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Report Highlights:

This guide serves as a resource for U.S. companies seeking to initiate or increase exports of U.S. consumer-oriented products to Burma. It provides an overview of the market potential, practical tips and information on local business practices, consumer preferences, trends, food standards and regulations, import procedures, entry approaches for the three major market sectors including food retail, food service, and food processing, and useful contacts.

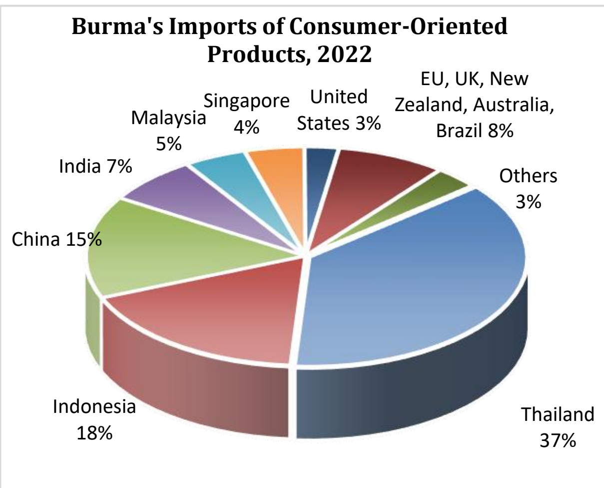
Market Fact Sheet: Burma

Executive Summary

Burma is a least developed lower middle-income country. In 2023, Burma's GDP increased 2.6% to $74.86 billion compared to 2022, positioning the country as the 86th largest economy in the world. In 2022, Burma's imports of agricultural products reached $3.4 billion, a 9% drop from 2021. In 2022, consumer-oriented goods accounted for $1.6 billion, followed by intermediate goods at $1.4 billion, and bulk imports at $186 million.

Burma's Imports of Consumer-Oriented Products

Neighboring countries dominate the market, with the United States holding a 3% market share.



Food Processing Industry

Burma's food and beverage industry is comprised of over 24,000 registered private industrial enterprises, which account for 54% of the total manufacturing industry. Approximately 20% of these enterprises are large businesses. Domestic production includes spirits, beer, soft drinks, bakery products, instant noodles, coffee, tea, and ready-to-eat traditional foods. Nearly 90% of Burma's food processing industry supplies the domestic market.

Food Retail Industry

The retail sector is one of the fastest developing sectors despite the country's political and economic situation and import challenges.

Quick Facts: Burma

2022 Burma Imports of Consumer-Oriented Products:
$1.6 billion from the World

List of Top 10 Growth Products in Burma

1) Soybean Meal
2) Wheat
3) Soybeans
4) Distillers Grains
5) Food Preparations
6) Dairy Products
7) Live Animals
8) Other Intermediate Products
9) Other Feeds, Meals & Fodders
10) Dextrins, Peptones, & Proteins

2022 Food Industry by Channels (billion US$)

Food and Agriculture Exports	$3.4
Food and Agricultural Exports	$3.7
Package food sale	$3
Cooking ingredients and meals	$0.89
Snacks sales	$0.52
Retail market size	$10
Food Industry Revenues	$21.9

Top Retailers in Burma

1) City Mart
2) Marketplace by City Mar
3) Makro Wholesale
4) 1 Stop Supermarket
5) Easy Mart
6) Ocean
7) Pro-Mart
8) Capital Hyper Market
9) Orange
10) Sein Gay Har

GDP/Population

Population *(millions)*: 54
GDP *(billions US$)*: $74.86 (as of 10/2023)
GDP per capita *(US$)*: $1380 (as of 10/2023)
2023 Economic Growth Rate: 2.6%

Burma's retail market size reached $10 billion in 2023, and is expected to grow 0.8 percent in 5 years, according to Euromonitor. The number of modern retail stores is growing in Yangon and Mandalay.

