

Exporting Seeds: Netherlands to Myanmar

OPPORTUNITIES, PROCEDURES AND REGULATIONS



Export of seeds from the Netherlands to Myanmar

Opportunities, Procedures and Regulations

The following options are identified as the most probable opportunities for the seed sector in exporting from the Netherlands to Myanmar. The options are simply clarified in this document, and which steps need to be in place for businesses to export to Myanmar:

- ✓ Phytosanitary export certification
- ✓ Required certificates, documents and guarantees needed by importers
- ✓ PVP-protection
- ✓ Variety registration
- ✓ Customs

This document provides information about export from the Netherlands to Myanmar regarding plant propagation materials, such as seeds for vegetables, seed-potatoes and bulbs.

The Netherlands' Embassy regards itself not liable for commercial or other decisions based on this information.

Growing Opportunities

Increasing demand

Good opportunities for doing business in agriculture, horticulture, floriculture and related sectors in Myanmar are present and growing. Export of plant propagation material, such as seeds for vegetables, seed-potatoes and bulbs for flowers, offer especially interesting opportunities for Dutch companies and can be seen as key-areas to invest. Important to note is that most of in Myanmar registered seed-companies are currently already selling imported seeds. There is a fast growing demand, specifically for hybrid maize and (hybrid) vegetable seeds. A small number of international companies have also started producing their own seeds in Myanmar, mainly for domestic use, but also with the ambition for (re)export.

The Netherlands has been active in Myanmar for many years, with multi-year programs and business investments to support Myanmar in capacity and institution building, vocational education and in good agricultural practices. Priorities lay thereby on for NL-businesses important aspects like phytosanitary requirements, export certification, plant variety protection, variety registration, trade facilitation and value-chain development.

Seed Law

The Myanmar government has made major regulatory reforms for the seed sector in order to attract more investments, such as the recently published new Seed Law. It is in this respect important to note that laws, regulations, law enforcement, competent authorities and/or agencies (for instance the PVP-office at the Department for Agricultural Research, DAR) are all also relatively new and in the process of getting operational in Myanmar. Consequence is that changes still occur frequently, often unexpected and can need a different approach from businesses and/or specific support from the NL-embassy. This can be regarding investments for starting a business in Myanmar or for actual market access (exports) of goods from the Netherlands.

Also important to note is, the Netherlands is not acting on its own and does partner actively with other actors in Myanmar, for instance with the UPOV-office on PVP or with the WB-group on trade facilitation to become more effective. When changes occur in laws, regulations, law enforcement and procedures that may impact your 'doing business on Myanmar', we will update you as soon as possible via Newsflashes on this ABB-site and/or via this document.



Export of Seeds Certification

Phytosanitary Export Certificates for export to Myanmar

The competent authority in the Netherlands (NVWA) provides the relevant information in regard to mandatory and specific requirements, and declarations which can be requested for phytosanitary export certificates. Short for 'phyto', the relevant information about the required certificates for seed, seed-potatoes and bulbs needed in Myanmar can be obtained from: www.nvwa.nl/onderwerpen/export

Procedures for applying

The Plant Protection Division (PPD), part of the Department of Agriculture (DOA) within MoALI, has the position of competent authority called the National Plant Protection Organization. Located in Yangon, the NPPO is the authority for law enforcement with respect to most phytosanitary related activities. NPPO has therefore knowledge of all requirements and procedures. The required documents and procedures to apply for official imports in Myanmar, or for a Myanmar phytosanitary export certificate, in case of further (re) export of consignments, can be found at: www.ppdmyanmar.org/plant-quarantine-pq

E-certification

A recent development is that with support of NVWA an automated support system for the issuance of export-certificates by Myanmar is introduced at the PPD ('eCert-Myanmar'). After further operationalization of this support system, exchange of phytosanitary import and export information, directly between PPD and NVWA, can be expected in the near future. It makes the procedure between the Netherlands and Myanmar 'paper-less'. Specific phytosanitary import requirements from Myanmar are made officially known to the NVWA and/or the Dutch Embassy in Yangon and can then be checked in the relevant database from NVWA (link to CLIENT Export in the Netherlands): www.nvwa.nl

Important to note in this respect is also that the PPD agreed in 2017 to allow the importation of a group of 25 vegetable seeds. This includes potato tuber seed, flower bulbs and 4 kinds of fresh fruits for consumption as traditional trade. For more information about this specific group of seeds you can check: www.ppdmyanmar.org

Before an official export from the Netherlands into Myanmar can take place, some more steps and documents are needed, as listed in the next paragraphs. In practice they will be performed normally by the Myanmar importer.

