

Measures relating to the Standard Operating Procedure-SOP for the application of Wholesale/Retail Business Enterprise Registration issued by Notification No. 25/2018

the Standard Operating Procedure-SOP for the application of Wholesale/Retail Business Enterprise Registration issued by Notification No. 25/2018

S r.	Par a	Measures	Remarks	Mode of Service
1	2	<p>The process for the Wholesale/Retail Business Enterprise Registration is carried out based on the applied type of company. There are Four Types of group of company as follows:</p> <p>(A) To be incorporated as 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) which will be registered as Wholesale/Retail Business Enterprise at the first time in Myanmar are eligible in this group.</p> <p>(B) Already incorporated as 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) which has been incorporated in Myanmar, however, it was not allowed to do Wholesale/Retail Business and will be registered as Wholesale/Retail Business Enterprise at the first time in Myanmar are eligible in this group.</p> <p>(C) Already permitted as 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) 100% Foreign owned Company or Joint Venture with the local citizen (Foreign Joint Venture Companies) which has been permitted either with MIC Permit or the previous Notifications issued for allowing foreigners to do wholesale/retail business are eligible in this group.</p> <p>(D) Local Companies doing wholesale/retail business eligible with this Notification The Myanmar citizen company doing wholesale/retail business with the investment amount of United States Dollars 700,000 and above or equivalent Myanmar Kyat to that amount is eligible in this group. The local citizen companies which are doing wholesale/retail business with the investment amount of less than United States Dollars</p>	Domestic Regulations	Mode 3

		700,000 shall not be required to register wholesale/retail registration at the Ministry of Commerce.		
2	5	The application form for the wholesale/retail business registration can be downloaded freely at the Ministry of Commerce's website www.commerce.gov.mm and the completed application in two copies shall be submitted by attaching with the required evidence documents.	Domestic Regulations	Mode 3
3	6	A company is allowed to apply either retail sale or wholesale or retail and wholesale in both. The initial investment capital for the application of retail and wholesale shall be calculated for the accumulation of the designated minimum initial investment capital amount of retail sale and the designated minimum initial investment capital amount of wholesale.	Domestic Regulations	Mode 3
4	7	The priority list of commodities for wholesale/retail business carried out by the Foreign Companies, Joint Venture Companies formed with local citizen and foreigner was notified by the Ministry of Commerce.	National Treatment	Mode 3
5	8	The registration application applied by the Company Group A, B and C shall be submitted at the Department of Trade, Ministry of Commerce, Office Building (3), Nay Pyi Taw.	National Treatment	Mode 3
6	10	Company Group A, B and C shall apply the Wholesale/Retail Registration by submitting with the following evidence documents: (a) Company Registration Certificate; (b) Copy of MIC Permit/ Endorsement Permit (only for those foreign companies and foreign joint venture companies which required to get MIC Permit or Endorsement Permit); (c) Recommendation letter from the relevant City Development Committee or Township Development Committee located at Region/State; (d) List of commodities to be distributed under Wholesale/Retail business; (e) At least 6 years business plan for Wholesale/Retail business included with the following facts: (i) Investment capital amount (Initial investment capital and additional capital to be injected for next 5 years' business operation); (ii) Plan for sales, distribution and administration; (iii) Location and area;	National Treatment	Mode 3

