

Automobile Industry in Myanmar

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**Myanmar Automobile Manufacturer & Distributor
Association (MAMDA)**

Myanmar Automotive Law

- Signed at September 2015
- By Law – in the process, may be finished at end of 2018
- Manufacturing , import car policy, repaired workshop, sale center/ Showroom, registration, inspection, training school, driving license

Automobile related ministries

- Import license – Ministry of Commerce
- Custom/Commercial tax – Custom Department
- Income Tax & Special Good Tax- Internal Revenue Department
- Registration – Road Transport Department

Car Import System in Myanmar

Individual Permit

- Company or any Citizen can import one car

Old Car Substitution Program

- 20 year old model car – deregister – old car import slip
- MIC permit/ Embassy

2018 Car import policy

Passenger Car

1. Individual Permit- 2016-18 (LHD)
2. Old car permit – 2014- 2018 (LHD)

Commercial truck

- 2014-2018 (LHD)

Bus

- 2014-2018 (LHD)

Car import history

- **End of 2011- started to import cars**
- **About 550,000 imported passenger cars and 350 000 trucks/bus in Myanmar**
- **98% is used cars and 2% is new cars.**
- **Most of cars are imported from Japan.**
- **70% of cars were registered in Yangon**

Car Import per Year (2010-18)

Year	No.	Remark
2010-11	6,426	
2011-12	40,562	
2012-13	135,820	
2013-14	143,363	
2014-15	229,417	
2015-16	147,494	
2016-17	136,943	
2017-18	47,481	September
Total	887,506	

Detailed Imported Vehicles List (2014-2017)

No.	Year	The import number list of all vehicles in Myanmar				
		Passenger Cars	Truck (Light)	Truck (Heavy)	Bus	Others
1	1/2014 – 12/2014	102474	51331	16093	7163	12608
2	1/2015 – 12/2015	95488	48267	12438	5411	4234
3	1/2016 – 12/2016	62285	51618	8396	4172	4901
4	End of July, 2017	25203	29824	5395	3266	2841
Total		285450	181040	42322	20012	24584

Brand New Car Showroom

Suzuki, Toyota, Nissan, Mitsubishi ,Mazada ,
Hino, Isuzu, Fuso, BMW, Mercedes, Peugeot,
Volovo, Hyundai, KIA, Ssanyong, BAIC,
Lifan, Dongfan, Utong, MAN, Scania ,Ford



Brand New Cars Sale (2015-16)

Brand	FY 2016 (Share)	FY 2015 (Share)	yr/yr
SUZUKI	828 (30%)	543 (28%)	152.5%
TOYOTA	752 (28%)	251 (13%)	299.6%
Others	1,144 (28%)	1,150 (59%)	99.5%
TOTAL	2,724 (100%)	1,944 (100%)	140%

Brand New Cars Sale (2016-17)

Brand	FY 2016	SHARE	FY 2017	SHARE	YR/YR
SUZUKI	429	21%	1,693	44%	394.60%
TOYOTA	621	31%	855	22%	137.70%
FORD	257	13%	476	12%	185.20%
NISSAN	39	2%	252	7%	646.20%
Others	664	33%	555	14%	83.60%
TOTAL	2,010	100%	3,831	100%	190.60%

Car Assemblers (SKD/CKD)

1. Suzuki
2. Nissan
3. Ford
4. KIA
5. Lifan
6. Utong
7. Soeast
8. BAIC

Taxation for import passenger car

1. Custom duty – 30-40%
2. Commercial tax- 5%
3. Income tax- 15%,20%,30%
4. Special good tax- 20-50% ($> 1500\text{CC}$)
5. Road Registration tax- 30-100%

Taxation

Engine Displacement	Custom Duty	Special Good Tax	Commercial Tax
0cc – 1500cc	30%	-	5%
1501cc-1800cc	30%	10%	5%
1801cc-2000cc	30%	20%	5%
2001cc-4000cc	40%	30%	5%
> 4000cc	40%	50%	5%

