and packaging materials shall be exported within 1 year from the date of submission of the import declaration when re-exporting them after manufacturing finished goods.
6. If a person authorised to operate a contract manufacturing system is unable to export goods for various reasons within the period specified in para. 5, he shall submit an application to the Director General of Customs for an extension of the period 2 months before the expiration of the specified period.
7. The Director General of Customs may, if he finds the application under para. 6 justified after having examined it, grant up to 2 extensions of 1 year at a time.

Chapter 4

Inability to re-export for various reasons, transfer and sale

8. If finished goods do not meet the specified standards and are sold domestically instead of being exported, or raw materials and packaging materials are transferred and sold domestically, customs duty and other taxes on the raw materials and packaging materials for whose import from abroad an exemption applied shall be paid, in addition to the prescribed fine.
9. If the finished goods that were exported are rejected by the principal for various reasons and are re-imported, and the exporter of the finished goods puts the goods to domestic utilisation, he shall pay customs duty and other taxes on the imported raw materials and packaging materials used in the manufacturing, in addition to the prescribed fine.
10. If a person authorised to operate a contract manufacturing system applies to the Director General of Customs to destroy raw materials and packaging materials or finished goods without domestic utilisation, the goods shall be inspected under the supervision of a field inspection team and, if confirmed to be in compliance with the specifications, destroyed. The goods so destroyed shall be exempt from customs duty.
11. In the case of destroying domestically raw materials, packaging materials and finished goods that cannot be re-exported:
 - (a) The matter shall be submitted to the Myanmar Investment Commission and the Ministry of Planning and Finance for approval.
 - (b) The destruction shall be carried out according to environmental conservation regulations in the presence of the field inspection team.



- (c) The destroyed amount shall be systematically documented in the attached Form-8.
 - (d) The destruction costs shall be borne by the relevant company.
12. If a person authorised to operate a contract manufacturing system applies to the Director General of Customs regarding wastage, loss or damage caused by force majeure, the goods shall be exempt from customs duty if they are inspected under the supervision of a field inspection team and confirmed to be in compliance with the specifications.
13. If it is found that no evidence can be presented that raw materials were processed into finished goods and exported abroad, or destroyed to the point of worthlessness with permission, or used in the production process, customs duty and other taxes on the imported raw materials shall be paid.

Chapter 5 **Keeping records**

14. A person authorised to operate a contract manufacturing system shall keep records relating to the import of raw materials and packaging materials and the re-export of finished goods for 7 years for inspection by the Customs Department.
15. Regarding raw materials and packaging materials imported under the contract manufacturing system, the schedules in the attached Form-3 and the attached Form-4 shall be filled in correctly and systematically so that they can be presented to the Customs Department during inspection.
16. If a person authorised to operate a contract manufacturing system has any remaining goods that were not exported, he shall submit the remaining balance to the Customs Department without fail within the second last month before the end of the financial year with the attached Form-6 for raw materials and the attached Form-7 for packaging materials.
17. A person authorised to operate a contract manufacturing system shall notify the Customs Department whenever there is any change in the applicable quantity and standards of raw material types required to produce one unit of finished goods.
18. A person authorised to operate a contract manufacturing system shall submit accurate import and export records and documents if they are requested by the Customs Department for inspection.



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Chapter 6 Miscellaneous

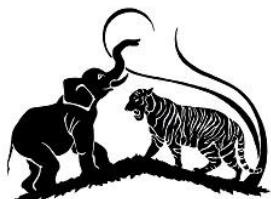
19. Failure to comply with the Customs Procedures for the Contract Manufacturing System will result in action being taken under the Sea Customs Act and other laws in force.
20. This notification shall take effect from 1-12-2024.

Union Minister
Win Shein

Letter No. Sa Bha/Finance-2/2/267 (5669/2024)

Date: 13 November 2024

Copies: *[Omitted.]*



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-1

To:

Director General
Customs Department

Date:

Subject: Undertaking regarding raw materials/packaging materials imported under the contract manufacturing system

1. My/our company/business/organisation imports raw materials/packaging materials under the contract manufacturing system according to the tax exemption granted by the Myanmar Investment Commission and Ministry of Planning and Finance notification no. dated, namely, the goods listed in invoice no./date and the packing list which will arrive from the port in Yangon/the airport/the border on by ship/aircraft/vehicle with BL/AWB/truck note/cargo receipt no.
2. In relation to these goods, I/we undertake to re-export finished goods manufactured domestically within 1 year from the date of submission of the import declaration.

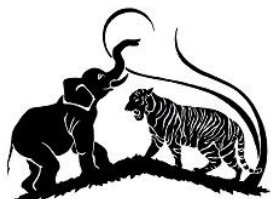
Authorised signature

Name

Company/business/organisation.....

Contact address

Contact phone number



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-1 (a)

To:

Director General
Customs Department

Date:

Subject: Undertaking regarding raw materials/packaging materials exported under the contract manufacturing system

1. My/our company/business/organisation exports goods under the contract manufacturing system according to the tax exemption granted by the Myanmar Investment Commission and Ministry of Planning and Finance notification no. dated, namely, the goods listed in invoice no./date and the packing list which will depart from the port in Yangon/the airport/the border on by ship/aircraft/vehicle with booking note/air booking receipt/truck note no./cargo receipt no.
2. I/we undertake that these goods are finished goods manufactured domestically and then re-exported and that the declarations in the attached Form-2 and the attached Form-5 are correct.

