

National Stakeholder Consultation Meeting

Business Process Analysis For Agricultural Trade Facilitation in Myanmar

Prepared by

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Theingi Lwin

Yangon, Myanmar

7 May 2013



Overview

- Objective and Methodology
- Rice Exports from Myanmar to West Africa (sea)
 - Business process analysis
 - Bottlenecks in rice export process
 - Recommendations
 - Discussion of findings
- Mango Exports from Myanmar to China (land)
 - Business process analysis
 - Bottlenecks in mango export process
 - Recommendations
 - Discussion of findings
- Palm Oil Import from Malaysia to Myanmar (sea)
 - Business process analysis
 - Bottlenecks in mango export process
 - Recommendations
 - Discussion of findings

Objective and Methodology

- **Objective:**

BPA is the first technical step in preparing for trade facilitation measures including paperless trade and Single Window implementation

- **Methodology**

- Desk research

- Interviews with

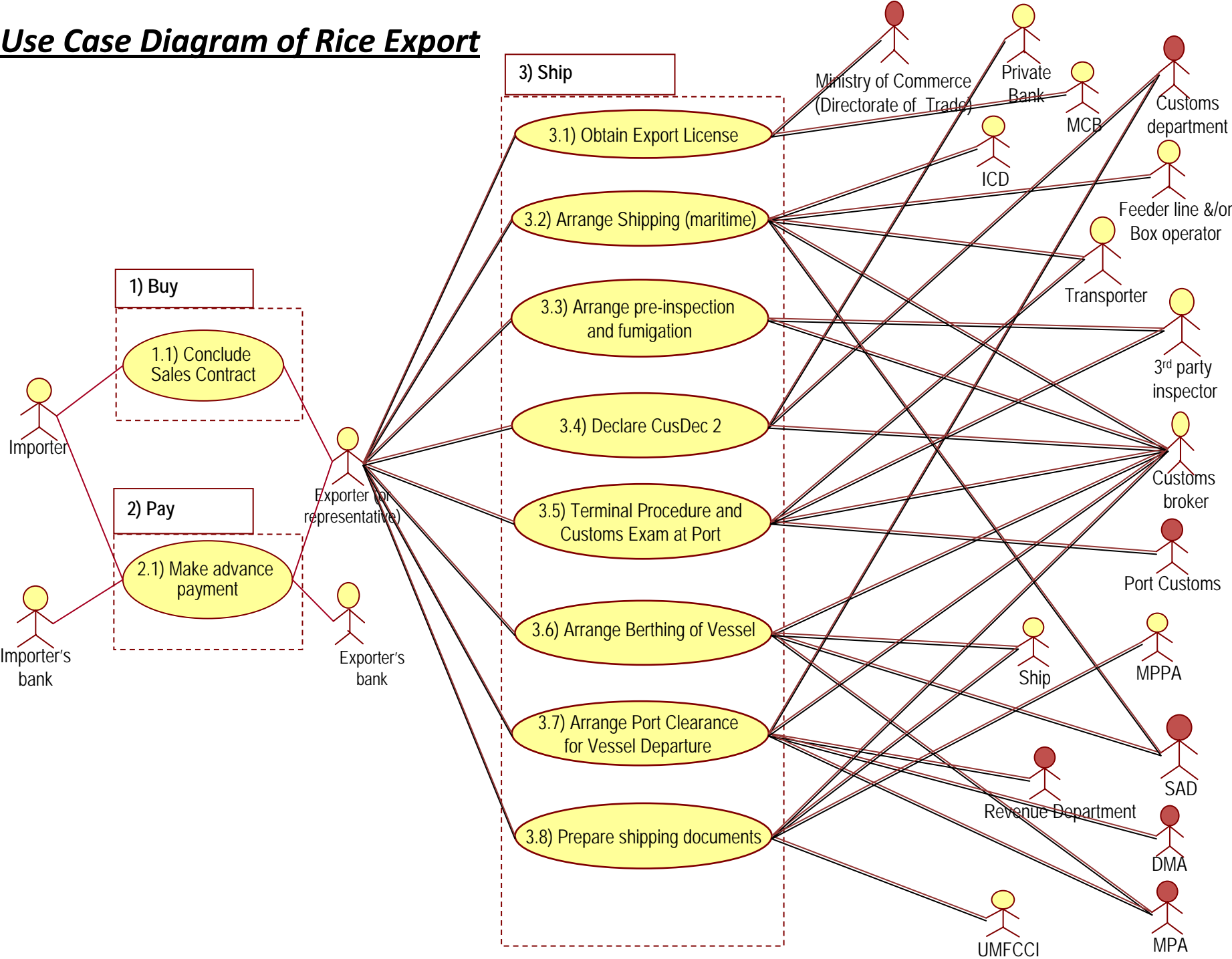
- Government officials,
 - private sector associations,
 - individual private sector firms

How MNC, Exporters, Importers and logistics professionals assess institutions and processes?

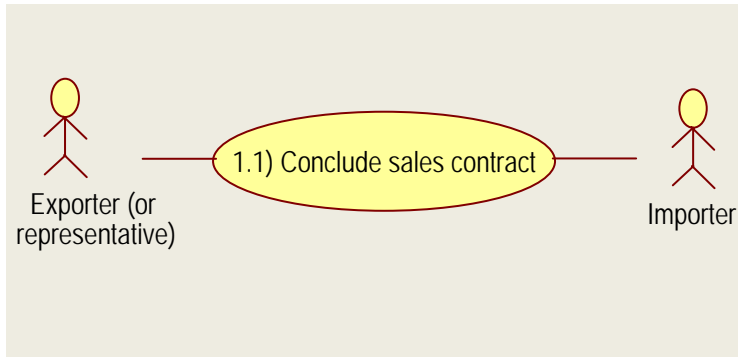
- Concerned about the quality of telecommunications and IT infrastructure
- Concerned about the quality of the physical transport infrastructure (ports, roads, warehouses)
- Satisfied with customs
- Satisfied with other border government agencies
- Satisfied with private logistics services
- Concerned with frequent solicitation of informal payment
- Satisfied with transparency of border processes
- Imports cleared and delivered as scheduled

RICE

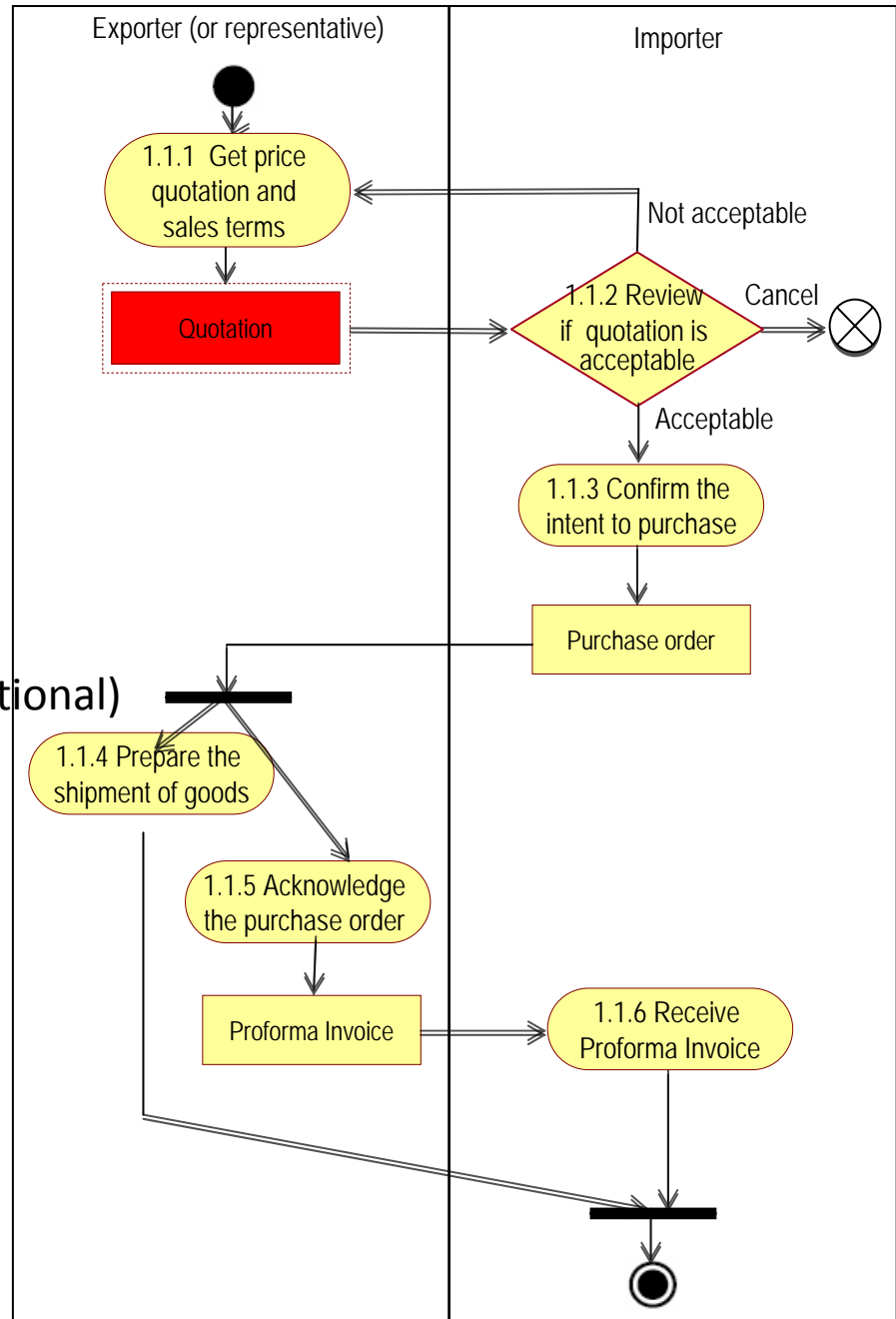
Use Case Diagram of Rice Export



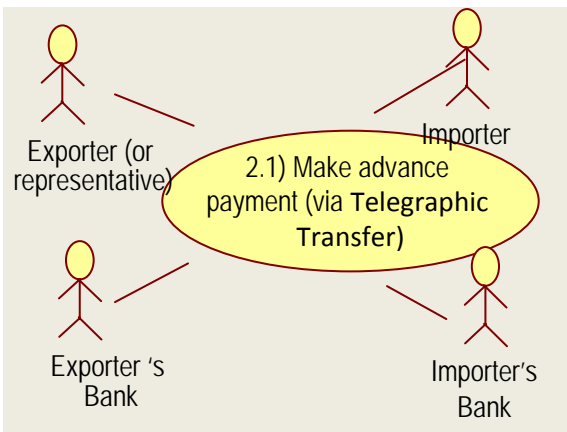
1.1) Conclude Sales Contract



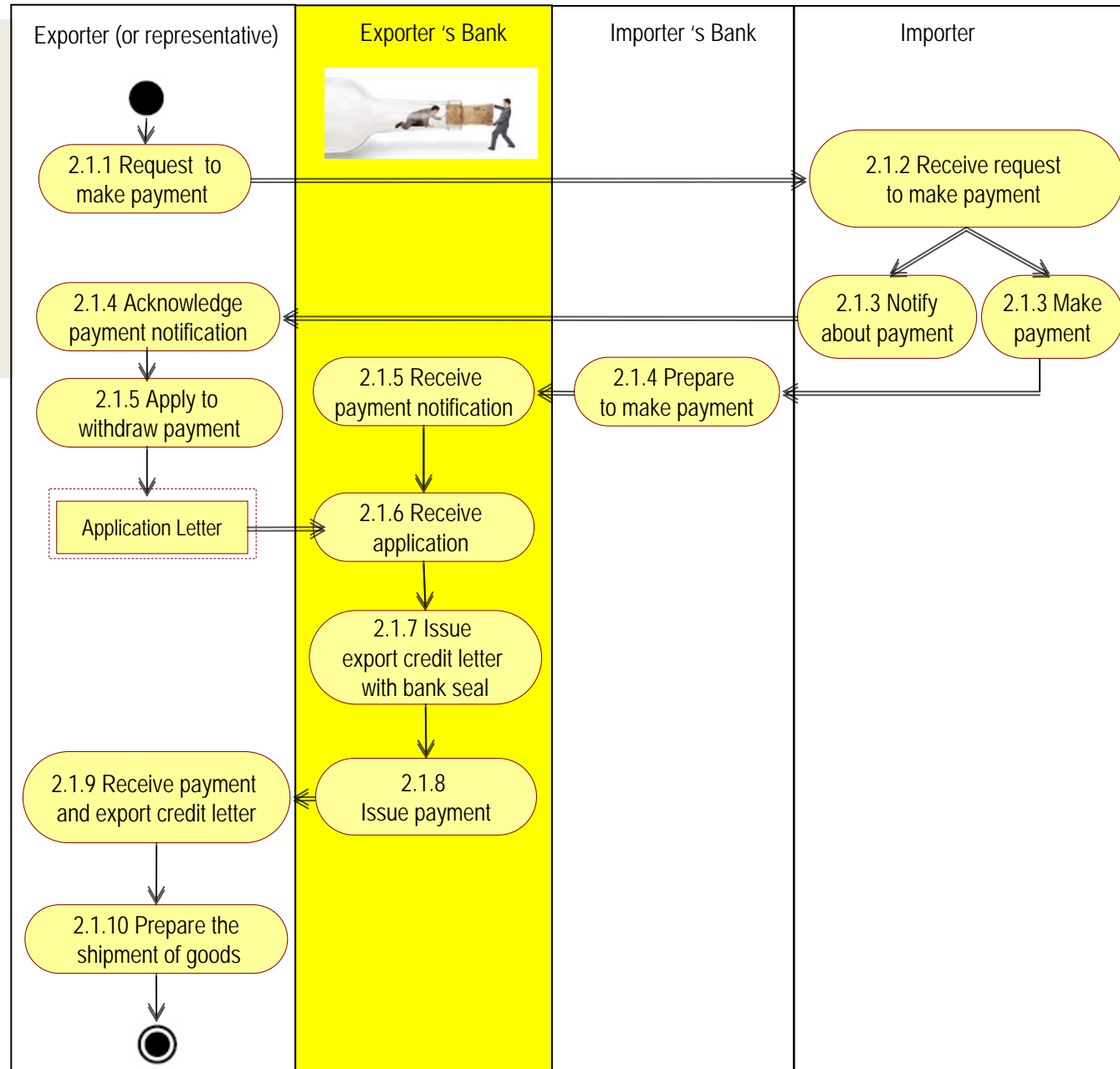
Price Negotiation
FOB CY(for container)
FOB STOWED(Conventional)



2.1) Make advance payment (via Telegraphic Transfer)

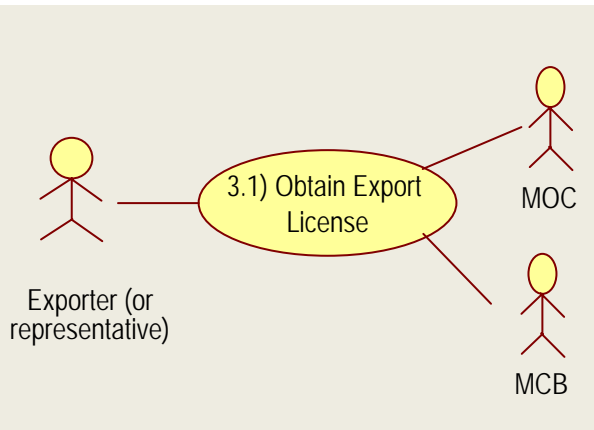


-Term "TT" Selling price
5-7 \$ less than LC term.
-Bank Processing time.

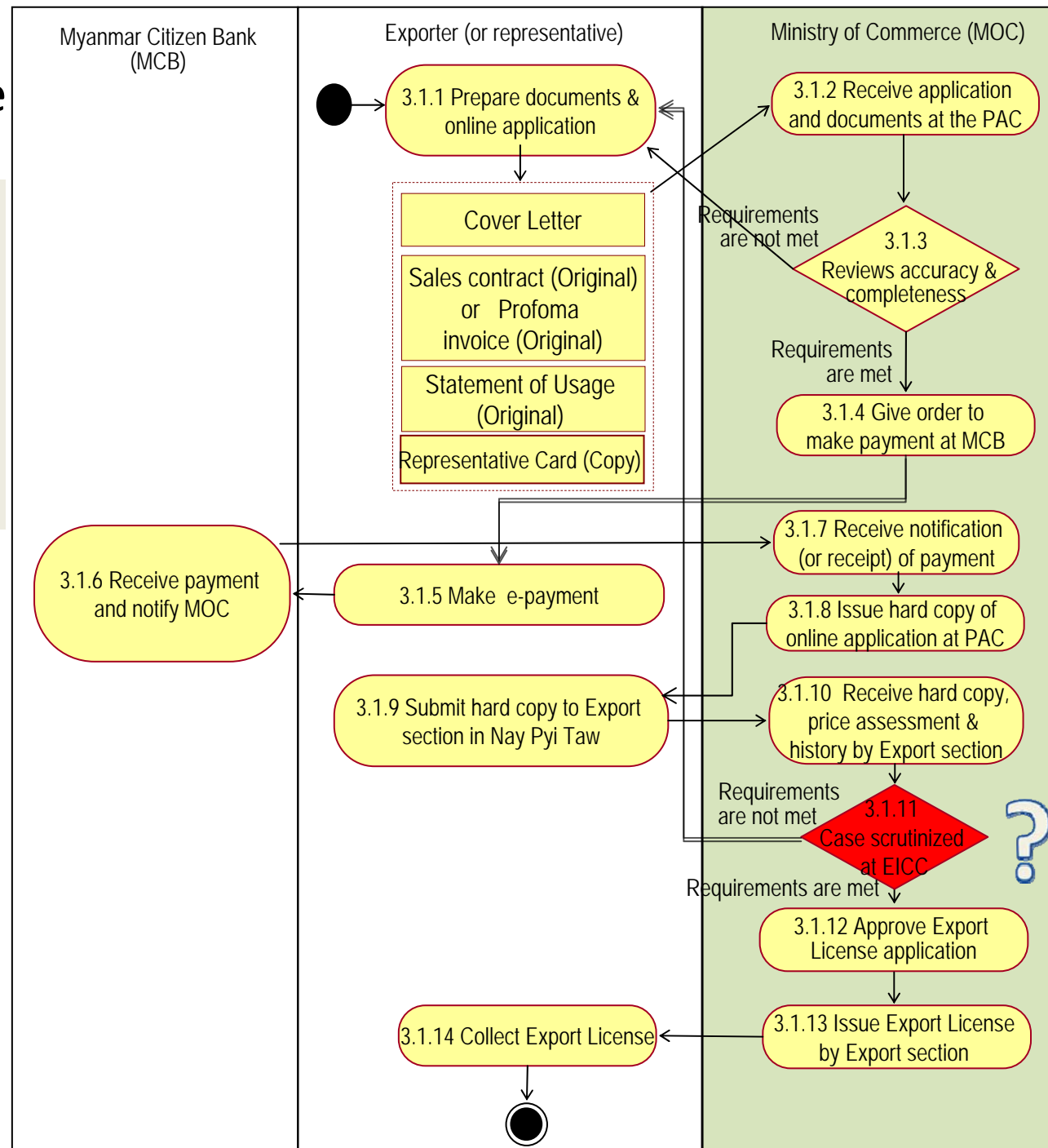


3.1)

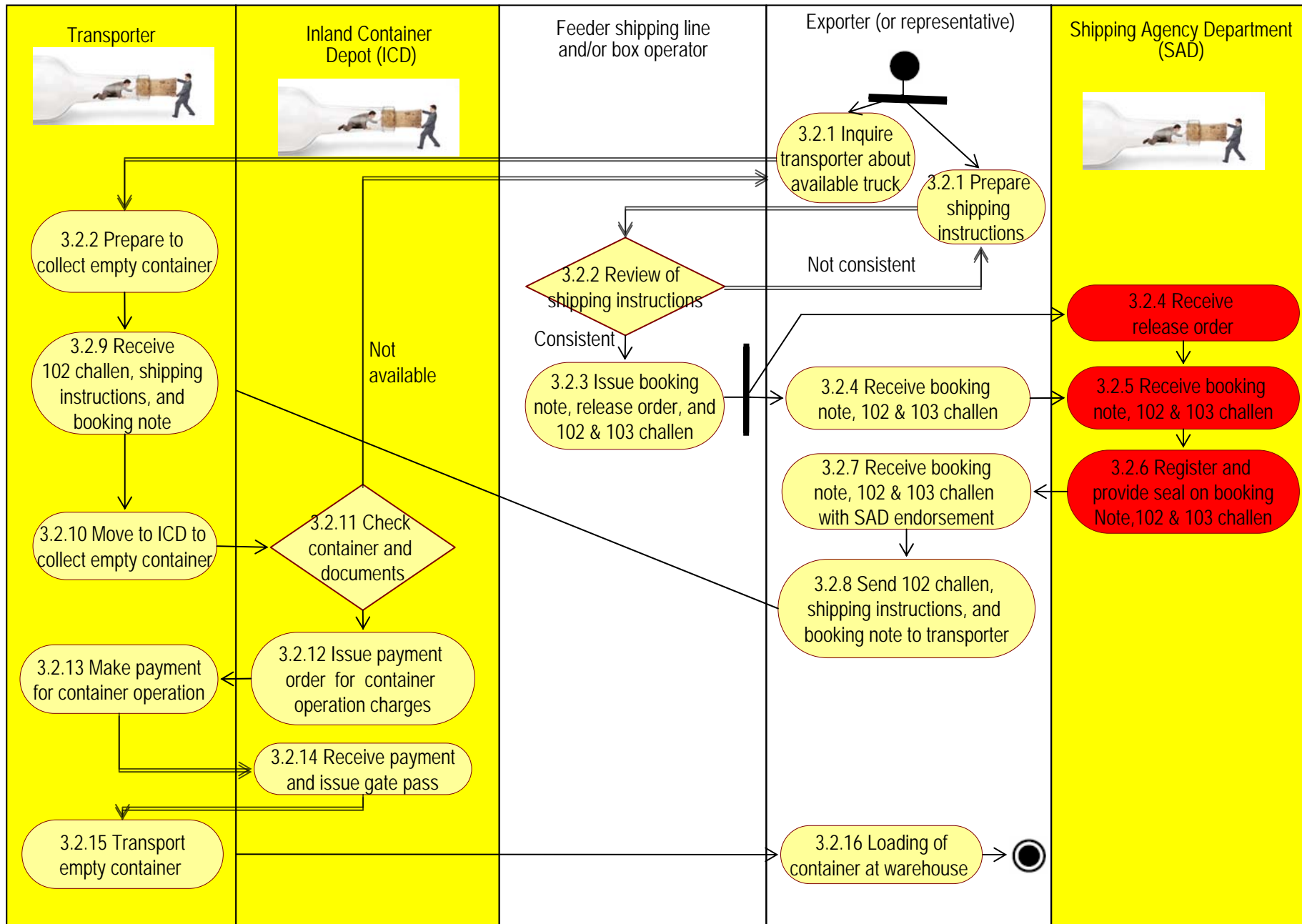
Obtain Export License



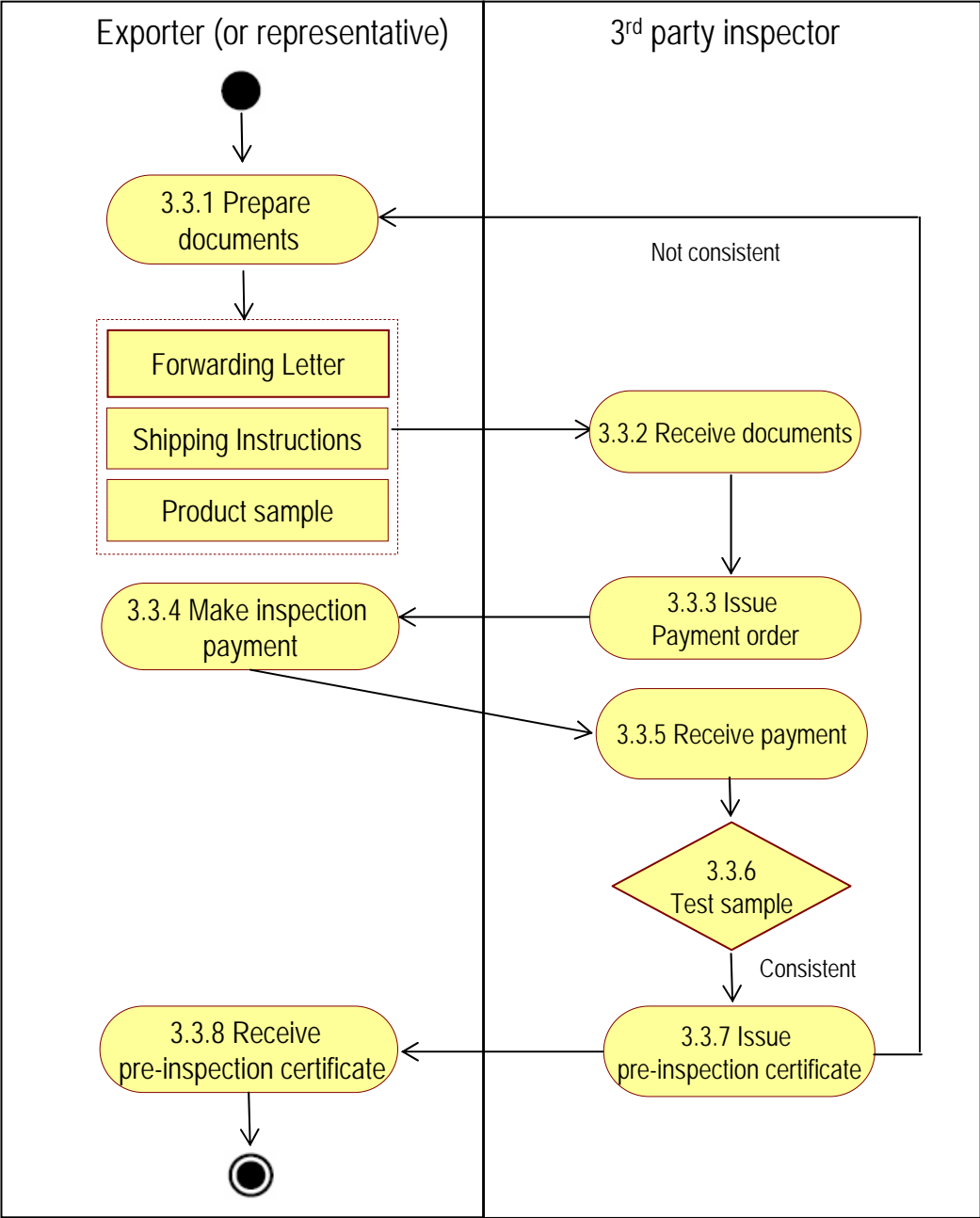
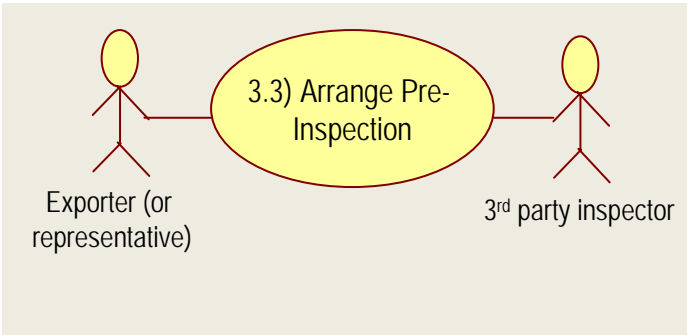
ONLINE Application



