



NEWS LETTER NOVEMBER-2021

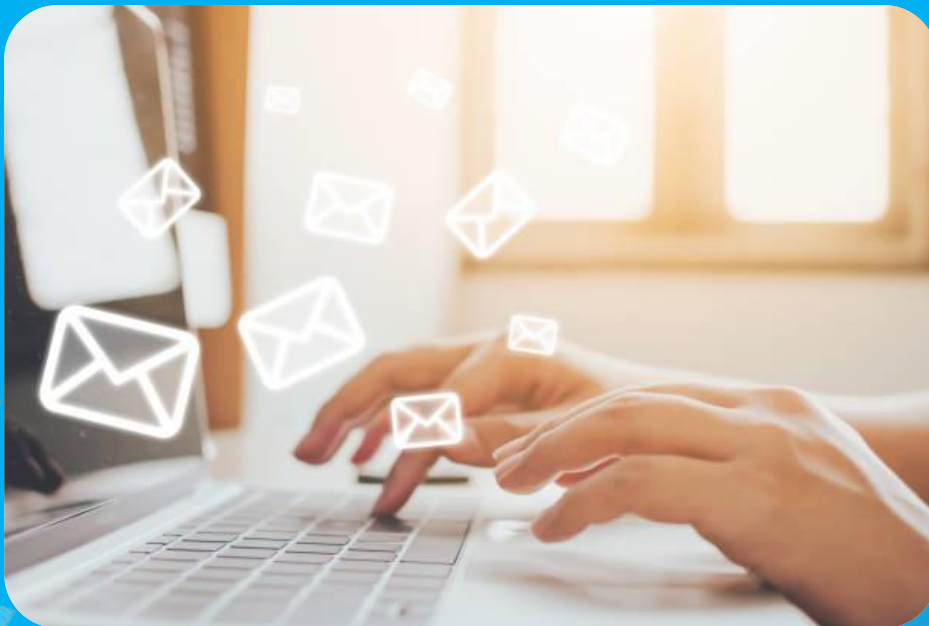


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1. Special Interview with Mr. Rajiv Nemani about Timber



Q. Can you please share some of the macro numbers of export of hardwood sawn, teak sawn & veneer from Yangon to India?

A. Myanmar exports of veneer, plywood and sawn timber to India was nearly USD 12 million during 2020.

Q. How many Indian investment factories are there in Myanmar for timber processing and export?

A. Currently four Indian investments factories are there in Myanmar for timber processing and exports.

Q. What are the challenges faced by timber industry with regards to logistics?

A. Timber industries are facing a great challenge with regards to logistics due to covid 19 pandemic. Freight shipping cost have been going through the roof over the last few months causing industries to limited production and exports. The cost of a 40-foot-high cube container from Yangon to Indian ports was around \$1500 a year back and now it has increased to nearly \$4500.

Q. Are there any challenges with regards to supply of raw material (logs) to factories setup in Myanmar by Indian companies?

A. The factories set up in Myanmar by Indian companies has been badly affected.

The low and poor supply of logs hindered fuller operations. The supply of logs is completely controlled by MTE through monthly auctions of logs. There were lesser no of auctions done due to COVID-19 19 pandemic resulted a great loss to these companies. As the cases are going down, we see bright future in supply of logs

Q. What are the main destinations of containers in India for veneer? (Names of ports/ICD). What is preferred by customers in India- 20' or 40' containers? What is current ratio (rough estimate) of 20 and 40' containers (60-40 or 70-30 or so on...)?

A. The main destinations (sea ports) in India for veneer:

Kolkata, Mundra, Cochin, Navasheva, Chennai. The Indian importers generally prefer 90% of 40' containers so the ratio of 20' and 40' would be 10-90.

Q. Are factories in Myanmar facing challenges with regards to labour or electricity?

A. Now a days shortage of labour is of great concern in Myanmar. These industries are facing a great challenge on labour terms due to covid 19 pandemic and government lockdown in Myanmar in last few months.

Q. Is there a reduction in special goods tax or any other incentive allowed to exporters by Myanmar govt due to covid? (We understand for a short while there was 2% export tax exemption, any other tax change?)

A. For a short while there was exemption of advance income tax of 2% only.

Q. Timber industry helps in local employment, it represents large part of Indian investments in Myanmar. What can IMCC do to support the timber industry growth?