		<p>(iv) Brief expression of objectives to be carried out by the company as prescribed in the Notification of carrying out the Wholesale/Retail business, such as, job creation, technology advancement, competitive and comparative choice of consumer for quality and price, development of local small and medium enterprises;</p> <p>(f) The number of shops and locations planed for expansion (the defined places shall be mentioned if applicable);</p> <p>(g) The evidence document for the bank transfer/deposit of initial investment capital amount issued by the respective bank for the transfer from local/foreign bank. (If this evidence document is not available at the time of application, the temporary registration shall be issued and the registration shall be issued only when submitting the evidence document for the bank transfer/deposit of initial investment capital amount issued by the respective bank within one month);</p> <p>Note: The job recruitment shall be prioritized tot the local citizens while doing wholesale/retail business.</p>										
7	12 (a)	<p>(a) The minimum initial investment capital on commodities, not included for land rental fees for Company group A and B are as follows:</p> <table border="1" data-bbox="275 760 1606 1507"> <thead> <tr> <th data-bbox="275 760 982 836">Designated Period</th> <th data-bbox="982 760 1606 836">Minimum amount to be deposited</th> </tr> </thead> <tbody> <tr> <td data-bbox="275 836 982 1084">Within 30 days from the date of application for Wholesale/Retail business registration</td> <td data-bbox="982 836 1606 1084">Shall transfer at least 50% of initial capital on commodities to be distributed from the foreign bank to the any local bank and the evidence document for such transaction shall be submitted.</td> </tr> <tr> <td data-bbox="275 1084 982 1377">Second Year</td> <td data-bbox="982 1084 1606 1377">Shall transfer 80% of initial capital on commodities to be distributed from the foreign bank to the any local bank and the evidence document for such transaction shall be submitted within last month of the second year of business operation.</td> </tr> <tr> <td data-bbox="275 1377 982 1507">Third Year</td> <td data-bbox="982 1377 1606 1507">Shall transfer 100% of initial capital on commodities to be distributed from the foreign bank to the any local bank and</td> </tr> </tbody> </table>	Designated Period	Minimum amount to be deposited	Within 30 days from the date of application for Wholesale/Retail business registration	Shall transfer at least 50% of initial capital on commodities to be distributed from the foreign bank to the any local bank and the evidence document for such transaction shall be submitted.	Second Year	Shall transfer 80% of initial capital on commodities to be distributed from the foreign bank to the any local bank and the evidence document for such transaction shall be submitted within last month of the second year of business operation.	Third Year	Shall transfer 100% of initial capital on commodities to be distributed from the foreign bank to the any local bank and	Market Access	Mode 3
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			the evidence document for such transaction shall be submitted within last month of the third year of business operation.		
8	12 (b)	(b) If the Company Group B manufacturing the products locally and distributing such products and is required to import apart from such products shall make minimum investment for the commodities not included for land lease fee as follows:		Market Access	Mode 3
		Designated Period	Minimum amount to be deposited		
		Within 30 days from the date of application for Wholesale/Retail business registration and within first year of business operation.	Shall transfer at least 50% of initial capital on commodities to be distributed within one year starting from the date of business commencement date which will be allowed to make two installments as follows: - at least 20% of initial investment capital for foreign company shall be transferred from the foreign bank to any local bank and submit the evidence document at the time of registration application, with the evidence document for value of the distributed commodities for wholesale/retail (within 30 days) - transfer of the rest 30% shall be done from the foreign bank to the any local bank within the first year and the evidence document shall be submitted within the last month of the first year of business operation.		
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			month of the second year of business operation.		
		Third Year	Shall transfer 100% of initial capital on commodities to be distributed from the foreign bank to the any local bank and the evidence document for such transaction shall be submitted within last month of the third year of business operation.		
9	12 (c)	<p>(c) The minimum investment capital on the sales commodities for Company Group C is as follows:</p> <p>(i) The evidence for the amount of investment on sales commodities which was already invested until within 30 days before the application of registration shall be submitted at the time of application of registration.</p> <p>(ii) In accordance with the Notification No. 25/2018, the foreign 100% company, joint venture company formed with local citizens and foreigners which does not meet the designated investment amount at the time of registration shall transfer the full initial investment capital within 5 years from the date of registration for wholesale/retail distribution. Within first registration period of 5 years, the plan for the contribution of the required investment amount shall be mentioned;</p> <p>(iii) At the time of renewal after expiration of first 5 years period for Wholesale/Retail distribution, the evidence document for the completion of investment capital contribution shall be submitted.</p>		Market Access	Mode 3
10	15	<p>If Retail Sales</p> <p>The area of retail sales shop must be 929 square meters and above and the space of office area and storage area within the building can be included in this required area. However, the office space, warehouse area and car parking which are located outside of the building shall not be allowed to include the required space area.</p>		Market Access	Mode 3
11	19	<p>For all the Wholesale/Retail registered companies, Company Group A, B, C and D which intend to open new shop shall submit written application address to the Director General, Department of Trade, within (90) days ahead of opening of the new shop with the prescribed evidence documents and applied in person to the following office places:</p> <p>(a) Office places to apply</p>		Domestic Regulations	Mode 3