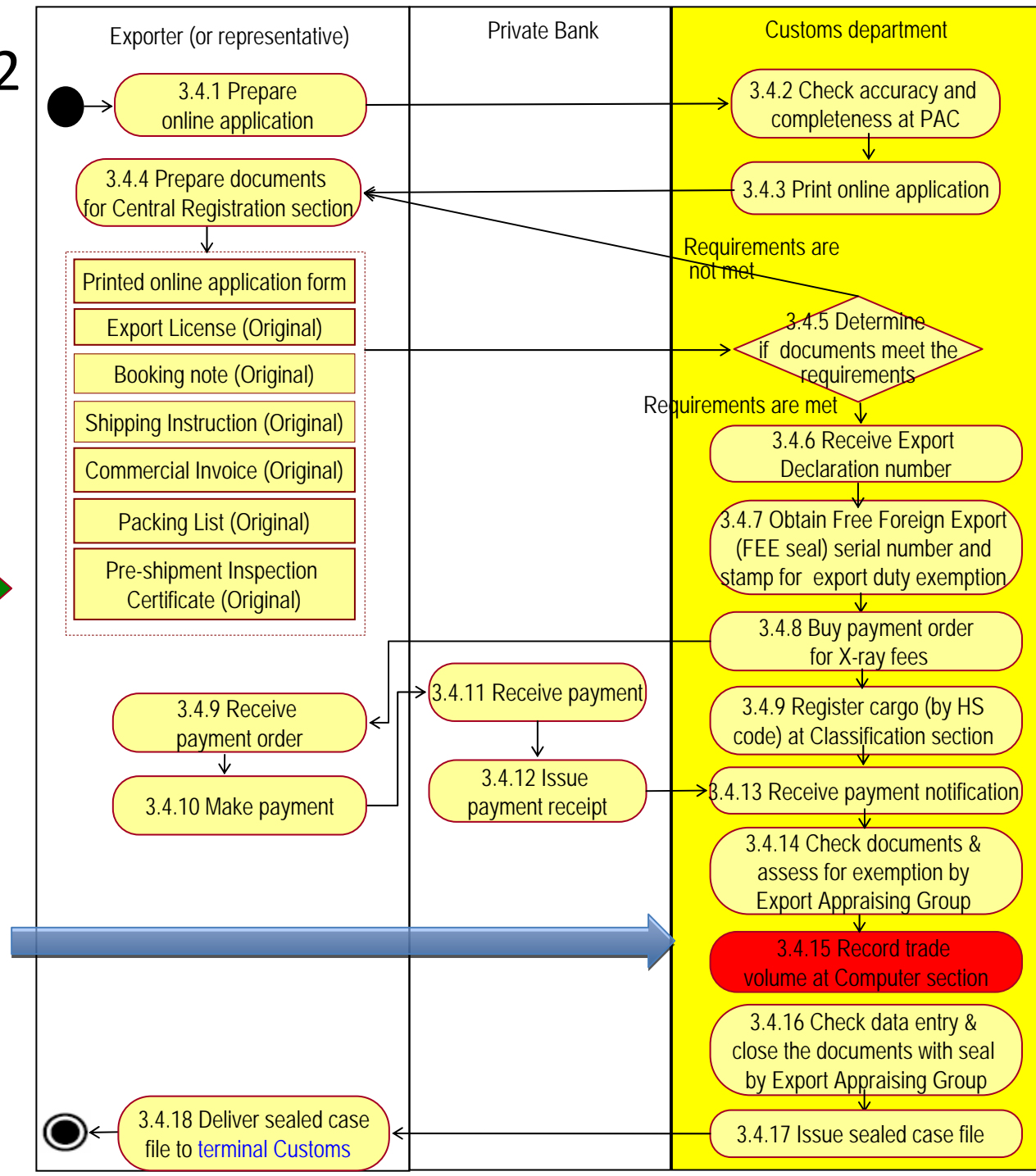
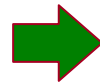
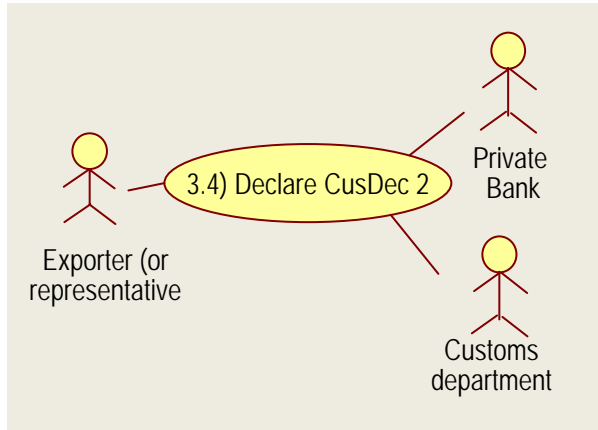
3.2) Arrange overseas shipping

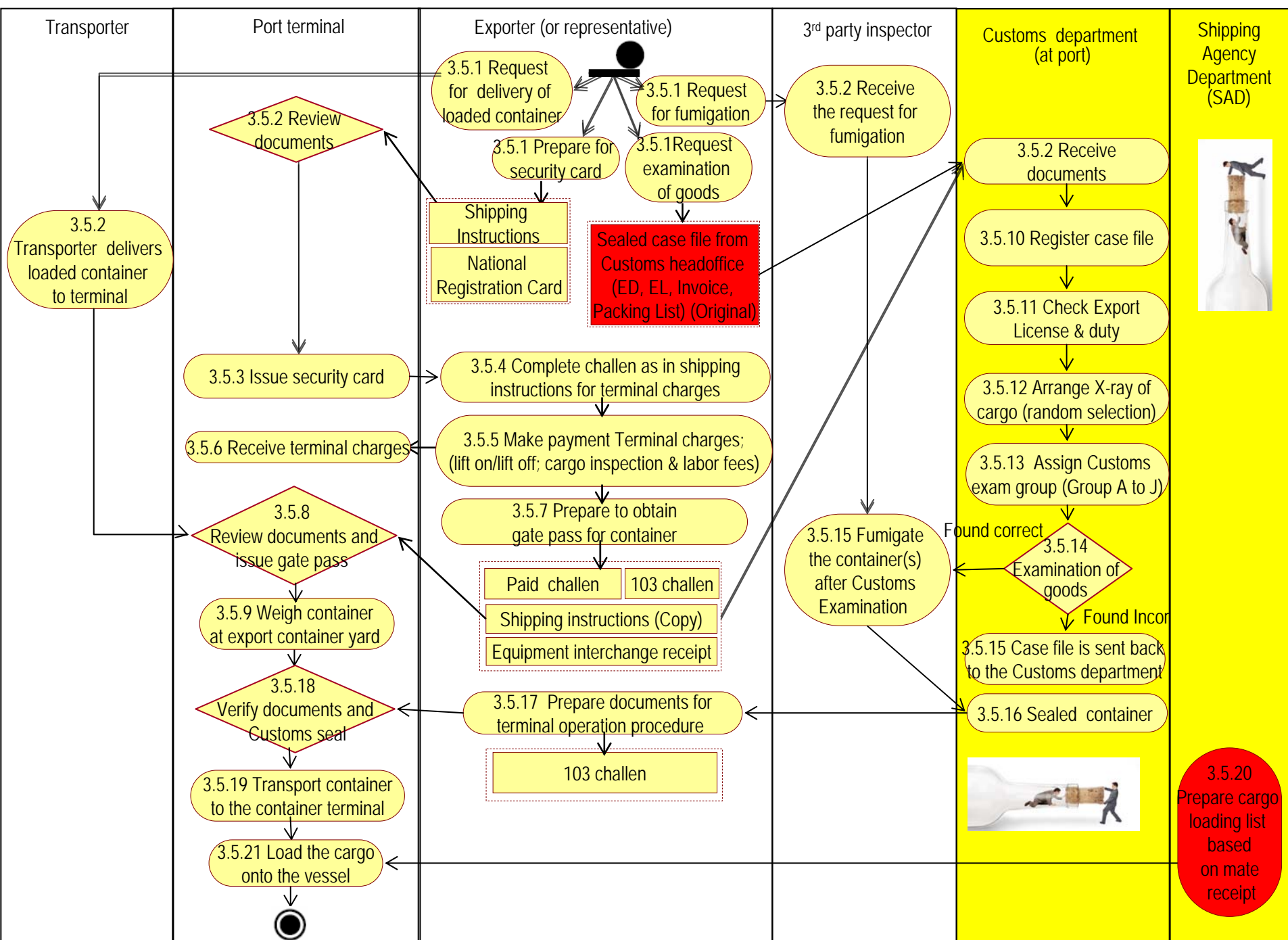


3.3) Arrange Pre-Inspection

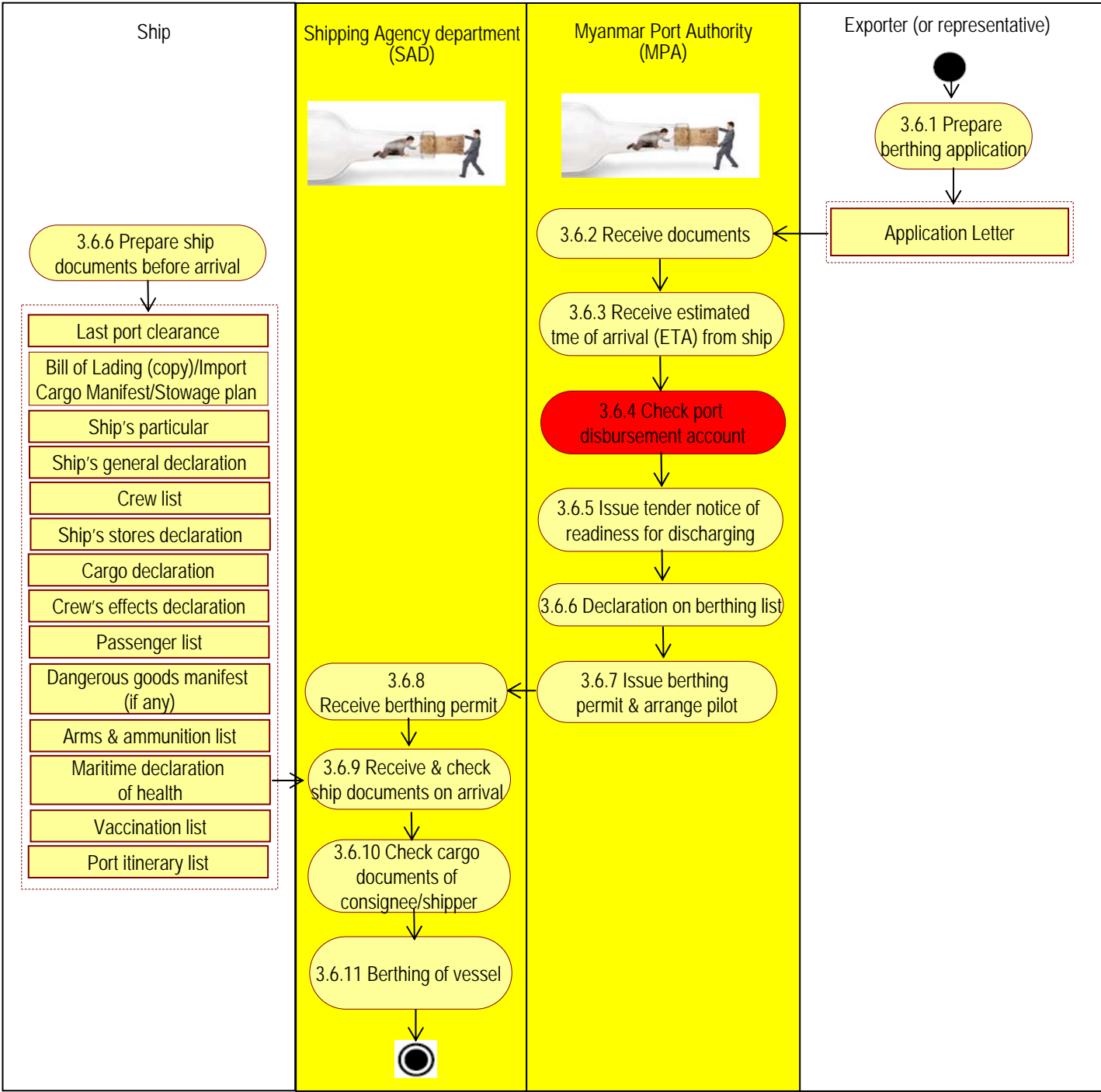
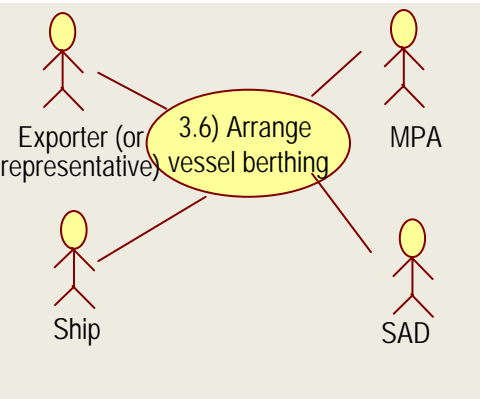


3.4) Declare CusDec 2





3.6) Arrange Berthing of Vessel

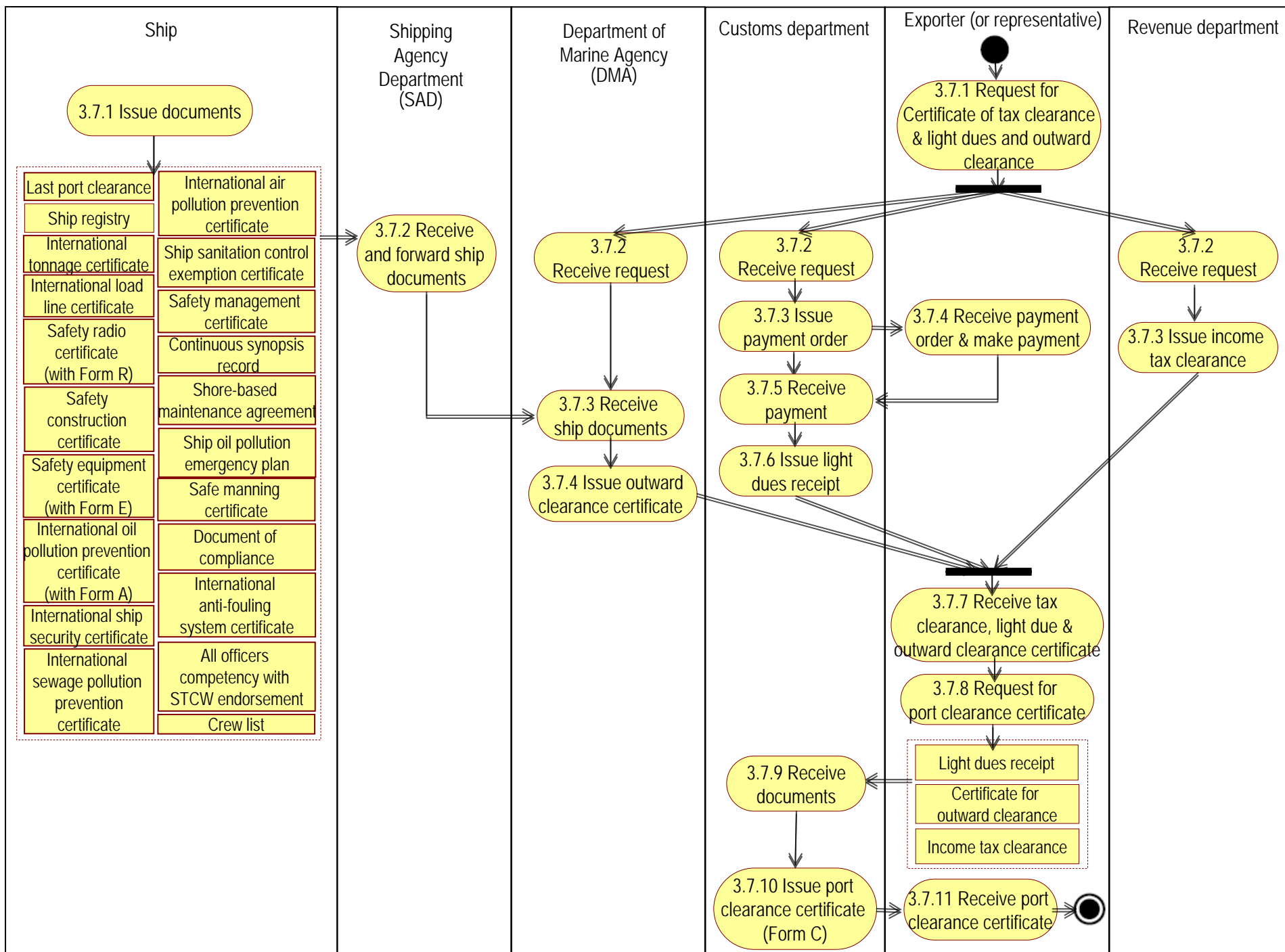


ESTIMATED PORT Disbursement Account

ESTIMATED DISBURSEMENT

M.V	ETA()	For Stay	()	Days
Owner			W.Gang			
Charterers.....			(EX.Rate			
Discharging.....	MT	From.....	Frt USD.....			
Loading	MT	TO ..	Frt USD.....			
.....	MT	TO ..	Frt USD.....			
.....	MT	TO ..	Frt USD.....			
Vessel's Particular: GRT/NRT		LOA.....	Speed.....		Flag.....	
Call sign.....	DWT	A.Draft.....	S. Draft.....			

	Owner A/C	Charter A/C	Shipping A/C
1. Port Dues	US\$		
2. Pilotage (In- Out)	US\$		
3. Berthing	US\$		
4. A.H.M Fees	US\$		
5. Mooring/Unmooring	US\$		
6. Launch/ Tug	US\$		
7. Light Dues	US\$		
	<u>Total</u>		
	Plus 20%		
	<u>Total Port Chgs</u>		
8. Freight Tax 1.75 %	US\$		
9. Import Agency comm. 2.5%	US\$		
10. Export Agency comm. 3.0%	US\$		
11. Agency Fees	US\$		
12. Stevedoring Charges (Dis)	US\$		
13. Stevedoring Charges (Ldg)	US\$		
14. Supervisory/ Tally charges	US\$		
15. Watchman	US\$		
16. Immigration overtime	US\$		
17. Customs overtime	US\$		
18. Fresh Water	US\$		
19. Motor Launch	US\$		
20. Dunnage / Mats	US\$		
21. Shore Crane chgs	US\$		
22. Photo / stationery	US\$		
23. Advertisement	US\$		
24. Telex/ Fax/ E.mail	US\$		
25. BUNKER Supply	US\$		
26. Fork Lift chgs	US\$		
27. Rope/ wire Sling charges	US\$		
28. Survey Fees	US\$		
29. Side nets	US\$		
30. Miscellaneous	US\$		
TOTAL	US\$	+	=USD; (EURO;)



3.8) Prepare Shipping Documents

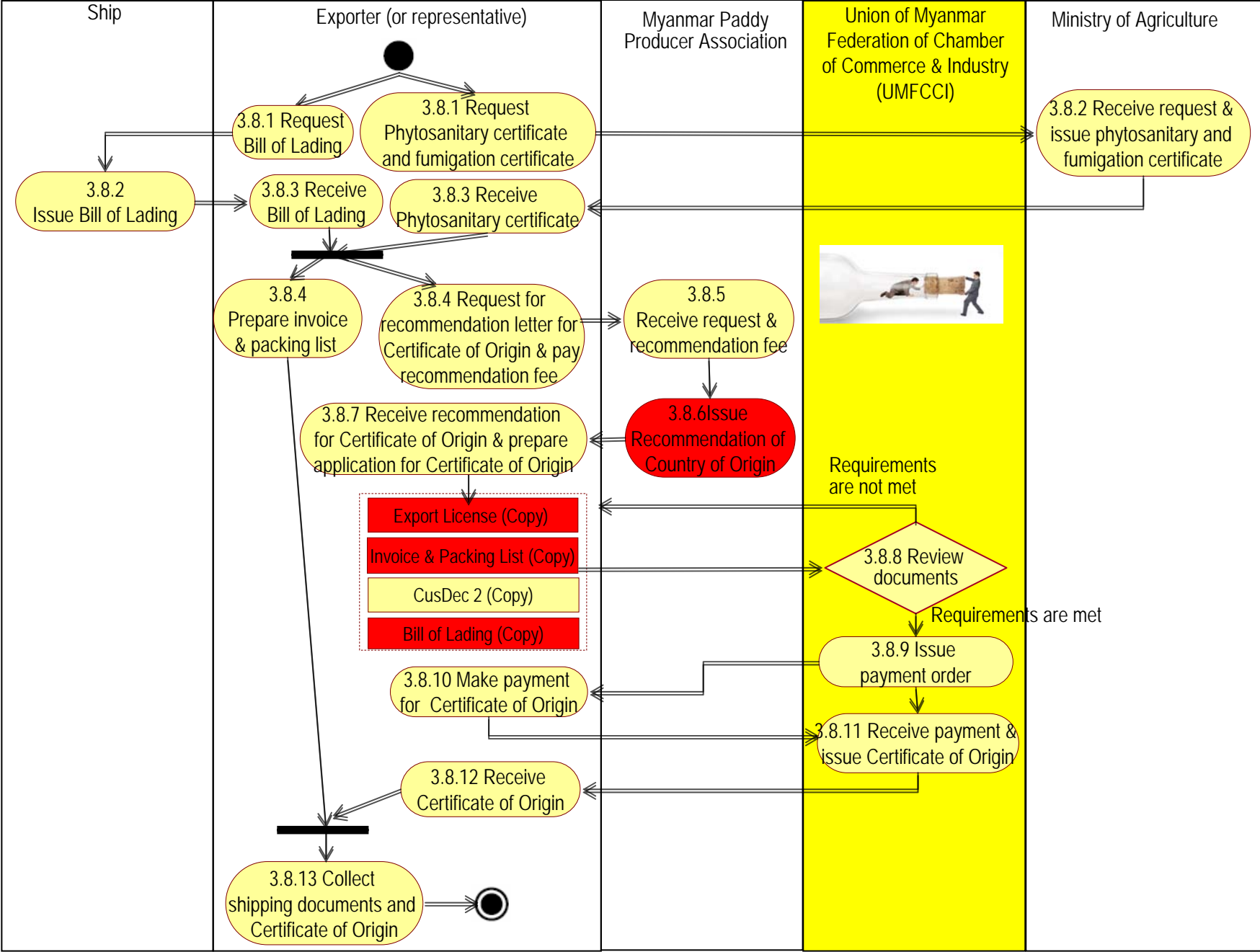
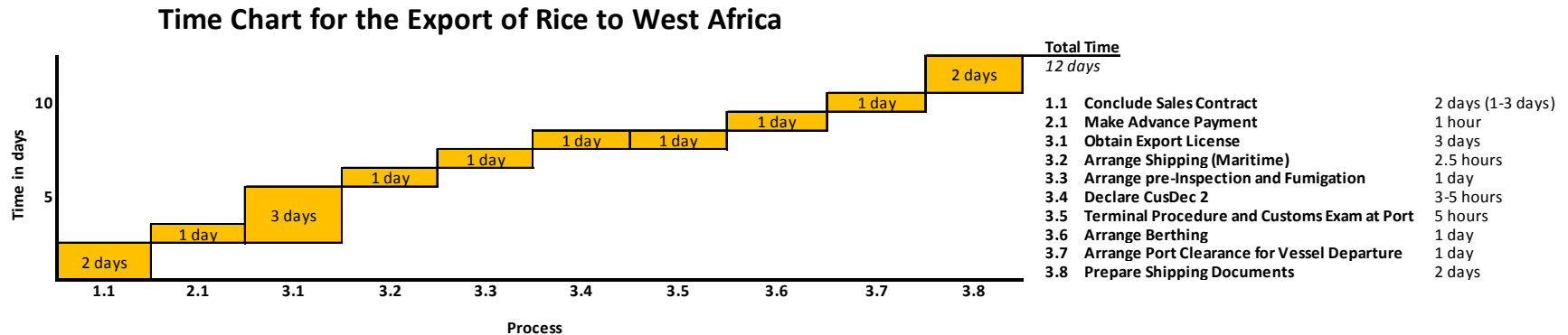


Figure 9782: Graphical Overview of the Time Required to Export Rice to West Africa



IS IT REALLY ONLY 6 DAYS??? PLEASE ALSO CHECK IF THE PROCESSES IN PARALLEL CAN REALLY BE DONE IN PARALLEL!!!
CHECK HOW LONG THE PAYMENT TAKES

Assumptions:

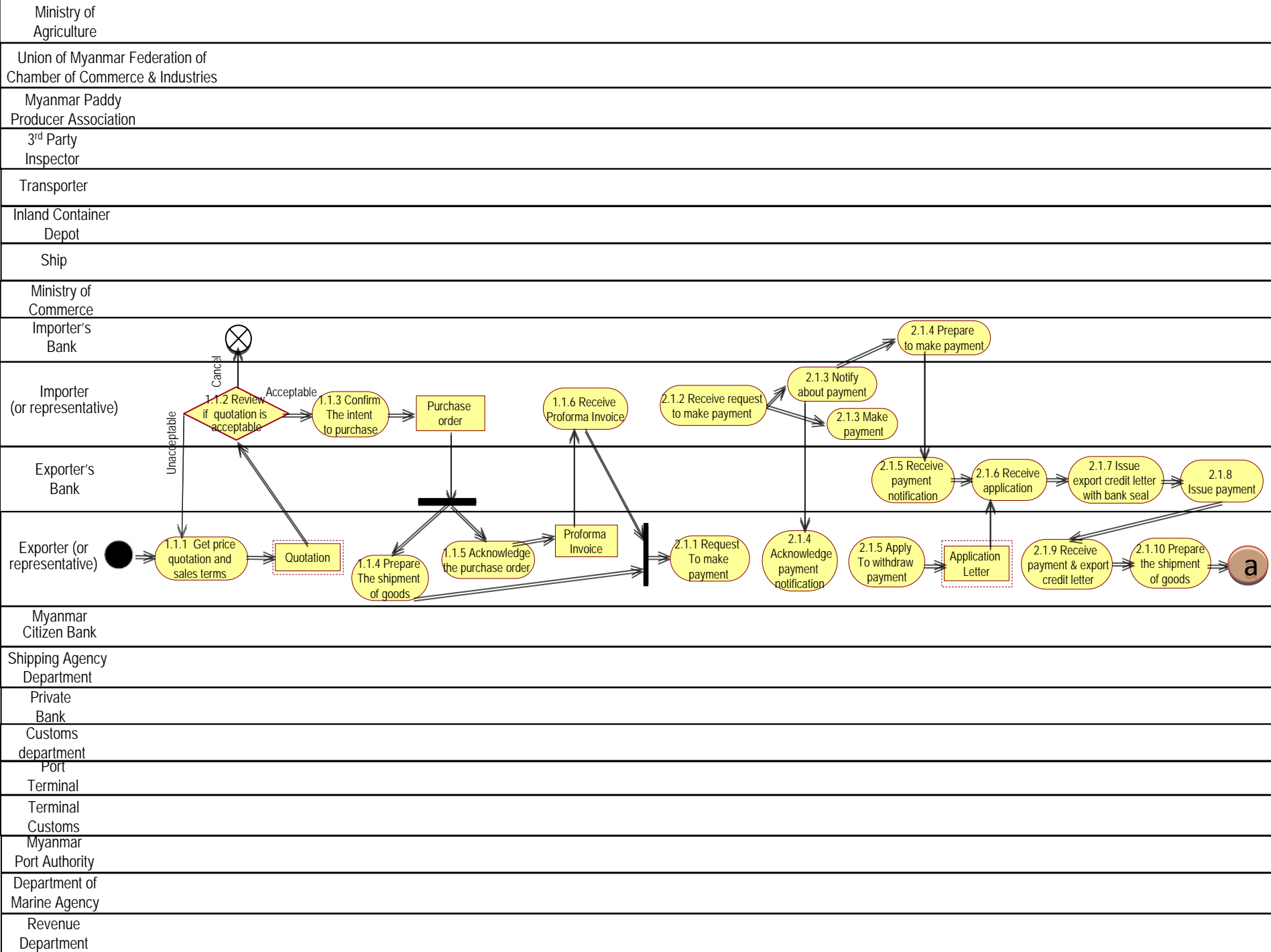
- Cash is paid immediately after the sales contract is concluded (buyer has the enough working capital to make the payment)
- Exporter starts obtaining Export License immediately after the payment is made (not payment received)

