CHARLTONS 易周律师行



Myanmar's Ministry of Commerce imposes E-Commerce Registration Requirement

Introduction

The Myanmar Ministry of Commerce (MOC) issued three notifications regarding e-commerce registration (Notification No. 49/2023, 50/2023, and 51/2023) on 21st July 2023. The MOC will be delegating the authority to manage matters related to e-commerce to the Department of Trade (DOT). The Notifications also listed the registration requirements for online businesses and classified online businesses as "essential services", hence, these businesses will be subjected to the Essential Supplies and Services Law of 2012¹.

As stated in Notification No. 49/2023 and pursuant to section 4(c) of the Essential Supplies and Services Law, the MOC assigned the DOT as the department in charge of issuing notifications, orders, and directives regarding e-commerce². Additionally, Notification No. 50/2023³ states that any online business must apply for an e-commerce registration certificate. Under Notification No.50/2023 and section 5 of the Essential Supplies and Services Law, persons conducting online business without an e-commerce registration certificate after 21 January 2024, will face consequences including imprisonment for a term of six months to three years and a fine of up to 500,000 MMK (approximately USD238).

On 2 October 2023, the DOT held the opening ceremony of the e-commerce registration and has begun accepting applications from online businesses.

Criteria for the E-Commerce Registration Certificate Application

Persons who wish to conduct online businesses shall apply for the e-commerce registration certificate to the DOT by filling out the application form through the online system (https://ecommeg.gov.mm/).

A corporate or institutional applicant must meet the following requirements to be eligible for the e-commerce registration certificate:

(a) is incorporated under the Myanmar Companies Law, the Special Companies Act, the Cooperative Societies Law, or any other existing Myanmar laws;

Myanmar Highlights 1

- (b) operates an official website with its domain name; and
- (c) has a physical address for its online business operations in Myanmar.

On the other hand, an individual applicant must meet the following requirements to apply for the e-commerce registration certificate:

- (a)is a resident within the Republic of the Union of Myanmar;
- (b) attained 18 years of age;
- (c) acted in compliance with Notification No. 51/2023;
- (d) has a sound mind;
- (e)has not been blacklisted by the DOT or any government organisations; and
- (f) has an address for his or her online business operations in Myanmar.⁴

Documents required for the E-Commerce Registration Certificate application

The following documents and information must be provided to the DOT for review alongside the e-commerce registration certificate application:

- (a)a coloured photo of the person in charge of the corporate applicant, or a coloured photo of the individual applicant;
- (b) the national identity card of the person in charge of the corporate applicant, or the national identity card of the individual applicant;
- (c) the recommendation and confirmation by the DOT, other government organisations, or the relevant ward or village tract administration office that there are actual business operations in the location filled in the application form;
- (d) details on the products or services provided;
- (e)information on the export destinations and information on the manufacturers in Myanmar in relation to the products sold online;
- (f) other supporting documents as may be requested by the DOT or other government organisation.⁵

Renewal of the E-Commerce Registration Certificate

The term of the e-commerce registration certificate is two years starting from the issuance date of the certificate. The certificate holder must apply for a renewal of the certificate 60 days prior to its expiration. If the certificate holder fails to apply for the renewal before the deadline, the certificate will be deemed void upon expiration.⁶

Suspension or cancellation of the Registration Certificate

The online business operator has to fulfill various duties upon being granted the registration certificates. These duties include, inter alia, providing receipts and after-care services for the products sold, ensuring information and warranties are accurate, ensuring the quality of the goods and services, complying with relevant governmental regulations, conducting business transparently, keeping client information confidential and abiding by the regulations set out by the MOC and DOT. Pursuant to Notification No. 51/2023, if the online business operator fails to meet any of the abovementioned duties, the DOT has the discretion to temporarily suspend or revoke the registration certificate. During the suspension period, online business operators are prohibited from carrying out any business activities. Individuals or corporations have the right to appeal against a suspension or revocation within 30 days of such decision. The MOC can then approve, modify, or cancel the DOT's order upon reviewing relevant evidence.

Myanmar Highlights 2

- $[1] \\ \underline{\text{https://www.commerce.gov.mm/sites/default/files/documents/2014/12/The\%20Essential\%20Supplies\%20And\%20Services\%20Law\%20_} \\ [2] \\ \underline{\text{https://www.commerce.gov.mm/sites/default/files/documents/2014/12/The\%20Essential\%20Supplies\%20And\%20Services\%20Law\%20_} \\ \underline{\text{https://www.commerce.gov.mm/sites/default/files/documents/2014/12/The\%20Essential\%20Services\%20And\%20And\%20Services\%20And\%20Serv$
- [2] https://www.commerce.gov.mm/sites/default/files/49-2023%20%28Online%20Shopping%29.pdf [3] https://www.commerce.gov.mm/sites/default/files/50-2023%28Online%20Shopping%29.pdf
- [4] https://www.commerce.gov.mm/sites/default/files/51-2023%28Online%20Shop%29.pdf
- [5] https://www.commerce.gov.mm/sites/default/files/51-2023%28Online%20Shop%29.pdf [6] https://www.commerce.gov.mm/sites/default/files/51-2023%28Online%20Shop%29.pdf

2 Myanmar Highlights

This newsletter is for information purposes only

Its contents do not constitute legal advice and it should not be regarded as a substitute for detailed advice in individual cases. Transmission of this information is not intended to create and receipt does not constitute a lawyer-client relationship between Charltons and the user or browser. Charltons is not responsible for any third party content which can be accessed through the website.

If you do not wish to receive this newsletter please let us know by emailing us at enquiries.myanmar@charltonslaw.com

CHARLTONS 易周律师行

Hong Kong Office

Dominion Centre 12th Floor 43-59 Queen's Road East Hong Kong

Myanmar Office

161, 50th Street Yangon, Myanmar

+ (852) 2905 7888 enquiries@charltonslaw.com www.charltonslaw.com + (95) 1 8203898 enquiries.myanmar@charltonslaw.com www.charltonsmyanmar.com