

PRESS RELEASE

Interactive Session on Operationalization of Rupee-Kyat Trade Settlement Mechanism

In order to boost bilateral trade and to enhance the usage of local currencies, a Rupee Kyat Trade Settlement Mechanism has been operationalized. The Central Bank of Myanmar had released the guideline for payment procedures under the Special Rupee Vostro Account (SRVA) on 26 January 2024.

The establishment of Rupee-Kyat Trade Settlement Mechanism will simplify trade transactions and make them more efficient. It will reduce costs associated with currency conversions.

The Embassy of India, Yangon in collaboration with India-Myanmar Chamber of Commerce (IMCC) organized an awareness event on use of Rupee-Kyat Trade Settlement Mechanism on 9th February 2024 at India Centre, Yangon. The event was attended by the Ambassador of India to Myanmar; Governor, Central Bank of Myanmar; DG, Department of Trade of Myanmar; MD, Myanmar Economic Bank; President, UMFCCI; representatives of PNB, UAB and CB Bank; IMCC and business community.

Ambassador in his opening remarks encouraged the business communities to use the mechanism with direct invoicing for reducing transaction cost and avoiding complications of third countries and currencies. The Governor of Central Bank of Myanmar, Daw Than Than Swe, in her address highlighted that new mechanism will apply for both sea and border trade and for trade in goods as well as services by paying directly in local currencies.

Representatives of the Punjab National Bank; CB Bank and UAB Bank made presentations about technical and operational details of this mechanism. Queries were answered by the CBM Governor, representatives of CB Bank, UAB Bank and PNB Bank on export-import license, procedure for documentation and license etc.