Strength	Weakness
A dynamic and eager younger population and a growing food industry	High level of local food industry protection resulting in trade barriers for some imported food & beverage products
Opportunity	**Challenges**
Growing demand for imported products due to limited domestic production capacity in Burma.	Unstable political situation and unfavorable business climate.

Section I. Detailed Market Overview

Burma is a frontier market with a GDP of $74.86 billion in 2023, a 2.6 percent increase from the previous year as economic conditions partly stabilized after the military coup in February 2021. Due to ongoing political unrest and challenging security situation, Burma remains the poorest country in Southeast Asia with a per capita GDP of $1,380 in 2023. An estimated 25 percent of its 54 million population lives in poverty, particularly in rural areas. More than 69 percent of the population was under the age of 18 before the coup, but about 10 percent of young people left the country after the coup in search of better employment opportunities abroad.

Burma's biggest trading partners are China, Thailand, Singapore, Japan, India, Indonesia, and Malaysia. Since the February 2021 coup, the United States, the United Kingdom, and the EU imposed continuous targeted sanctions. The United States suspended its trade and investment framework agreement (TIFA) with Burma and instituted more stringent export controls in response to the coup. Subsequently, Burma's currency (the kyat) has substantially depreciated, household incomes declined, and prices of imported inputs and consumer goods spiked.

The Central Bank of Myanmar (CBM) kept the official currency exchange rate at 2,100 Myanmar kyat/U.S. dollar since the coup until December 2023. Then, in a rare easing of its tight controls, CBM announced in Notification Order 26/2023 that it would no longer set exchange rates for foreign currencies and will allow banks and licensed dealers to determine their own rates. The market exchange rate hovers around 3,500 Myanmar kyat/U.S. dollar. The volatile exchange rate, restrictive financial policies and import permits, global logistical challenges, increased tariffs, and frequent changes in government policies, substantially complicate the ability of Burmese importers to source high-end products for Burmese consumers. FAS Rangoon reported on some of these challenges in the report Burma: Rising Food Prices due to Exchange Rate and Other Challenges.

According to Euromonitor, Burma's prices of food and non-alcoholic beverages, alcoholic beverages and tobacco, and housing recorded the highest growth in 2022, amounting to 19.1 percent, 19.1 percent, and 19.0 percent, respectively. The largest spending category in Burma was expenditures on food and non-alcoholic beverages accounting for 56 percent of total expenditures and projected to be the largest consumer spending category through 2027. The Yangon region is anticipated to remain the largest consumer market in Burma by 2027, accounting for 17.7 percent of total of consumer expenditure. Middle-income youth will continue to shape luxury spending trends. However, according to Euromonitor, income inequality is set to rise to extremely high levels.

Amidst the political unrest and economic challenges following the coup, 2022 U.S. agricultural exports plummeted to $87 million, a 4 percent drop compared to 2021. Feed ingredients, including soybean meal, distiller's dried grains with solubles (DDGS), and soybeans, account for two thirds of U.S. agricultural exports to Burma. Soybean meal is the top U.S. export to Burma, where it primarily competes with Brazilian and Thai exports. Australia is the main competitor for U.S. wheat. For consumer-oriented products, Thailand, China, Singapore, Malaysia and Indonesia are the top suppliers benefitting from their proximity to Burma. Still, the United States, New Zealand and EU effectively compete with Asian suppliers in exports of dairy products, food preparations, processed vegetables, especially potatoes and fresh fruits. In 2022, the United States was the eighth-largest supplier of agricultural and related products to Burma. Burma's top foreign suppliers for agricultural and related products in 2022 included Thailand ($1.2 billion), Indonesia ($609 million) and China ($522 million). Thailand's and Indonesia's top exports to Burma include non-alcoholic beverages, palm oil, soup and food preps, bakery goods, cereals & pasta, distilled spirits, dairy products, and vegetable oil. China exports food preparations, processed vegetables, forest products, and fresh vegetables.