Authorised signature

Name

Company/business/organisation.....

Contact address

Contact phone number



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-2

Date:

Description of the type and quantity of raw materials required for one unit of finished goods to be exported by the company/business/organisations

Sr. no.	Goods declaration no./date	Type of finished goods				Raw materials required to manufacture one unit			Remark
		Trademark	Type	Method of counting	Quantity/amount	Type	Method of counting	Quantity/amount	
									If it is difficult to express for one unit, you can express for 1000 units.

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-3

Date:

List of raw material imports by company/enterprise/organisation

Sr. no.	Raw materials									Remark
	Order no.	Ordered quantity in total	Previously imported quantity as per order	Remaining quantity to be imported as per order	Trademark	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-4

Date:

List of packaging material imports by company/enterprise/organisation

Sr. no.	Packaging materials									Remark
	Order no.	Ordered quantity in total	Previously imported quantities as per order	Remaining quantity to be imported as per order	Trademark	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-5

Date:

Statement of the re-export of raw materials and packaging materials imported by company/business/organisation

Sr. no.	Goods declaration no./date	Order no.	Ordered quantity in total	Previously exported quantity as per order	Quantity currently being exported	Remaining quantity to be exported	Finished goods					Raw materials				Packaging materials			
							Trademark	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-6

Date:

Accounts statement relating to raw materials imported by companies/enterprises/organisations under the contract manufacturing system from (- -) to (- -)

Sr. no.	Import declaration no./date	Type and quantity of imported goods	Goods clearance date	Order no.	Goods declaration no. and date	Type and quantity of exported goods	Type and quantity of goods sold for domestic utilisation	Type and quantity of remaining raw materials

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-7

Date:

Accounts statement relating to packaging materials imported by companies/enterprises/organisations under the contract manufacturing system from (- -) to (- -)

Sr. no.	Import declaration no./date	Type and quantity of imported goods	Goods clearance date	Order no.	Goods declaration no. and date	Type and quantity of packaging materials used during export	Type and quantity of goods sold for domestic utilisation	Type and quantity of remaining packaging materials

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Attached Form-8

Date:

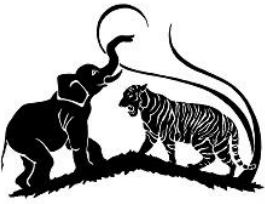
List of destroyed finished goods or raw materials or packaging materials imported by company/business/organisation
and not re-exported abroad

Sr. no.	Import declaration no./ date	Order no.	Ordered quantity in total	Previously exported quantity as per order	Goods declaration no./ date	Remaining quantity to be exported	Quantity to be destroyed	Finished goods					Raw materials				Packaging materials			
								Trade-mark	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)	Type	Method of counting	Quantity/ amount	Weight (Kg) (Gross weight)

I hereby declare that I am aware that any false statement regarding the above information will result in action being taken under customs laws.

Authorised signature

Name



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

Government of the Republic of the Union of Myanmar

Ministry of Planning and Finance

Notification No. 76/2024

1386, 13th Waxing Day of Tazaungmon

(13 November 2024)

1. Exercising the powers conferred by section 204 (b) Sea Customs Act, the Ministry of Planning and Finance hereby issues this notification.
2. Ministry of Planning and Finance Notification No. 10 dated 8 November 1991 and Ministry of Finance and Revenue Notification No. 140/94 dated 7 November 1994 are hereby revoked.

Union Minister

Win Shein



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Government of the Republic of the Union of Myanmar

Ministry of Planning and Finance

Notification No. 77/2024

1386, 12th Waxing Day of Tazaungmon

(13 November 2024)

1. Exercising the powers conferred by section 204 (b) Sea Customs Act, the Ministry of Planning and Finance hereby issues this notification.
2. The Ministry of Planning and Finance has exempted raw materials and packaging materials imported from abroad under the contract manufacturing system from all customs duties according to section 23 Sea Customs Act and section 7 Tariff Law.

Union Minister

Win Shein

Letter No. Sa Bha/Finance-2/2/267 (5671/2024)

Date: 13 November 2024

Copies: *[Omitted.]*



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

Government of the Republic of the Union of Myanmar

Ministry of Planning and Finance

Customs Department

Notification No. 28/2024

1386, 7th Waxing Day of Tazaungmon

(13 November 2024)

Determination of fines

Exercising the powers conferred on him by according to section 43-B Sea Customs Act, the Director General of Customs, Ministry of Planning and Finance, hereby issues this notification.

1. When re-exporting raw materials and packaging materials imported under the contract manufacturing system after the expiry of the permitted period, the fine in appendix A shall be paid for the extension of the period, and the fine in appendix B shall be paid for domestic utilisation.
2. This notification shall take effect from 1 December 2024.

Thein Swe
Director General

Letter No. 33-Wa Hta/2024 (2874)

Date: 13 November 2024

Copies: *[Omitted.]*



Appendix A

Determining the fines

Sr. no.	Period after the expiry date	Fine
1	1-3 months	2% of the customs duty on the goods
2	3-6 months	3% of the customs duty on the goods
3	6-9 months	5% of the customs duty on the goods
4	9-12 months	20% of the customs duty on the goods

Appendix B

Determining the fines

Subject	Fine
Domestic utilisation of goods imported under the Customs Procedures for the Contract Manufacturing System	An amount equivalent to the payable taxes and the assessed value.



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

About Lincoln Legal Services (Myanmar) Limited

Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

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