Additional certificates, documents and licenses need for import

The Seed Division under the Department of Agriculture (DOA) of MoALI, is based in the capital Nay Pyi Taw. Besides being the main responsible policy body, the Seed Division is involved in servicing and issuing various documents. These are:

- ✓ Variety recognition certificate
- ✓ Seed business license
- ✓ Seed testing laboratory registration certificate; in case of private companies that want to establish their own laboratory
- ✓ Import recommendation letter (issued by the PPD)

Import recommendation letter

Concluding, to import seeds, the holder of a variety recognition certificate¹ and a seed business license², attached with the original invoice and phytosanitary export certificate (phyto) from NVWA, can apply at the Plant Protect Division for an import recommendation letter.

The import recommendation letter and phyto together serve to get an import permit from the Department of Trade, which is part of the Ministry of Commerce (MoC). This import permit is requested by the Myanmar Customs. Altogether, the following documents are required to request for an import permit³ at MoC:

- ✓ Import recommendation letter from PPD
- ✓ Application form with original company's letter head
- ✓ Online license application form with 600 Myanmar Kyats (MMK) stamp from Public Information Access Centre (PIAC). Dutch companies can access this form online, but firstly have to pay a member's fees (13.000 MMK for one year at PIAC).
- ✓ After that they will get an user name and password for Trader Login:

¹ For explanation of this specific certificate, see next paragraph: variety recognition

² The following three different crop groups exists for a seed business license, which have a 5 years validity term: 1)Field Crops 2) Horticulture Crops and 3) Industrial Crops

³ the official name is import permit, but this document can also be referred to as import license

www.eservice.myanmartradenet.com

- ✓ For more information you can also check: www.myanmar.gov.mm/en. The Netherlands embassy has the User Guide Book for fully online licensing system, but this is for the time being only available in Myanmar language.
- ✓ Original pro-forma Invoice/Sale Contract

In case the trade department of MoC requires to check import consignments with photo, importers must submit also clear photos of the consignments. The exact procedures for obtaining an import permit can also be checked by the following link, here you can find also information about (re)export from Myanmar: www.commerce.gov.mm/en

Variety registration

VCU Test

In order to receive a variety recognition certificate, the following 17 crops require a VCU test (test for the Value for Cultivation and Use). The following 17 crops require a VCU test (test for the Value for Cultivation and Use). These priority crops are: paddy rice, corn, green ham, black pea, chick pea, pigeon pea, groundnut, sunflower, sesame, cotton, rubber, watermelon, chili, tomato, cabbage and cauliflower. For all crops one season of trials suffices, only rice requires two seasons. For all other crops variety listing is required, based on reports of successfully concluded trials in similar agro- ecological conditions.

Requirements

The total content of the documents (put together in a booklet) required for variety registration is currently as follows:

- ✓ Cover Page
- ✓ Introduction
- ✓ Objectives/ Purposes
- ✓ Statement of Guarantee expressing that the company will take full responsibility to settle any disputes arising from their product
- ✓ Non-GMO Certificate (can be done by the company from the exporting country)
- ✓ Endorsement for Genuine Family Line Number (Signature of representative organization from original country)
- ✓ An endorsement letter from the Original country, that they agree to official distribution in Myanmar/ allow for commercial distribution in Myanmar
- ✓ Characteristics and photos of growth stage by stage
- ✓ Sample of packaging (front/back) (Label in package must be in Myanmar language)
- ✓ Company logo
- ✓ Copy of company registration

Third party registration

To ease procedures and testing The Netherlands is currently working on an initiative to organize the registration process through a third party. This is possible by Myanmar Law, which allows for testing varieties on private farms or farmer fields. This initiative is very important to facilitate Dutch seed companies to invest in, and trade with Myanmar. It will ensure that more well-adapted vegetable varieties are available in the Myanmar market. Companies that want to do start a seed business (production, import, export, distribution, storage) in Myanmar must also apply for a Seed Business License. The license period, license fee and extension fees for the respective groups of crops are currently as followed:

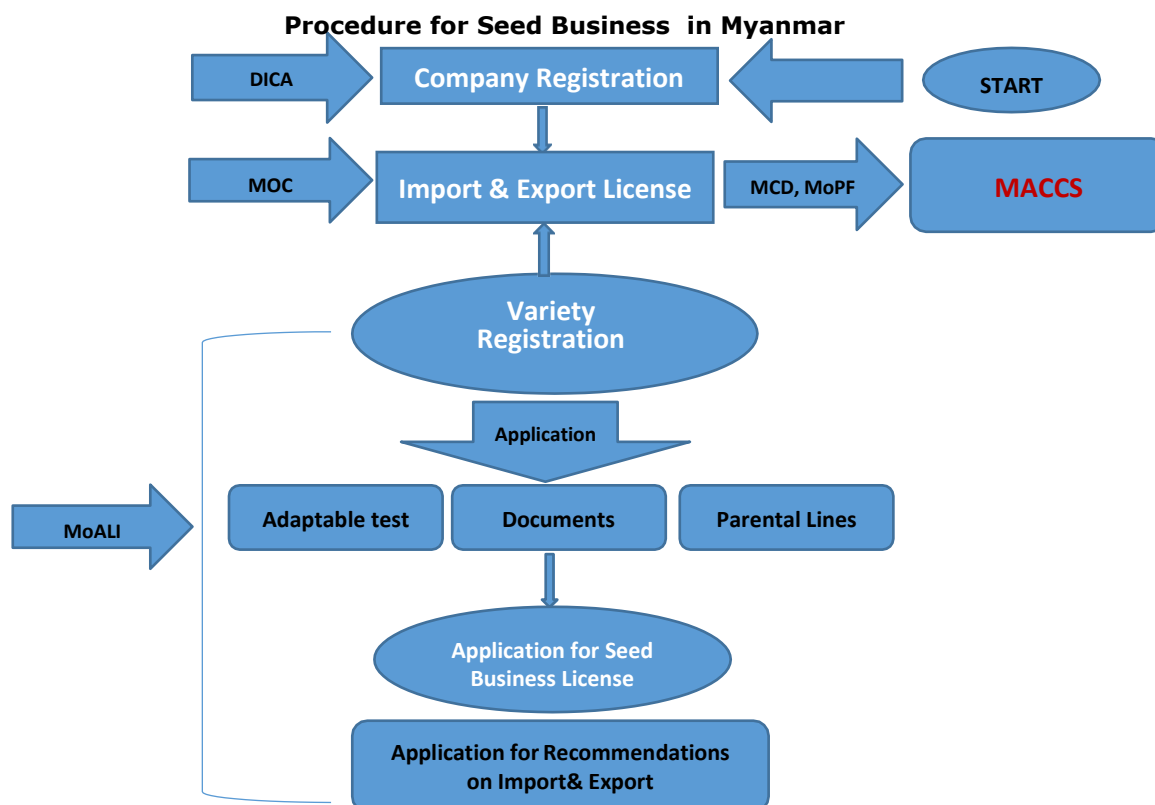
<i>Crop Category</i>	<i>Duration (Years)</i>	<i>Fees (MMK)</i>	<i>Renewal Fees(MMK)</i>
Field crops	5	300,000	300,000
Horticultural crops	5	300,000	300,000
Industrial crops	5	300,000	300,000

To illustrate some details, the following attachments must be included to apply for a seed business license:

- 2 License photos
- Package design (front/ back)
- Recognition certificate copy/ Remark of breeder/recognition certificate holder/ Organization
- Company registration and Form 6/26/ Association certificate/ household table and NRC card (Copies)
- Export/ Import License (copy)
- Recommendation for seed quality (*optional*)

If you want to know more and recent detail procedures, you can check the relevant link in the Myanmar Seed Portal: <http://www.myanmarseedportal.gov.mm/>.