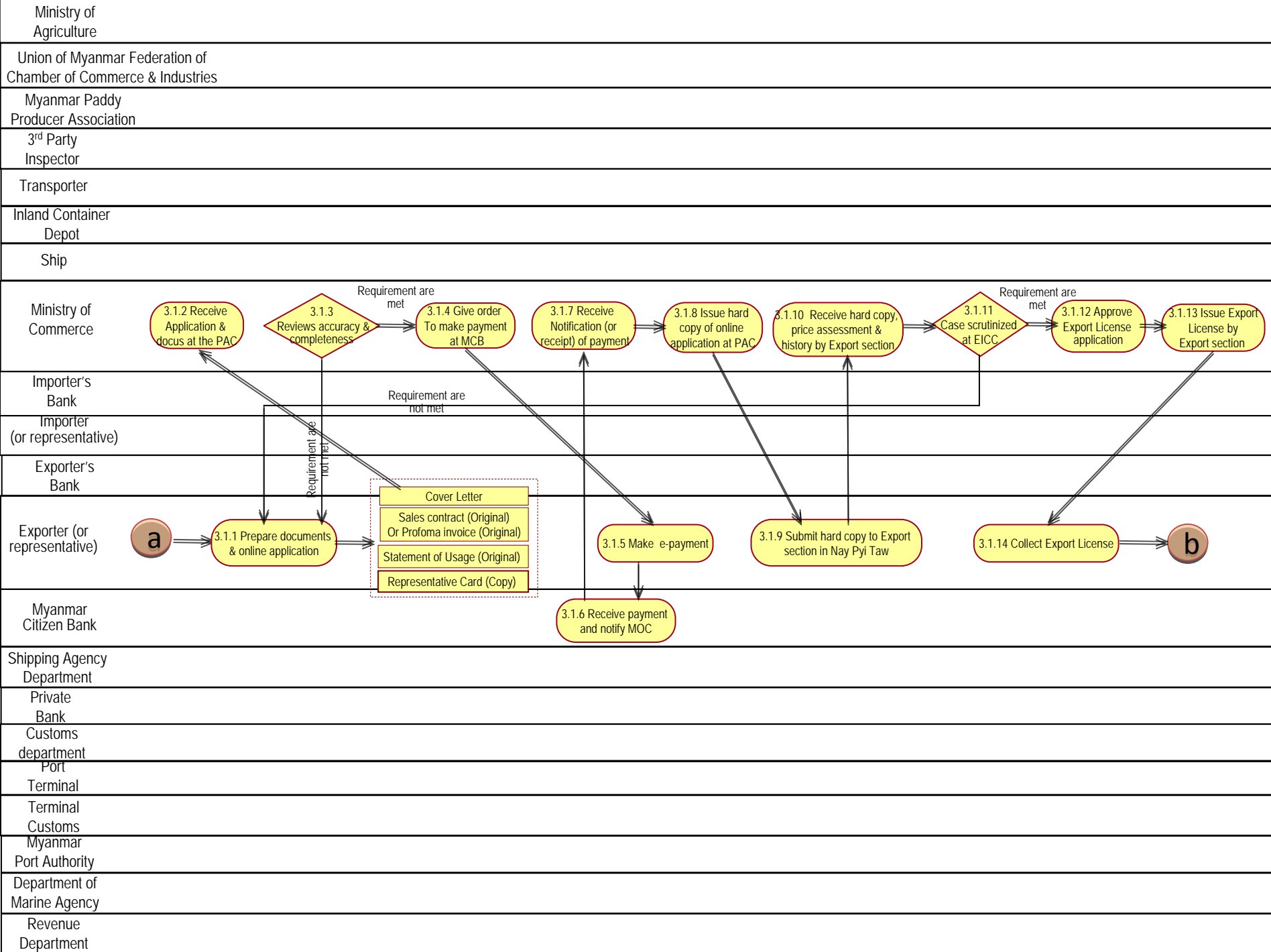
Process Costs in Export of Rice to West Africa by Ocean freight

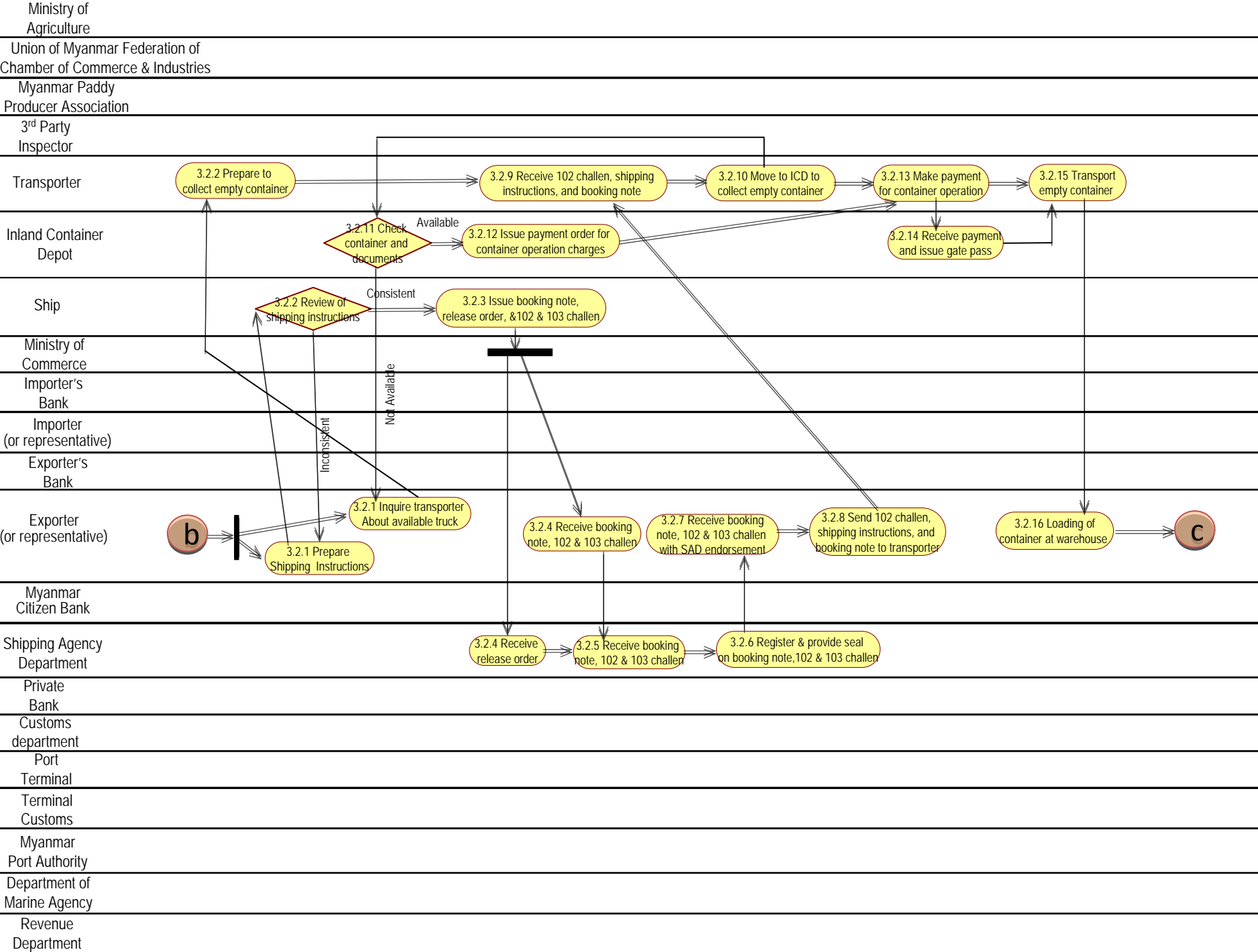
Processes	Cost (in MMK)	Cost (in USD) 1USD = MMK850
1.Buy		
1.1 Conclude sales contract	-	-
2. Pay		
2.1 Make advance payment	1) Transfer cost MMK 10,000 2) Withdrawal cost \$1700- 2500	1) USD\$ 11.77 2) USD\$ 2-3
3. Ship		
3.1 Obtain Export License	MMK 4,000 MMK 60,000 - Travelling expense to Nay Pyi Taw	USD\$ 4.70 USD\$ 70.60
3.2 Arrange Shipping (Maritime)	MMK 85,000-100,000 (total transport costs) Lift on/off charges: MMK 9000 (ICD1) MMK 13000 (ICD2) MMK 6000 (MIP) (Laden)	USD\$ 100 – 117.65 USD\$ 10.60 (ICD1) USD\$ 15.30 (ICD2) USD\$ 7.06 (MIP)
3.3 Arrange pre-inspection and fumigation	MMK 18,000	USD\$ 21.20
3.4) Declare CusDec 2	X-ray fee: MMK 20,000	USD\$ 23.50
3.5) Terminal Procedure and Customs Exam at Port	MMK 110,000	USD\$ 129.40
3.6) Arrange Berthing of Vessel	-	-
3.7) Arrange Port Clearance for Vessel Departure	Light due payment <MMK 5,000 (in cash) >MMK 5,000 (with cheque)	<USD\$ 6.0 (in cash) >USD\$ 6.0 (in cheque)
3.8) Prepare shipping documents	1-50 ton = MMK 6,000	USD\$ 7.0

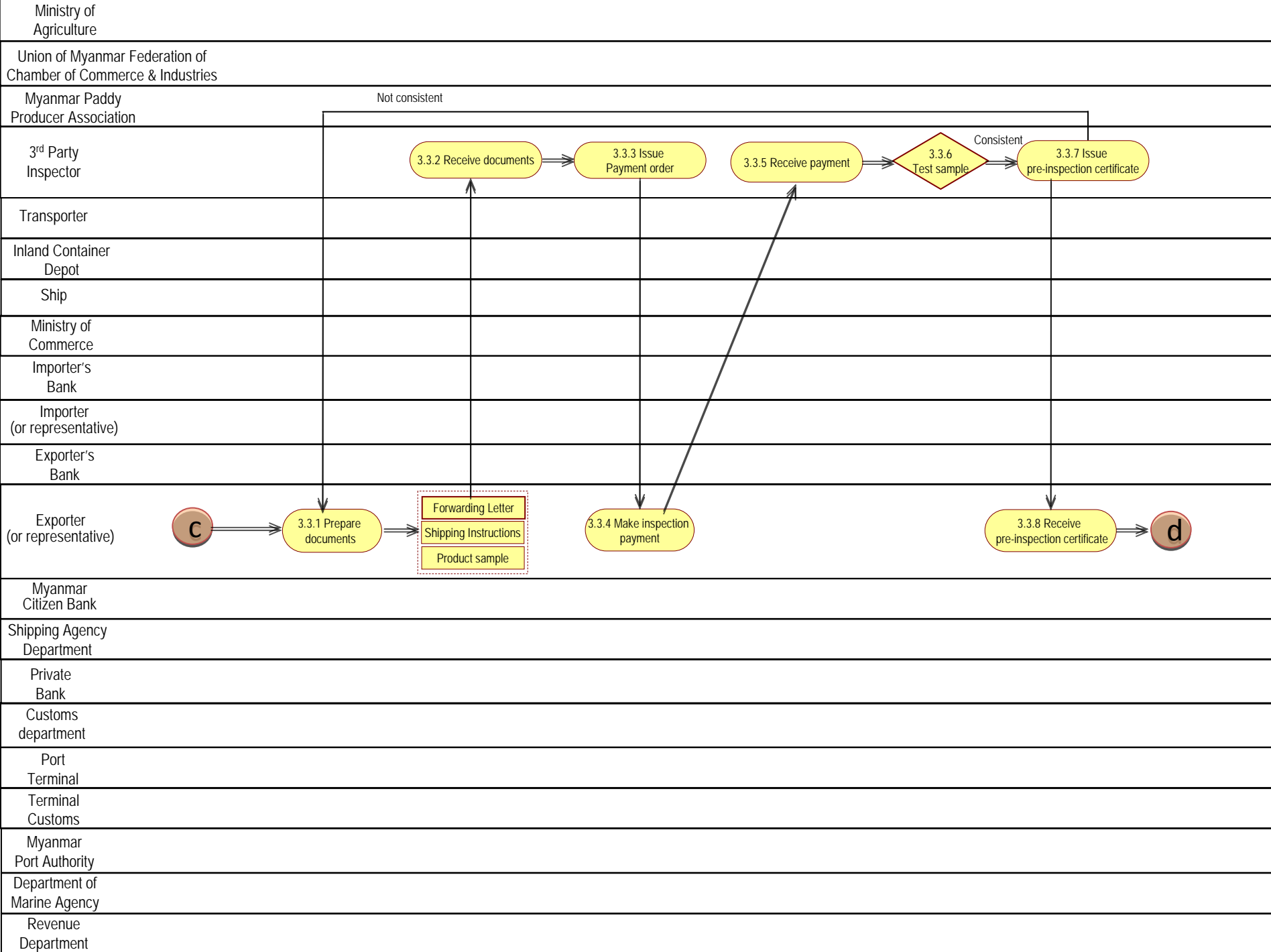
Rice s Stakeholders

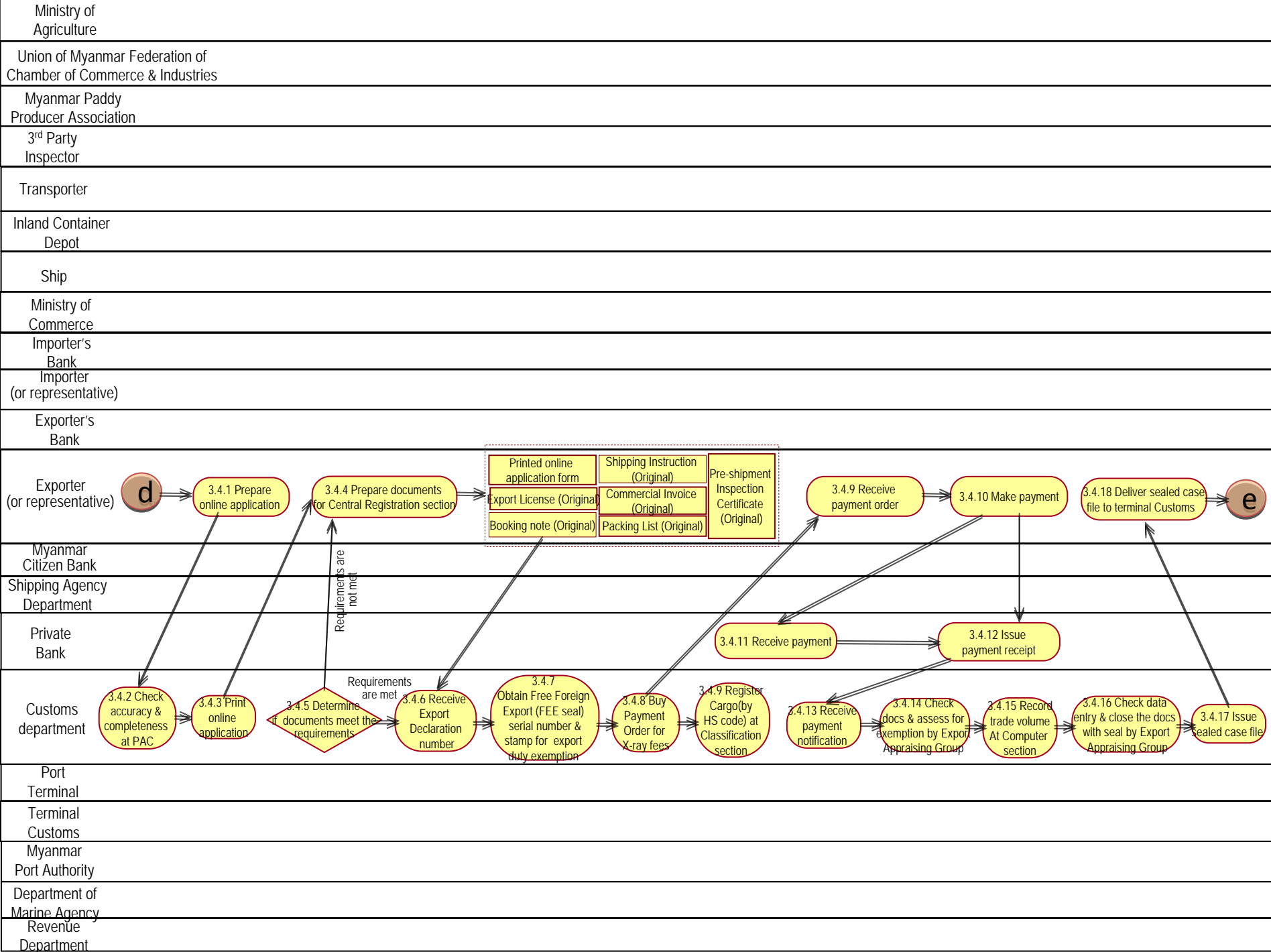
Stakeholders	Ministry of Commerce (Directorate of Trade)	Exporter's bank	Exporter or Rep:	Importer	Importer's Bank	MCB	Customs department	Terminal Customs Dept:	Onboard Customs	Customs broker	Terminal Customs	Shipping line	UMFCCI	MDDA	MOA	ICD	Transporter(Haulage)	3rd Party Inspector	MPA	SAD	Private Bank	DMA	Ship
	Core Business process																						
1.Buy																							
1.1 Conclude sales contract			X	X																			
2. Pay																							
2.1 Make advance payment		X	X		X																		
3. Ship																							
3.1 Obtain Export License	X		X			X																	
3.2 Arrange Shipping (Maritime)			X							X		X				X	X			X			
3.3 Arrange pre-inspection and fumigation			X							X								X					
3.4) Declare CusDec 2			X				X			X											X		
3.5) Terminal Procedure and Customs Exam at Port			X					X		X	X						X	X					
3.6) Arrange Berthing of Vessel			X							X									X	X			X
3.7) Arrange Port Clearance for Vessel Departure			X				X		X	X									X				
3.8) Prepare shipping documents			X							X			X	X	X								X

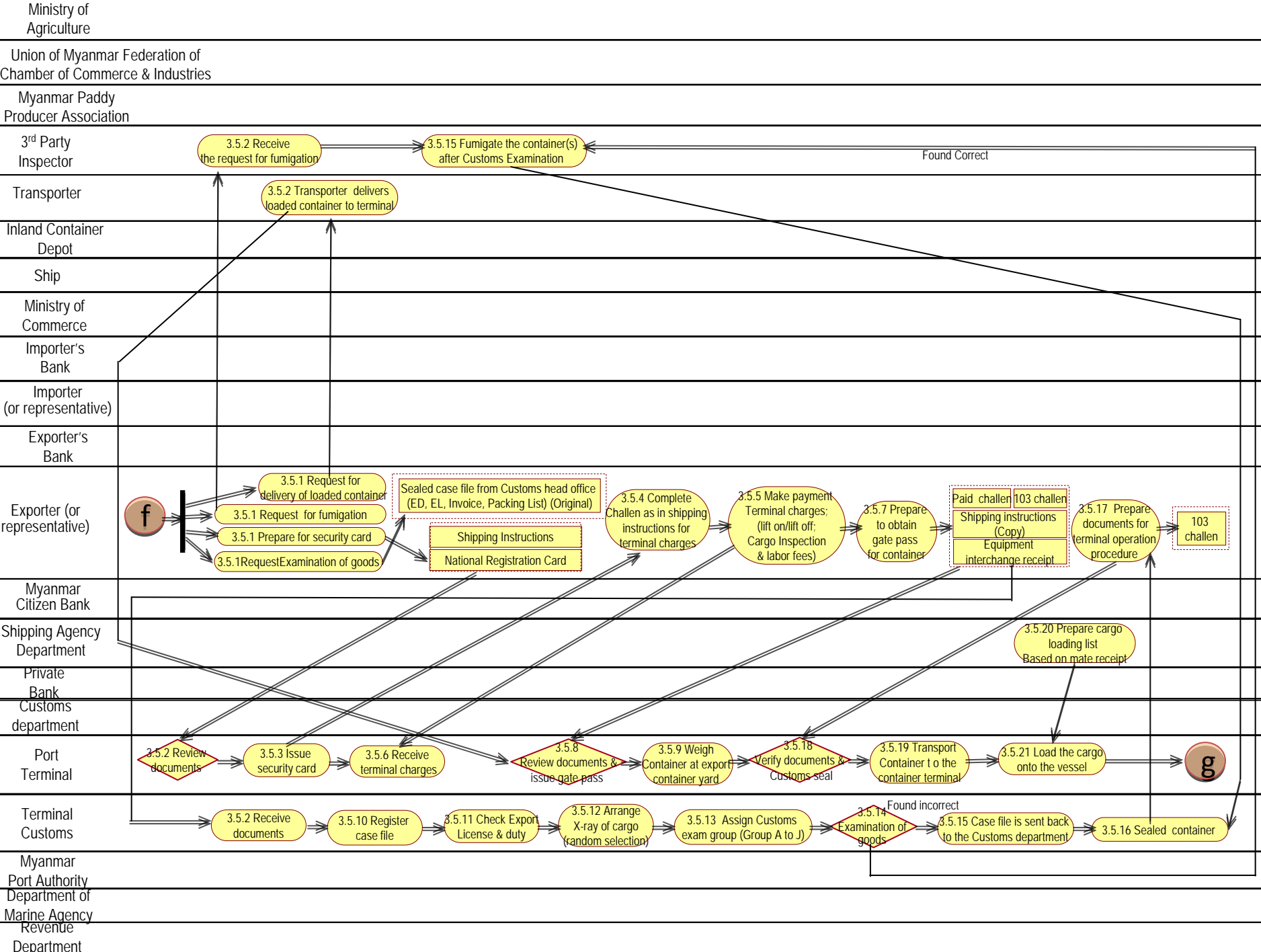




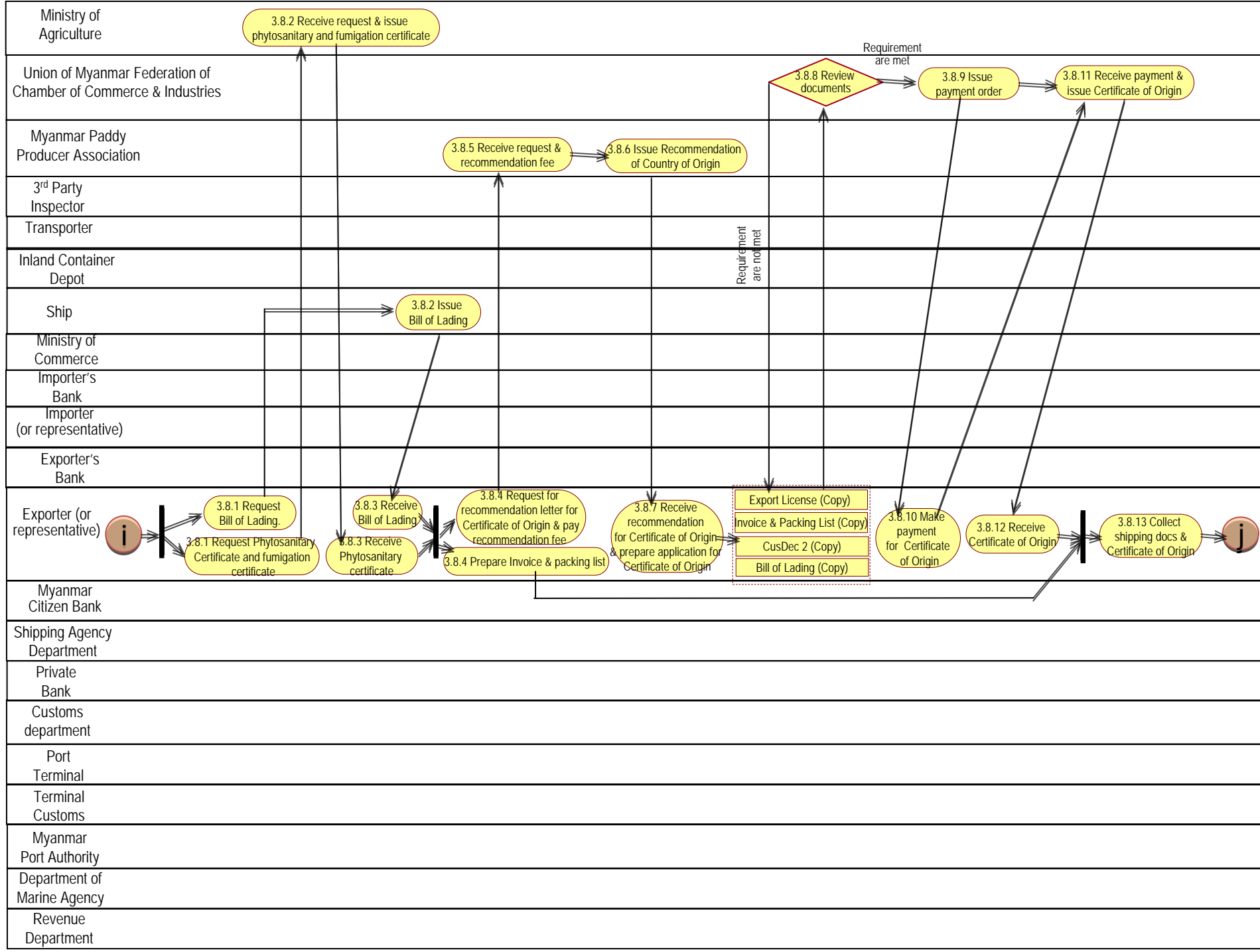








Ministry of Agriculture	
Union of Myanmar Federation of Chamber of Commerce & Industries	
Myanmar Paddy Producer Association	
3 rd Party Inspector	
Transporter	
Inland Container Depot	
Ship	<div><div>3.6.6 Prepare ship documents before arrival</div><div><div>Last port clearance</div><div>Bill of Lading (copy)/Import Cargo Manifest/Stowage plan</div><div>Ship's particular</div><div>Ship's general declaration</div><div>Crew list</div><div>Ship's stores declaration</div><div>Cargo declaration</div><div>Crew's effects declaration</div><div>Passenger list</div><div>Dangerous goods Manifest (if any)</div><div>Arms & ammunition list</div><div>Maritime declaration of health</div><div>Vaccination list</div><div>Port itinerary list</div></div></div>
Ministry of Commerce	
Importer's Bank	
Importer (or representative)	
Exporter's Bank	
Exporter (or representative)	<div><div>g</div><div>3.6.1 Prepare berthing application</div><div>Application Letter</div></div>
Myanmar Citizen Bank	
Shipping Agency Department	<div><div>3.6.8 Receive berthing permit</div><div>3.6.9 Receive & check ship documents on arrival</div><div>3.6.10 Check cargo documents of consignee/shipper</div><div>3.6.11 Berthing of vessel</div><div>h</div></div>
Private Bank	
Customs department	
Port Terminal	
Terminal Customs	
Myanmar Port Authority	<div><div>3.6.2 Receive documents</div><div>3.6.3 Receive estimated time of arrival (ETA) from ship</div><div>3.6.4 Check port disbursement account</div><div>3.6.5 Issue tender notice of readiness for discharging</div><div>3.6.6 Declaration on berthing list</div><div>3.6.7 Issue berthing permit & arrange pilot</div></div>
Department of Marine Agency	
Revenue Department	