Registration Tax

Displacement	Tax
<1350cc	30%
1351cc – 2000cc	50%
2001cc - 5000cc	80%
>5000cc	100%

Taxation for import bus/truck car

- Custom- 10%
- Commercial -5%
- Registration-5%

- Electric Vehicle- 10%

Challenges

- Car Import policy- changed every year
- Taxation - changed every year
- Yangon registration – banned for more than 2 year
- Rental fee – expensive
- Infrastructure - limited

Yangon Registration Charges

DISPLACEMENT	GROUP	KYATS
<1600CC	A	3 Million
1601-3000CC	B	6 Million
>3000CC	C	9 Million
PICKUP, TRUCK<2500KG	D	1 Million
2501-5000KG	E	1.5 Million
MINIBUS (<15 SEAT)	F	3 Million
BUS (16-27 SEAT)	G	1.5 Million
CITY BUS, EXPRESS	H	0.1 Million
>5001 KG	I	0.1 Million
AMBULANCE	J	-
ELECTRIC VEHICLE	K	-
MIC PERMIT	L	-

Spare-part Market

Passenger car

- 98% used cars (2000 - 2014)

Truck/Bus

- 99.9% used cars (2000 – 2007)

Big market potential for spare-parts

Brand New cars- provided by their Brand

Production of parts in Myanmar

- Battery, tire, rubber bush, accessories

Import of spare parts (99%)

- Japan (accident cars)
- Malaysia
- Thailand
- Dubai
- China
- (tax- custom 5% and commercial tax- 5%)

Bayint Naung Car Spare Parts Market



Yangon Bus Service

- At 16th January ,Yangon regional government has changed all buses system .
- **2 million** of people who daily use YBS

YBS lines	Currently using cars	buy from China
80	3,500	3,000



Photo taken on 6 February shows passengers crowdin into a YBS bus during rush hour.

(3)years Trend of Registered Buses in Myanmar

- According to Road Transport Administration Department, the number of registered buses has seen an increase to 28,970 buses in 2015-16 from 19,579 buses of 2011-12.
- From 2011-12 to 2015-16, the figure shows that there was increase in the number of buses as there were substituted imports with the old ones.
- On the other hand, in 2013-14, the number noticeably increased due to the extension of new bus lines as well as the imports of brand new ones.



Bus population in Myanmar

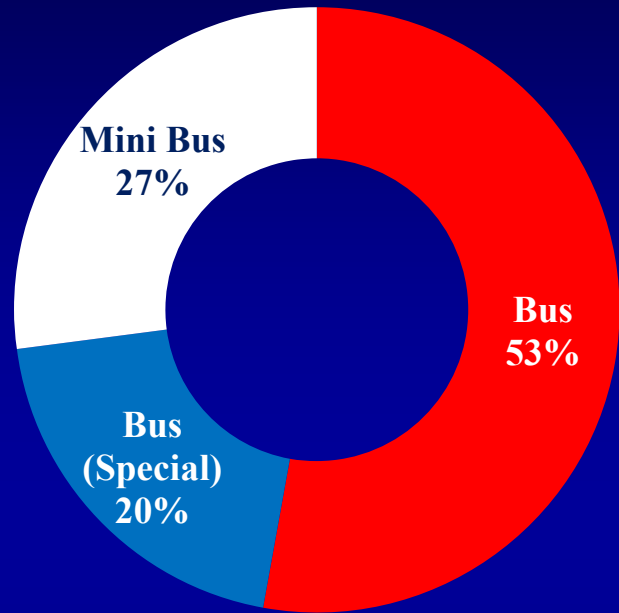
Registered Bus by states and regions as of June 2014