Exports of U.S. consumer-oriented goods remain low, especially with the unstable political and economic situation. Logistical challenges and the lack of direct U.S.-Burma shipping routes have led some importers to other suppliers. China and Thailand have an advantage as they share a land border with Burma. Many importers prefer to import via third countries or over land borders to reduce supply uncertainty and delays, and to avoid complicated import procedures.

Table 1: U.S.-Burma Trade of Overall Agricultural Products						
(Million; $ per year)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
U.S. Exports to Burma	71	127	174	167	90	86
U.S. Imports from Burma	58	55	78	79	78	70
Trade Balance	13	72	96	88	12	16

Source: Trade Data Monitor, LLC

Table 2: Share of imports in U.S. Exports of Agricultural & Related Products to Burma						
(Million: $ per year)	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Bulk	**11**	**18**	**33**	**43**	**17**	**50**
Share of Imports	15.9%	14.8%	19.1%	26.2%	25.5%	57.7%
Intermediate	**53**	**97**	**129**	**115**	**67**	**31**
Share of Imports	76.3%	76.9%	74.0%	69.5%	97.1%	36.3%
Consumer Oriented	**5.2**	**10**	**11**	**6.9**	**4.8**	**5**
Share of Imports	7.5%	8.1%	6.5%	4.2%	6.9%	5.8%
Seafood Products	**0.2**	**0.2**	**0.7**	**0.2**	**0.02**	**0.16**
Share of Imports	0.3%	0.2%	0.4%	0.1%	0.0%	0.2%
Total	**69**	**126**	**174**	**167**	**90**	**86**

Source: GATS

Although political and economic turmoil persists, Burma remains a small market but with some growth potential for consumer- oriented products. The importers are still looking for high quality U.S. brands either through direct importation or importation via third countries. U.S. exporters should work closely with importers or reach out to FAS Rangoon to get any updates on the market situation as it evolves regularly.

Advantages and Challenges Facing U.S. Products in Burma

Advantages	Challenges
• A dynamic, eager, and young population is willing to try new products and is receptive to trends that fit their increasingly westernized lifestyles. • Growing and competitive restaurants, bars, fast foods stalls and cafés which require a wide range of imported food products and ingredients. • U.S. products have a good reputation among experienced food and beverage importers. • Restaurants are offering more niche products to appeal to consumers with higher incomes by offering premium products. • Burma generally has tariffs that are comparable or lower than those of other countries in the region.	• As the Financial Action Task Force (FATF) blacklists Burma, disruptions in the banking sector complicate money transfers. • Consumer purchasing power has declined due to falling income among workers. • Unstable electric power supply • U.S. goods are more expensive due to the depreciation of the kyat against the U.S. dollar. • Limited direct shipping lines from the United States. • Border trade is still the main import channel after the coup. • A lack of transparency and predictability in Burma's regulations. • U.S. and EU sanctions make exporters less confident in doing business in Burma. • Strong government protection of local agricultural products complicate market access for imported products.

Section II. Exporter Business Tips

Market Research: Before doing business in Burma, it is essential to conduct market research, including price comparisons, competitor analysis, consumer preferences, and trends. Market data is limited; however, some official import statistics and market information are available in the statistical data section of the Burma Central Statistical Organization and the Ministry of Commence website. Burma market sector reports, market and policy updates, are available at Burma | USDA Foreign Agricultural Service. FAS Rangoon (agrangoon@usda.gov) can provide contact information for potential importers, and recommends that new-to-market U.S. exporters refer to the Burma: FAIRS Annual Country Report and Burma's country commercial guide.

Business Partners: The best way to enter the Burma market is to partner with a representative, agent, importer, wholesaler, or distributor willing to introduce products and establish strong local connections with major retailers and restaurants. Complex regulations, costly and burdensome import procedures, and logistical concerns are some of the critical issues that most domestic HRI stakeholders are unlikely to handle.