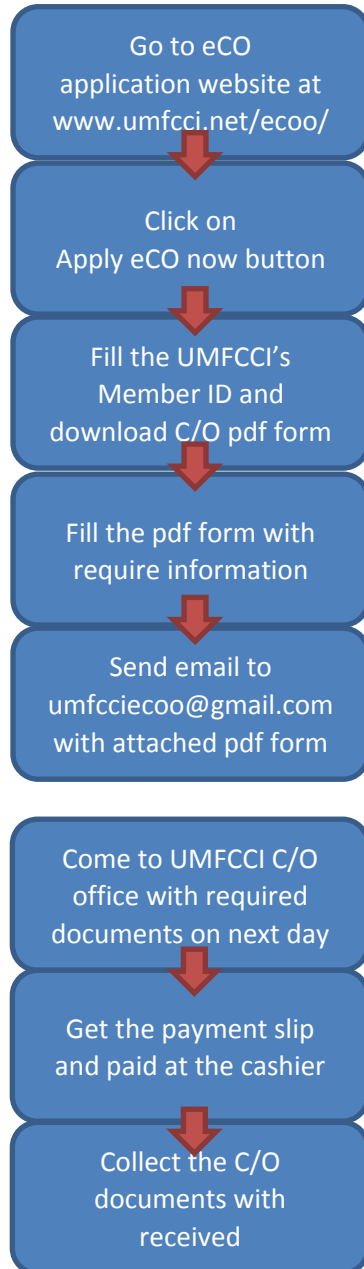


Recommendations

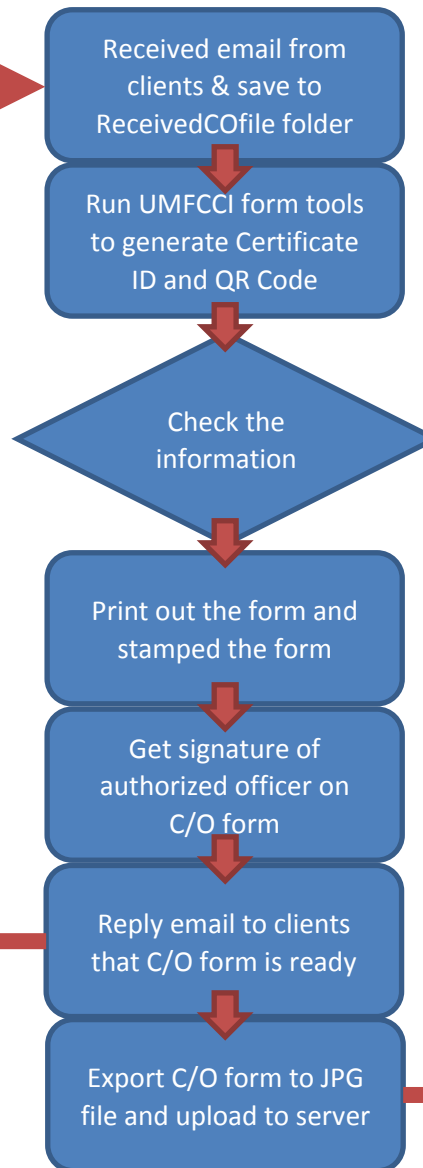
- ⦿ Financial services and banking system
 - Access to finance
 - Financial instruments
- ⦿ Transportation and Logistics (cost)
- ⦿ Port facility
 - Port facilities and infrastructure
 - Service at ICDs
 - Berthing
- ⦿ Customs
 - Electronic submission vs. manual processing
 - Appraisal process
- ⦿ Incoterms: FOB vs. CIF
- ⦿ Metrology and Standardization
 - Use of standard units
 - Ensure calibration across the country
- ⦿ Seminar – MOC+FINANCE+TRANSPORT+AGRI
- ⦿ Branded rice
- ⦿ Markets

Electronic Country of Origin

Clients

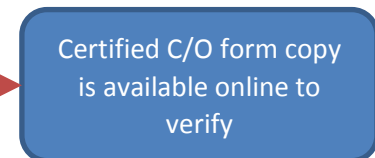


UMFCCI



Online

eCO workflow diagram



Guide to issue eCO at UMFCCL

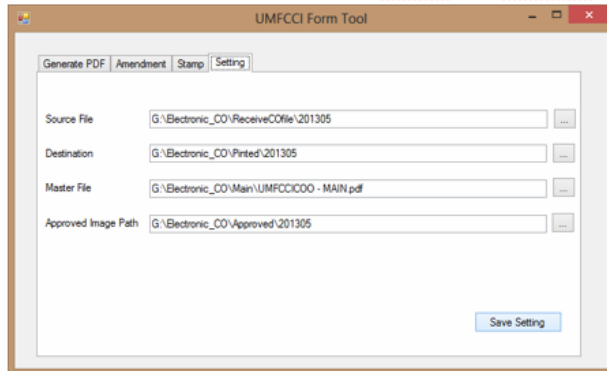
Electronic Certificate of Origin ထုတ်ပေးရန် အသုံးပြုရမည့် လမ်းညွှန်

Step 1: umfcciecoo@gmail.com တွင် email စစ်ပါ။

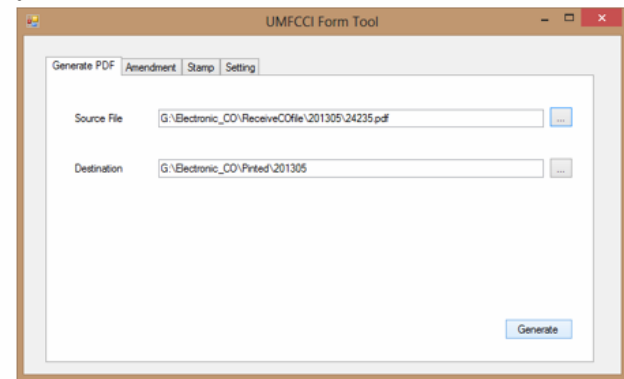
Step 2: email attachment ကို D:\Electronic_CO\ReceiveCOfile\ folder ထဲရှိ သက်ဆိုင်ရာလက်ခံ subfolder ထဲသို့ save လုပ်ပါ။ အကယ်၍ နိုင်ငံခြားသားလို့ ဖော်ပြလာပါက နိုင်ငံနာမည်၏ နောက်တွင် နံပါတ်စဉ် တပ်ပြီး save လုပ်ပါ။

Step 3: umfcc form tools program ကို ဖွင့်ပါ။ Setting page သို့သွားပြီးစစ်ဆေးပါ။

1. Source file – email attachment save လုပ်ထားသော folder သို့သွန်းထားရမည်။
2. Destination – Printed out ထုတ်ပြီး သိမ်းရန်ထားသော folder သို့သွန်းထားရမည်။
3. Master file – UMFCCL-MAIN.pdf file ရှိသော folder သို့သွန်းထားရမည်။
4. Approved Image Path – Upload ready jpeg image မှားထားရာ folder သို့သွန်းထားရမည်။



Step 4: umfcc form tools program ကို ဖွင့်ပါ။ source file ကို select လုပ်ပြီး Generate ခလုတ်ကို နှိပ်ပါ။




Step 5: Generate လုပ်ပြီးပါက pdf file ပွင့်လာပါလိမ့်မည်။ ပွင့်လာသော pdf file ကို 3 copies print out လုပ်ပါ။ ယင်းနောက် UMFCCL Stamp ခပ်နှိပ်ပြီး တာဝန်ရှိသူမှ လက်မှတ်ရေးထိုးပါ။

Step 6: Certificate of Origin ready ဖြစ်ပြီဖြစ်ကြောင်း၊ လိုအပ်သော စာရွက်စာတမ်းများနှင့်တကွ လာရောက်ထုတ်ယူနိုင်ပါကြောင်း လျှောက်ထားသော company ထံသို့ email အကြောင်းကြားစာ ပေးပို့ပါ။

Step 7: C/O form လာရောက်ထုတ်ယူလျှင် လိုအပ်သော စာရွက်စာတမ်းများနှင့် တိုက်ဆိုင်စစ်ဆေးပြီး မှန်ကန်မှုရှိပါက ငွေသွင်းချက် ထုတ်ပေးပါ။ ငွေသွင်းပြီး ချက်နှင့်သာ C/O form ကိုထုတ်ပေးပါ။

eCO Website



UMFCCI
The Republic of the Union of Myanmar Federation of Chambers of Commerce & Industry

UMFCCI eCO Service

Welcome to UMFCCI's electronic Certificate of Origin (eCO) service. The republic of the Union of Myanmar Federation of Chambers of Commerce & Industry (UMFCCI), is now offering electronic Certificate of Origin documents. The Chamber is proud to offer this benefit to the business community in order to assist in the facilitation of Myanmar companies doing business internationally.

UMFCCI သီလဝါတရားရုံး C/O Website မှ ဖွင့်ဆိုပါက ငြင်းဆော်စရာမရှိဘဲ ပြန်လည်ကိုင်ဆောင်ရန် လုပ်ငန်းများ အသစ်များ သီလဝါတရားရုံး C/O ကို စီးပွားရေး လုပ်ငန်းများ နိုင်ငံတကာသို့ ပို့ကုန် သွင်းကုန် လုပ်ငန်းများ လုပ်ကိုင်ရာတွင် အသစ်ပြု လုပ်ငန်း များမှ ပြန်လည်အသုံးပြုခွင့် အတည်ပြု အာမခံပါသည်။

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UMFCCI eCO Service

Welcome to UMFCCI's electronic Certificate of Origin (eCO) service.

Electronic Certificate of Origin document in pdf format is available online to download.
Please enter your company UMFCCI's member ID to download the pdf form.

Member ID: [Download Certificate of Origin](#)

You will be REQUIRED to save eCO form with your UMFCCI's Member ID as the name and send email to: apply@umfccci.org

[Guide to filling out the electronic Certificate of Origin form](#)

You need to showed the following documents when you come to pickup eCO form at UMFCCI eCO နှင့် လာရောက်ရသည့်ပုံစံ အောက်ပါ စာရွက်စာတမ်းများကို ယူဆောင်လာရမည်။

1. Copy of Export Declaration (ED)
2. စာပို့ကုန်ခွင့်ပြုချက် ပြန်လည်သစ်ပြုလုပ်ရန်အသစ်မှ အောက်ပါများ
3. သို့မဟုတ် ငွေကြေး ပြန်လည်သစ်ပြုလုပ်ရန်အသစ်မှ အောက်ပါများ
4. သစ်တင်ပြုလုပ်မှုကို ပြန်လည်သစ်ပြုလုပ်ရန်အသစ်မှ အောက်ပါများ

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Approved electronic Certificate of Origin

The specified Certificate ID is found in the system.

1. Exporter HLWANN HEIN KYAW TRADING COMPANY LIMITED. NO. (68) ,GROUND FLOOR,14TH STREET, LANMADAW T/S, YANGON.		3. Certificate ID 805220085049	ORIGINAL		
		4. Member ID 24235	5. Date 02 May 2013		
		6. Buyer (if not consignee)			
2. Consignee FOUR-P INTERNATIONAL PVT LTD. INDIAN CHAMBER BUILDING, 3RD FLOOR, 6, EXPLANADE, CHENNAI-600 108, INDIA.		<p>CERTIFICATE OF MYANMAR ORIGIN</p>  <p>THE REPUBLIC OF THE UNION OF MYANMAR FEDERATION OF CHAMBERS OF COMMERCE & INDUSTRY (UMFCCI)</p>			
7. QR Code 	8. Port of Loading YANGON, MYANMAR				
9. Port of Discharge CHENNAI, INDIA					
10. Means Sea Freight	11. Mode Sea	12. Vessel MV-CRA BHUM	13. Voyage No V-CRB327S		
14. Marks & Numbers		15. Number and kind of packages, description of goods		16. Gross weight or other quantity	
FOUR-P INTERNATIONAL HLWANN HEINN KYAW JANUARY 2013 BM FAQ NP 2012 CROP (2400BAGS)		PAKED IN NEW SINGLE PP BAGS OF ABOUT 50 KGS NETT EACH BLACK MATPE FAQ,NATURAL POLISHED 2012 CROP (GRAVITY CLEANED)			
17. The undersigned hereby declares that the above details and statements are correct and that all the goods are PRODUCTS OF MYANMAR Place and Date:					
Authorized Signature & Title of Exporter / Agent MANAGER HLWANN HEIN KYAW TRADING CO., LTD					
18. CERTIFICATION It is hereby certified that the declaration by the exporter is correct. Authorized Signature and stamp of certifying authority					

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လျှောက်ထားသောကုမ္ပဏီများသိသာရန်

ပြည်ထောင်စု သမ္မတမြန်မာနိုင်ငံ ကုန်သည်များနှင့် စက်မှုလက်မှု လုပ်ငန်းရှင်များအသင်းချုပ်မှ အီလက်ထရောနစ် C/O ကိုစီးပွားရေးလုပ်ငန်းရှင်များ နိုင်ငံတကာနှင့် ပို့ကုန်သွင်းကုန်လုပ်ငန်းများ လုပ်ကိုင်ရာ တွင် အဆင်ပြေ လွယ်ကူချောမွေ့မြန်ဆန်စေရေးအတွက် ဆောင်ရွက်ထားပါသည်။

အီလက်ထရောနစ် C/O လျှောက်ရန် အောက်ဖော်ပြပါ website သို့သွားပြီး C/O ပုံစံ pdf file ကို download လုပ်ပါ။

<http://www.umfcci.net/ecoo>

download လုပ်ပြီးပါက လိုအပ်သော အချက်အလက်များကို ပြည့်စုံမှန်ကန်စွာဖြည့်စွက်ပြီး file name ကို ကုမ္ပဏီ၏ UMFCCI အသင်းဝင် နံပါတ်နှင့် save လုပ်ပြီး အောက်ဖော်ပြပါ email သို့ file attach လုပ်ပြီးပေးပို့ပါ။

umfcciecoo@gmail.com

ပေးပို့သော file ကို UMFCCI မှလက်ခံရရှိစစ်ဆေးပြီး Approved ဖြစ်လျှင် Approved C/O ပုံစံ ကိုလာရောက်ထုတ်ယူနိုင်ကြောင်း email နှင့်အကြောင်း ပြန်ပါမည်။

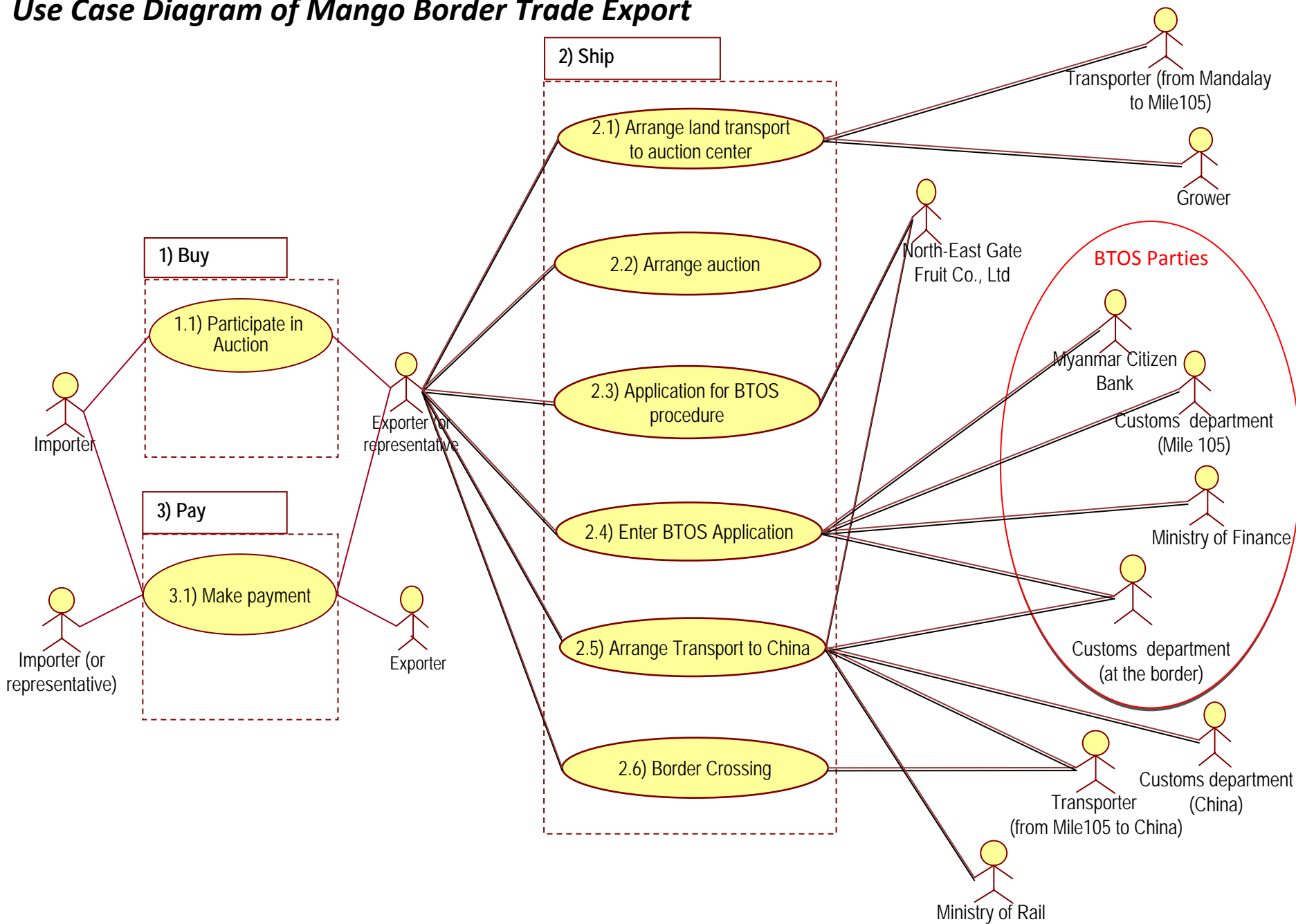
C/O ပုံစံ လာရောက်ထုတ်ယူပါက အောက်ပါစာရွက်စာတမ်းများကို ယူဆောင်လာရမည်။

1. Copy of Export Declaration (ED)
2. ဆန်တင်ပို့ခြင်းဖြစ်ပါက မြန်မာနိုင်ငံ ဆန်စပါးလုပ်ငန်းရှင်များအသင်းမှ ထောက်ခံချက်။
3. ပဲမျိုးစုံတင်ပို့ခြင်းဖြစ်ပါက မြန်မာနိုင်ငံ ပဲမျိုးစုံနှင့်နှမ်းကုန်သည်များအသင်းမှ ထောက်ခံချက်။
4. သစ်တင်ပို့ခြင်းဖြစ်ပါက မြန်မာနိုင်ငံ သစ်လုပ်ငန်းရှင်များအသင်းမှ ထောက်ခံချက်။

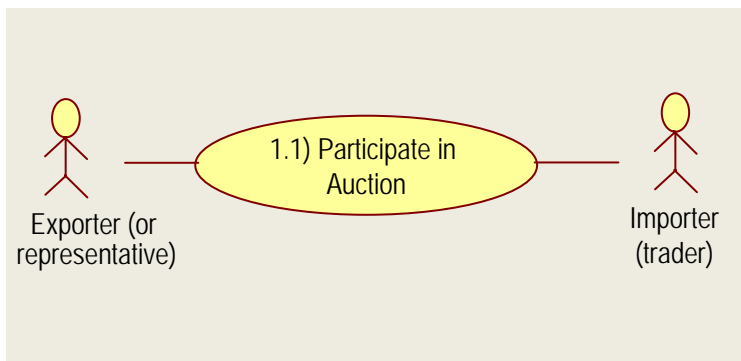
မှတ်ချက်။ အီလက်ထရောနစ် C/O ကို email ဖြင့်သာ လျှောက်ထားနိုင်ပါသည်။

MANGO

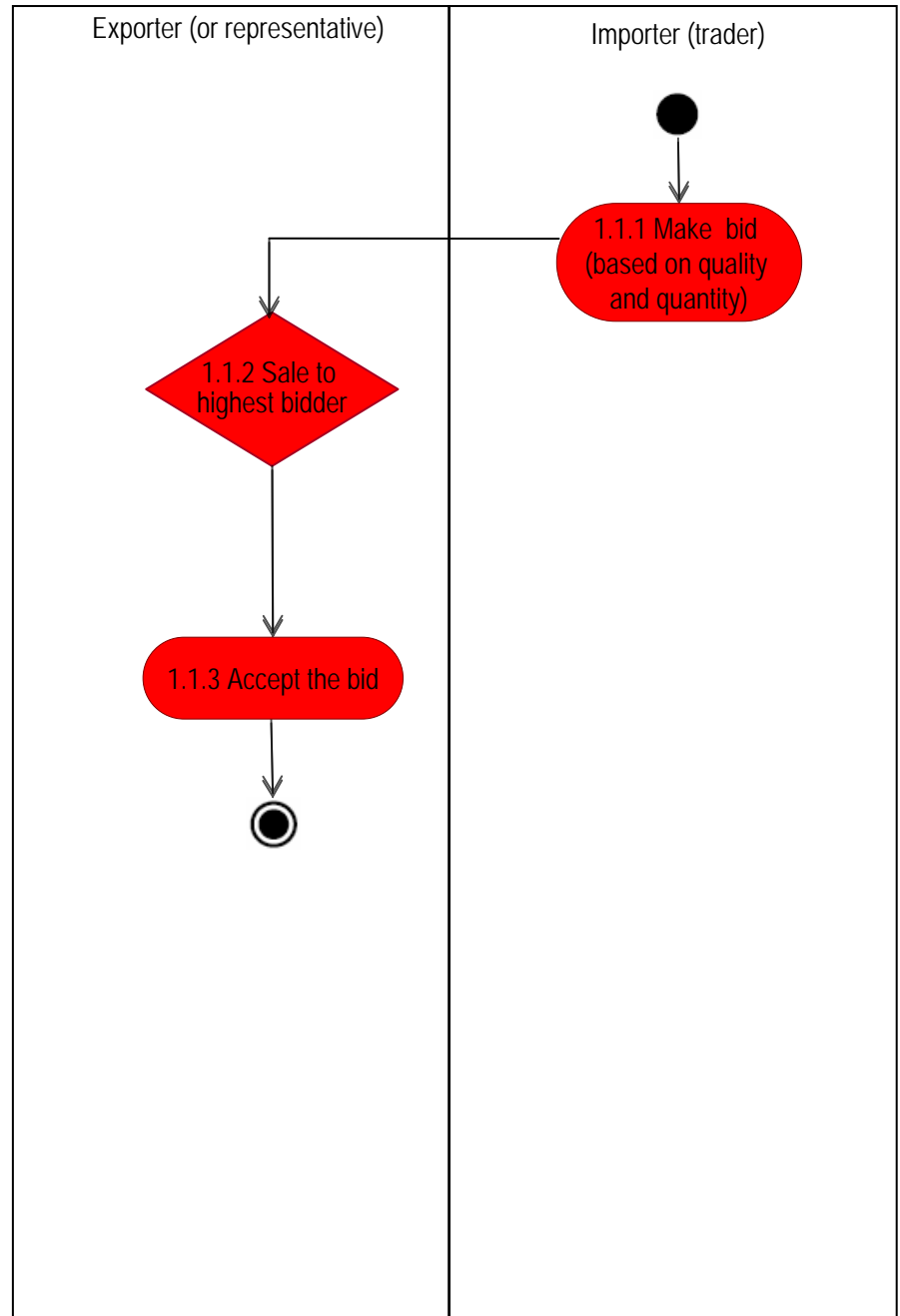
Use Case Diagram of Mango Border Trade Export



