



# Investment Regulations in Myanmar

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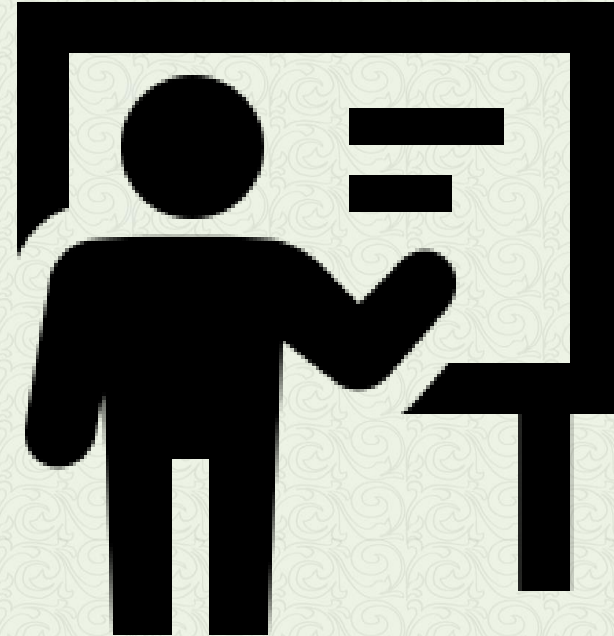


**FDI Situation in Myanmar**



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# *Introduction*





# What we are and how we serve?

- ✓ The Myanmar Investment Commission (MIC) –
  - responsible for promoting, protecting, liberalizing, facilitating and coordinating with both domestic and foreign investors and their investments
- ✓ The Directorate of Investment and Company Administration (DICA) –
  - one of the departments under the Ministry of Investment and Foreign Economic Relations (MIFER)
  - serves as the regulator on investment and company affairs
  - serves as the secretariat office of the MIC
  - serves as the company registrar, registrar of company insolvency and personal insolvency, as well as the Investment Promotion Agency
- ✓ The responsible department for Investment and Company Administration.
- ✓ The First Contact Point for Investors.





# Government Policies for Economic

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## *Economic Objectives*

- To enhance production based on agriculture and livestock through modern techniques and *strength all-round development in other sectors of the economy.*
- To develop a stable market economy and *promote international investment* in order to enhance the economic development of the entire National people.
- To promote and support local businesses to create *employment opportunities* and increase domestic production.
- To advance the socioeconomic life of the people in order to *ensure the country's prosperity and food security.*








# *Myanmar's Investment Policy*





# Myanmar's Investment Policy

-  Welcome responsible and mutually beneficial foreign investment.
-  Facilitate foreign investments through transparent, clear and expeditious procedures.
-  Support well-functioning economic infrastructure such as macroeconomic stability, rule of law, credible dispute settlement procedures, and reliable financial system.
-  Establish a predictable regulatory environment with non-discriminatory treatment between foreign and local businesses.
-  Support for the development of Industrial Related Investment Policies (MSMEs Development, Import Substitutions).