Sr.	State / Region	No. of Bus (Unit)
1	Yangon Region	15,524
2	Mandalay Region	2,985
3	Sagaing Region	3,360
4	Nay Pyi Taw	2,061
5	Ayeyarwaddy Region	1,123
6	Magway Regin	929
7	Bago Region	882
8	Shan State(South)	348
9	Tanintharyi Region	447

Sr.	State / Region	No. of Bus (Unit)
10	Shan State(North)	273
11	Mon State	275
12	Shan State(East)	153
13	Kachin State	161
14	Kayah State	145
15	Rakhine State	157
16	Kayin State	99
17	Chin State	36
	Total	28,970

Source: Department of Road Transport Administration (RTAD)

No. of City Bus Lines in Yangon (June 2014)



Sr.	Type of Bus	No. of bus line	No. of Buses
1	Bus	121	2,090
2	Bus (Special)	46	994
3	Mini Bus	62	1029
	Total	229	4,113

Source: Central Supervisory Committee for Motor Vehicles

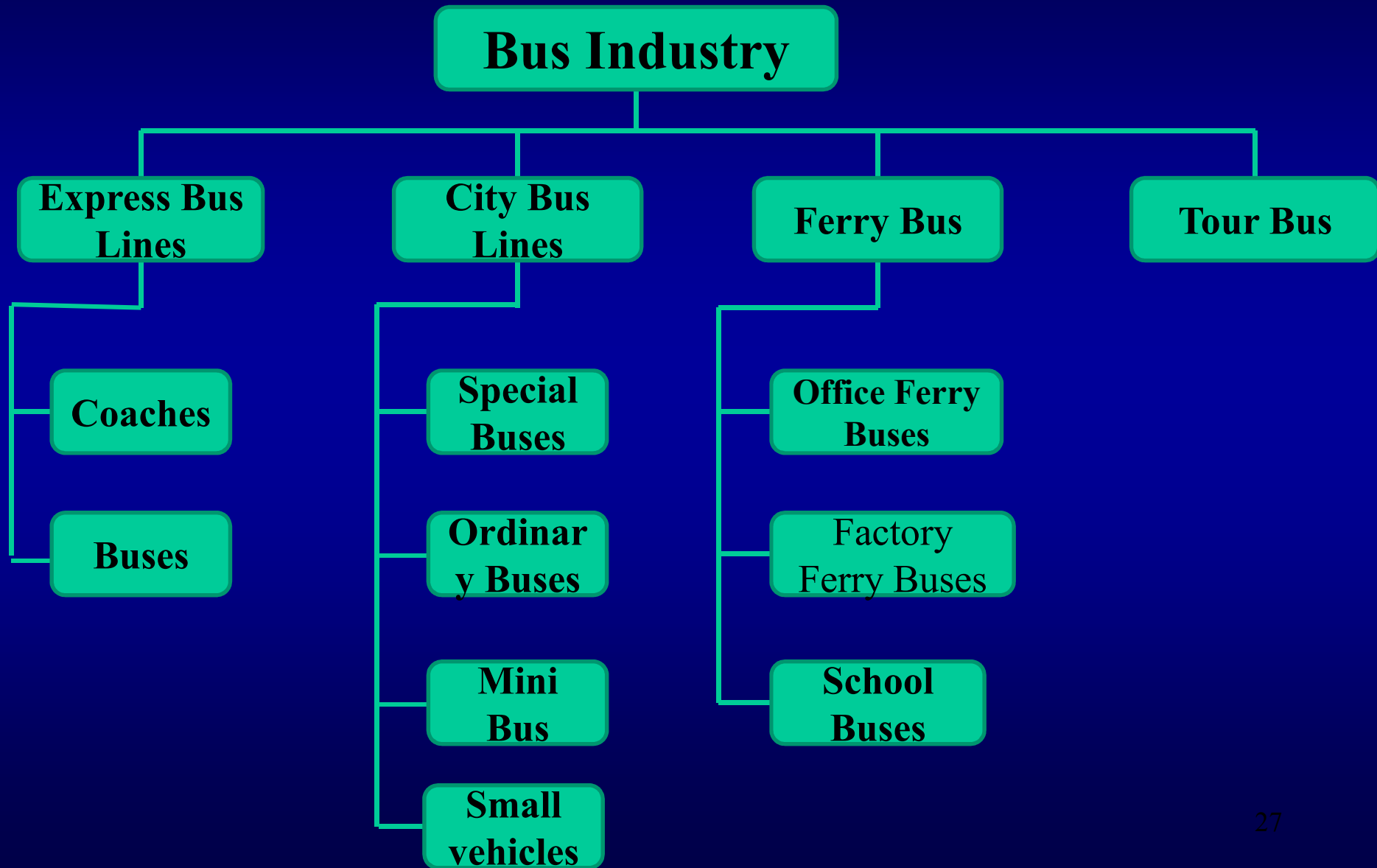
- According to Yangon Region Central Supervisory Committee For Motor Vehicles and Vessels, altogether 229 bus lines were registered in Yangon.
- Among them, the number of ordinary bus line accounts for 121, Special bus lines for 46 and mini bus for 62. Special buses are with air conditioning system and that carry passengers no more than seating capacity, higher bus fare than normal bus.