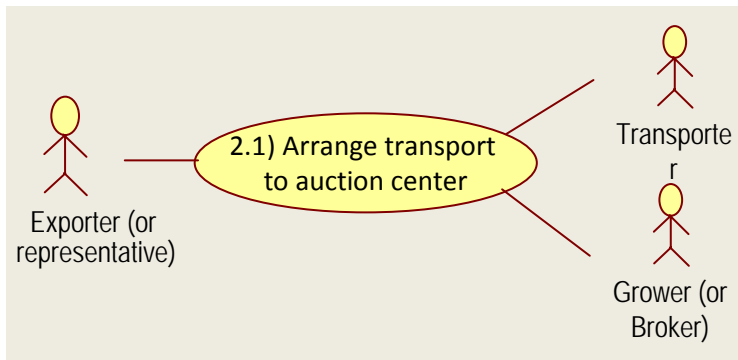
1.1) Participate in Auction



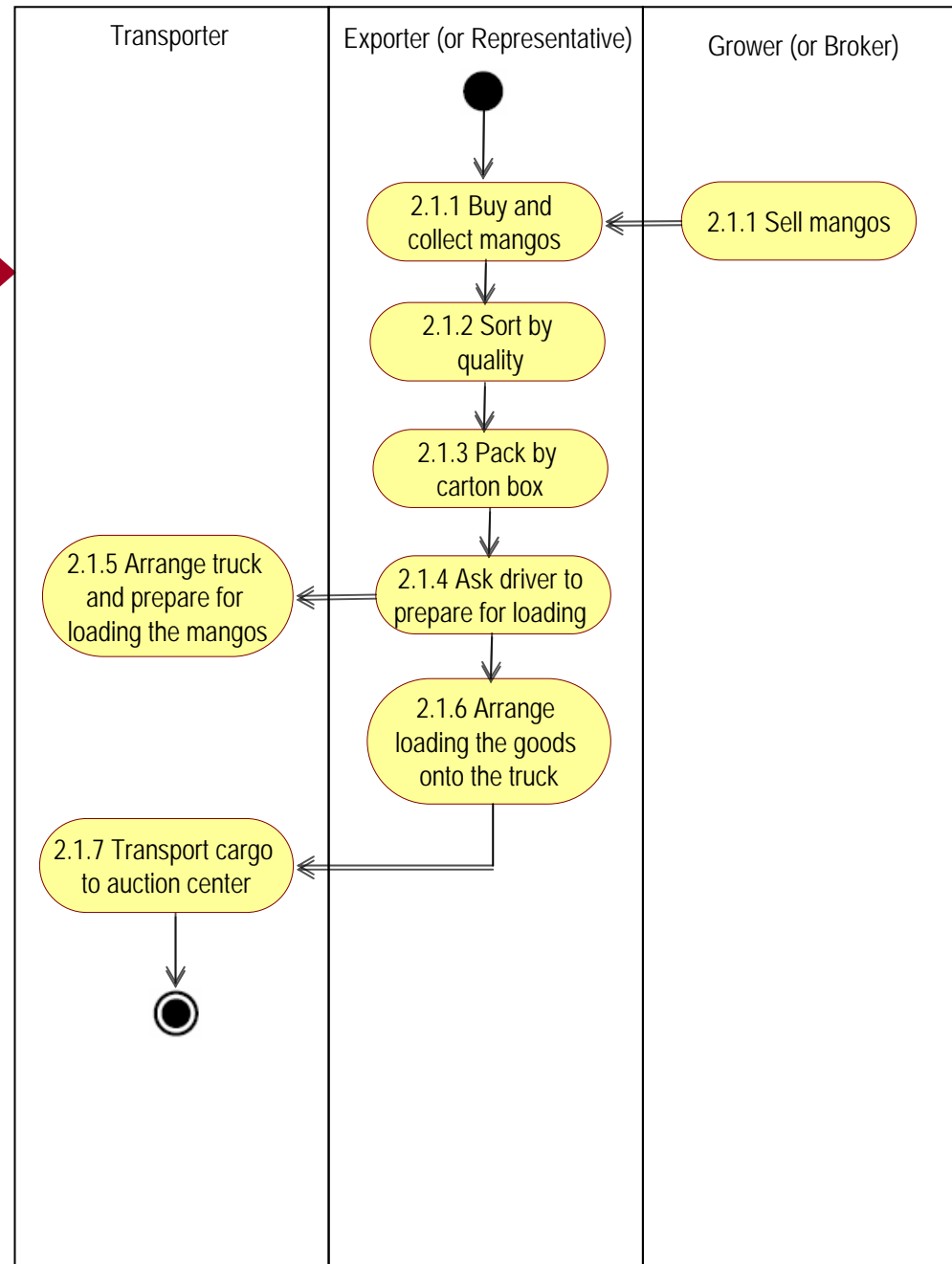
No Legal contract
Selling CIF Kyea gaung



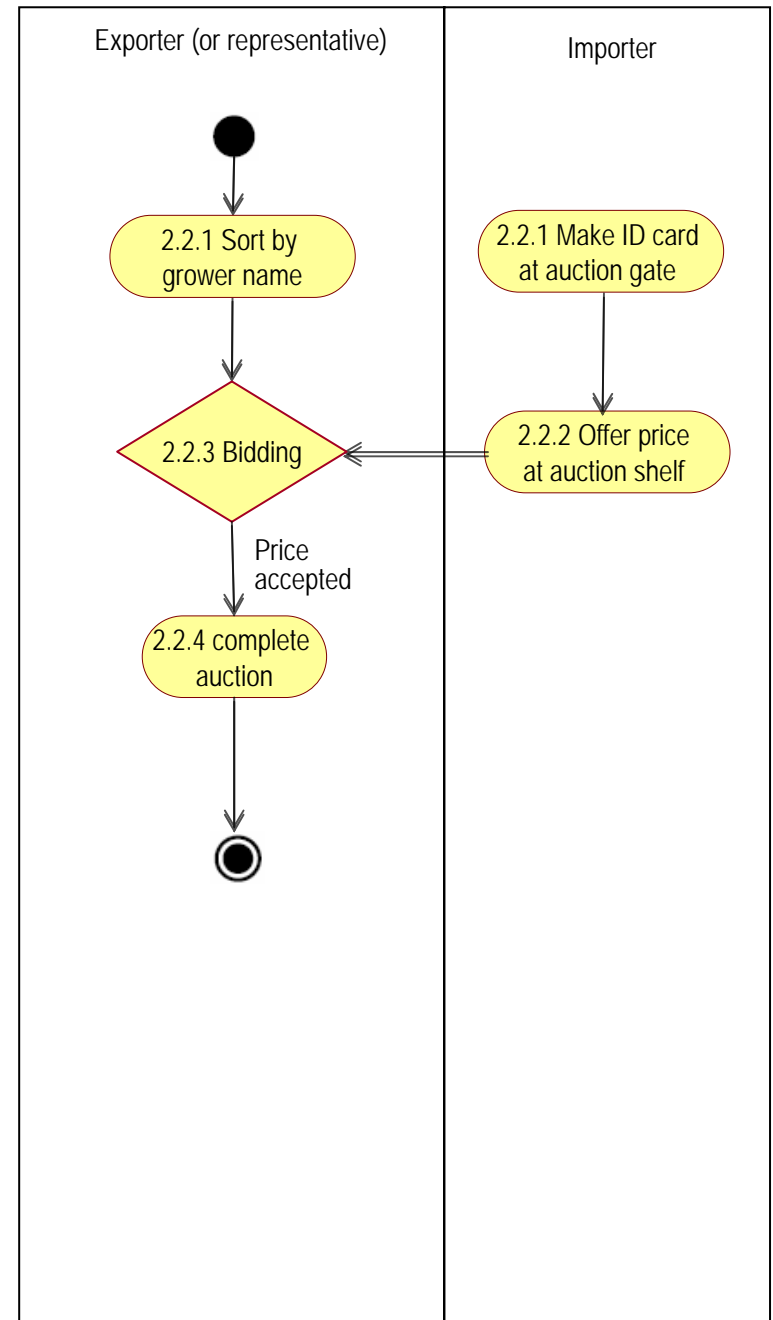
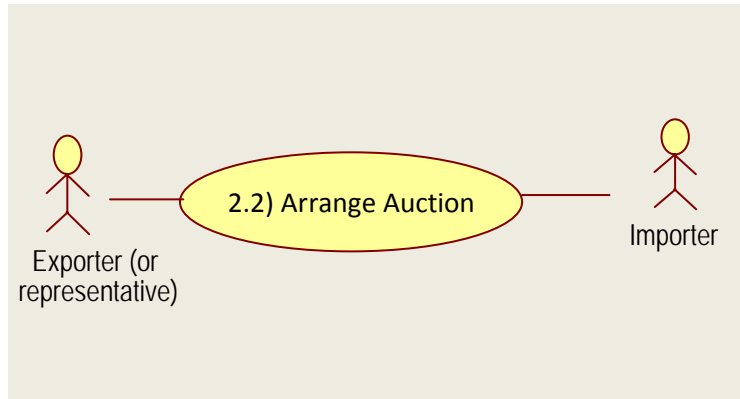
2.1) Arrange Land Transport to Auction Center



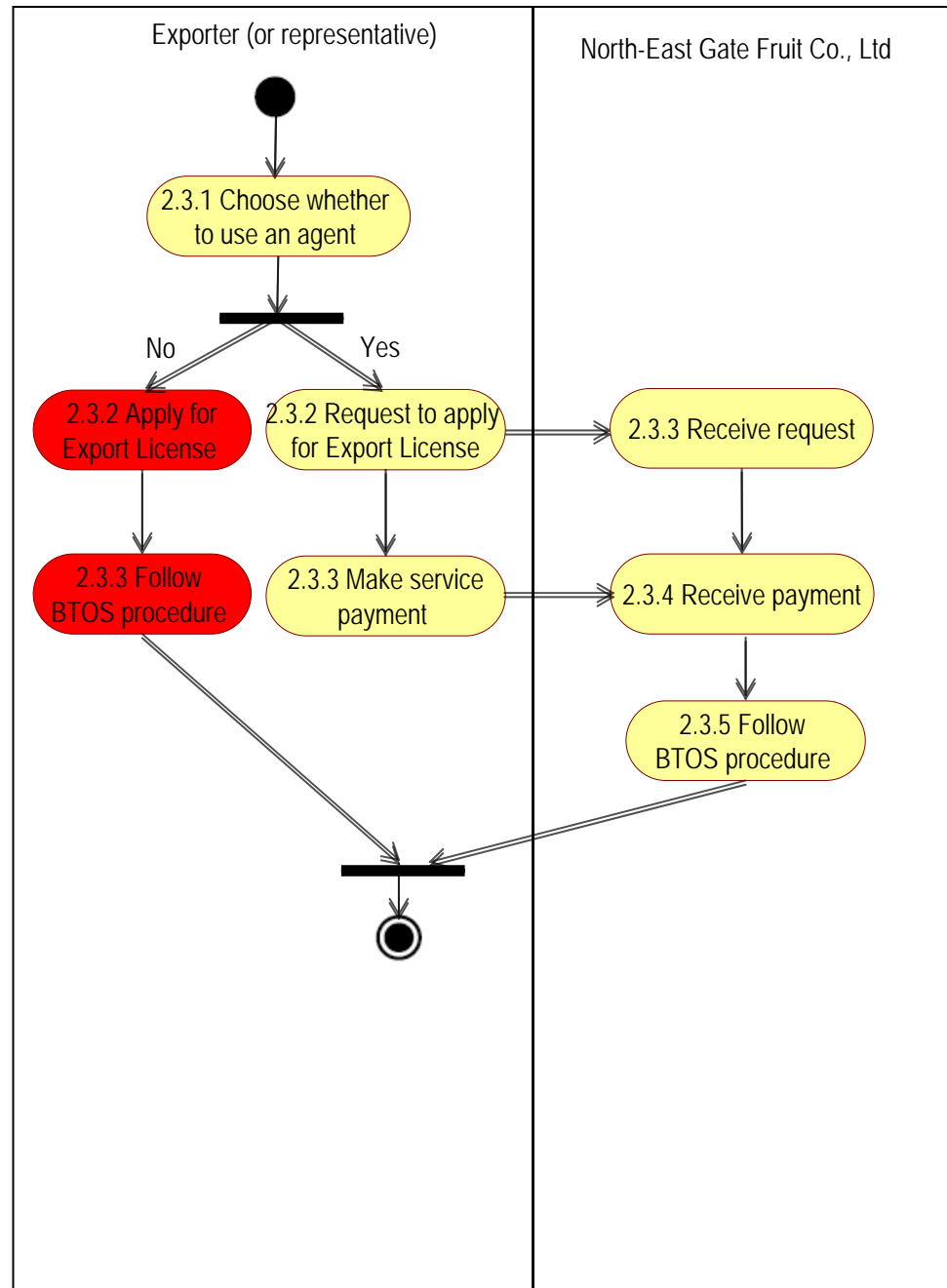
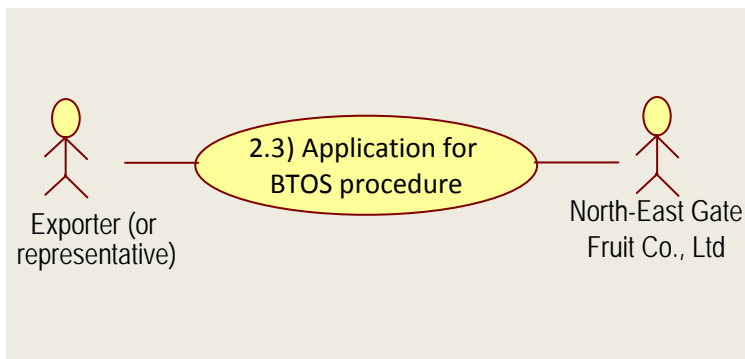
-RISK=Transport, price, market, accident
Perishable cargo
-all kind of risk



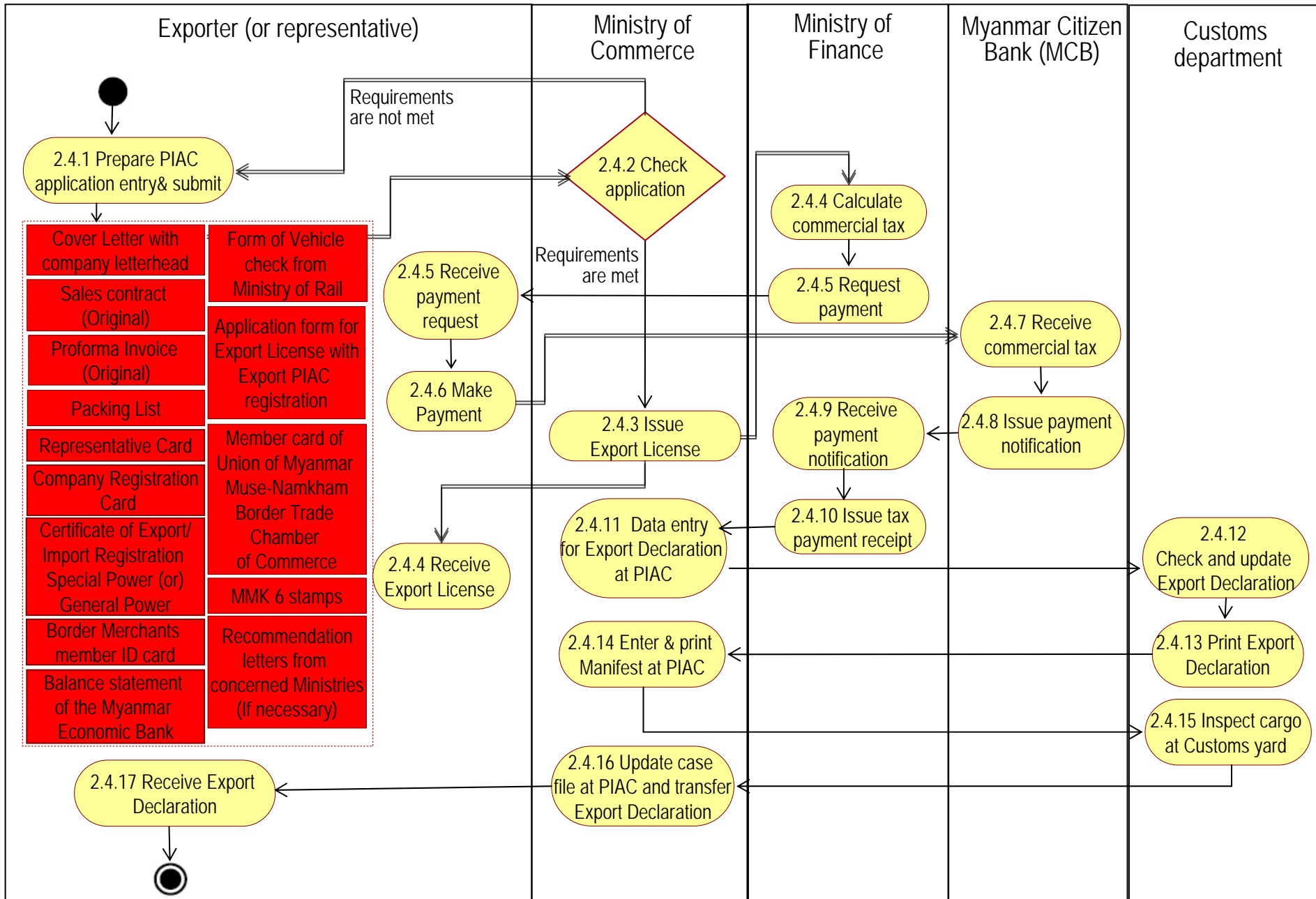
2.2) Arrange Auction



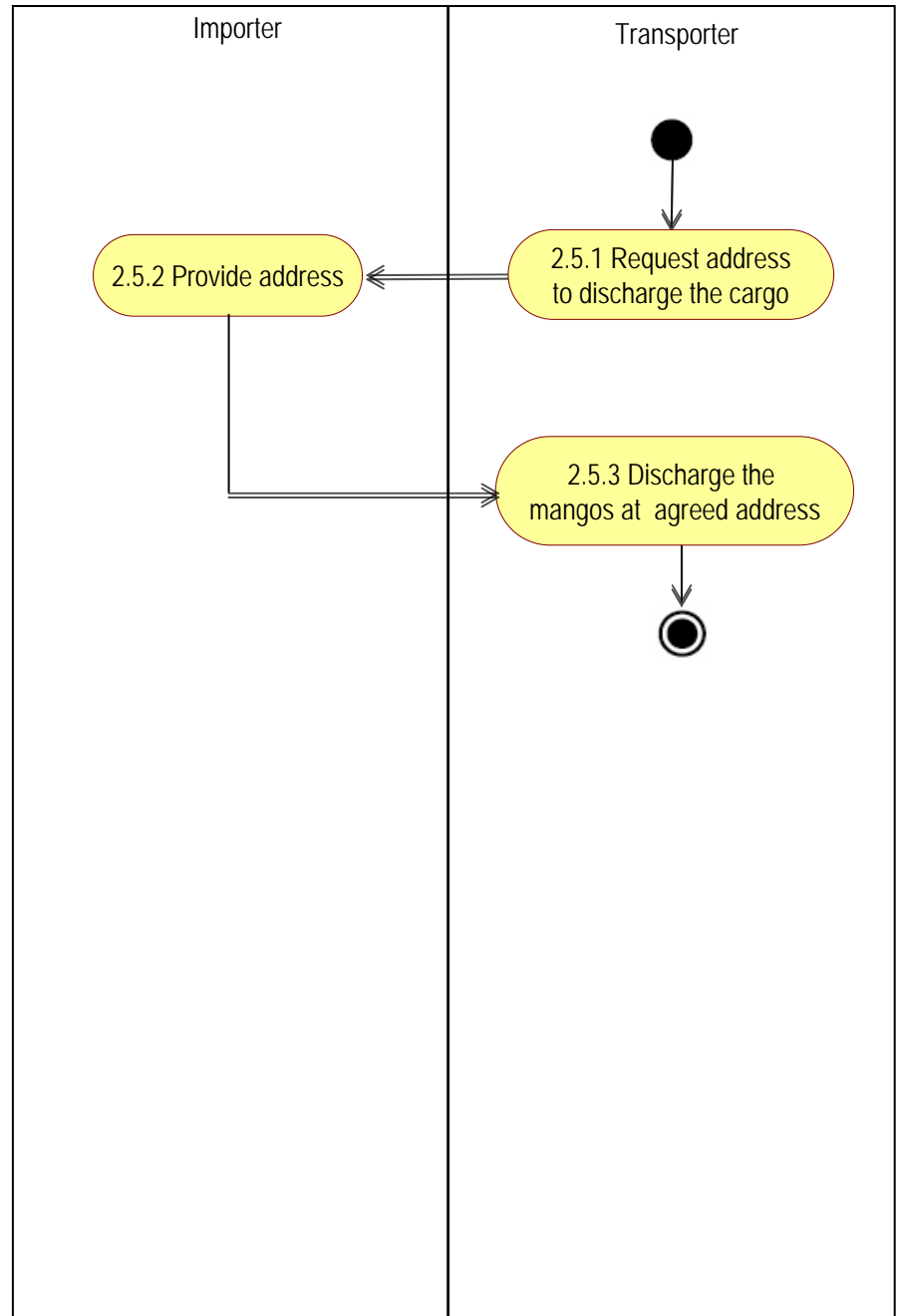
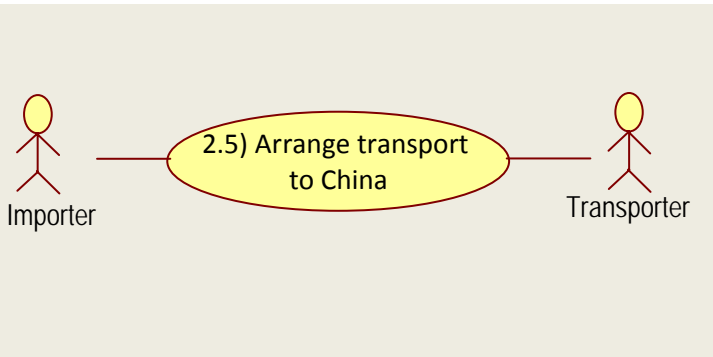
2.3) Application for BTOS procedure



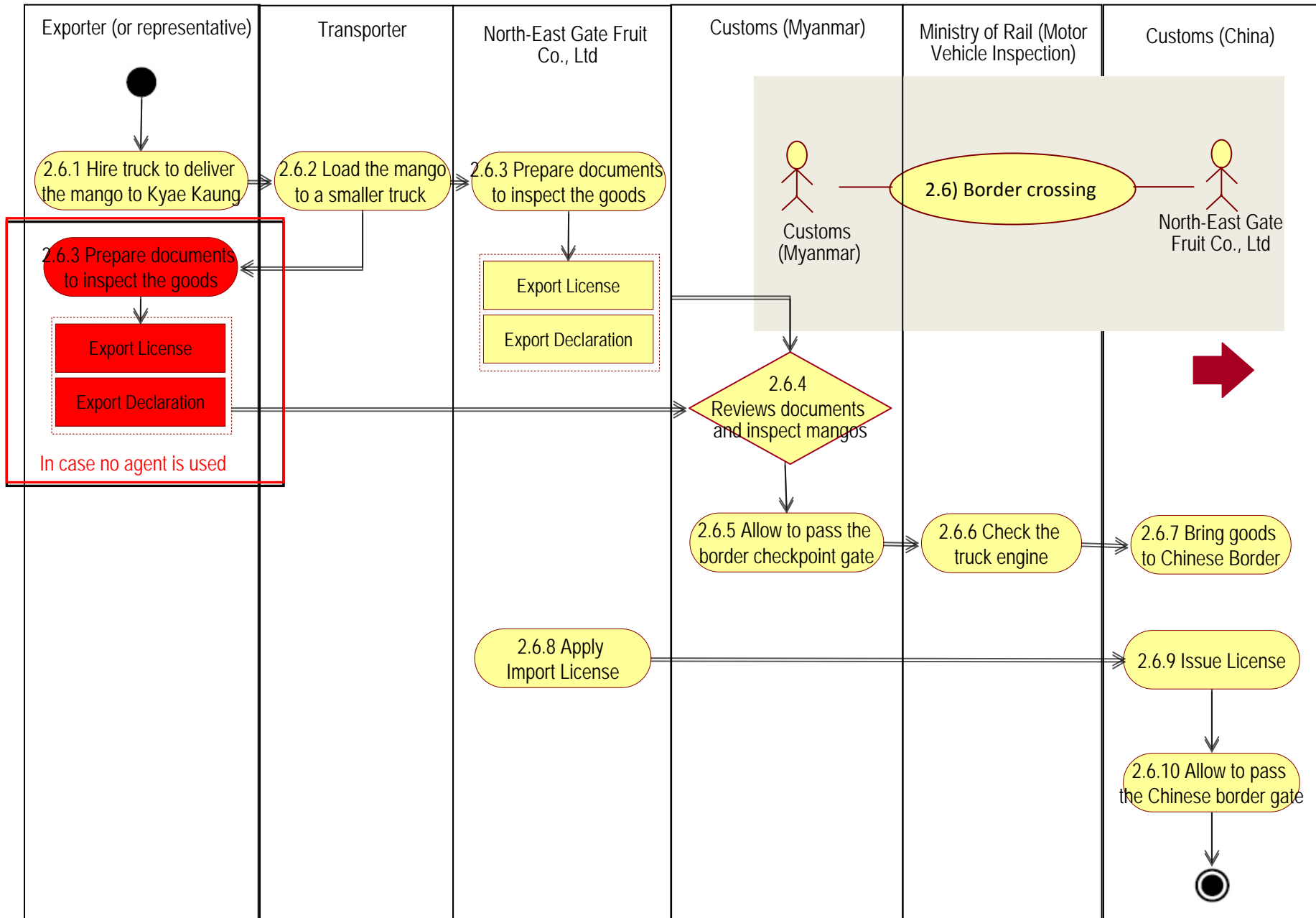
2.4) Enter Border Trade Online System (BTOS) Application



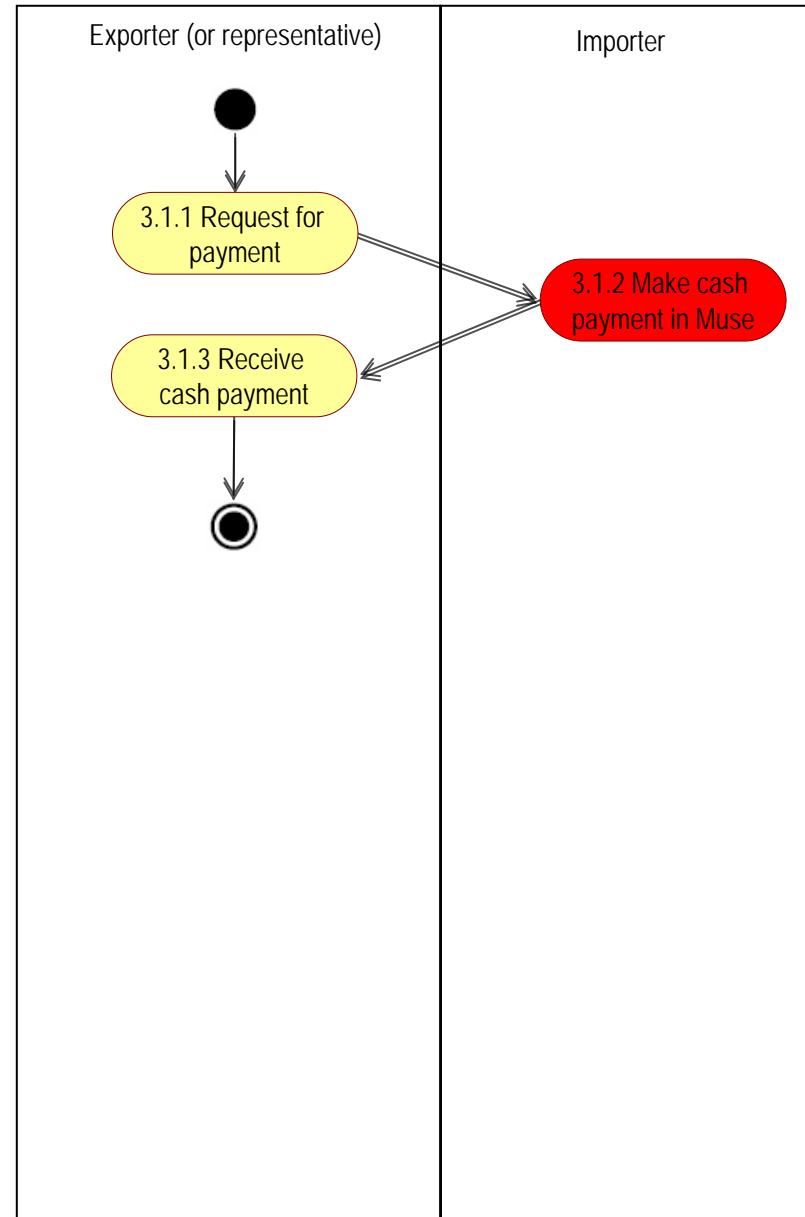
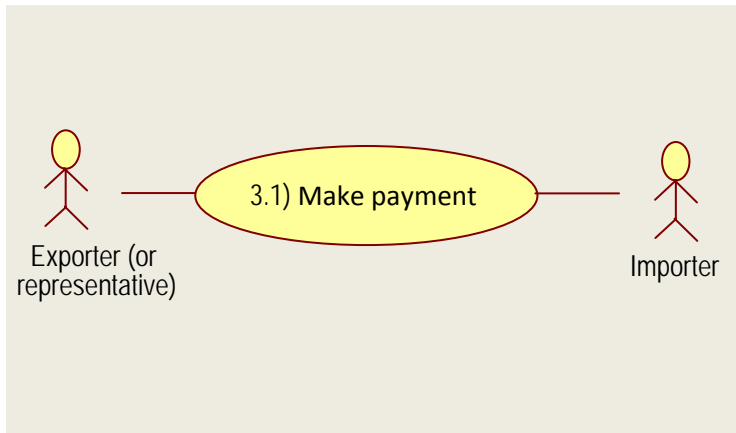
2.5) Arrange Transport to China



