

# Accompanying progress

## News Flash Myanmar

Latest news on law, tax and business in Myanmar

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### Read in this issue:

- > New Myanmar Companies Act in sight
- > Drafts of Law Concerning Foreigners and Foreign Worker Law recently published
- > MIC approved investment higher than 6 billion USD in Fiscal Year 2016/2017
- > Worldbank forecasts three years of economic growth
- > FDA strengthens food safety in Myanmar

## New Myanmar Companies Act in sight

After being approved at a government cabinet meeting, the draft of the new Companies Act has now been sent to Parliament.

Besides broader options of how to structure a company, the new act will include a major change in possibilities of ownership. Under the existing law a Myanmar registered company with any percentage of foreign shareholders is considered a foreign company. Under the new legislation it will be possible for foreigners to own shares in a local Myanmar company; at the time being the draft sets the ratio to a maximum of 35% foreign ownership.

This ratio can be subject to changes based on the recommendations of the Ministry for Planning and Finance regarding the requirements of economic development in Myanmar.

This would also enable foreigners to buy shares of Myanmar companies on the Yangon Stock Exchange for the first time.

## Drafts of Law Concerning Foreigners and Foreign Worker Law recently published

Under the new drafted regulations it will be mandatory for every foreigner not holding a permanent residence status in Myanmar, to obtain a Foreigner Registration Certificate (FRC) if they intend to stay in Myanmar for more than 90 consecutive days. Foreigners shall then carry the respective documents with them at all time.

Landlords providing accommodation to foreigners will have to provide respective information including passport information to the relevant registrar.

A controversy had started about different sections in the draft of the Law Concerning Foreigners and it remains to be seen, which regulations will remain included in the final legislation.

The new Foreign Worker Law is supposed to start to implement a system and protect rights for foreign workers in Myanmar. One of the central regulations will be the implementation of a work permit for skilled foreign employees in Myanmar.

## MIC approved investment higher than 6 billion USD in Fiscal Year 2016/2017

Investments approved by the Myanmar Investment Commission (MIC) are on the rise again. In January alone the MIC approved international investments with a total value of around 2.5 billion USD, due to the approval of the new Myanmar National Tele & Communications (MNTC) valued 1.3 billion USD.

Until the end of the financial year on 31st of March investments approved by MIC to reach near the 7 billion USD mark.

## Worldbank forecasts three years of economic growth

After economic growth slowed down a little bit in 2016, the World Bank forecasts Myanmar's recovery and strong economic growth ahead for the next three years.

One major factor of the declining economic process last year is seen in the construction industry, where a disruptive review of Yangon high-rise buildings mid of last year slowed down a whole industry contributing over 5% of the GDP.

For this year a growth of most relevant sectors as well as investments coming into the country is predicted and will fuel stronger growth.

## FDA strengthens food safety in Myanmar

A first but significant step towards food safety in Myanmar is done. The Food and Drugs Administration's (FDA) medical testing laboratory in Nay Pyi Taw has launched operations and received accreditation by the US based ANSI-ASQ National Accreditation Board (ANAB).

The laboratory is now conducting tests on food samples taken from markets, as well as food products which have been submitted to the department with complaints and will monitor products carefully.

### Accompanying progress

*„After a long period of isolation, Myanmar is gradually opening up to the global market. Although still in the middle of a comprehensive reform process, Thailand's neighbour is already attracting foreign investors. We create, together with you, a basis for successful development in this emerging market.“*

*Rödl & Partner*

*„Everyone can contribute ideas in our group – we then decide together whether to implement the plans. We discuss these ideas in our typical lively passion, so that our tradition is preserved also in the modern day and age.“*

*Castellers de Barcelona*



„Each and every person counts“ – to the Castellers and to us.

Human towers symbolise in a unique way the Rödl & Partner corporate culture. They personify our philosophy of solidarity, balance, courage and team spirit. They stand for the growth that is based on own resources, the growth which has made Rödl & Partner the company we are today. „Força, Equilibri, Valor i Seny“ (strength, equilibrium, valour and common sense) is the Catalan motto of all Castellers, describing their fundamental values very accurately. It is to our liking and also reflects our mentality. Therefore Rödl & Partner embarked on a collaborative journey with the representatives of this long-standing tradition of human towers – Castellers de Barcelona – in May 2011. The association from Barcelona stands, among many other things, for this intangible cultural heritage.

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No. 10, 8/F Myanmar Centre Tower 1,  
192 Kabar Aye Pagoda Road, Bahan Township, Yangon  
Phone: +95 1 93 45 242

#### Responsible for the content:

**Juergen Baur** – juergen.baur@roedl.com

**Ursus Negenborn** – ursus.negenborn@roedl.pro

#### Responsible for the layout:

**Juergen Baur** – juergen.baur@roedl.com

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