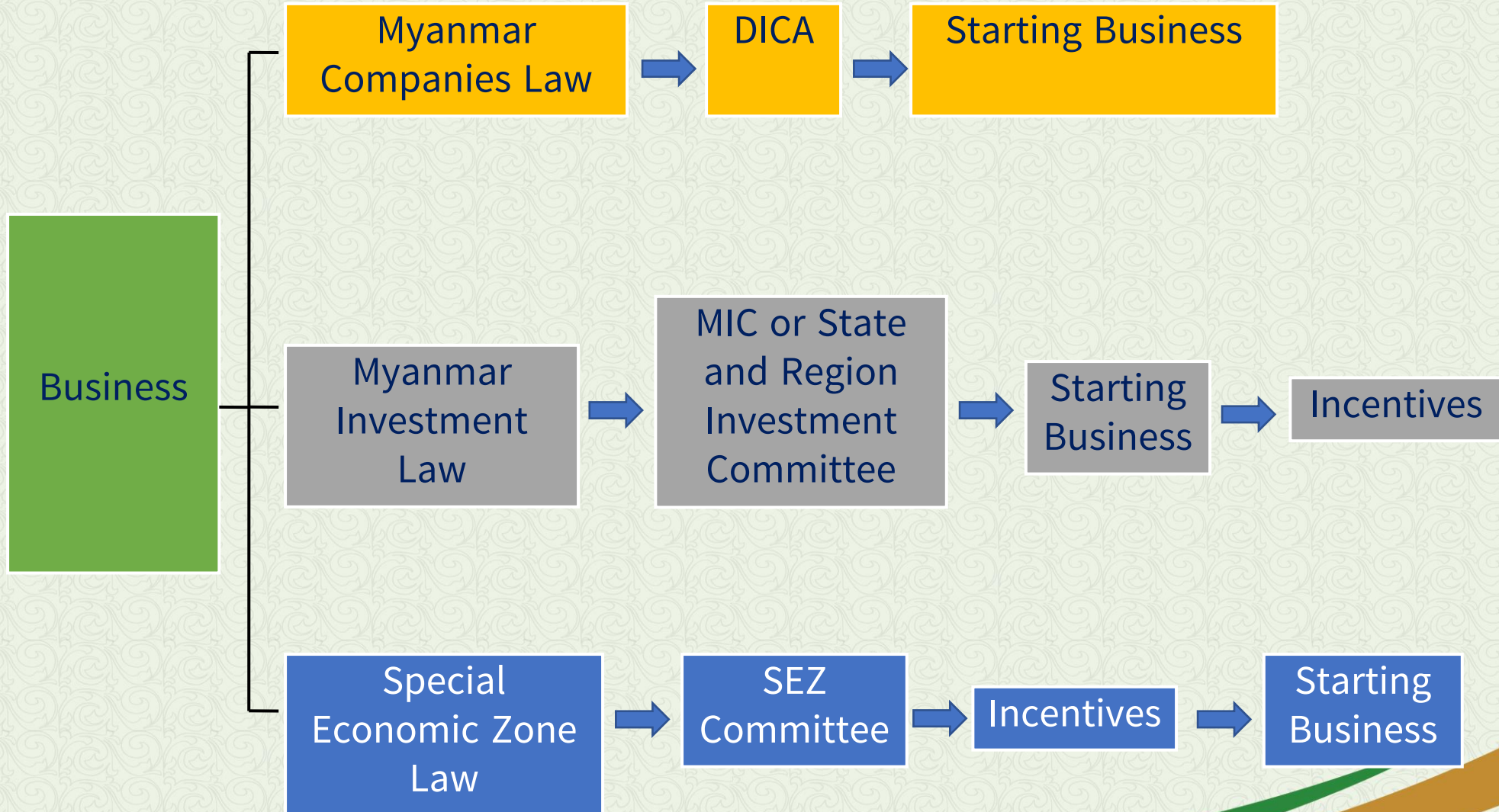




# ***Investment Environment in Myanmar***

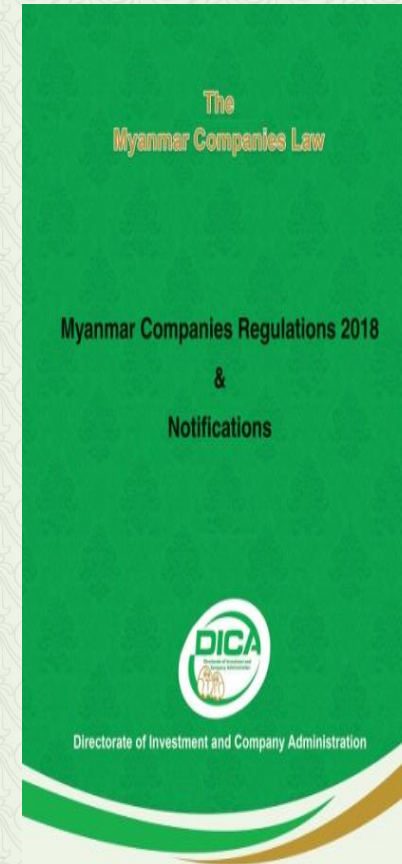
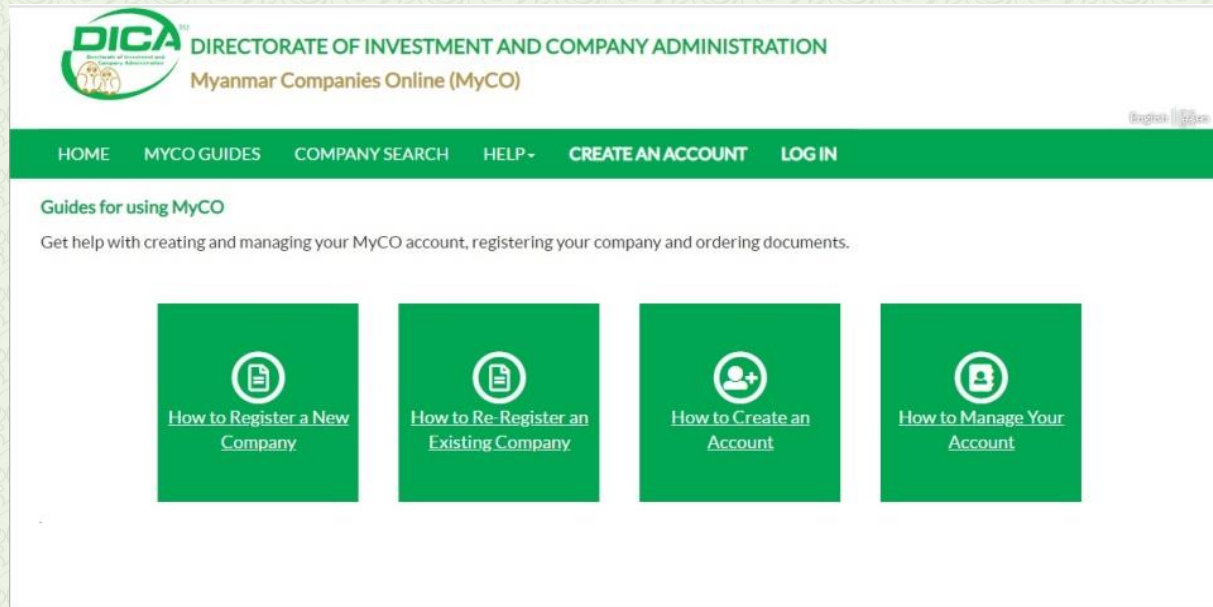


# Mode of Doing Business in Myanmar





# How to Register a New Company in Myanmar?



Myanmar Companies Law (Launched at 1st August 2018)