No. of City Bus Lines in Yangon (June 2016)

Type of Bus	No. of bus line	No. of Buses
City buses	83	4000

- According to Yangon Region Transport Authority , altogether 83 bus lines were registered in Yangon.
- Among them, there are different groups of cars in city buses (ranging from below 1995 to 2008 model) and brand new one.
- And also , there are so many mini buses ranging from 2000-2006 model.

Classification of Bus in Yangon



Definition of Each Bus Type

Bus: The passenger transportation vehicles, sitting capacity of 15 & above. There are four types of buses in Yangon according to their transportation function:

- **Express Bus:** The buses that transporting the passenger between one city to another one or more cities (Highway bus). Most of the express buses are coach type.
- **City Bus:** The buses that transporting the passenger inter city. In Yangon, there are 4 types of city buses & vehicles as follow:
 - **Ordinary Bus:** The city bus without air-condition system that carrying the passenger more than number of seat. Most of the passenger taking the bus by standing and bus fees is 100 ks. Most of the buses are old model.
 - **Special Bus:** The city bus with air-condition system that carry the passenger more than number of seat. The bus fees is 200 ks. Most of the buses are ranging from 2006 to brand new one. Some new city buses are facilitated with CCTV and AFC.
 - **Mini Bus.** The city bus with 15-30 sitting capacity.
 - **Small vehicles:** The passenger transportation vehicles in Yangon such as light truck and pickup. (They are being substituted with mini bus)

Definition of Each Bus Type

- **Ferry Bus:** The buses that transporting the company staffs, employees and students to their office, factory, and schools.
- **Tour Bus:** The buses that use for transporting the tourists. Tour Buses need to apply Tour Bus license and these buses can use only for travel & tour business with different name plates.

Classification of City Bus in Yangon

City Bus (ordinary)

- Brands; Isuzu, Hyundai, Nissan, Hino Mitsubishi
- Length: 33 to 35 feet (10-12m)
- Capacity (Normal) : 40-60 passengers, seating capacity is round about (40)
- Capacity in Peak time : 80 to 110 passengers
- Bus fare : 100 Kyats per passenger for any distance
- Numbers of city buses- around 3000-4000 units



Classification of City Bus in Yangon

City Bus (Special)

- **Brands;** Daewoo, Hyundai, Scenia, and Chinese brands (Yutong, Higher and Kinlong)
- **Length:** 33 to 35 feet (10-12m)
- Including air conditioning system
- **Capacity :** 27-33 Seaters with passenger
- **Bus Fare:** 200 Kyats per passenger for any distance
- Numbers of city buses- around 500-1000 units



