

Myanmar Economic Transformation

April 1994: Myanmar Investment Commission (MIC) was formed after the State Law and Order Restoration Council issued Myanmar Citizens Investment Law



Myanmar Investment Commission (MIC)

The Myanmar Investment Commission (MIC) is a government-appointed body which is responsible for verifying and approving investment proposals and regularly issues notifications about sector-specific developments. The new Myanmar Investment Law changes the role of the MIC with fewer investment proposals requiring formal MIC approval and a new endorsement process – whereby proposals are fast-tracked by being ‘endorsed’ by the MIC – now available to investors. The MIC is comprised of representatives and experts from government ministries, departments and governmental and non-governmental bodies. It has been formed under Myanmar Investment Law.

Liberalization/reforms

2011

Since 2011: financial services reforms

2014

January 2014: The Myanmar Special Economic Zones Law was passed ***

June 2014: Central Bank of Myanmar (CBM) allowed foreign banks to apply for a license

2015

2015: 9 Foreign Bank Branch Licenses issued

1 September 2015: the minimum wage at 3,600 Kyat a day came into effect

9 December 2015: Yangon Stock Exchange (YSX) opened

2016

2016: 4 Foreign Bank Branch Licenses issued

18 October 2016: Myanmar Investment Law (MIL) was signed into law, replacing the Foreign Investment Law 2012

2017

12 January 2017: the 4th operator, Mytel, received a license for the provision of telecommunications services

December 2017: CBM allowed foreign banks to provide export financing

2018

20 April 2018: Myanmar Investment Commission (MIC) issued Notification 7/2018 to carry out investment activities in education services

17 May 2018: establishes Myanmar Credit Bureau Limited

1 August 2018: Myanmar Companies Law enforced

5 February 2014: telecoms licenses granted to MPT, Ooredoo and Telenor

2015: 9 Foreign Bank Branch Licenses issued



2016: 4 Foreign Bank Branch Licenses issued



7 October 2016: US sanctions on Myanmar lifted by President, Obama

9 December 2015: Yangon Stock Exchange (YSX) opened



1 April 2017: MIL came into effect

December 2017: CBM allowed foreign banks to provide export financing

January 2018: new minimum wage 4,800 Kyat a day proposed to the Union

9 May 2018: Ministry of Commerce (MOC) permits wholesale and retail by foreign companies and joint venture companies

1 August 2018: Myanmar Companies Law enforced

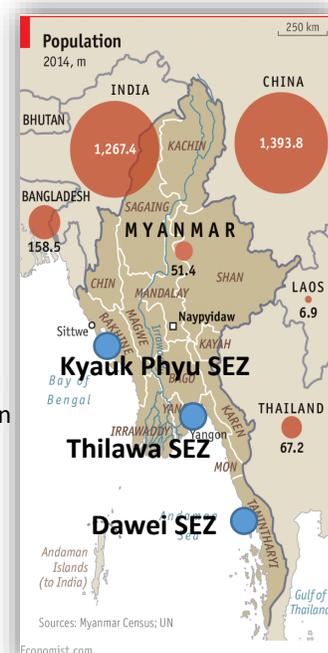
Key changes in the new Myanmar Companies Law

- Allowed companies to operate with a minimum of one share and a single shareholder
- No requirement for company objectives
- Foreigners allowed to own up to 35% of shares in a local company and will be treated as a local company
- Clarification on the regulation of overseas corporations/branch offices
- Exemptions for small companies on certain reporting and meeting requirements
- Allowed companies to issue different classes of shares and securities
- Better corporate governance
- Codified directors duties and liabilities
- Increased DICA enforcement powers

Types of Investment in Myanmar



*** Myanmar Special Economic Zones (SEZs)



The Myanmar Special Economic Zones Law (No.1/2014) was passed in January 2014 and stipulates the following tax incentives for investors in SEZs:

- Income tax exemption for the first seven years from the date commercial operations commence within an exempted zone or an exempted business
- Income tax exemption for the first five years from the date commercial operations commence for businesses located within a promoted zone or a SEZ
- 50% income tax reduction for the second five year period and 50% income tax reduction on third five year period on profits derived from the reinvestment of a business within an exempted or promoted zone
- Import duty exemption on the importation of raw materials, machinery, equipment and other specific goods
- Import duty exemption or 50% reduction for up to five years on raw materials, machinery and equipment imported by a business located within a promoted zone

**Infrastructure development such as ports, roads and highway, railways or power generation to attract more foreign investment in Myanmar