**MyCo** → Myanmar Companies Online Registration.

<https://www.myco.dica.gov.mm/>

Foreign Share Ratio up to 35% → Local Company

# How to Invest in Myanmar?

## Investment Requiring MIC Permit

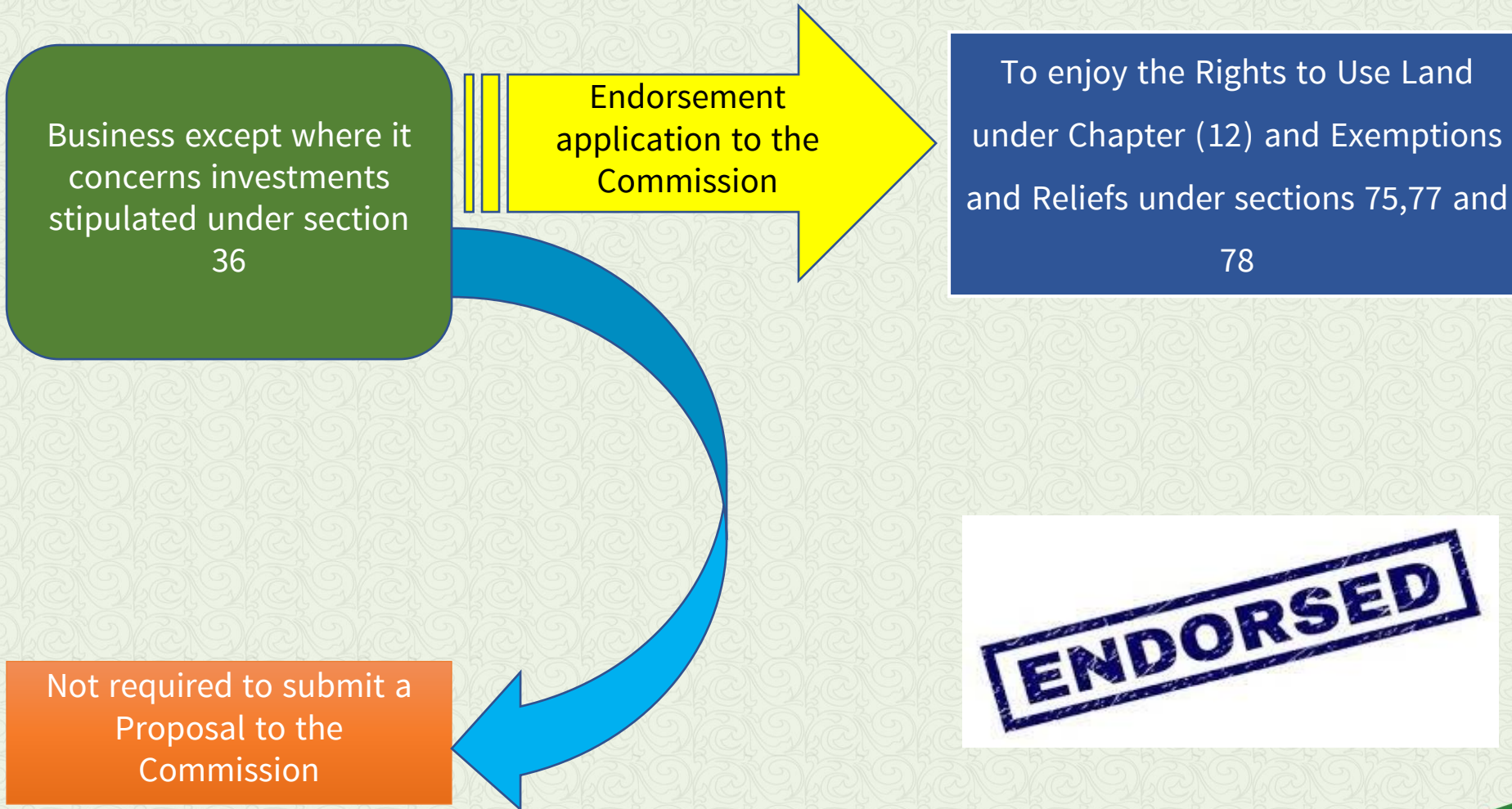
### Submitting Proposal (Section 36)

- Businesses that are strategic for the Union
- Large capital intensive investment projects
- Projects which have large potential impact on the environment and the local community
- Business carried out in State-owned land and building
- businesses which are designated by the government to require the submission of a proposal to the Commission



# How to Invest in Myanmar?

## Endorsement Application Submission



# Investment Promoted Sectors

## ✓ Classification of Promoted Sector (MIC, Notification No. 13/2017)

(s. 43)



Agriculture and its related services (except cultivation and production of tobacco and Virginia)



Plantation and conservation of forest, and other businesses with forest



Livestock production, breeding and production of fishery products, and its related services



Manufacturing (Except manufacturing of cigarette, liqueur, beer, and other harmful products to health)



Establishment of industrial zones



Establishment of new urban areas



City development activities



# *Incentive for Electronic Vehicle & related materials*







- Exemption of Commercial tax &
- Custom Duty Free
- Exemption of Foreign Vehicle Import Tax
- Exemption of Wheel Tax, Extra load Tax, License Tax etc...
- Exemption of High Way Tax





# Prohibited Investment

## Business:

-  the hazardous or poisonous wastes;
-  technologies, medicines and instruments which are still being tested abroad or which have not obtained relevant approvals for use, planting except for the purpose of R&D;
-  may affect the traditional culture and customs of the racial groups;
-  may affect the public health
-  may cause damage to the natural environment and ecosystem;
-  manufactured goods that are prohibited in accordance with existing laws.



# *Employment of Staff and Workers*



Any Citizen

- ✓ *Senior Manager*
- ✓ *Expert*
- ✓ *Advisor*



Only Myanmar Citizens

*The work which does not  
require skills*

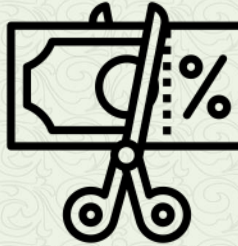
# Incentives for Investors

- ❖ *Investors may apply one or more than one the exemptions and reliefs*



## Income Tax Exemption & Relief

- s. 75
- According to the investment location (Zone)
- **Designation of Development Zone (MIC, Notification No. 10/2017)**



## Customs Duties & Other Internal Taxes

- s. 77
- Import of raw materials and partially manufacturing goods for 100% export-oriented business
- Reinvestment for imported raw materials (for export)
  - Investment increase
  - Investment expand



## Other Exemptions & Relief

- s. 78
- Re-investment
- Depreciation
- Research and Development (R&D)