Classification of City Bus in Yangon

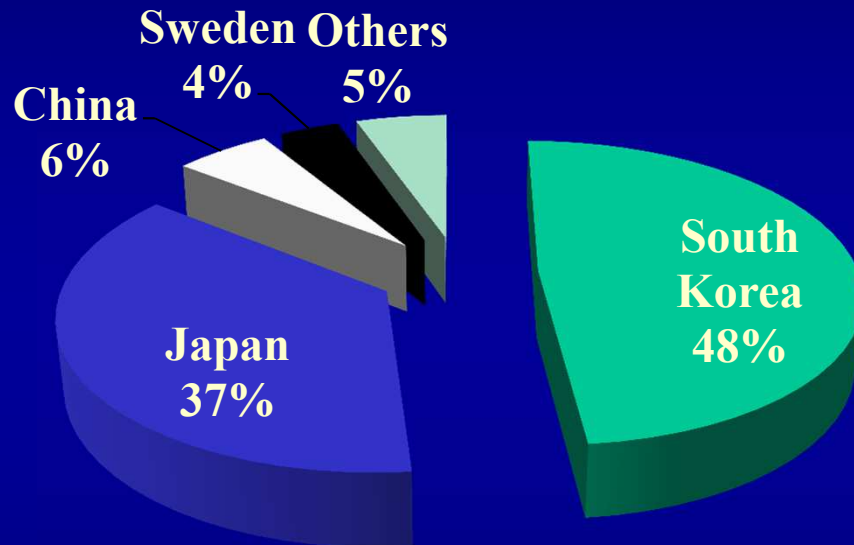
Mini bus

- **Brands;** Mitsubishi (Rosa), Toyota (Coaster), Nissan (Civilian), Hino (BM- mostly old car), Hyundai (County)
- Length: 20 to 22 feet (6-7 m)
- **Capacity (Normal):** 30 Seaters
Capacity in Peak time : 40-50 passengers
- **Bus fare:** 100 Kyats per passenger for any distance
- Numbers of mini buses- around 1000 units

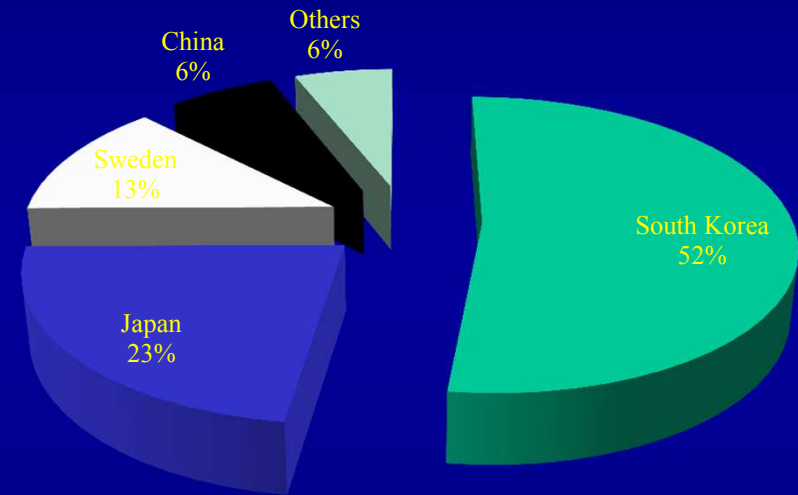


All Bus import market share by country

Market Share by Volume



Market Share by Value



(Source: Customs Dept.)

- From the point of market share by country, South Korea gets the largest market share for the imports of Hyundai, followed by Japan for its Toyota, Mitsubishi and Nissan.
- In volume, China takes the third largest market share and in value, Sweden gets the third largest market share for its Scania.

Tax & Tariff on import of Bus & Minibus

Sr.	Tax & Tariff for bus import	Tax amount (% of CIF value)
1	Customs duty (CBU)	10%
2	Commercial Tax	5%
3	Registration fees (RTAD tax)	5%
4	Advance income tax	2%
	Total	22%

Thank You