

Trade & Customs - USA

United States waives ban on Burmese imports

Contributed by **Sidley Austin LLP**

December 07 2012

On November 16 2012, as President Obama was preparing to head to Asia on a trip that included a six-hour stop in Burma, the US Departments of State and Treasury announced the issuance of a new general licence that waives a nearly decade-old US import ban on most Burmese-origin goods. The move represents the latest step in a process of targeted easing first proposed by Secretary of State Hillary Clinton in April 2012.⁽¹⁾ On July 11 2012 the administration eased restrictions on new investment⁽²⁾ in Burma and on the exportation of financial services⁽³⁾ to Burma. Clinton committed to lifting the import ban in September, following visits to the United States by Nobel Peace Prize Laureate Aung San Suu Kyi and Burma's President Thein Sein.

In announcing the implementation of the waiver, the administration cited as justification the Burmese government's:

- release of political prisoners;
- removal of pre-publication censorship requirements for the press;
- enactment of a labour law permitting the formation of labour unions;
- passage of a foreign investment law;
- efforts to join the Extractive Industries Transparency Initiative; and
- ceasefire agreement with ethnic groups.

Through the issuance of General Licence 18⁽⁴⁾ by the Office of Foreign Assets Control (OFAC), US persons may now import any article that is a product of Burma, as determined by the rules of origin under US Customs and Border Protection regulations, subject to certain limitations.

A key limitation is that the import waiver does not apply to Burmese jadeite or rubies, whether they enter the United States as raw stones or already set in finished jewellery, or any other activity prohibited under Section 3(a) of the Burmese Freedom and Democracy Act of 2003 as amended by the Tom Lantos Block Burmese JADE (Junta's Anti-Democratic Efforts) Act of 2008.

US sanctions will also continue to target specially designated nationals in Burma who engage in human rights abuses, facilitate corruption or provide financial, material or other forms of support to the Burmese government.

Indeed, concurrent with issuing General Licence 18, OFAC has designated an additional seven entities as specially designated nationals and identified an alias for an already sanctioned entity. The newly designated entities are allegedly fronts for two previously designated individuals, Steven Law and Tay Za, who have been identified by OFAC as "cronies of the former regime". The newly designated entities related to Law are Gold Ocean Pte Ltd, Great Success Pte Ltd, Green Luck Trading Company and Gold Energy Co Ltd. In addition, China Focus Development Ltd is identified as the new name for Golden Aaron Pte Ltd, a company previously identified as blocked property and owned by Cecilia Ng, the wife of Steven Law. Also designated are Asia Pioneer Impex Pte Ltd, Terrestrial Pte Ltd and Asia Green Development Bank, companies owned or controlled by Za, who uses these Singapore-based companies to conduct business transactions.

US companies wishing to import Burmese-origin products should carefully review transactions to ensure that sanctioned persons or entities are not involved.

For further information on this topic please contact [Robert Torresen](#), [Lisa Crosby](#) or [Brenda Jacobs](#) at Sidley Austin LLP by telephone (+1 202 736 8000), fax (+1 202 736 8711) or email (rtorresen@sidley.com, lcrosby@sidley.com or bjacobs@sidley.com).

Authors

Robert Torresen



Lisa Crosby



Brenda A Jacobs



Endnotes

(1) www.state.gov/secretary/rm/2012/04/187439.htm.

(2) www.treasury.gov/resource-center/sanctions/Programs/Documents/burmagl17.pdf.

(3) www.treasury.gov/resource-center/sanctions/Programs/Documents/burmagl16.pdf.

(4) www.treasury.gov/resource-center/sanctions/Programs/Documents/burmagl18.pdf.

The materials contained on this website are for general information purposes only and are subject to the [disclaimer](#).

ILO is a premium online legal update service for major companies and law firms worldwide. In-house corporate counsel and other users of legal services, as well as law firm partners, qualify for a free subscription. Register at www.iloinfo.com.

Online Media Partners



© Copyright 1997-2012 Globe Business Publishing Ltd