Local Business Customs and Trends: Burmese consumers have a good impression of U.S. food products and regard them as premium and high-quality items. Most imported food and beverage products are from Thailand, Indonesia and China, which offer affordable price points for the middle-class population. U.S. firms need to be mindful with their pricing strategy as the Burmese market is very price sensitive. Fluctuating exchange rates and an irregular supply of consumer goods are the main factors contributing to retail prices.

General Customer Tastes and Preferences: More than ever the market is highly price-sensitive, but consumer demand for quality products remains. Consumers with more access to education and higher incomes, particularly in the urban areas are increasingly more conscious about where they eat and hygiene standards. There is an increasing trend of healthy food consumption among upper-class and middle-class consumers. Thanks to applications like Food Panda, Grab Food, etc. during the pandemic, rapid growth of food delivery emerged as a significant food trend. On-going urbanization encourages consumers to adopt lifestyles focused on convenience and speed, which lead to stronger sales of smaller format, ready-to-eat, and ready-to-cook meals. In the past year, both eat-in dining and online orders grew simultaneously as growing at-home consumption boosted retail sales.

Facebook is the most widely used application and information source in Burma. There were 23.93 million internet users in Myanmar in 2023, when internet penetration stood at 44 percent, of which 62 percent are social media users. Approximately 86 percent of social media users have Facebook accounts. Other applications like Viber, Telegram, and Signal were increasingly used after the coup when Facebook is not available. Facebook Live streaming sales, recommendations from social influencers, food bloggers and delivery services through Facebook are also increasingly popular. FAS Rangoon launched the Shaloot USA Facebook page in October 2020 to introduce new U.S. products and connect with stakeholders in the food industry in Burma.

Section III. Import Food Standards & Regulations and Import Procedures

Different ministries and departments in Burma are involved in establishing food standards, regulations, and procedures for imported foods (see table in Section V). After the coup, the military regime tried to control the supply of U.S. dollars and reduce its trade deficit over time.
The Central Bank of Myanmar (CBM) allowed importers and exporters to have bank accounts in both Chinese yuan and Thai baht at Authorized Dealer Licensed (AD) banks to facilitate border trade. The exporters must sell 35 percent (previously, 50 percent) of the export earnings credited to their foreign currency account in Burma to their banks for importation within one working day with the market exchange rate. The Burmese government requires all importers to apply for an import license through Tradenet 2.0 according to the Export/Import Bulletin (9/2023). Burma continues to restrict the import of goods that compete with domestically produced goods to reduce import volume. For additional information, see Burma: FAIRS Annual Country Report and Burmese Government Tightens Enforcement of Import License Procedures.

Customs Clearance: Burma utilizes the Burma Automated Cargo Clearance System (MACCS) at international ports, the Yangon Airport International Cargo Terminal, and Thilawa Special Economic Zone operations (https://www.maccs.gov.mm/c-o). The importer must submit the customs declaration and supporting documents to Customs at the time that the goods arrive. Customs has not yet adopted pre-arrival processing. The customs duty assessed on imported goods is a percentage of their declared value and ranges from 0-15 percent for agricultural products, except wine, which is 30 percent. The Myanmar Customs Department published the latest version of Myanmar Customs Tariff 2022 in October 2022. The import tariff for wheat grain, soybean meal, DDGS, and wine did not change, while the tariff rates for other food items did increase. To clear Customs, imports must be accompanied by a customs declaration and the following documents:
1) An Import License/Permit (See the required documents for most agricultural products)
2) Invoice
3) Bill of lading, air consignment note, or truck note
4) Packing list
5) Other certificates, permits or import recommendations, which vary by product category.

The Ministry of Commence suspended the import of various beverages (e.g., coffee and tea mixes, instant coffee, condensed milk, and evaporated milk) via the Burma-Thailand border on May 1, 2021. However, importers can still import these products via maritime trade.