A. We request IMCC to involve in discussion with MTE or related ministry on improvement of logs supply in terms of quality and quantity.

2. Recent News

29 FDI proposals pending for approval as of today: DPIIT secy



Foreign direct investment (FDI) proposals are being cleared and as of today only 29 applications are pending, a top government official said on Thursday. Department for Promotion of Industry and Internal Trade (DPIIT) Secretary Anurag Jain also said those FDI proposals which deserve proper consideration under Press Note 3 (PN3) will be facilitated. Countries which share land borders with India are China, Bangladesh, Pakistan, Bhutan, Nepal, Myanmar and Afghanistan. As per that decision, FDI proposals from these countries need government approval for investments in India in any sector.

Need to re-negotiate FTA with ASEAN to stop misuse by third parties: Piyush Goyal



Commerce and industry minister Piyush Goyal on Friday called for a renegotiation of the India-ASEAN free trade agreement (FTA) to prevent its misuse by third parties and pushed for a removal of trade and non-tariff barriers that have hurt Indian exports. ASEAN or Association of Southeast Asian Nations comprises 10 countries. India could take lead in addressing unfinished connectivity in Bay of Bengal: Report



India could assist Nepal and Myanmar set up national hydropower companies to own and operate hydropower assets as it has previously done with Bhutan as part of New Delhi's efforts in taking lead creating cross-border initiatives in the Bay of Bengal region suggested, Gateway House, one of the country's leading think tanks, in its recent report titled 'Unfinished Connectivity in the Bay of Bengal'

The report further suggested easier financing by multilateral institutions like the World Bank, IFC, and AIIB for heavy-investment infrastructure projects to avoid unsustainable debt and use of infrastructure finance as a tool for political influence. – Source (Economic Times)

Dollar rate eases after Central Bank tightens reference rate



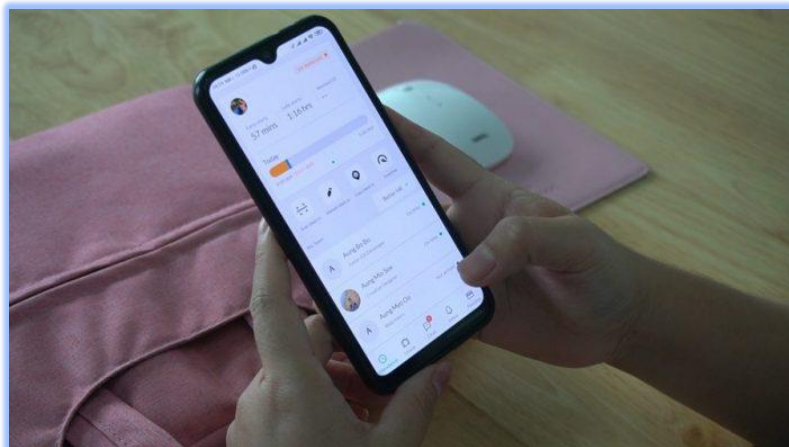
After the Central Bank of Myanmar has tightened the USD exchange rate to between 0.5% of its reference rate by an order issued on November 9, the USD rate against Myanmar Kyat has dropped to MMK 1,778 per dollar today. Following the order, there were more buyers than sellers in the market causing many changers unable to sell USD.