# *Rights to Use Land*



Initial 50 years



The period of  
consecutive  
10 years



The period of  
consecutive  
10 years

- From any government body or government organization
- From private land-holders

# Inviting Priorities




**Fertilizer  
manufacturing**



**Cement  
manufacturing**

**Iron and steel  
manufacturing**



**Agriculture and  
livestock farming  
and its related  
industries**



**Value-added  
foodstuffs  
manufacturing**



**Electric vehicle  
manufacturing**

**Pharmaceutical  
and medical device  
manufacturing**



**Public  
transportation  
services**



**Edible Oil  
Crops**



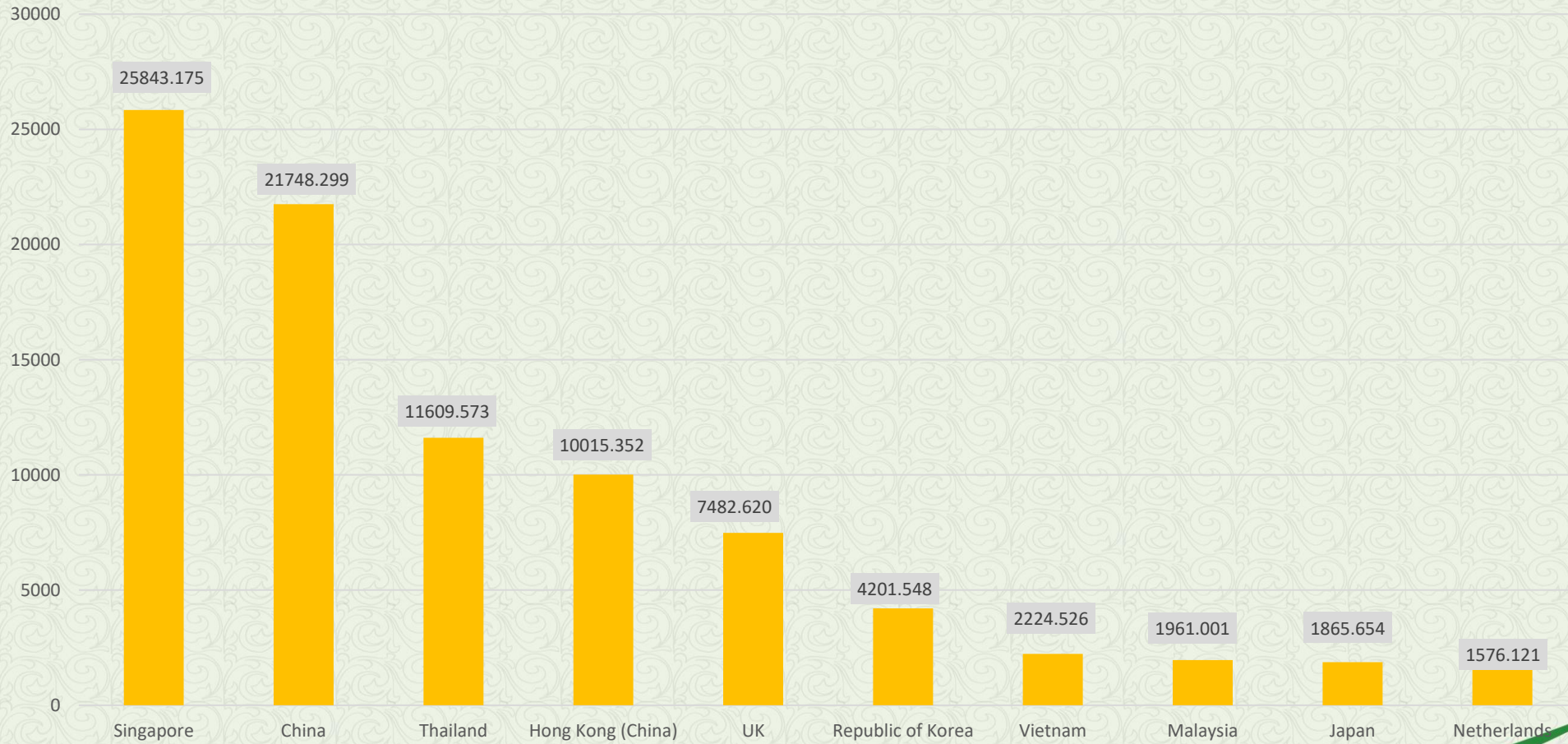
## *FDI Situation in Myanmar*





# Foreign Investment in Myanmar (By Country/ Region as of June 2023)

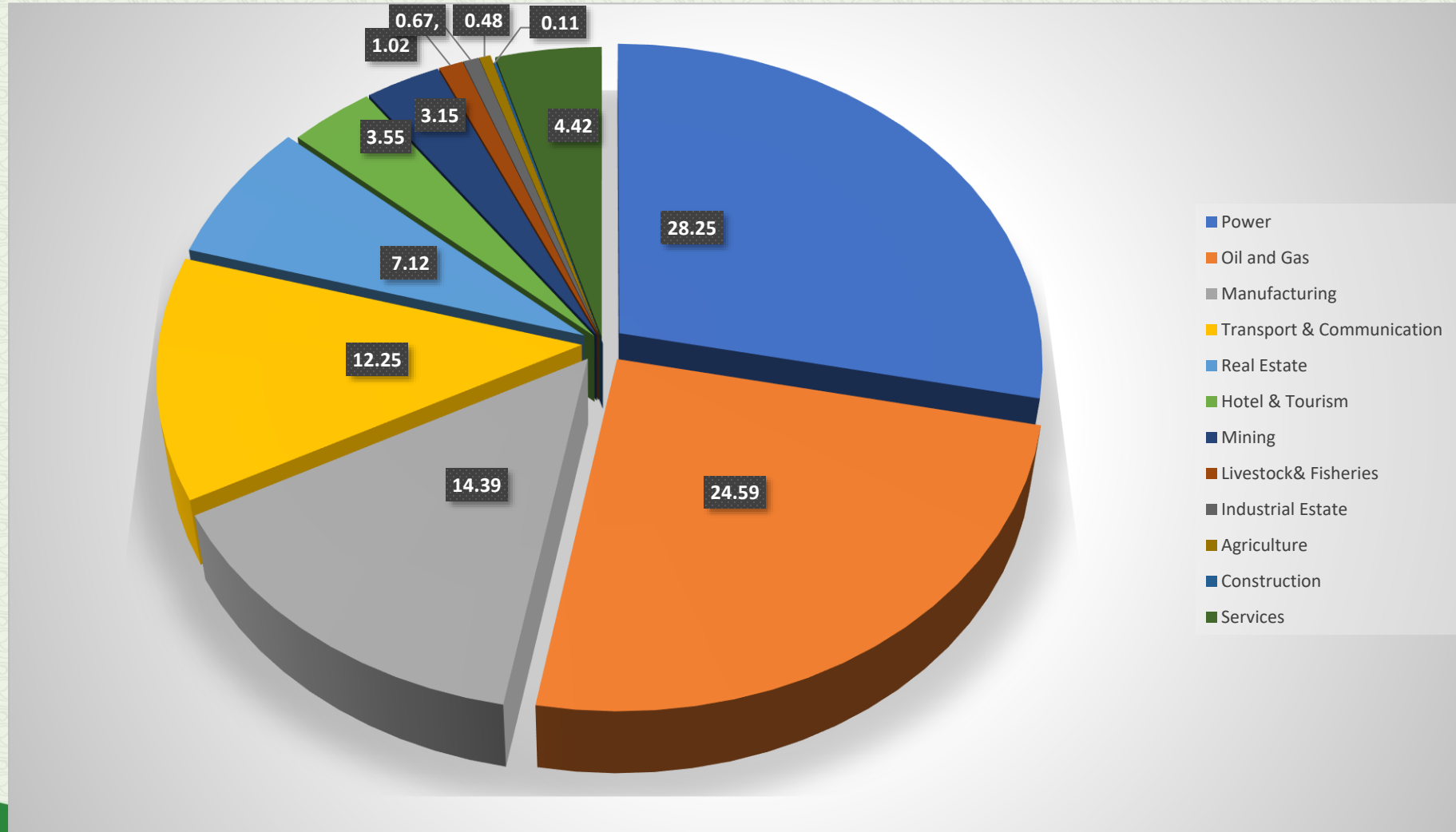
USD in Million





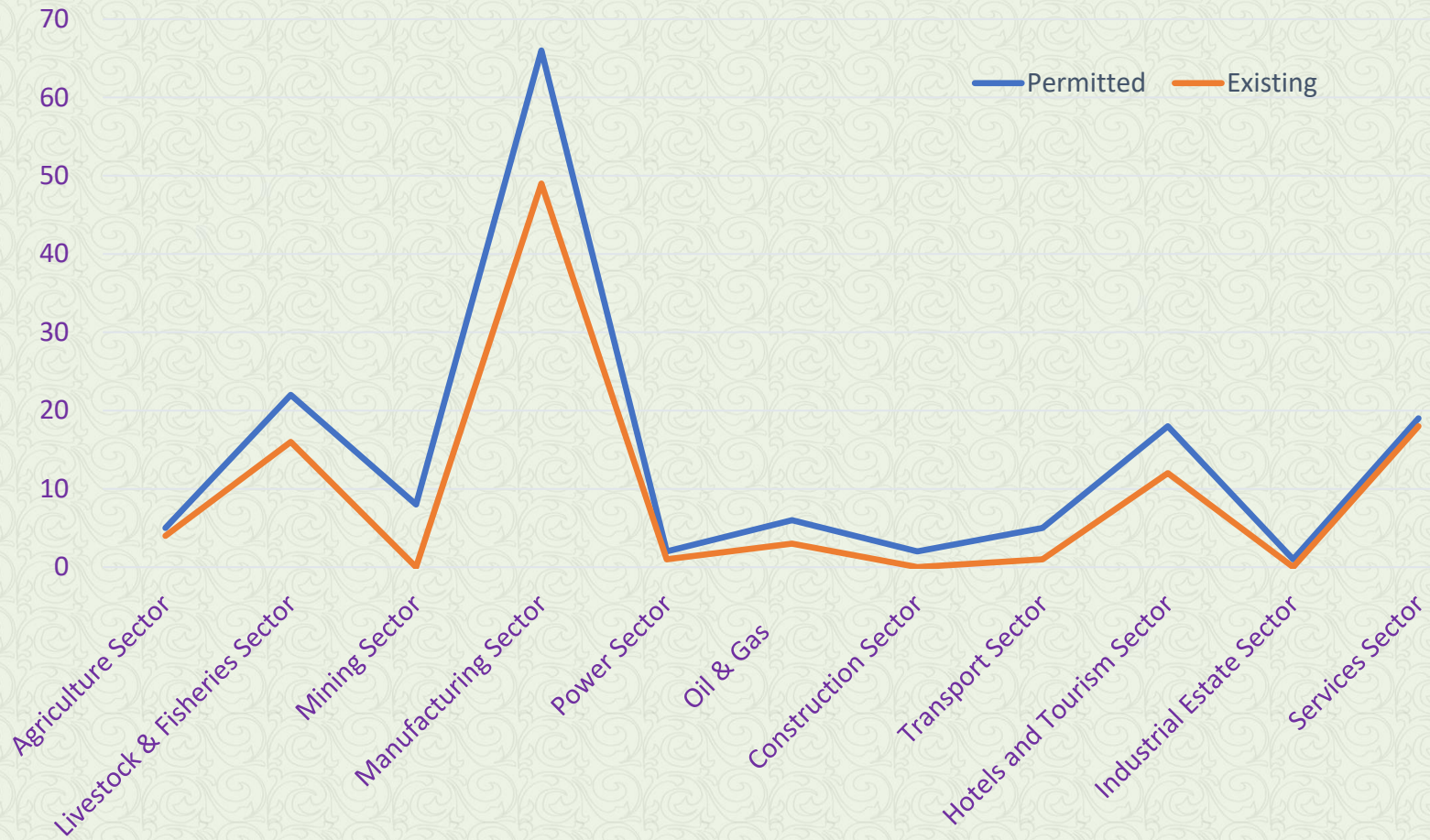
# Foreign Investment in Myanmar (By sector as of June 2023)