Documents Generally Required by the Country Authority for Imported Food: Burma Food and Drug Administration is responsible for issuing import recommendations (IR) and import health certificates (IHC) for imported packaged food and beverage products, as well as overall quality control of processed food, imported food, and food for export. Most product categories require third-party certificates, such as good manufacturing practices (GMP) plus Hazard Analysis Critical Control Point (HACCP), or ISO 22000 (food safety management) certificates in addition to federal phytosanitary, sanitary, or health certificates. In addition, import licenses are required for most agricultural products that the United States currently exports to Burma. For processed food and beverage products, product testing must also be conducted in the country of origin. Additional information is available in Burma: FAIRS Annual Country Report.

Country Language Labeling Requirements: Burma follows Codex guidelines and the ASEAN Common Principles and Requirements. Burma's Consumer Protection Law and a notification by its Food and Drug Administration require specific information to be presented in Burmese on the label. Additional information is available in Burma: Burma Releases Labeling Order for Prepackage Food and draft guidelines on nutrition labeling and nutrition claims for prepackaged foods, which are parts of the National Food Law.

Tariffs and FTAs: Burma is a member of the Association of Southeast Asian Nations (ASEAN) free trade area and is therefore party to the ASEAN agreements with Australia, New Zealand, China, India, Japan, and South Korea. Burma also has bilateral trade agreements with several East European countries. Burma does not have a bilateral taxation treaty with the United States. Burma is a member of the World Trade Organization, and U.S. products are subject to Most Favored Nation tariffs.

Trademarks and Patents Market Research: Burma enacted the Trademark Law on January 30, 2019, establishing the Intellectual Property Rights Central Committee and the Intellectual Property Rights Agency under the Ministry of Commerce. Information about the application process for the registration of trademarks is available in Burma: FAIRS Annual Country Report.

Section IV. Market Sector Structure and Trends

Retail: According to Euromonitor, the market size of Burma's packaged food retail reached to over $3.2 billion in 2023, an increase from $3 billion in 2022. Burma allows 100 percent foreign-owned retailers and wholesalers to distribute domestically produced and imported commodities since 2018. The retail sector has become the biggest growth opportunity for imported products since the pandemic and the coup as more people cook at home and there is rising demand for convenient ready-to-eat meals, healthy food products and food delivery. About 70 percent of traditional physical stores now include an online shopping option. 90 percent of households in Burma still depend on the wet market. Main wholesale wet markets in Yangon are Thri Mingalar Market and Danyingone, where most fruits importers are based. Although UK's Tesco and Japan's Aeon mall projects were suspended in 2021 after the coup, France's Carrefour Easy Convenience Stores (named "Easy Mart" in Burma), which opened in 2020, expanded to over 30 outlets in 2023. More information about retailers can be found in **Appendix 1 - List of Key Modern Retailer and Wholesalers in Burma**.

Tourism: According to the statistical data of Tourism Myanmar in 2022, a foreign visitor stays 11 nights and spends on average 97 USD$. Total expenditure of foreign visitor spending in 2022 is 249.13 USD$ Million which is 88 percent increase from 2021. Due to civil unrest and armed conflict, the U.S. government advises against travel to Burma (Level 4: Do Not Travel with updated security alert released on October 20, 2023). Nonetheless, the military regime is eager to revitalize Burma's tourism industry. The Ministry of Hotels and Tourism aims to attract more Russian, Chinese, and Indian tourists in the next few years. More information can be found in Arrivals 2022 Myanmar.