Sri Lanka to import 20,000 metric tons of rice from Myanmar



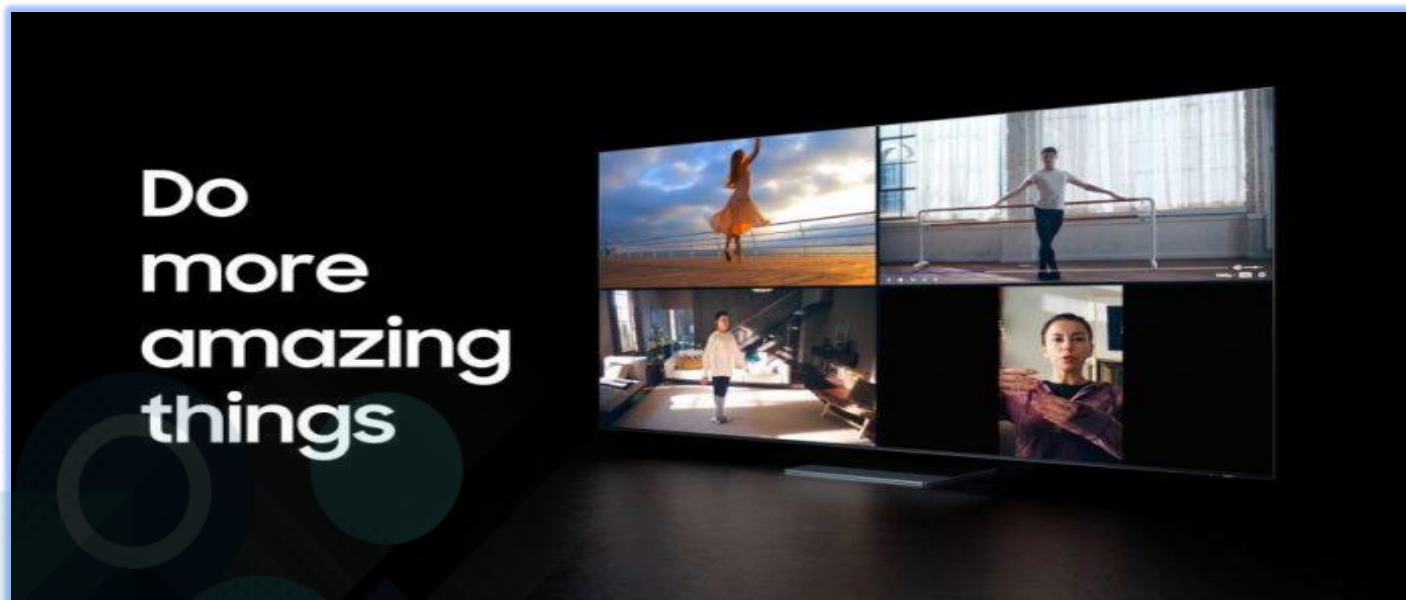
Sri Lanka will import 20,000 metric tons of rice from Myanmar at the rate of \$460 per ton through its state-run trading firm. Moreover, the Sri Lanka Government has approved the importation of a total of 100,000 metric tons of rice, but not specifically from Myanmar, on September 24, 2021. According to the Sri Lanka media outlets, the deal to import rice from Myanmar is the result of a proposal made by the Minister of Trade to import 20,000 metric tons of rice from Myanmar on the basis of a government-to-Government agreement that has now been approved. Previously, Sri Lanka has banned the import of rice and imposed a 65 rupee import tax, helping a milling oligopoly to push up prices. This year, farmers in Myanmar are struggling with high agricultural input prices and limited market access caused by the Covid-19 pandemic and political situation. Moreover, China's block of its border also took a heavy toll on Myanmar's agricultural sector. Within the first two months of the 2021-2022 mini-budget, Myanmar's export has seen a \$23 million drop as it has grossed to only \$485 million compared to \$508 million in the same period last year.

Better HR secures 6-digit bridge round to accelerate growth



A cloud-based HR tech start-up Better Technologies ("Better HR") has raised a six-digit bridge round from new investors as well as existing investors such as Seed Myanmar Ventures, Blibros, and nexlabs. Better HR is a cloud-based enterprise web and mobile apps enabling organizations to streamline HR processes, such as attendance, leave, overtime and payroll, for small and medium-sized companies. More than 200 companies across Myanmar, Sri Lanka and Vietnam have adopted Better HR to manage over 35,000 employees and process over \$2m salaries per month. During the global pandemic, Better HR's customer base had quadrupled.

Samsung Introduces the latest NEO QLED and QLED 4K TV Lineups in Myanmar Market



Samsung Electronics has introduced its latest NEO QLED and QLED 4K TV lineups in Myanmar. The QLED 4K TV lineup comes with a slim design, amazing gaming experience, multiple voice assistants, vivid and real-life color mapping systems, a health screening tracking system, and an adaptive sound system with real-time audio scenic intelligence. "We're so excited to bring a new QLED TV lineup to our beloved users, for upgrading lifestyle and habitats with more conducive outputs," said Ko Zarni Win Htet, Head of Business Group at Samsung Myanmar.