Figure 1: Procedure for Seed Businesses in Myanmar



Accessibility

Important note is that in the current situation, not all information requested is always available, or easily accessible. In specific cases the agricultural team of the Netherlands Embassy can advise or assist you to obtain them. To find more information of the Myanmar company registration, you can visit the following link to the Directorate of Investment and Company Administration (DICA): www.dica.gov.mm/

To finalize this chapter, the Myanmar Customs Department under the Ministry of Planning and Finance plays a very important role for importing products. An online custom clearance system, Myanmar Automatic Cargo Clearance System (MACCS) has been launched on 12 November, 2016. The new system has been implemented at both the Seaport and Airport of Yangon and Myawaddy (Kayin State, at the Thai-Myanmar border). This is part of the ASEAN Economic Community (AEC), in which Myanmar is required to implement the ASEAN Single Window Access for faster import and export customs clearance. Ever since the system was implemented, the lead-time for the custom process has yet to speed up and all required supporting documents remain the same. For the registration in the MACCS system, the agent or company still needs to be physically present at the Customs Office and complete and submit the registration form. For more information you can use the following link: www.maccs.gov.mm

Variety registration, import recommendation letters, business license processes, import permits, other documents and customs clearance require together still many steps and can take considerable time.

As indicated before, the World Bank - group together with the Netherlands is actively working on their simplification, dematerialization and trade facilitation, for instance by realizing a 'one-stop-shop' for seed related issues.

Legal Affairs

PVP-protection in Myanmar

Plant Variety Protection (PVP) is needed to protect the rights of the plant breeder/company against illegal propagation. The first PVP law in Myanmar got into force in January 2017, however the approved law was not fully in compliance with the latest standard and regulation of the international Union for Plant Breeders Rights (UPOV'91). An amended version of the PVP law was officially released on 25 September, 2019. Latest information is that UPOV in principal is now positive about the Myanmar Seed Law and this opens the opportunity for Myanmar to become full member of UPOV. According to current procedures this could be effectuated in the course of 2021.

Plant breeder's rights

The Plant Variety Protection Office is a part of the Department of Agricultural Research (DAR), MoALI, and is responsible for implementation of the PVP system. National plant breeders, plant breeders who are foreigners and permanently reside within territory of Myanmar and their organizations, all organizations and individuals of new plant breeding from foreign countries, can apply for breeder's right which has been entered into an agreement on the protection of a new plant variety. The duration of breeder's rights shall be granted for a period of 20 years from the date of the grant of the breeder's right. For trees and vines, the period shall be 25 years from the said date. At present, local breeders submitted 17 varieties including rice, pulses, corn and avocado to the PVP section from Department of Agricultural Research. If you want to get breeder's rights for your new varieties, you can contact the PVP-office by the following email: vpvsection.dar@gmail.com

Customs

The Myanmar Custom tariff which started on October 1st 2017, is based on the amendments of World Customs Organization's HS 201, combined with the ASEAN Harmonized Tariff Nomenclature 2017. Myanmar custom tariffs generally range from 0 to 40%. According to Myanmar government's declaration of order (No.69/2017), 87 varieties of goods should be exempted for tariff tax. This includes seeds and propagation materials for the agricultural development purposes.

Trade Agreements

However, and this is an example of still the great difficulty in 'Ease of Doing Business' with Myanmar, currently vegetable seeds under HS Code 12.09.91 are taxed at 3% and seed potato tubers (HS Code 0701.10) and flower bulbs (HS Code.06.01) even at 15%. Official information can be found at: www.maccs.gov.mm

According to the ASEAN Free Trade Agreement, seeds including bulbs and potato tubers (0601.10.00) must be exempted. The latest info states that private sector organizations and companies that import seeds and other propagation materials, are organized to bring up this case to the attention of higher political and governmental levels such as the Vice President and Minister for Commerce on these issues.



Final additional observations

1. The Myanmar Ministry of Agriculture, Livestock and Irrigation (MoALI) has adopted an Agricultural Development Strategy (ADS) that encourages and supports private sectors in the seed sector and industry for further development.
2. The Ministry of National Planning and Economic Development, via the Directorate of Investment and Company Administration (DICA), allows 100% foreign investment in the seed sector.

Figure 2: Application procedure of a new variety in Myanmar