HRI: There are more than 2,300 registered hotels and guesthouses across the country, 21 percent of which are in Yangon, 12 percent in Mandalay, 7 percent in Bagan, 4 percent in NayPyitaw, 5 percent in Nyaungshwe, and the other 20 percent in other regions. There are 17 international hotel chains in Burma. By September 2023, the permitted foreign investment in the hotel and tourism sector (led by Singaporean, Thai and Vietnamese companies) was $3 billion or 3.5 percent of total foreign investments. In 2022, many new bars, restaurants and pop-up food stalls appeared, especially in Yangon and Mandalay, as people are eager to reconnect. Popular foreign fast-food chains include KFC, Bonchon, Lotteria, Pizza Hut, Burger King, Marry Brown, The Pizza Company, Ya Kun Coffee & Toast, Gloria Jean's Coffees, Gong Cha, etc. The American brand KFC grew to nearly 50 outlets by the end of 2023. There is limited availability of imported products in the market, and hotels and restaurants seek connections with foreign exporters and local importers for specific products.

Food Processing: Burma's food and beverage industry is comprised of over 24,000 registered private industrial enterprises, which account for 54 percent of the total manufacturing industry. This sector is still in the early development stages. Burma mostly processes the basic raw commodities, such as rice, beans, maize and other agricultural products, and exports excess products. Domestic production includes cooking oil, spirits, beer, soft drinks, instant noodles, confections, coffee, tea, and ready-to-eat traditional foods and processed meats. Almost 90 percent of food processing sales are focused on the domestic market. Industrial production data can be found in the Ministry of Planning and Finance: Quarterly Statistics Bulletin.

The actual volume of U.S. consumer-oriented products that end up in Burma is higher than official statistics indicate due to transshipment through Singapore, as well as border trading. U.S. products, such as tree nuts and processed fruits, are shipped in bulk to other countries where they are repackaged and exported to Burma for commercial distribution. Similarly, value-added processed foods, such as canned and dairy products, are mostly imported through Thailand, Indonesia, Malaysia, and Singapore, where they are repackaged and exported as consumer ready food. Though the military regime tries to encourage production of export quality products, the small and medium-sized enterprises are struggling to survive despite power outages and higher raw material prices. The international players are also struggling to import products into Burma.

Section V. Agricultural and Food Imports

Product Categories	U.S. Exports to Burma (million US$)				
	2018	**2019**	**2020**	**2021**	**2022**
Soybean meal	66.68	99.60	87.45	56.39	42.25
Wheat	6.87	19.31	28.03	15.76	24.53
Soybeans	11.07	13.37	14.84	2.06	6.93
Distillers Grains	15.14	15.71	14.47	6.32	3.89
Chocolate & Cocoa Products	0.09	0.10	0.04	0.03	0.21
Dairy Products	2.28	2.63	1.20	0.67	1.70
Eggs & Products	0.14	0.34	0.30		0.04
Non-Alcoholic Bev. (ex. juices, coffee, tea)	2.16	0.96	1.27	1.12	
Fresh Fruit	0.96	1.00	0.55	0.14	0.15
Processed Vegetables	0.68	0.96	0.70	0.32	0.42
Soup & Other Food Preparations	1.40	2.16	1.77	2.11	2.27
Wine & Related Products	0.29	0.27	0.10	0.06	0.15
Total Consumer-oriented Products	**10.16**	**10.37**	**6.55**	**4.77**	**4.99**
Agricultural Products	**126.67**	**174.04**	**166.78**	**90.47**	**86.79**
Seafood Products	0.23	0.78	0.23	0.02	0.16
Agricultural and Related Products	**127.15**	**174.96**	**167.03**	**90.53**	**86.96**

Source: GATS

Best High-value, Consumer-Oriented Product Prospects Categories:
Food preparations, dairy products, processed vegetables, essential oils, Chocolate & Cocoa products, fresh fruit, wine & related products, condiments & sauces

Section VI. Key Contacts and further Information

The Foreign Agricultural Service office in Rangoon, Burma maintains current information about import requirements and food and agricultural import opportunities. The office can provide lists of potential importers and distributors, associations, and other key contacts to U.S. exporters. Please contact our office with questions or comments:

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End of report.

Attachments:

Appendix 1 - List of Key Modern Retailer and Wholesalers in Burma .pdf