Avis Myanmar to increase investments in Myanmar by \$4 million



Avis Myanmar plans to continue the investment by tripling the size of Avis Fleet in 2021 with estimated investment values around USD 4 million since it is optimistic about the prospect of the country after this challenging pandemic. The pandemic Covid-19 profoundly changed the global political and economic arena. With the rising number of total COVID-19 confirmed cases in Myanmar, the economy and businesses especially in the tourism industry have been severely affected.

Underpass on Pyay Road to complete by January next year



The first underpass in Myanmar, being built on Pyay Road in Kamayut Township, will be completed by the end of January 2021 as the construction process of the underpass is 85 percent complete with one entrance elevator on the side of Junction Square is under construction while others are almost complete. The K2.15 billion underpass is located near the Seik Pyo Yay bus stop on Pyay Road, connecting the Teacher Training Center and Myanmar Radio compound. When completed, it will be 77 feet long and 10 feet high, have earthquake-resistant features, and be able to accommodate people with disabilities. A total of 46 plants growing on the site of the underpass will be relocated to Hlawgar garden.

(Source: Myanmar Business Today)

3. IMCC EVENTS



4. UPCOMING EVENTS

- ✓ **Virtual Event with (UNDP)** The United Nations Development Programme (UNDP) is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life.
- ✓ Myanmar Outlook for Beans and Pulses –Panel discussion

5. The IMCC BLOG

The Importance of Negotiation in Business and Your Career

The importance of negotiation in business can't be overestimated. Keep your career moving forward by capitalizing on the advantages of negotiation in business.

What are the essential ingredients to getting ahead in the workplace? Hard work, communication skills, and a generous dose of luck all play a role, of course. Another important key ingredient—the one that is often overlooked—is the ability to recognize and capitalize on opportunities to negotiate for your future career success. Because your role in your organization is almost constantly up for negotiation, the importance of negotiation in business and your career can't be overestimated. The following three guidelines will help you capitalize on the advantages of negotiation in business:



1. Negotiate for Long-Term Career Success

We all know the importance of negotiation in business when it comes to our starting salary and benefits. But the best negotiators in business recognize that these concerns are only a narrow component of a bigger picture. We also should negotiate for the tools we need to become a fulfilled and well-compensated person over time, instead of looking at the job you're applying for as a final destination,

think of it as setting you up for the next job and perhaps the one after that, Lax advises. This shift in mindset will allow you to notice the advantages of negotiation for helping you gain the tools you need to grow and thrive in the future. These tools might include a strong support staff, more training, or a job title that will set you up for a future career goal. Generally, employers should be indifferent between spending their money on your salary or on benefits you value more. If added schooling would enhance your work skills, an employer may be willing to pay your tuition with pre-tax dollars at a lower cost than you would pay out of pocket, for instance.

2. Negotiate Your Role–

Once we are on the job, often we neglect to negotiate assertively for our career success. Capital N- negotiations are the formal exchanges of contracts and deals that we engage in with clients and customers on behalf of our organization. By contrast, “small n” negotiations are the more personal and informal workplace situations in which we negotiate for ourselves. Examples of negotiation in the workplace might include asking a boss for the additional resources you need for a project to succeed, or negotiating through a disagreement with a coworker. We sometimes overlook the importance of negotiation in business, because we don’t know what might be possible. In addition, the other party (such as a boss who hasn’t given you a raise in two years) may appear to have no incentives to negotiate with you, leaving it up to you to start the conversation. You should educate yourself about the parameters of a negotiation by gathering information, including from your network of contacts both inside and outside the organization

3. Negotiate for Your Deal’s Success

To close “big N” negotiations, we also must convince stakeholders in our organization who must sign off on and/or implement the deal of its merit. Such stakeholders might include the finance division, the general counsel’s office, and the product development unit, the importance of negotiation in business becomes clear. First, advises Sala use, explore your organization’s complex interests by meeting with key personnel inside your organization. Find out how they view the potential deal and what interests of theirs you may need to accommodate to ensure successful implementation. Second, secure a mandate to negotiate on behalf of these constituents, such as the authority to explore certain kinds of deals and perhaps make tentative commitments on their behalf.

Third, work constantly to preserve and strengthen your negotiating mandate by keeping these key organizational members up to date on your progress, and involve them as appropriate. Finally, educate these individuals about any special needs or challenges that arise, such as cultural issues or policies that put constraints on your external partner.

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WISHES YOU ALL MERRY
CHRISTMAS & A VERY HAPPY
NEW YEAR-2022



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