2.6) Border Crossing

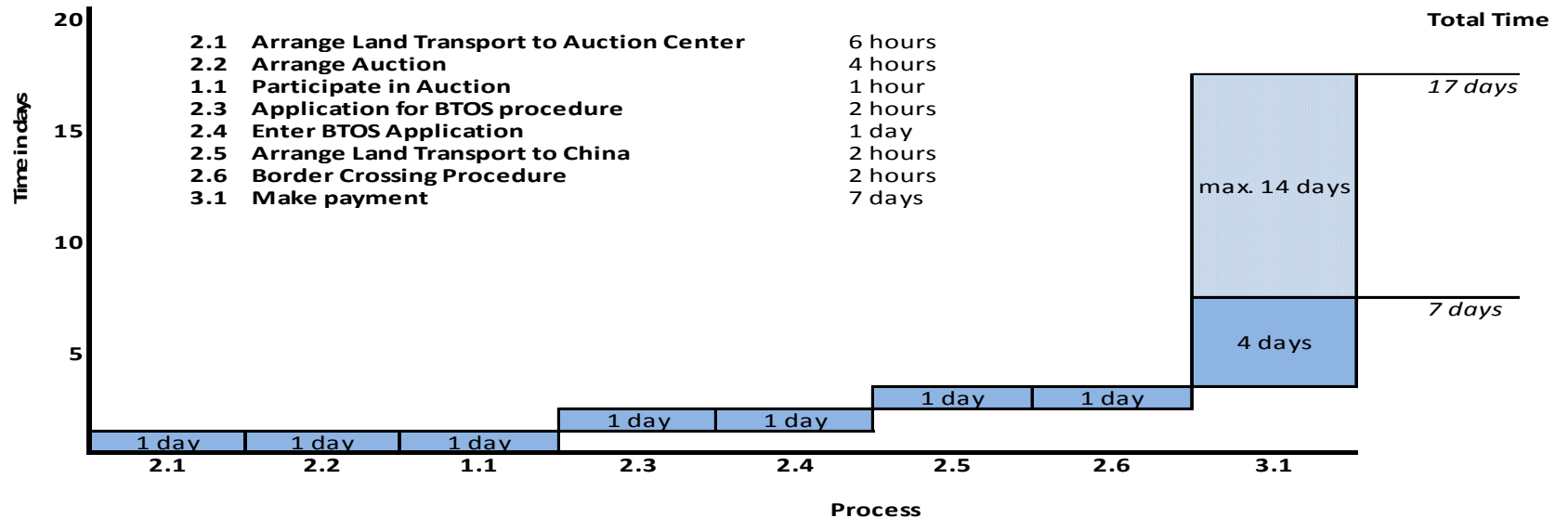


3.1) Make payment



Time Required to Export Mangos to China

Time Chart for the Export of Mango to China



Assumptions:

- Cargo is ready to load at the exporters premises
- Cash payment minimum four days (up to max. 14 days)

Process Costs in Export of Mango to China by Land

Processes	Cost (in USD)	Cost (in MMK) 1USD = MMK850
1.Buy		
1.1 Auction	-	-
2. ship		
2.1 Arrange land transport to auction center	MMK 3000/box	USD\$ 3.5
2.2 Arrange auction	5% of total value (broker fee)	5% of total value (broker fee)
2.3 Application for BTOS procedure	???? (apply himself) MMK 50/box (hire agent) 10,000 Yuan/year (Signboard fees) 1 cent Yuan/box (Shelf fees)	???? (apply himself) USD\$ 0.06/box (hire agent) 10,000 Yuan/year (Signboard fees) 1 cent Yuan/box (Shelf fees)
2.4 Enter BTOS Application	MMK 5,000 + 5% commercial tax of export value	USD\$ 6 + 5% commercial tax of export value
2.5 Arrange Transport to China	-	-
2.6 Border Crossing	MMK 80/ box	USD\$ 0.1/box
3. Pay		
3.1. Make advance payment		
Total Costs	?????	?????

Mango's Stakeholder

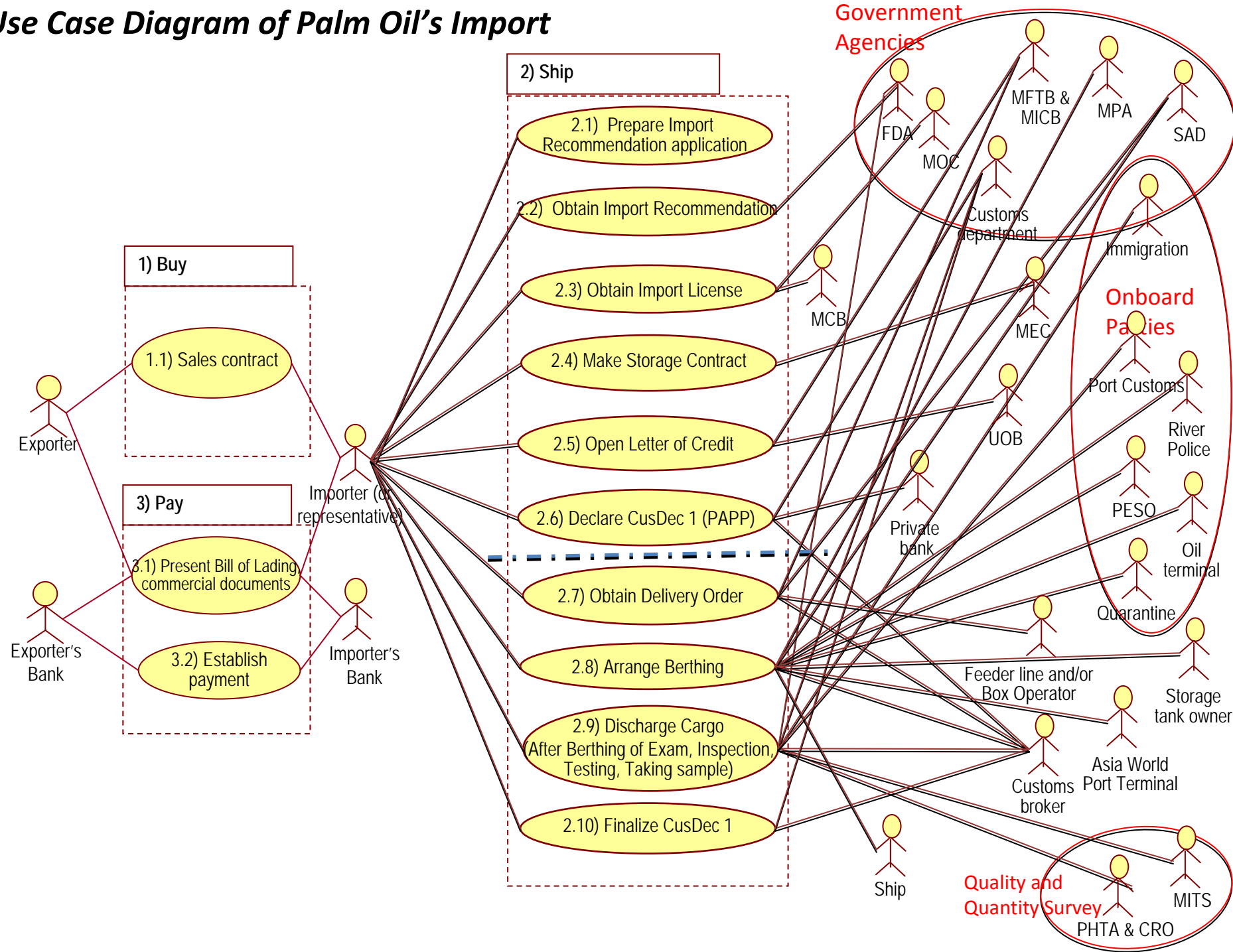
<div>Stakeholders</div> <div>Core Business process</div>	Transporter (from Mandalay to Muse(105)	Exporter	Exporter or Rep:	Importer's Agent	Importer	Customs department 105 mile	Customs department at border	Customs Dept: China	North-East Gate fruit Co., Ltd	Grower	Department of border trade	Muse-Nam Kan UMFCCI	Myanmar Citizen Bank	Transporter from Mandalay to 105 mile	Transporter from 105 mile to China	Internal Revenue Dept:	Ministry of Rails (Motor Vehical Inspection)
1.Buy																	
1.1 Auction			X	X													
2. ship																	
2.1 Arrange land transport to auction center			X		X					X							
2.2) Arrange auction			X	X													
2.3) Application for BTOS procedure			X						X								
2.4) Enter BTOS Application			X			X					X		X			X	
2.5) Arrange Transport to China					X										X		
2.6) Border Crossing			X			X				X							
3. Pay			X		X			X		X				X	X		
3.1. Make advance payment			X				X	X	X					X			X

Recommendations

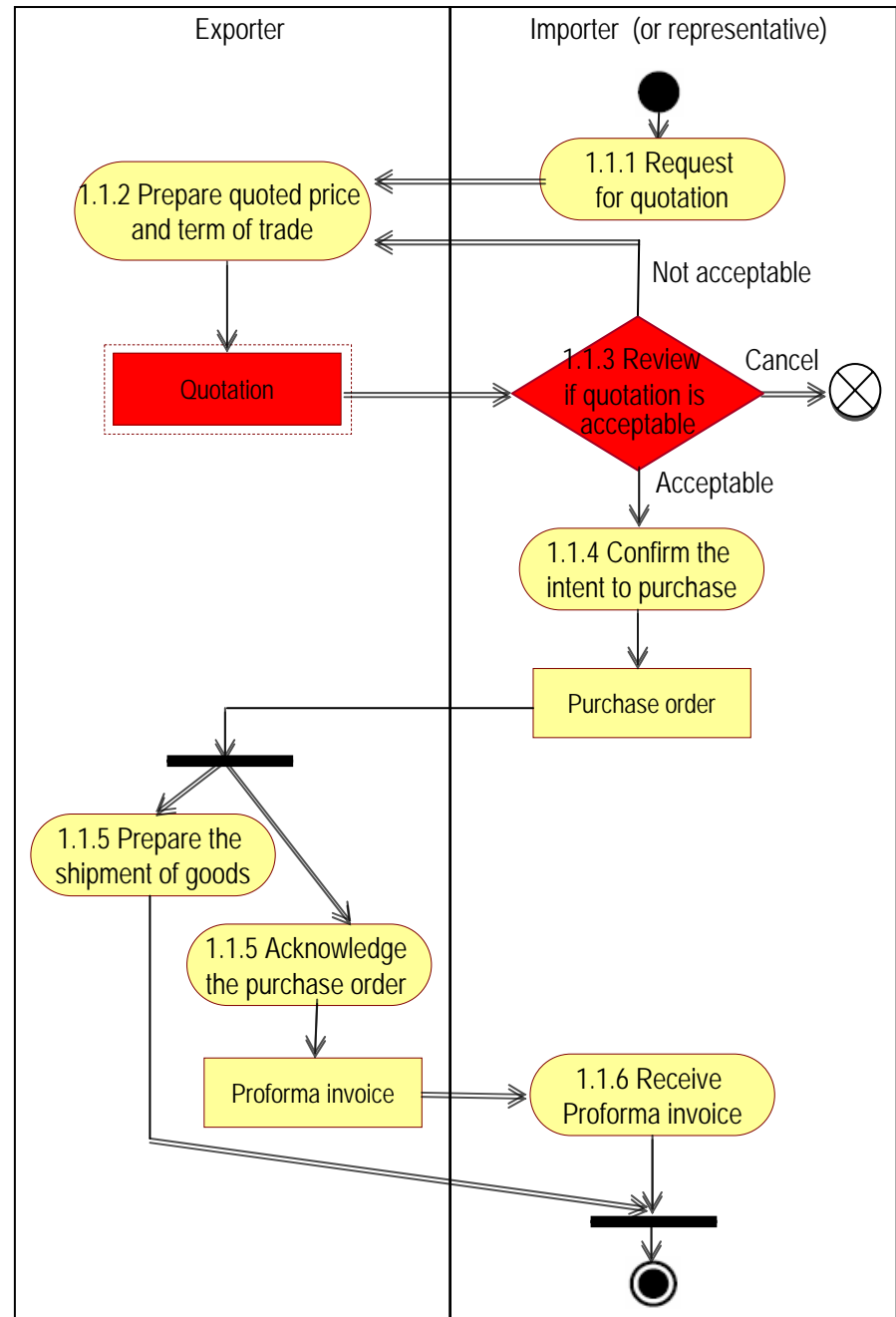
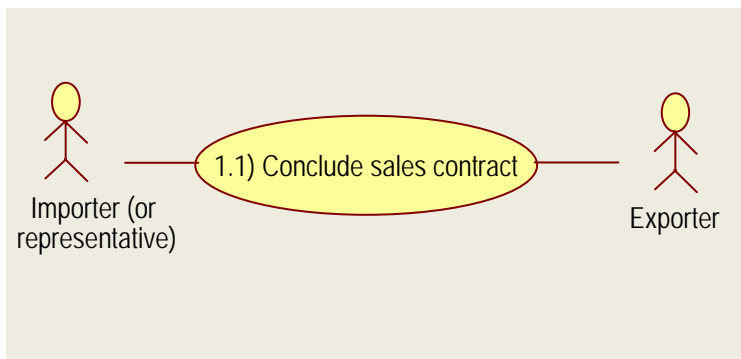
- ⊙ Strengthen contractual relationships
 - Payment
 - Risks
 - Acceptance of cargo
 - Force majeure
 - Exchange rate
- ⊙ Insurance coverage outside Myanmar
- ⊙ Competition in logistics services at the border
- ⊙ ???YOU HAVE TO PUT OTHER POINTS YOU LIKE TO MENTION HERE

PALM OIL

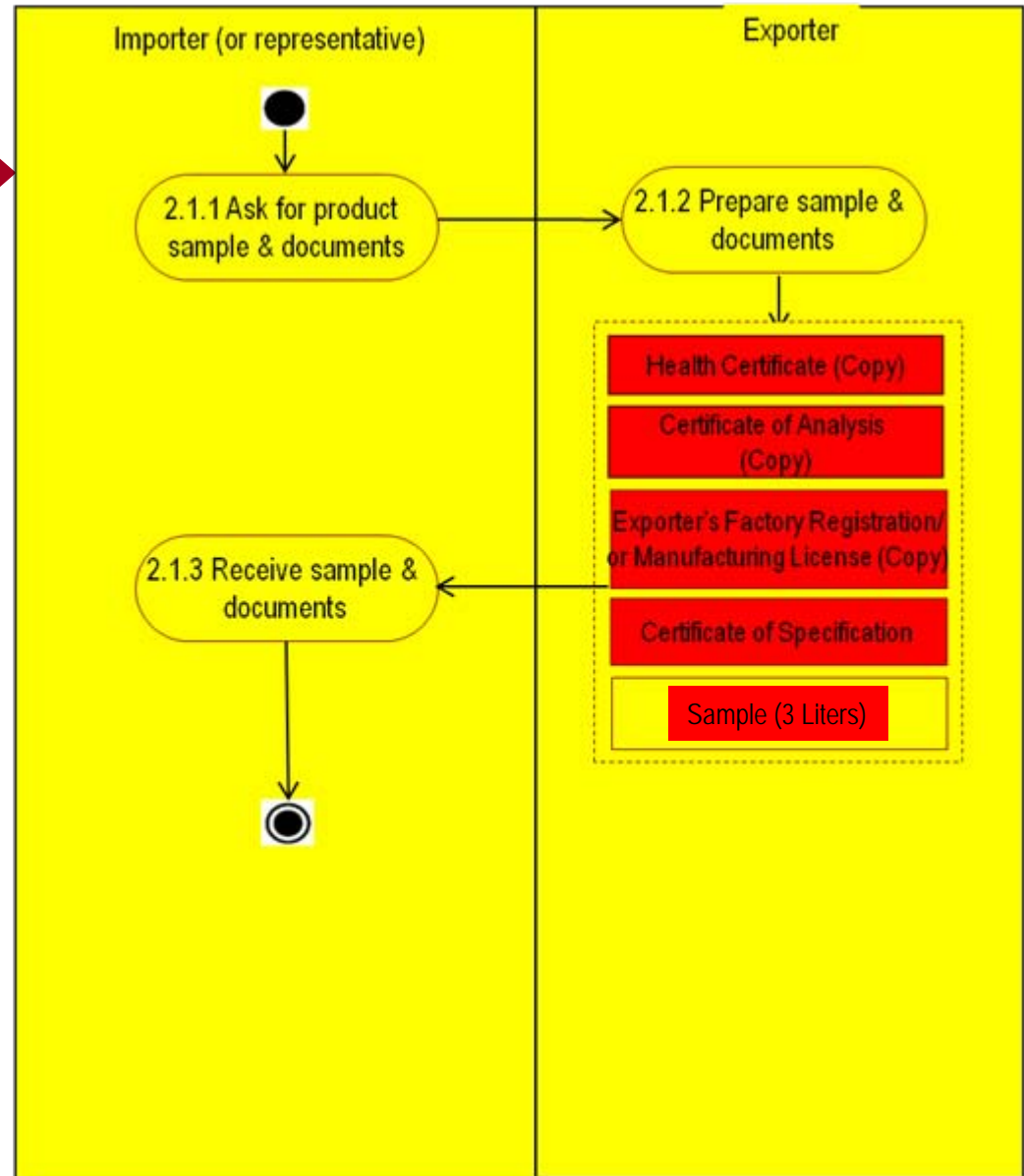
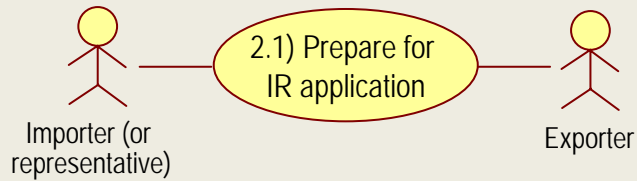
Use Case Diagram of Palm Oil's Import



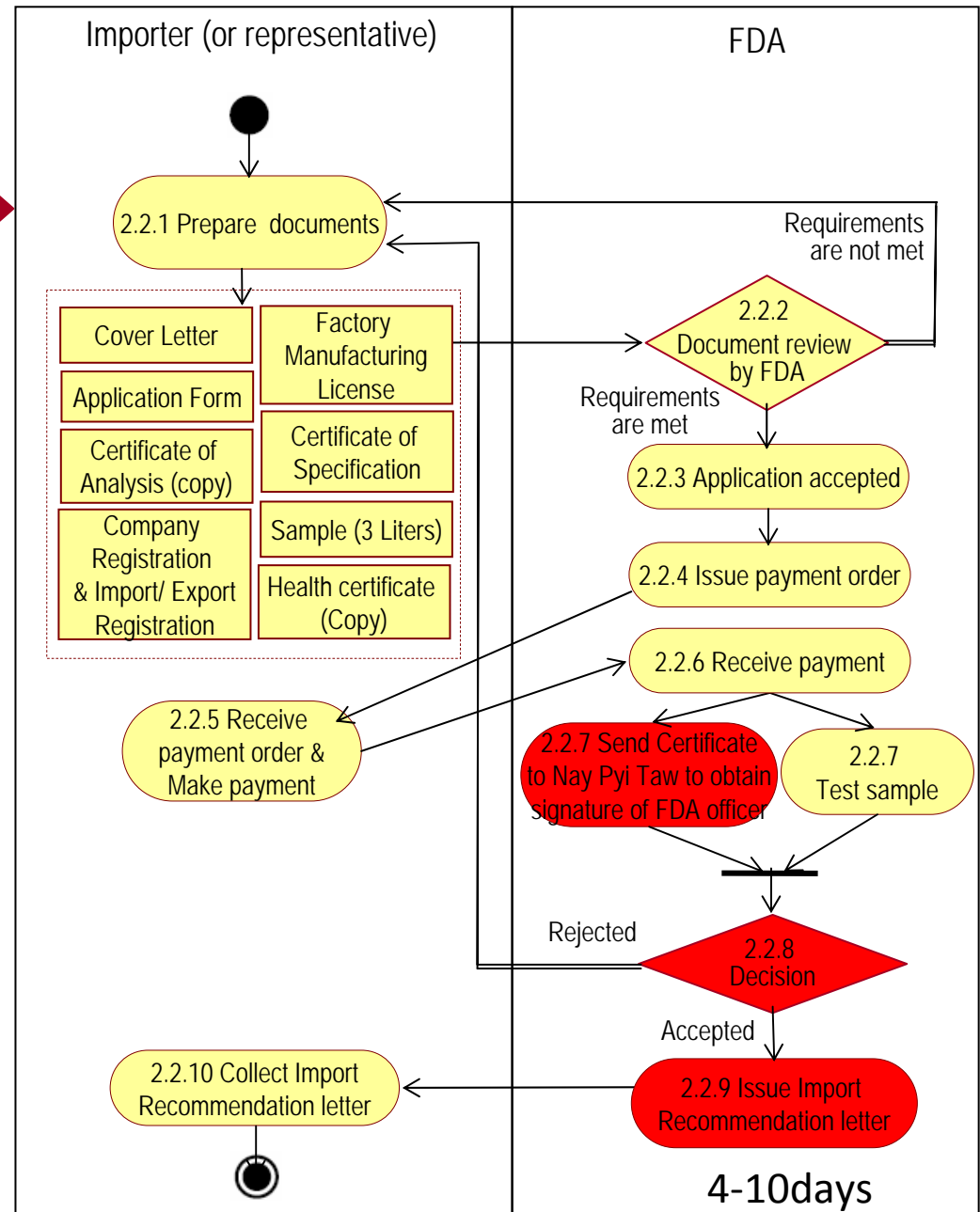
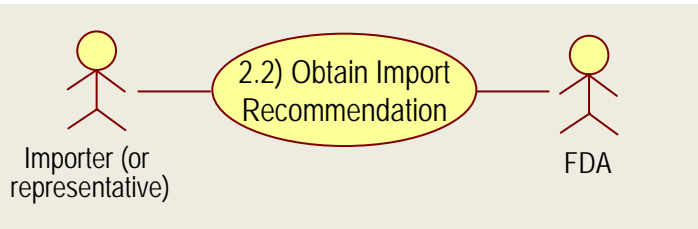
1.1) Conclude Sales Contract



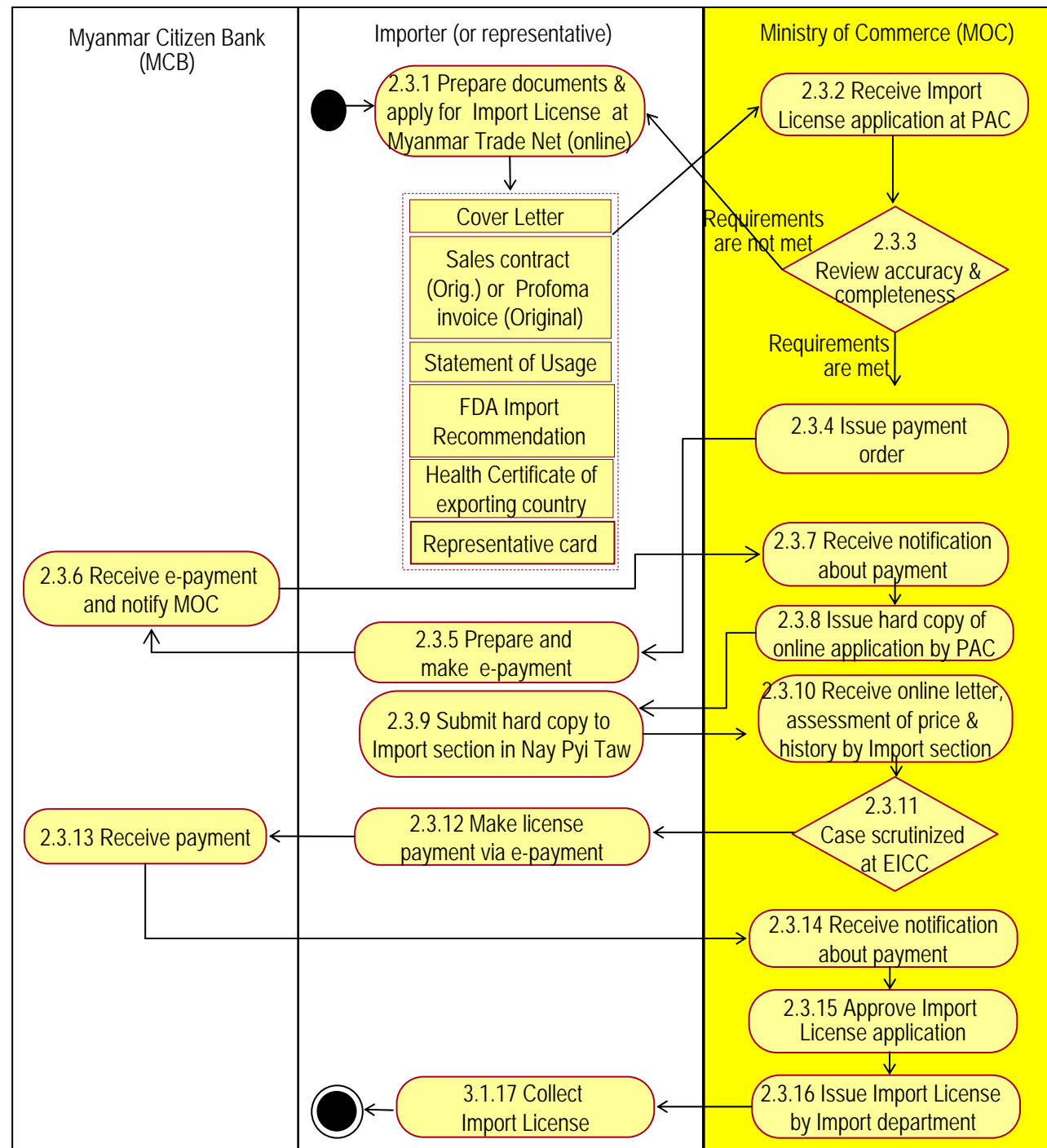
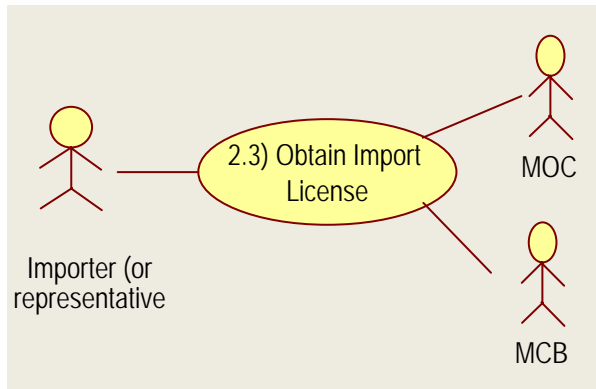
2.1) Prepare for IR application