USD in Million





# Thai Investment Data in Myanmar









# *Investment Facilitation Measures*










# *Investment Facilitation Measures of DICA*

## DICA Online Solution (DOSO)

-  launched on 1<sup>st</sup> April 2022
-  provide 24/7 online appointment
-  inquires of any investment matters
-  safe cost; time and money

## DICA info Mobile APK

-  launched on 1st April 2022
-  can easily access to the exact information of the DICA in just one click
-  DICA-website-based application being used online synchronization
-  describes news & stories, announcements, FAQs, contacts, data & statistics, publications, and policy & laws
-  is now targeted for the Android phones but depending on the users' feedback, it will be planned to design for the iOS ones



# *Investment Facilitation Measures of DICA*

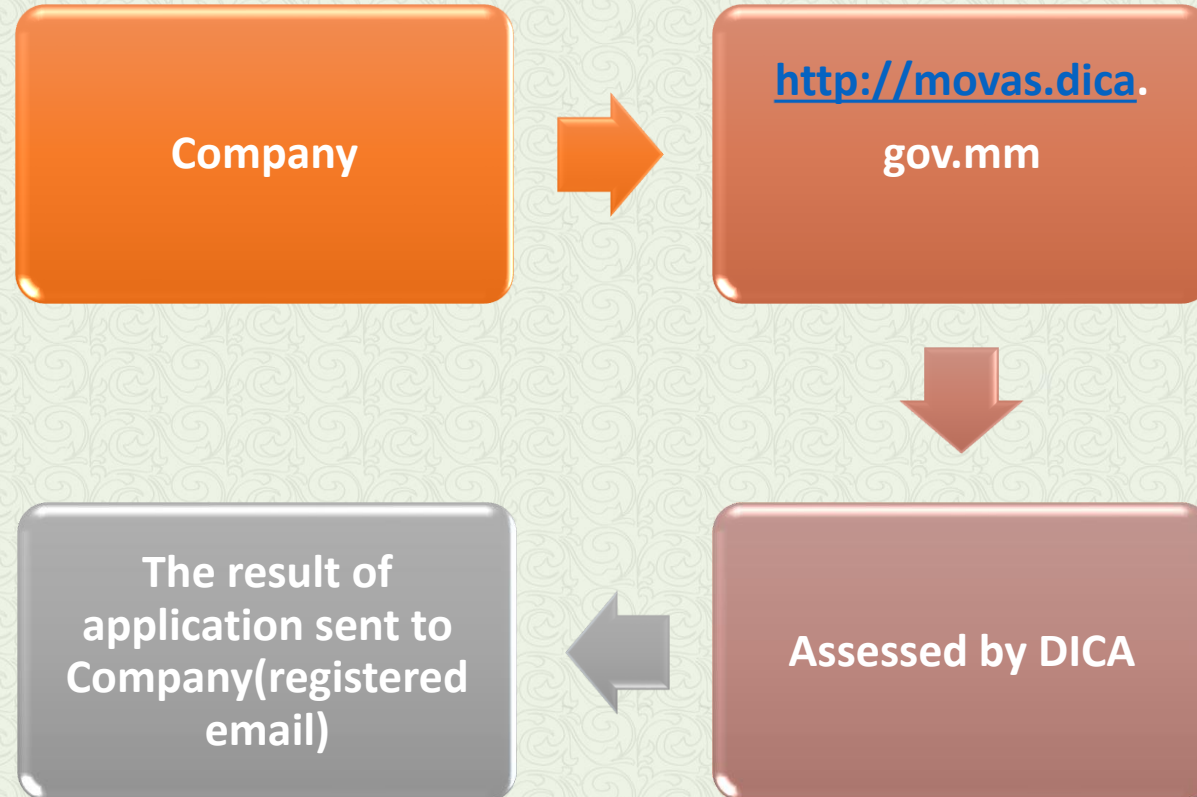
## **OSS's Standard Operating Procedures (SOPs)**

- launched on 1<sup>st</sup> April 2022
- a useful guidebook for the private sector
- simplifying and streamlining procedures for getting a license/permit
- can easily notice the process of which license/permit can be applied to which departments and who will be the authorized person to sign the permit/license

## **Cost of Doing Business in Myanmar Survey Report (2022)**

- launched on 1st April 2022
- provides a range of useful information of land lease/sale prices, cost of employee, services fees and procedures for the investment process
- explains company administration process and related business process including in all States and Regions

MIC Permitted Companies Online Visa Application System (MOVAS)  
launched on 1<sup>st</sup> November 2021



# *MIC Support Measures*

**Foreign Exchange Supervisory Committee (FESC) Help Desk  
launched in April 2022**



## Trade

raw materials

equipments

spare parts

# *MIC Support Measures*

## Documents to be attached For Trade-

- One year plan for import
- Invoice
- Bank Statement
- Copy of the Permit
- Import license
- Proof of applying import license