		<p>(i) Export/Import Office of Department of Trade, Ministry of Commerce, Yangon;</p> <p>(ii) Export/Import Office (Mandalay) of Department of Trade, Ministry of Commerce, Mandalay;</p> <p>(iii) Office Building (3), Department of Trade, Ministry of Commerce, Nay Pyi Taw.</p> <p>(b) Required facts/evidence documents</p> <p>(i) Location and area of new shop to be opened;</p> <p>(ii) Shop Name if the new shop name is different from the name of existing shop and Business Plan;</p> <p>(iii) Recommendation letter from the relevant City Development Committee or Region/State Township Development Committee.</p>								
1 2	20	Company Group A, B and C shall comply with the initial investment capital and shop area designated by the Notification No. 25/2018 when the new shop is going to open.	Market Access	Mode 3						
1 3	24	<p>The penalty fees for the application of renewal after the expiration of the registration are defined as follows:</p> <table border="0"> <tr> <td>Application Period for extension</td> <td>Penalty Fee</td> </tr> <tr> <td>(a) Within Two months after expiration</td> <td>MMK. 20,000 (MMK. Twenty Thousand)</td> </tr> <tr> <td>(b) Within Four months after expiration</td> <td>MMK. 30,000 (MMK. Thirty Thousand)</td> </tr> </table>	Application Period for extension	Penalty Fee	(a) Within Two months after expiration	MMK. 20,000 (MMK. Twenty Thousand)	(b) Within Four months after expiration	MMK. 30,000 (MMK. Thirty Thousand)	Domestic Regulations	Mode 3
Application Period for extension	Penalty Fee									
(a) Within Two months after expiration	MMK. 20,000 (MMK. Twenty Thousand)									
(b) Within Four months after expiration	MMK. 30,000 (MMK. Thirty Thousand)									
1 3	25	The suspension will be taken for the Wholesale/Retail Registration if there is no renewal application submitted after the expiration and the permission for importation of commodities for the Wholesale/Retail distribution will also be terminated for such Company.	Domestic Regulations	Mode 3						
1 4	26	The temporary registration shall be terminated if a person who received the temporary registration has not submitted the evidence document of transfer/deposit of required initial investment capital from abroad to any local bank within (30) days from the date of receiving the temporary registration.	Domestic Regulations	Mode 3						
1 5	27	<p>If it is found that there is no registration for the Wholesale/Retail distribution which are eligible to register Wholesale/Retail distribution:</p> <p>(a) First time and second time warning will be sent to apply the registration;</p> <p>(b) If the registration is not carried out when the time passed the warning period, the Export / Import Registration Certificate of such local company or foreign company shall be terminated and the permit to importation of commodities will be stopped.</p>	Domestic Regulations	Mode 3						

1 6	28	<p>If there is no transfer/deposit of designated initial investment capital on distributed commodities from the abroad to any local banks within the designated period of time or absent to submit the evidence document for such transaction by the Company Group A, B and C:</p> <p>(a) First time and second time warning will be sent to submit the evidence document of transfer/deposit;</p> <p>(b) If the evidence of transfer/deposit could not be submitted when the time passed the warning period, the Export / Import Registration Certificate of such companies shall be terminated and the permit to importation of commodities will be stopped.</p>	Domestic Regulations	Mode 3
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