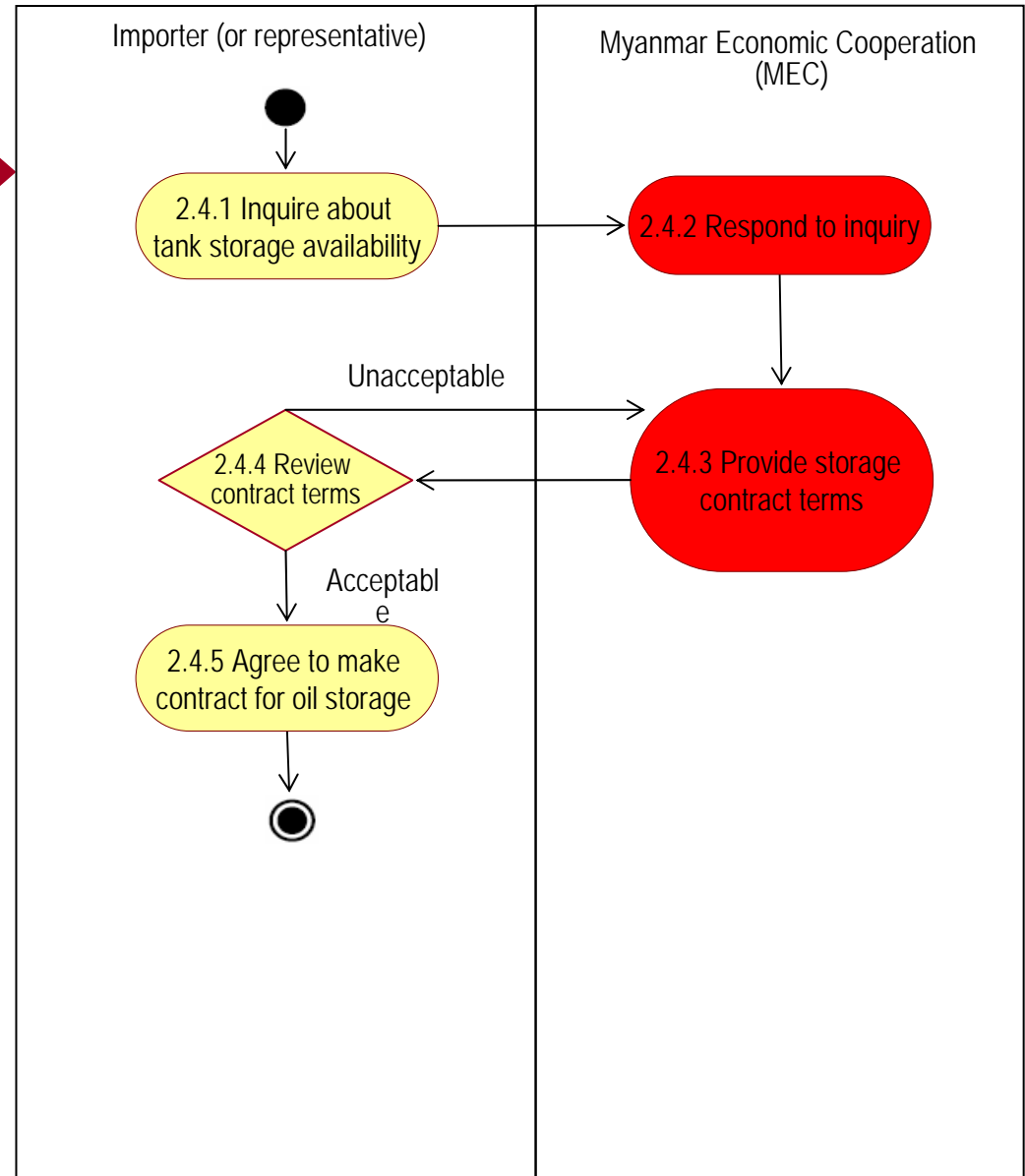
2.2) Obtain Import Recommendation



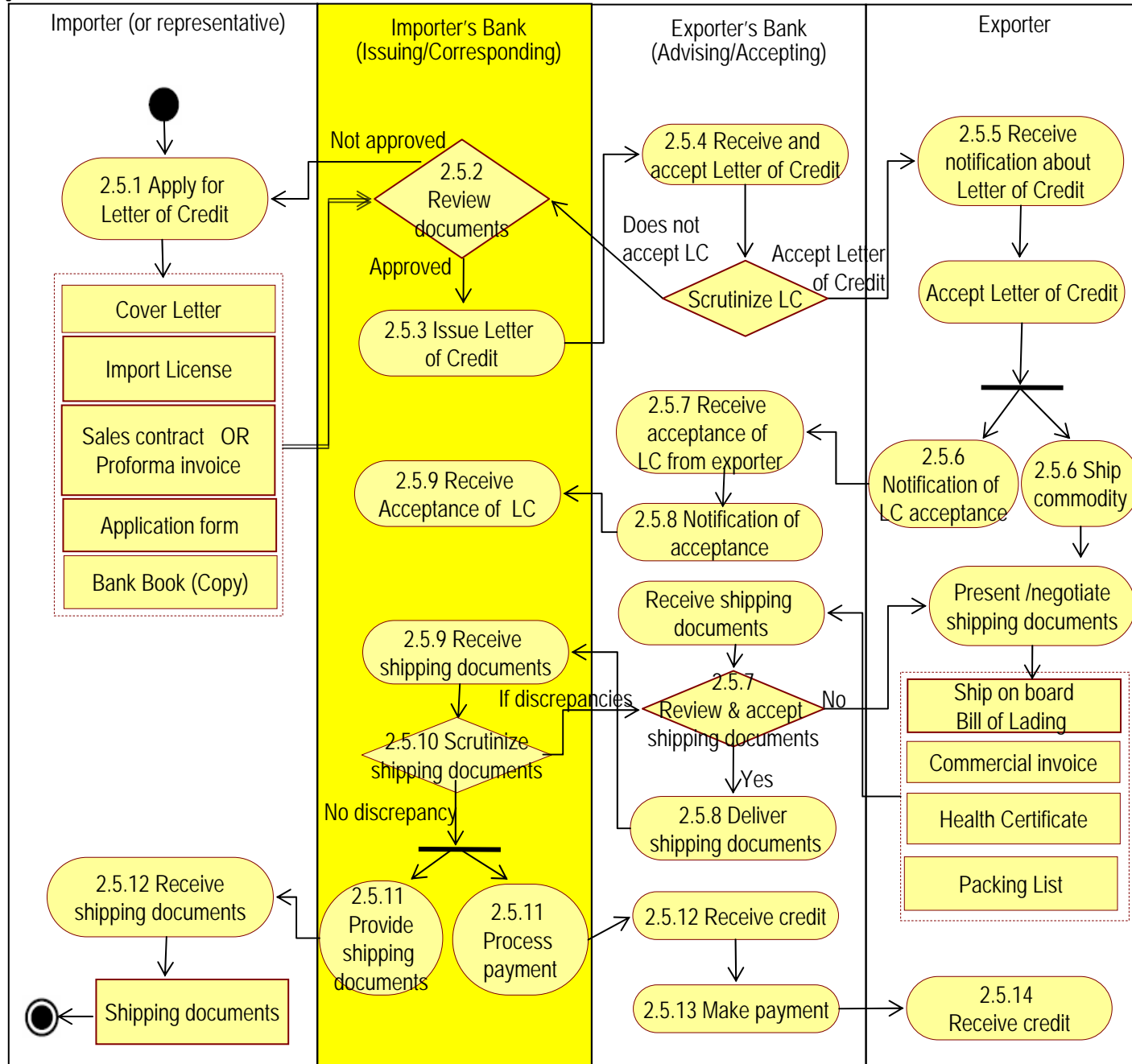
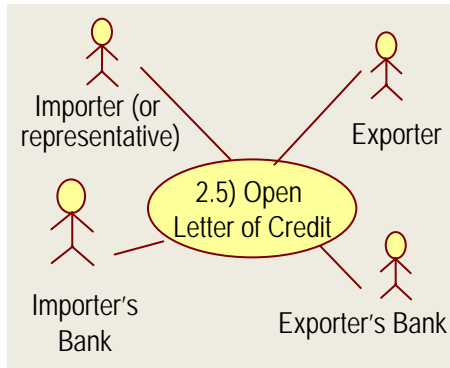
2.3) Obtain Import License (pre-arrival of vessel)



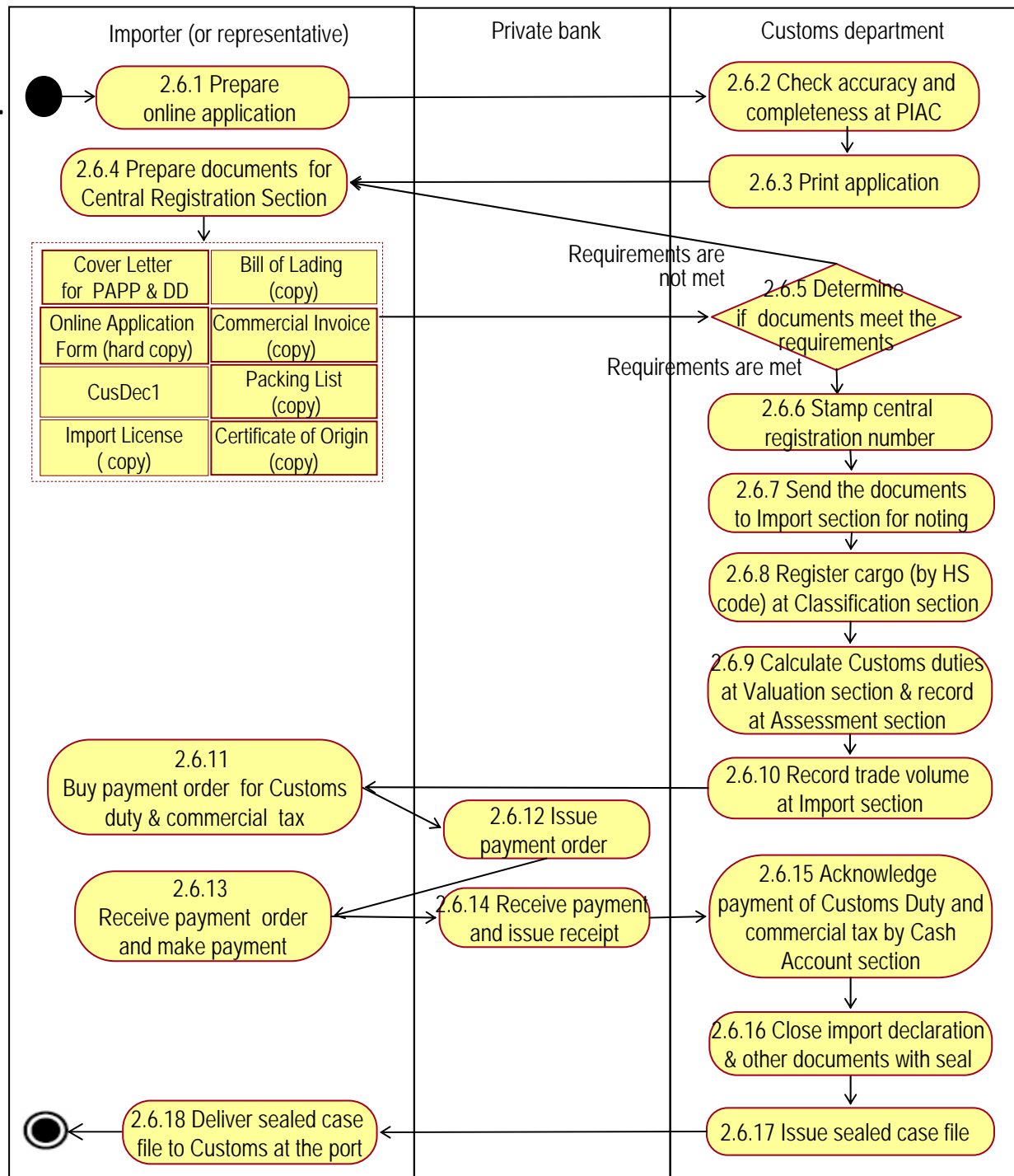
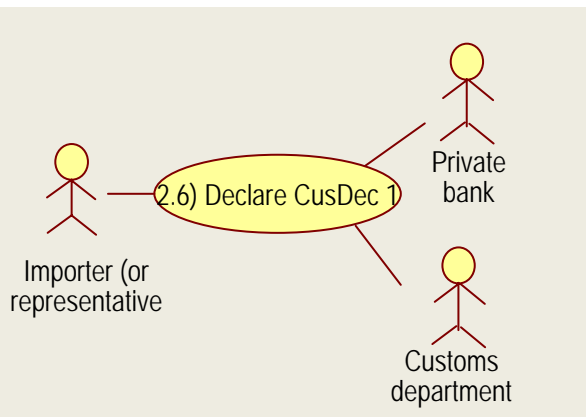
2.4) Make Storage Contract



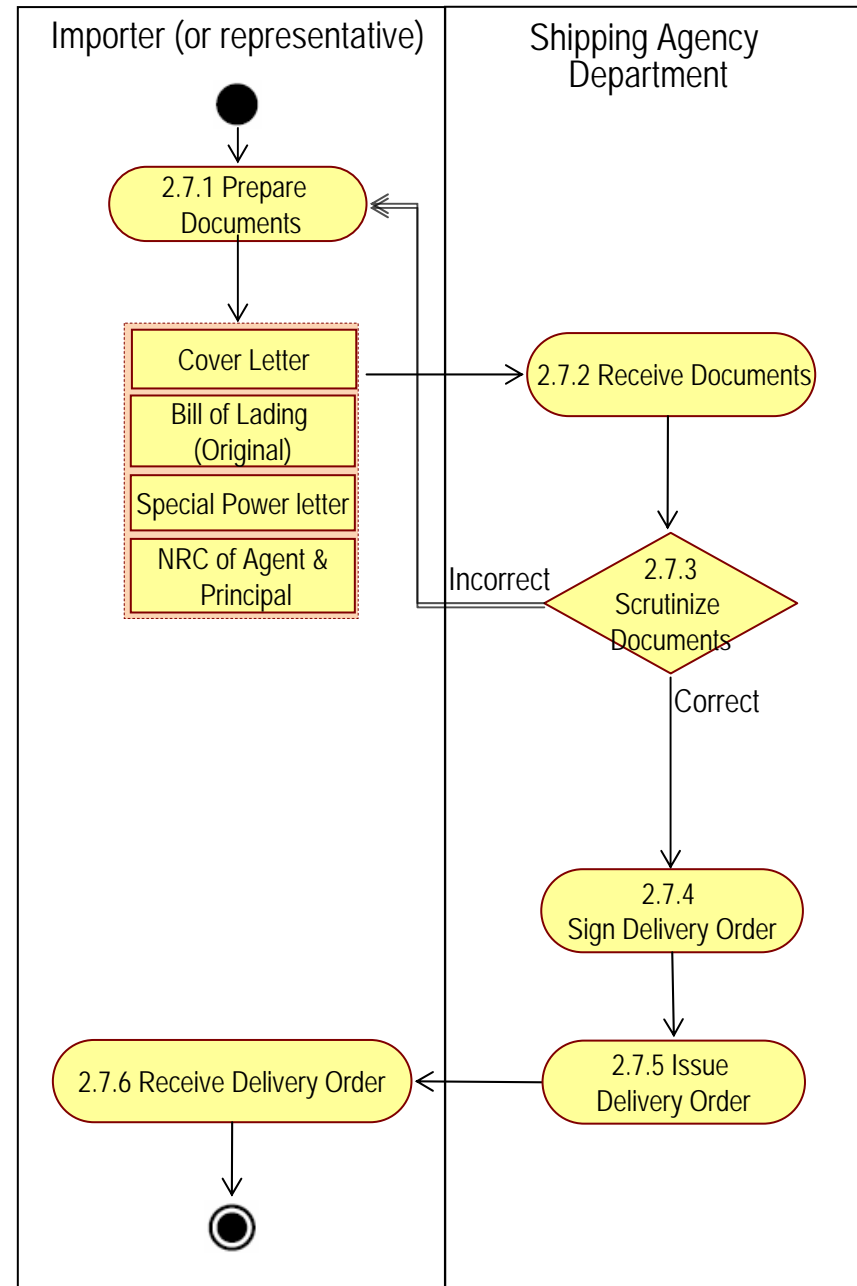
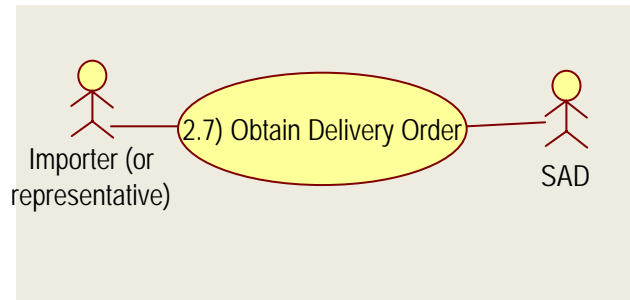
2.5) Open Letter of Credit



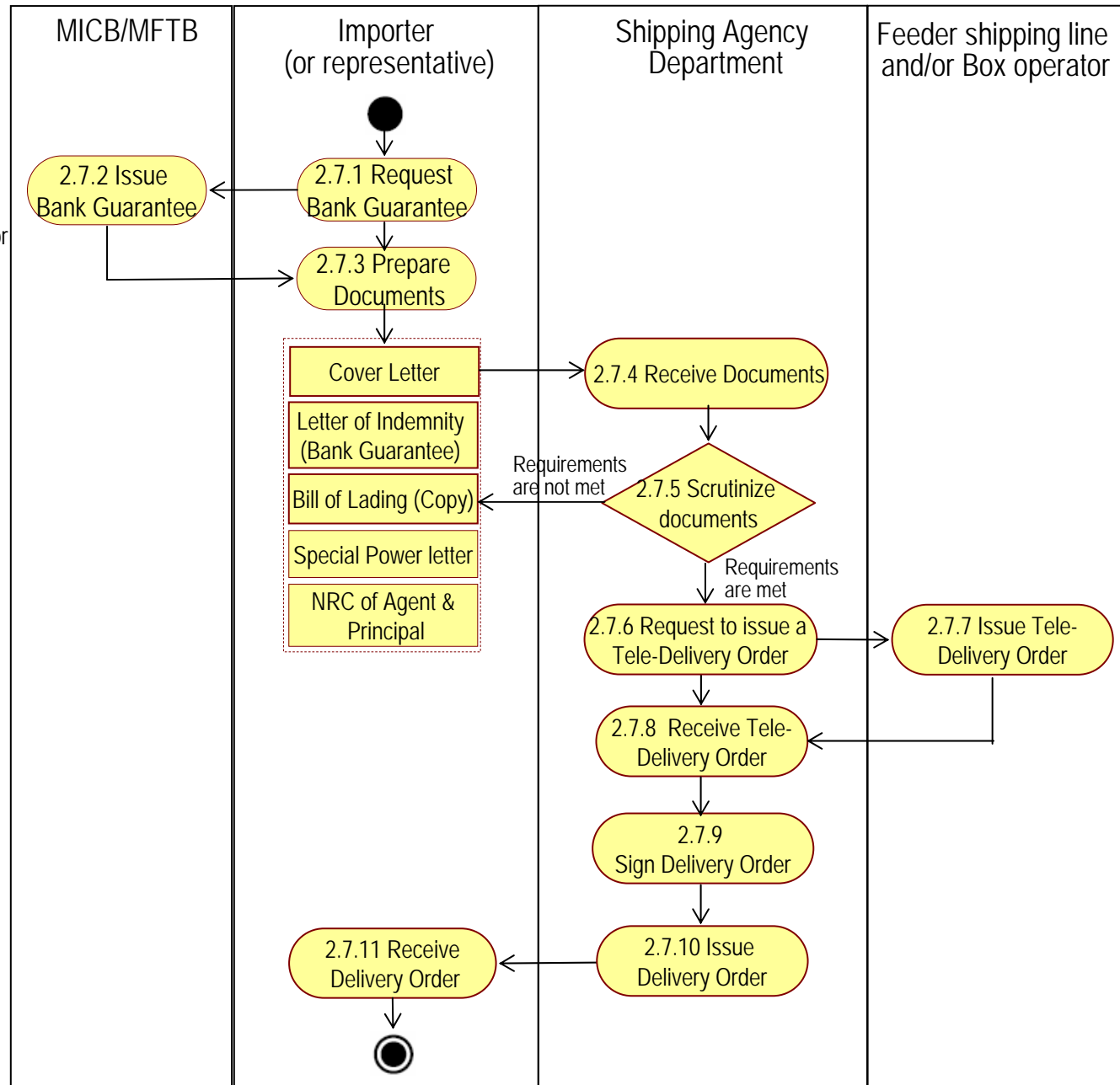
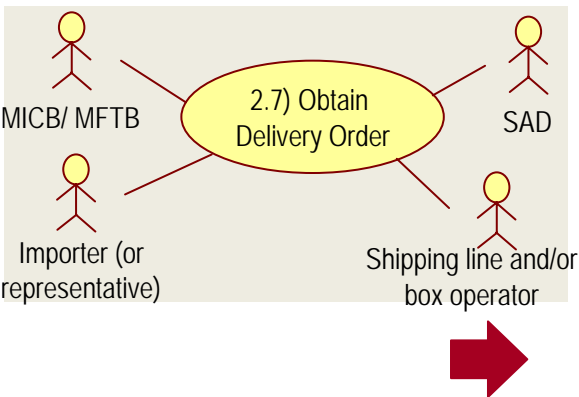
2.6) Declare CusDec 1 (pre-arrival of vessel)

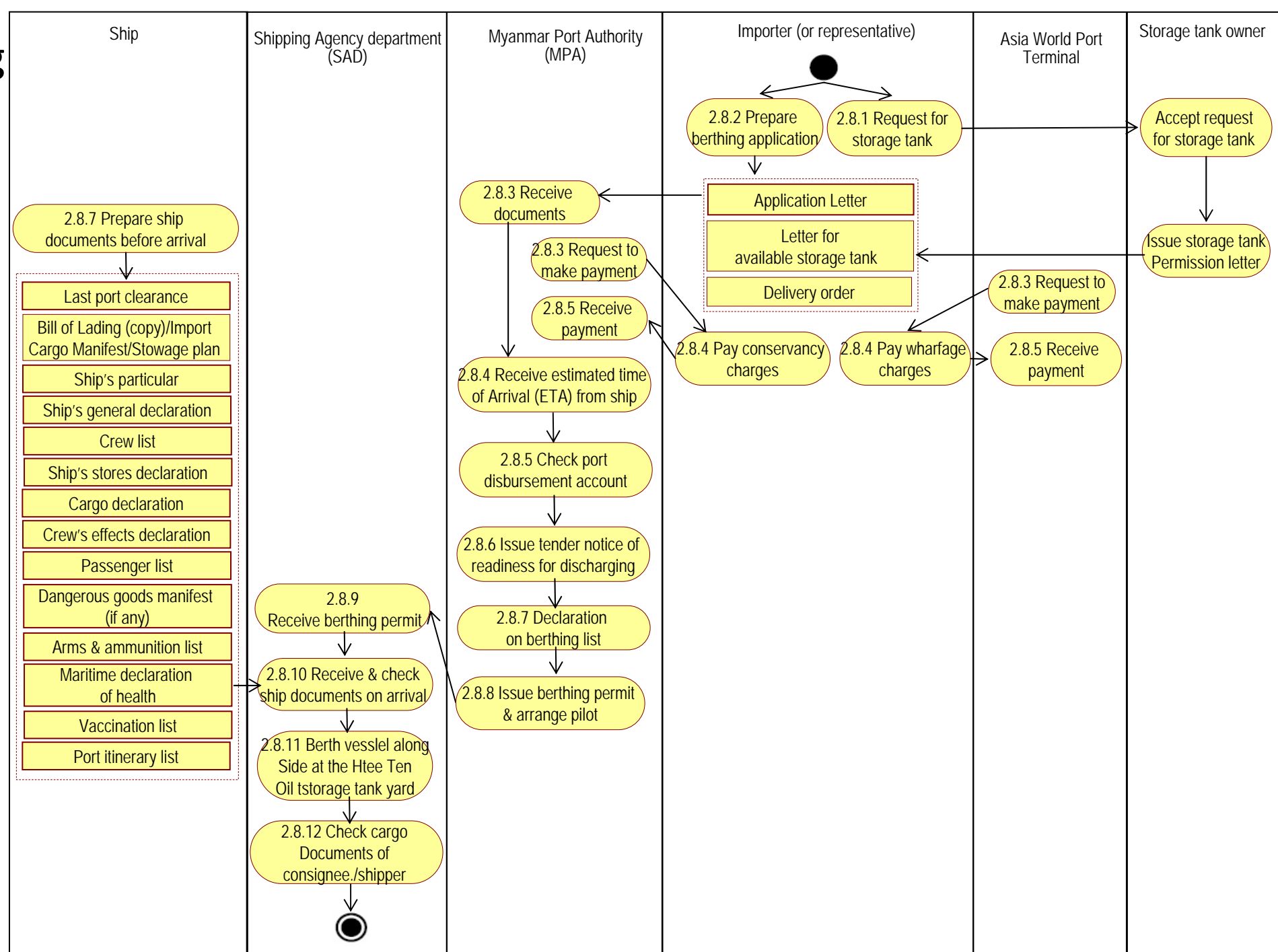


2.7) Obtain Delivery Order (With BL original)

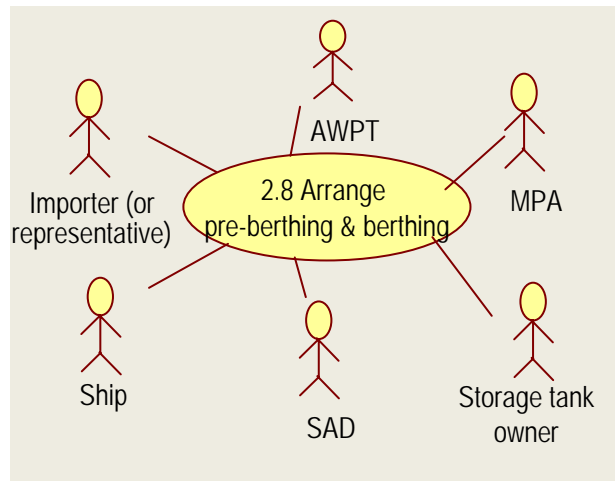


2.7) Obtain Delivery Order (Without BL original)