## Non Trade

Payment of  
dividends

Loan  
repayment

Payment of  
Foreigner's  
Salary

Service  
charges

Compensation  
fees

Payment for  
Technical  
Charge

Contractual  
payments



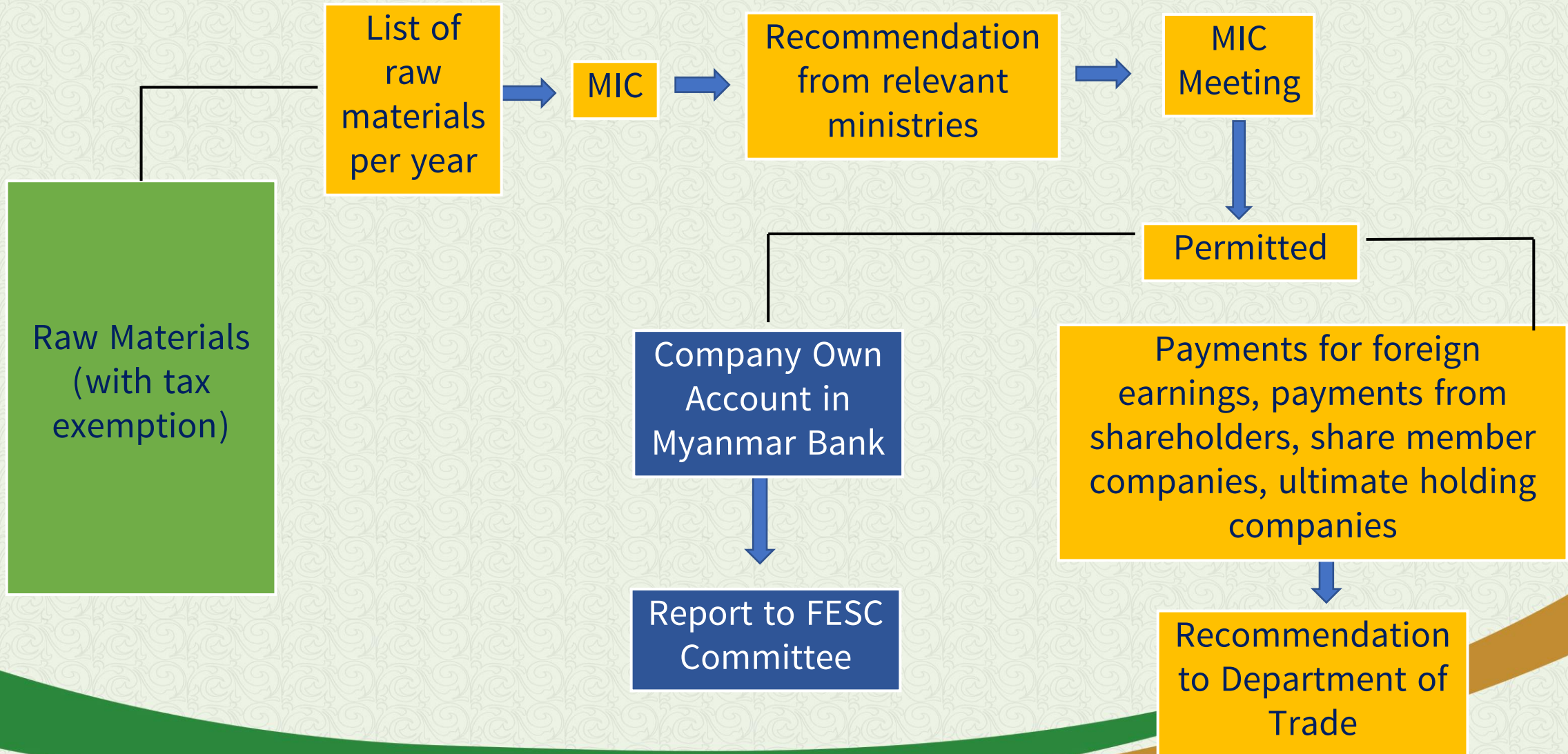
# *MIC Support Measures*

## Documents to be attached For Non Trade-

- Application Letter with Company Letter Head
- Quarterly Report (Form-10)
- Bank Statement
- Power of attorney
- Copy of the Permit
- Company Extract
- Proof of tax clearance
- Other necessary documents

