INFORMATION FOR THE FIFTH ANNUAL REPORT UNDER ARTICLE XIV:1(g)

BURMA

Statement of 9 October in reply to Questionnaire in L/196
(covers the period up to 31 August 1954)

Question 1 - Technique of Restriction

The technique of restriction as outlined in last year's (1953) corresponding answer to the questionnaire continues to be in force with the exception of a few minor changes.

Value of licences issued to approved (1) Co-operative Societies and Public Limited Companies, and (2) Private Limited Companies which are registered with the Import Licensing Board, on application during each half-year, has been raised to twenty and seven times their paid-up capital respectively. The period of validity of licences issued to all other importers registered with the said Board and to industrial importers has been enhanced to one year.

Following a trade agreement between the Union of Burma and the People's Republic of China the People's Republic of China has been withdrawn from the scope of Open General Licences and licences with effect from 1 May 1954, and the Civil Supplies Management Board and/or its agencies appointed from the private trade have been permitted to import goods from that country subject to the monetary ceiling which is fixed in relation to estimated value of exports to that country. The relevant notifications are enclosed (Annexures "A" and "B").

The Registration (Importers and Exporters) Order, 1954, was promulgated on 4 August 1954, and under this Order, no importer can import goods into the Union of Burma unless he is registered with the Importers' and Exporters' Registration Board which was formerly the Import Licensing Board. The principal object of enforcing this Order is to eliminate bogus importers and unscrupulous exporters, who had frequently contravened Foreign Exchange Control Regulations, and to prevent evasion of certain taxes due from importers and exporters. Copy of the Order is enclosed (Annexure "C").

Question 2 - State Trading

The information furnished in last year's answer remains valid. It may be added that the Civil Supplies Management Board has taken over the import of gunny bags, hessian cloth, jute and hemp twine, manila rope, tea and whole-cream milk powder. Import of tea, silk yarn, coal and cotton yarn from the People's Republic of China is also undertaken by the Board. The Board also appoints its agencies from the private trade for import of other commodities from the said country. Non-discriminatory practice as to source of supply is maintained.

Sec/89/54
Question 3 - Basis of Restriction

The position is as stated in last year's answer.

Question 4 - Action to Avoid Damage to the Trade of Other Contracting Parties

Last year's answer remains valid.

Question 5 - Policy of Discrimination

The situation is as reported in last year's answer. Two statements showing balance of trade by currency area and value of imports from the Soft Currency Area under Open General Licences are enclosed. (Annexures "P" and "Q").

Question 6 - Consideration Affecting Sources of Imports

The position as reported in last year's answer remains unchanged.

Question 7 - Import Arrangements with Other Countries

Out of the two bilateral trade agreements referred to in last year's answer, the Burma-Japan Trade Agreement, 1950, has been replaced by a new trade arrangement signed in December 1953, while the trade agreement with India still remains in force. Two other bilateral trade agreements with the Federal People's Republic of Yugoslavia and the People's Republic of China were signed in June 1953 and April 1954 respectively. Copies of the new trade agreements are enclosed (Annexures "F", "G" and "H").

No specific licences are issued for import of goods particularly from Japan, India and Yugoslavia. The private trade is given the free choice of importing goods either from the said countries or other countries under Open General Licences and licences generally applicable to all countries other than the People's Republic of China, Canada, Newfoundland and American account countries.

In the case of the People's Republic of China, imports from that country are not permitted under Open General Licences and licences. The Civil Supplies Management Board and/or its agencies appointed from the private trade are permitted to import from that country the goods covered by the trade agreement, and imports may be made subject to the monetary ceiling which is fixed in relation to estimated value of exports to that country.

Question 8 - Import Programme for 1954

Various development projects are under way in accordance with the Government's Five-Year Plan for Welfare State and there is and will be heavy requirement for import of equipment and capital goods from abroad. It is also considered necessary that import of consumer goods will have to be made
adequately and very liberally in order to ward off inflationary tendencies that might possibly be caused by large increase in internal money circulation on account of heavy capital expenditure outlays involved by the development projects. Apart from these needs, it is also intended to ensure that the goods and commodities which the people of the Union need are imported in adequate quantities to meet their actual demands.

In these circumstances, liberal imports policy will be pursued in respect of the countries outside the dollar area and it is hoped to maintain thereby a high level of imports, not less than that of 1953 which is the highest in the postwar period. As for the dollar area, imports will be allowed subject to the availability of foreign exchange.

Question 9 - Incidental Protective Effects of Restrictions

Please see last year's answer.

Note: A copy of each of the Annexures referred to above is on file at the secretariat.