2.8 Arrange Berthing



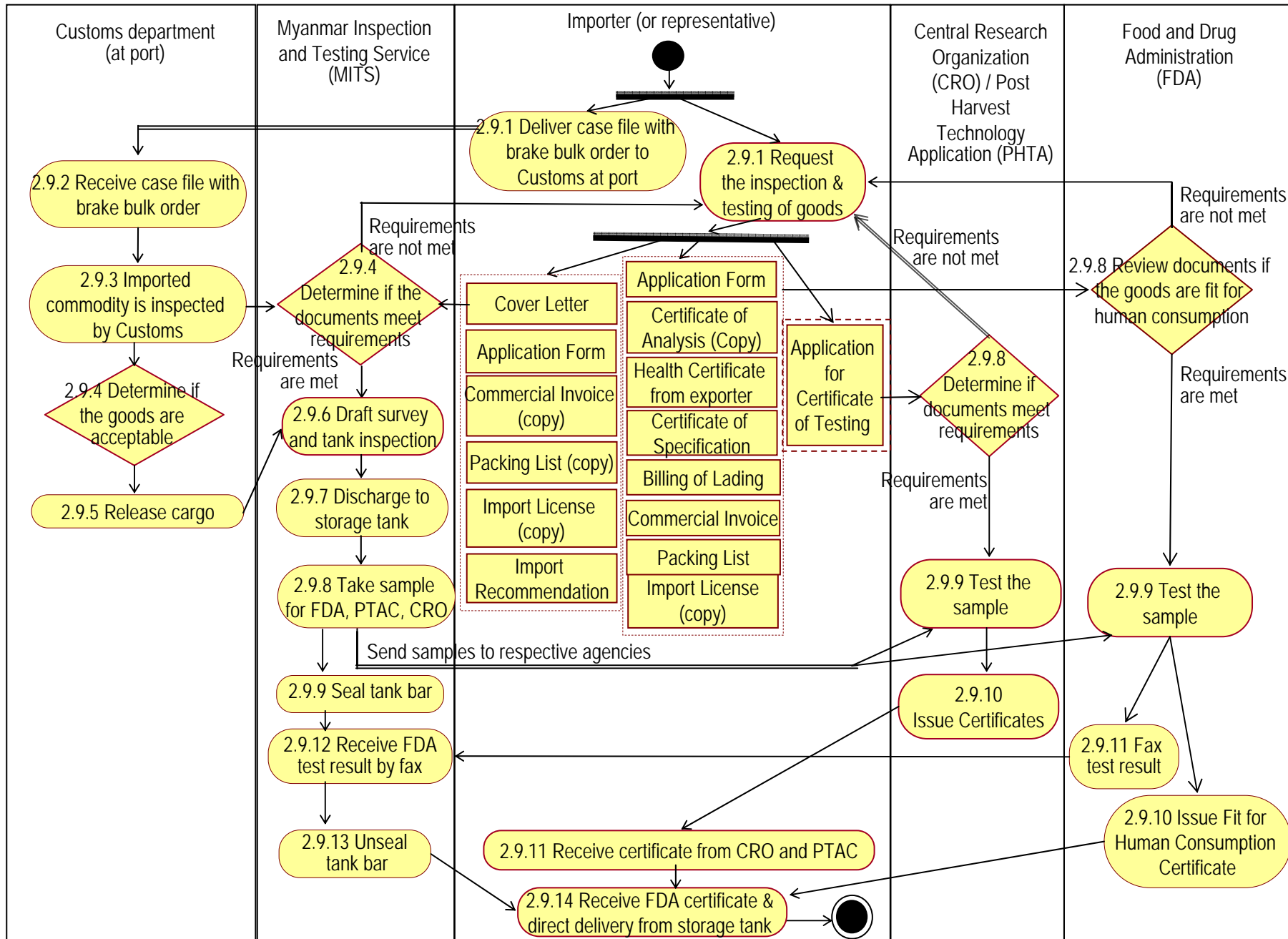
ESTIMATED PORT D/A

ESTIMATED DISBURSEMENT

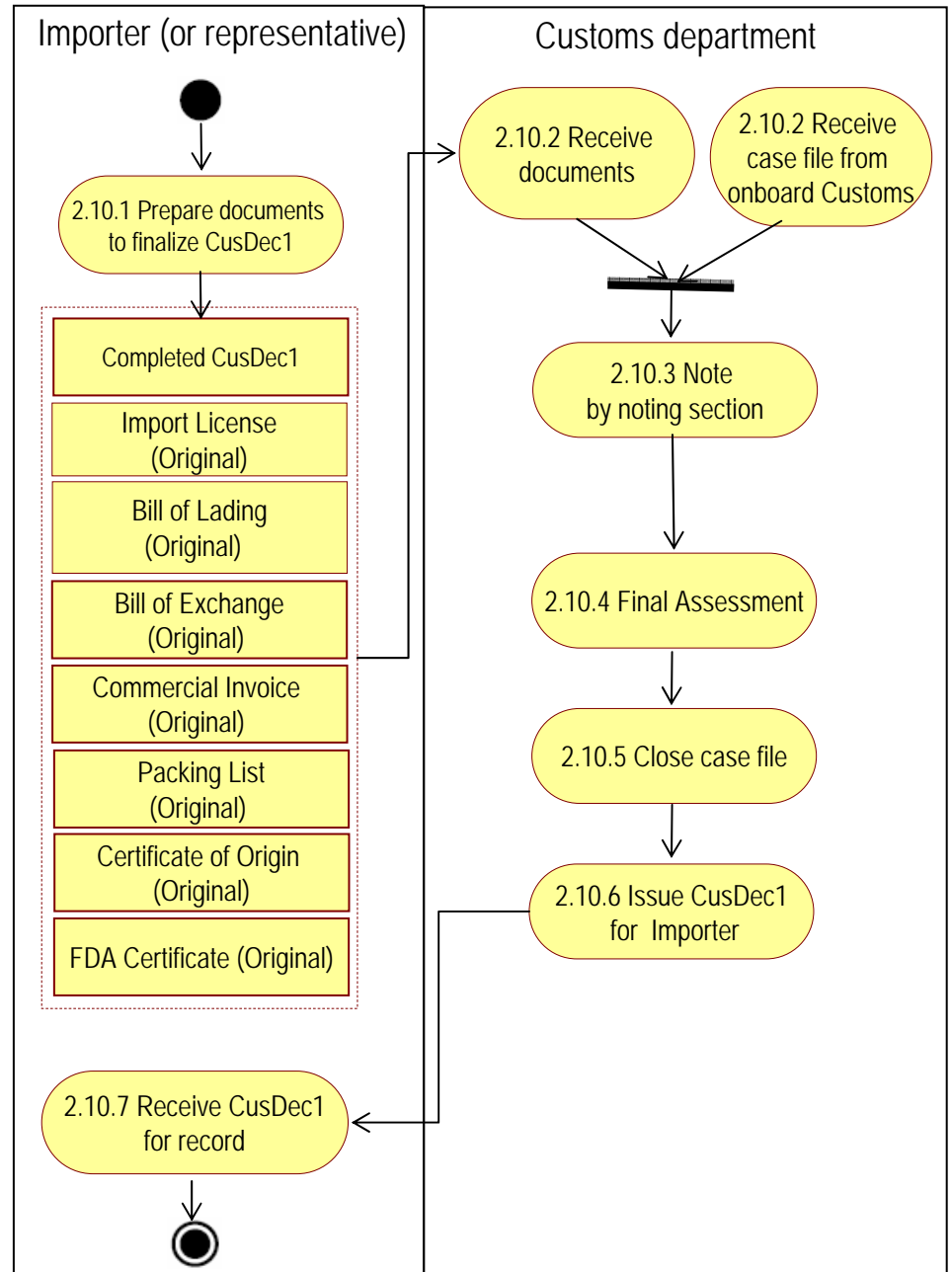
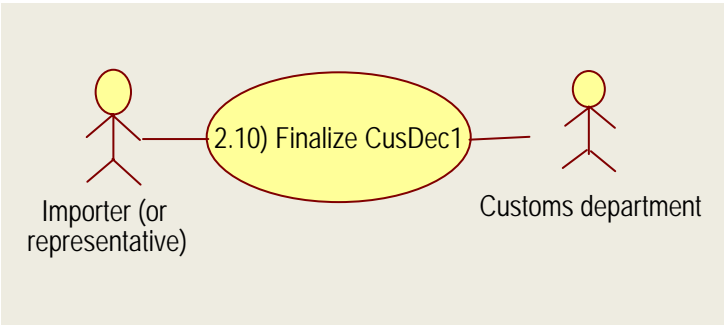
M.V	ETA()		For Stay () Days
Owner			W.Gang
Charterers.....			(EX.Rate
Discharging.....	MT	From.....	Frt USD.....
Loading	MT	TO	Frt USD.....
.....	MT	TO	Frt USD.....
.....	MT	TO	Frt USD.....
Vessel's Particular: GRT/NRT		LOA.....	Speed.....Flag.....
Call sign.....	DWT	A.Draft.....	S. Draft.....

	Owner A/C	Charter A/C	Shipping A/C
1. Port Dues	US\$		
2. Pilotage (In- Out)	US\$		
3. Berthing	US\$		
4. A.H.M Fees	US\$		
5. Mooring/Unmooring	US\$		
6. Launch/ Tug	US\$		
7. Light Dues	US\$		
Total	US\$		
Plus 20%	US\$		
Total Port Chgs	US\$		
8. Fright Tax 1.75 %	US\$		
9. Import Agency comm. 2.5%	US\$		
10. Export Agency comm. 3.0%	US\$		
11. Agency Fees	US\$		
12. Stevedoring Charges (Dis)	US\$		
13. Stevedoring Charges (Ldg)	US\$		
14. Supervisory/ Tally charges	US\$		
15. Watchman	US\$		
16. immigration overtime	US\$		
17. Customs overtime	US\$		
18. Fresh Water	US\$		
19. Motor Launch	US\$		
20. Dunnage / Mats	US\$		
21. Shore Crane chgs	US\$		
22. Photo / stationery	US\$		
23. Advertisement	US\$		
24. Telex/ Fax/ E.mail	US\$		
25. BUNKER Supply	US\$		
26. Fork Lift chgs	US\$		
27. Rope/ wire Sling charges	US\$		
28. Survey Fees	US\$		
29. Side nets	US\$		
30. Miscellaneous	US\$		
TOTAL	US\$	+	=USD; (EURO;)

2.9) Examine, Inspect, Test, Take Sample and Discharge Cargo



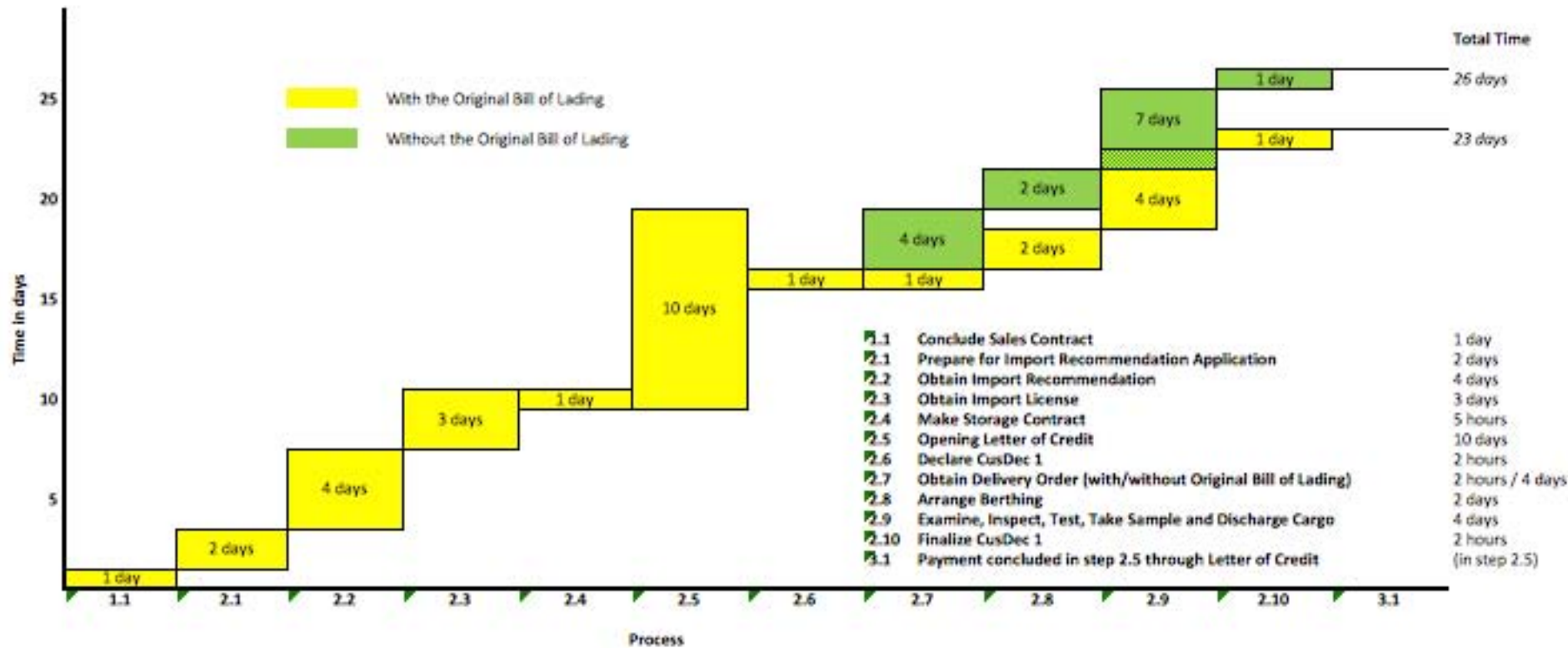
2.10) Finalize CusDec1



Palm Oil's Stakeholders

[illegible]

Time Chart for the Import of Palm Oil from Malaysia



Assumptions:

- Storage Tank is available
- No unexpected delays in document processing or shipment
- The necessary documents for process 2.7 are obtained in process 2.6 after 6 days

Process Costs in Import of Palm Oil from Malaysia by Ocean Freight

Processes	Cost (in USD)	Cost (in MMK) 1USD = MMK850
1. Buy		
1.1) Conclude Sale Contract	-	-
2. Ship		
2.1 Prepare Import Recommendation Application	-	-
2.2 Obtain Import Recommendation	MMK 35,000 – 40,000	USD\$ 41 - 47
2.3 Obtain Import License	MMK 5,000 (online application) Min. MMK 50,000 (Depending on import value) MMK 60,000 Transport cost to Nay Pyi Taw	USD\$ 6 (online application) Min. USD\$ 59(Depending on import value) USD\$ 71 Transport cost to Nay Pyi Taw
2.4 Make Storage Contract	-	-
2.5 Open Letter of Credit	0.125% of Invoice + Bill (Euro 50/bill or equivalent USD amount)	0.125% of Invoice + Bill (Euro 50/bill or equivalent USD amount)
2.6 Declare CusDec 1 (PAPP)	Customs duty – 5% of import value - Commercial tax – 5% of import value - Bank charges – 0.1% of Customs duty (maximum MMK 30,000)	Customs duty – 5% of import value - Commercial tax – 5% of import value - Bank charges – 0.1% of Customs duty (max USD\$ 35)
2.7 Obtain Delivery Order	-	-
2.8 Arrange Berthing	MMK 25/ton (conservancy) USD 3/ton (wharfage)	MMK 25/ton (conservancy) USD 3/ton (wharfage)

Process Costs in Import of Palm Oil from Malaysia by Ocean Freight

Processes	Cost (in USD)	Cost (in MMK) 1USD = MMK850
2. Ship		
2.9 Discharge Cargo (After berthing of exam, inspection, Testing, Take sample)	MMK 0.6/viss or MMK 367/ton (for all tests - FDA, CRO, PHTA)	USD\$ 0.0007/viss or USD\$ 0.50/ton (for all tests - FDA, CRO, PHTA)
2.10) Finalized CusDec1	-	-
3. Pay		
3.1 Present Bill of Lading (Commercial Document)	-	-
3.2 Establish Payment	-	-
Total Costs	?????	?????

General Recommendations

- ⦿ Banking Facility system(instruments, tools)
- ⦿ Transportation and Logistics (cost)
- ⦿ Port facility (Dry port) –(TIME)
- ⦿ Stowage tank
- ⦿ Customs (e-Customs, NSW) (TIME)
- ⦿ **Strengthen contractual relationships**
 - Payment import 1st.
 - Risks Force majeure
 - Acceptance of cargo
 - Exchange rate
- ⦿ **Insurance coverage inside/outside Myanmar**
- ⦿ **Competition in logistics services at the border**

General Recommendation

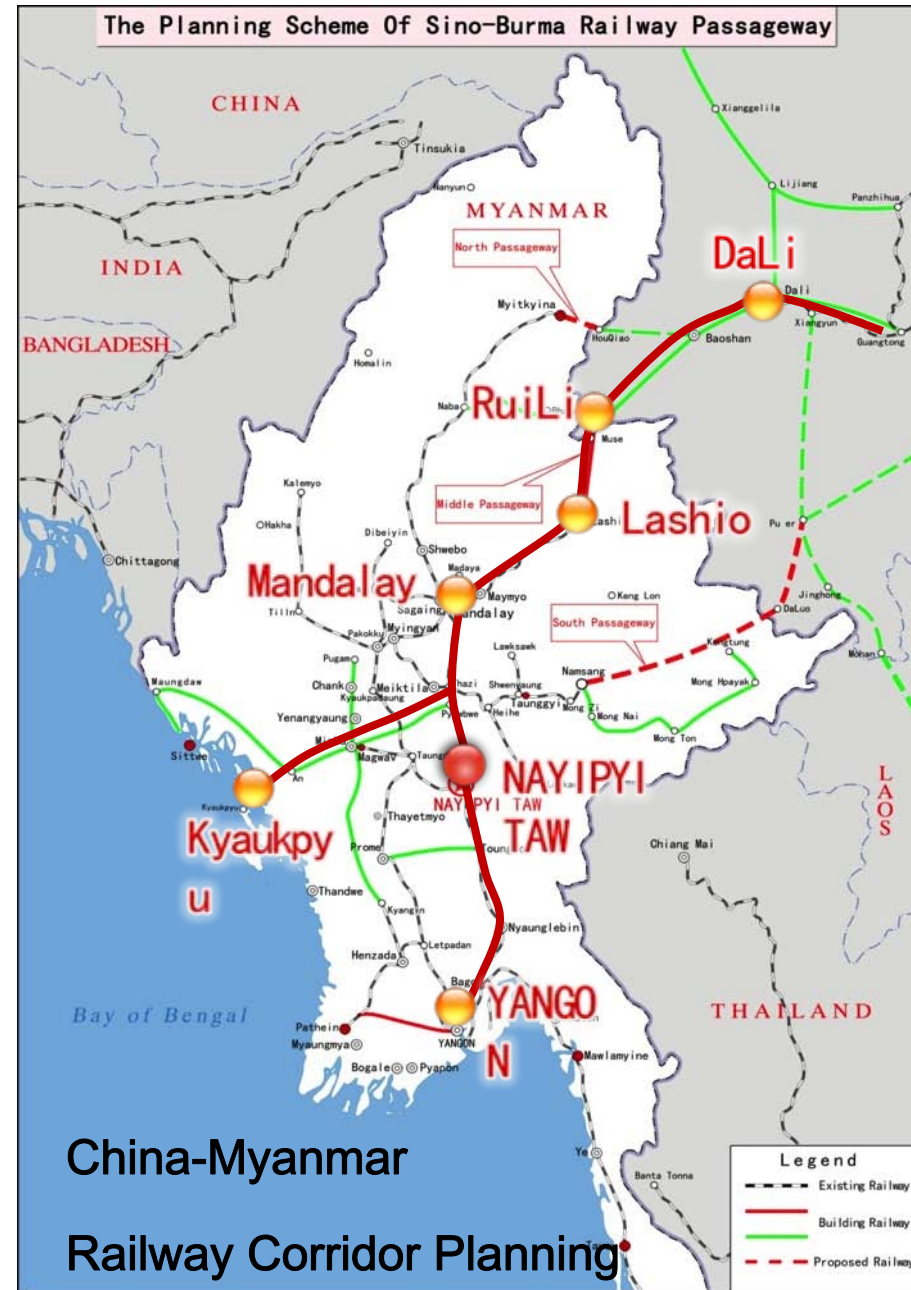
Stakeholders	Short term	Mid term	Long term
MOC	Simplify ?? steps and To improve PAC	Electronic Licensing	Tradenet Join NSW
SAD	Simplify ?? Steps and To improve EPMS	Set up Marine net Before liberalize shipping agency	Port net Join NSW
ICD	To improve current automation system	Electronic container stowage plan and inspection skills	Join Port Net
Customs	Simplify ??? Steps and to improve current e -customs	Set up internal LAN and to improve automation	NSW system
FDA	Simplify ?? Steps. Introduce simple automation	To reorganize Private LAB test result	Expand hightech lab
Bank	Increase banking facility with efficient automation	Fully automation	Join NSW
O/Agencies	Simple automation	Customize automation	Join NSW

Why Dry ports in Myanmar?

- Of 7 potential key sites, pre-feasibility study of Mandalay Dry Port has been processed and intergovernmental agreements are ready for signing under UNESCAP
- Strategically located to be a prime Asian hub
- Asia Highway network and Trans-Asian Rail (TAR) Network forms a land-bridge connecting South-East Asia, South Asia and China.
- Potential prime regional hub for continental South East Asia and Greater Mekong Sub-region (GMS)
- Increasing Maritime traffics and trade
- Increasing trade between neighboring countries, especially Thailand and China
- Favorable regional developments and political reforms

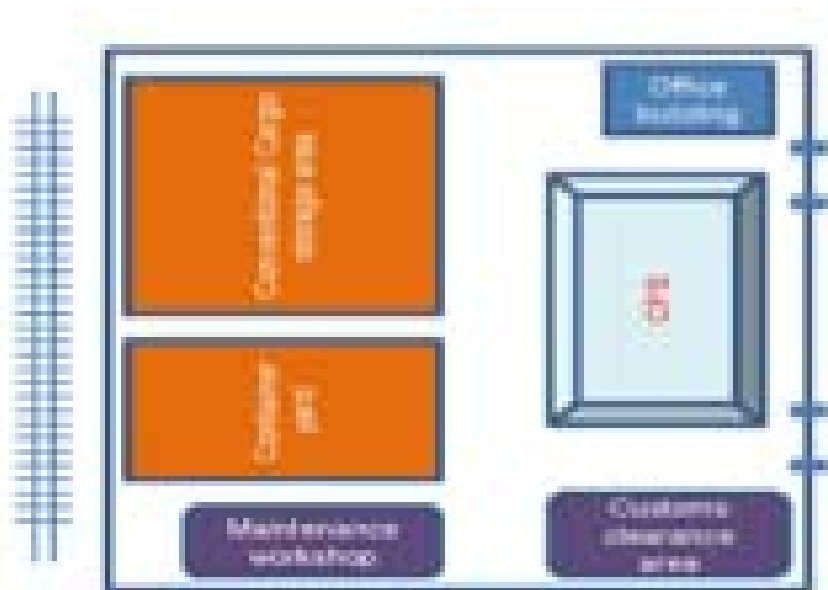
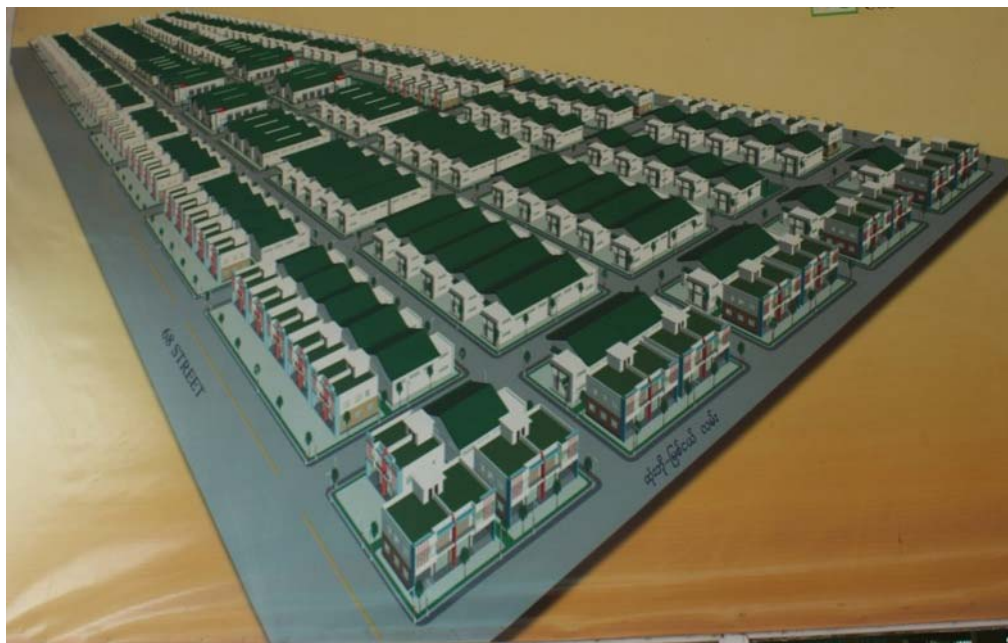


Proposed location



Proposed Dry Port site and Mandalay Merchandise Center

Merchandise Center	
Shop house(30'x80')	160 Nos
Shop house(60'x40')	34 Nos
Ware House(60'x80')	236 Nos
Extra Block	13 Nos
Landscape	1 Nos
Total	346
Total Area	2872649 sq-ft 65.95 Acre



Project cost for Dry Port

- Total project development cost-US\$ 11,485,136
- Annual operational cost-US\$ 456,454 (including labour, Fuel, Utility cost)
- FIRR of the project is 8.31%++ (estimated cash flows until end of year 2035)



Thank You!

Questions?

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Volume

Table of volume units

Unit		Metric	Imperial	US	Ratio to previous
Burmese	Romanized				
လမြူ	<i>la myu</i>	79.9118 ml	2 ¹³ / ₁₆ fl oz	2.70214 fl oz	
လမျက်	<i>la myet</i>	159.824 ml	5 ³ / ₈ fl oz	5.40428 fl oz	2
လမယ်	<i>la me</i>	319.647 ml	11 ¹ / ₄ fl oz	10.8086 fl oz	2
စလယ်	<i>sa le</i>	639.294 ml	1 ¹ / ₈ pints	1.35107 pints	2
ခွက်	<i>hkwet</i>	1.27859 l	1 ¹ / ₈ qt	1.35107 qt	2
ပြည်	<i>pyi</i>	2.55718 l	2 ¹ / ₄ qt	2.70214 qt	2
စိတ်	<i>seit</i>	10.2287 l	2 ¹ / ₄ gallons/ 1 ¹ / ₈ pecks	2.70214 gallons/ 1.16106 pecks	4
ခွဲ	<i>hkwe</i>	20.4574 l	4 ¹ / ₂ gallons/ 2 ¹ / ₄ pecks	5.40428 gallons/ 2.32213 pecks	2
တင်း	<i>tin</i>	40.9148 l	9 gallons/ 1 ¹ / ₈ bushels	10.8086 gallons/ 1.16107 bushels	2