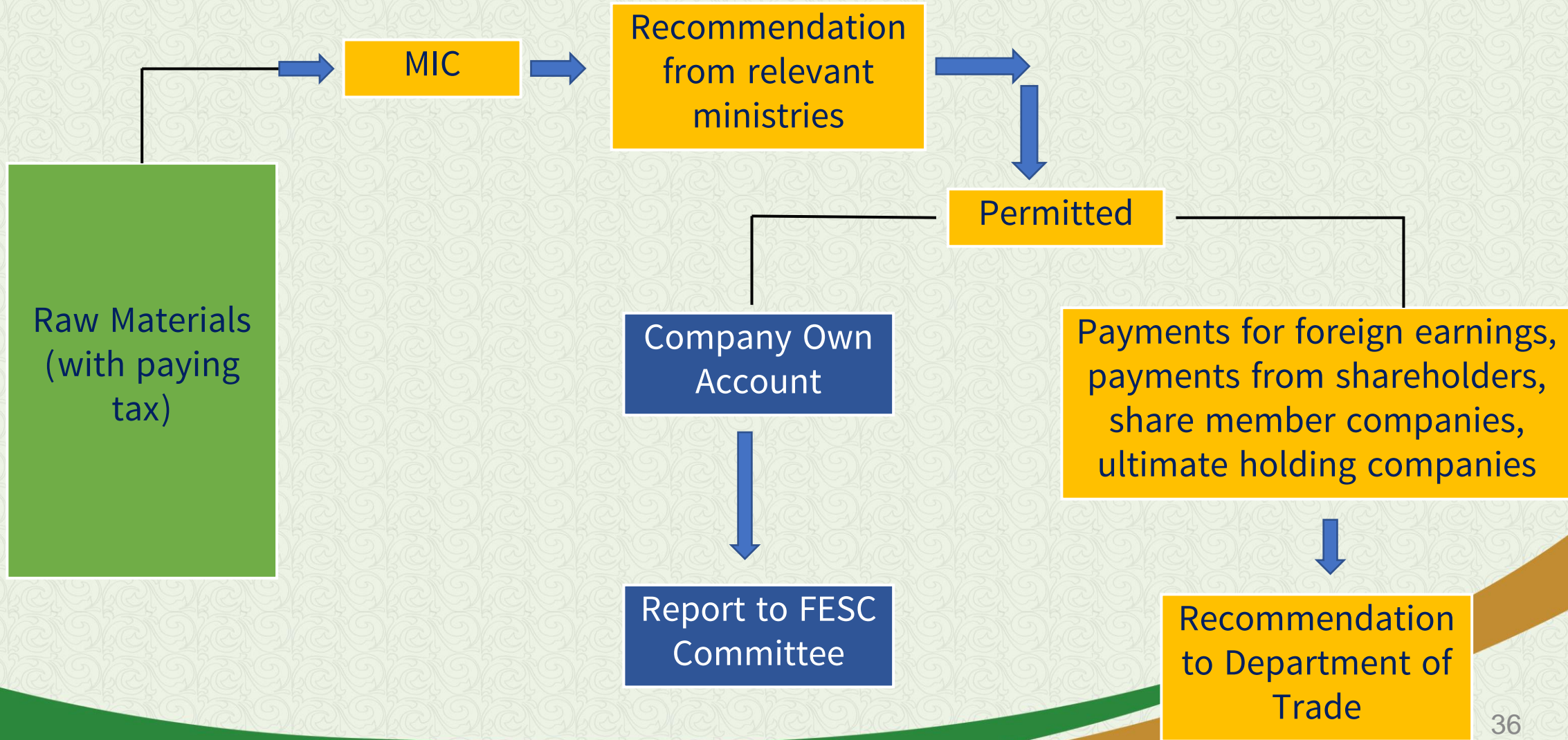
# MIC Support Measures

## Raw Materials with Tax Exemption

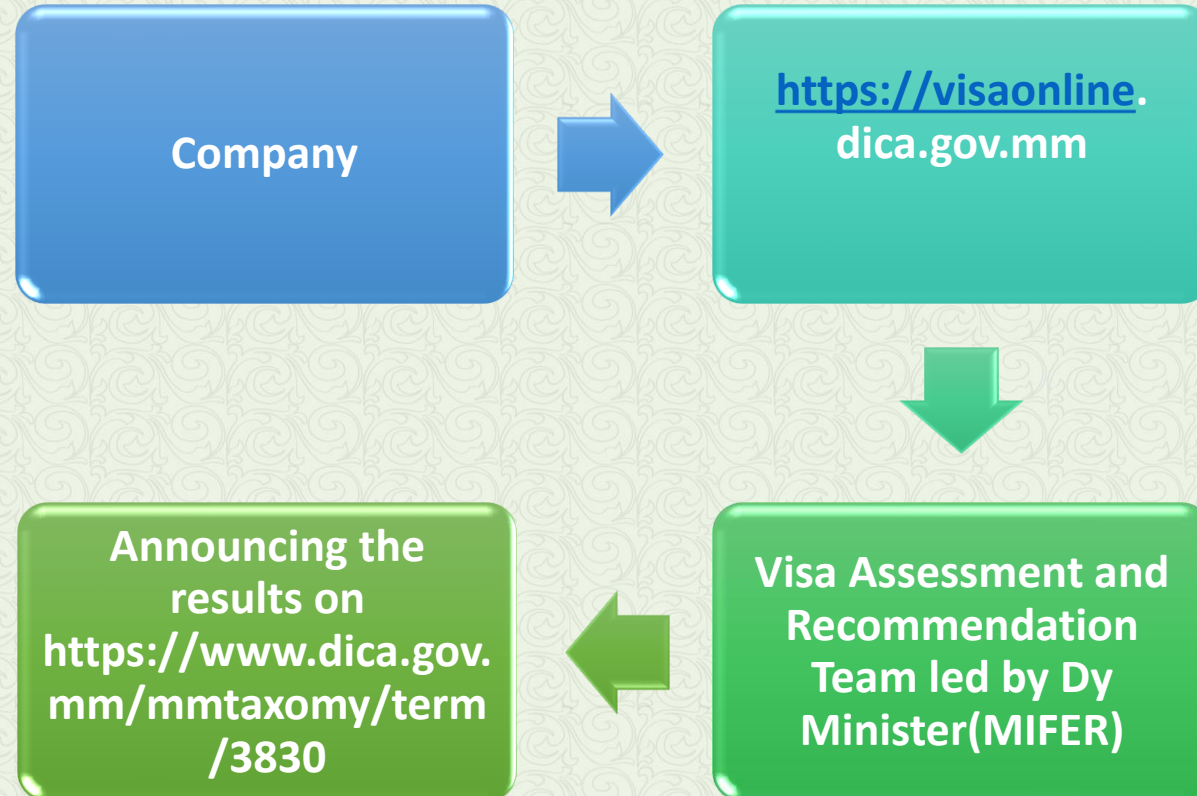


# MIC Support Measures

## Raw Materials Paying Tax



## Online Recommendation Letter for Visa Extension(Non-MIC Companies)





## *Way Forwards*



## *Way Forwards*



- Myanmar Investment Online (MyInO), the online system for submission of proposal for MIC permit and endorsement is also under implementation process and will soon be introduced to Myanmar's Business Community.
- Investment Monitoring System (IMS).
- Investment Fairs and Forums are going to be held in some of the State and Region respectively.



**Thank you so much for your kind  
attention!**