








Investment climate and Opportunities in Myanmar

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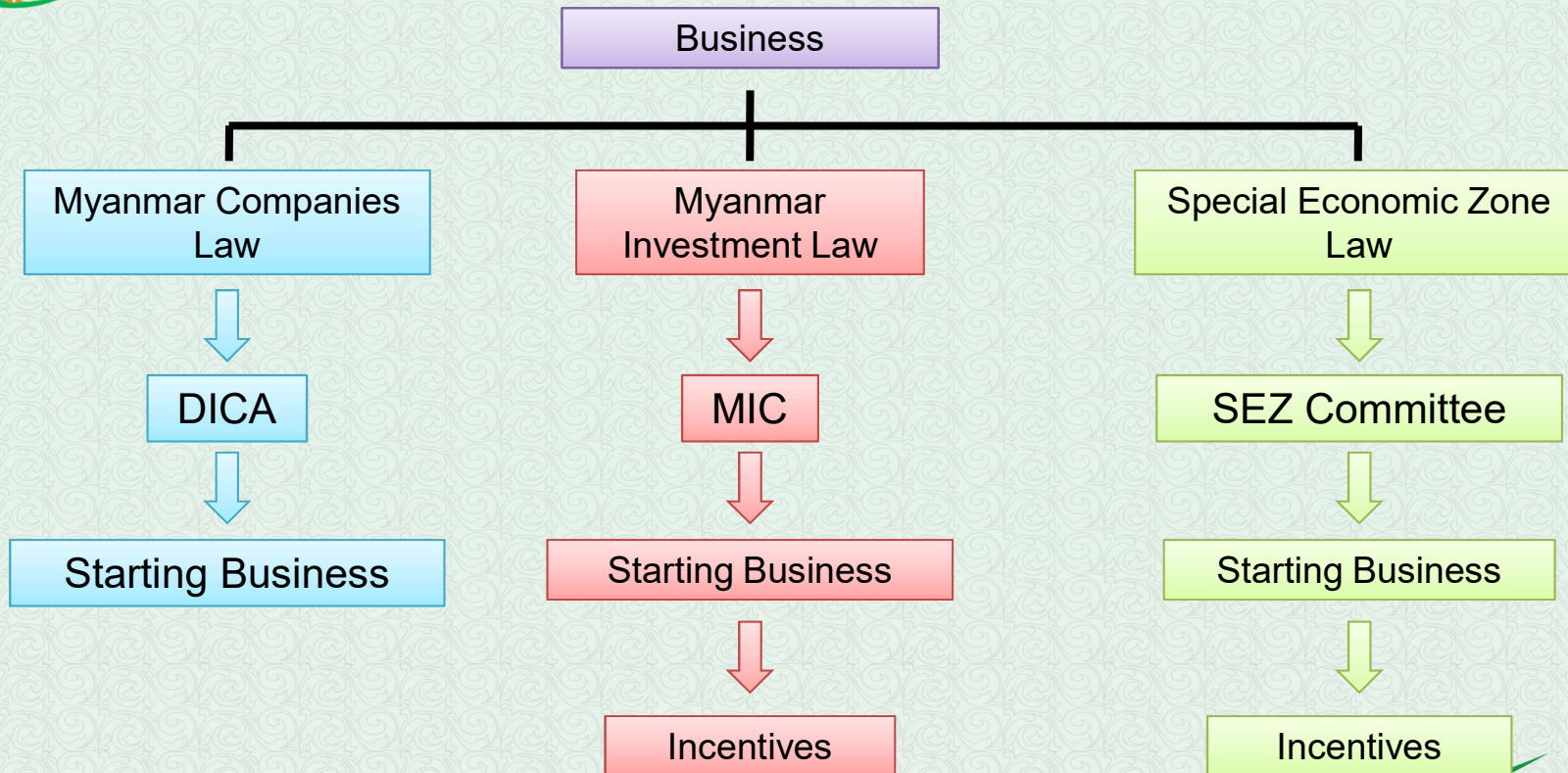


Contents

-  Mode of Doing Business
-  What are MIC & DICA?
-  How to Register a New Company in Myanmar
-  Myanmar Investment Law
-  FDI in Myanmar



Mode of Doing Business





What are MIC & DICA?



- ✓ 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 Secretariat Office of Myanmar Investment Commission (MIC).
- ✓ The responsible for Investment and Company Administration.
- ✓ The First Contact Point for Investors.



Myanmar *Investment Commission (MIC)*

1.	H.E. U Thaug Tun	Union Minister for Ministry of Investment and Foreign Economic Relations	Chairman
2.	H.E. Dr. Than Myint	Union Minister for Ministry of Commerce	Vice Chairman
3.	H.E. U Tun Tun Oo	Union Attorney General for Union Attorney General Office	Member
4.	U Set Aung	Deputy Minister for Ministry of Planning and Finance	Member
5.	Daw Nilar Kyaw	Minister for Yangon Regional Government	Member
6.	Dr. Aung Tun Thet	Economist	Member
7.	U Khin Maung Yee	Permanent Secretary for Ministry of Natural Resources and Environmental Conservation	Member
8.	U Toe Aung Myint	Permanent Secretary for Ministry of Commerce	Member
9.	U Htein Lwin	Permanent Secretary for Ministry of Electricity and Energy	Member
10.	U Htay Chun	Deputy Director General (Retired), Directorate of Investment and Company Administration	Member
11.	U Aye Lwin	Central Executive Committee Member, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry	Member
12.	U Thant Sin Lwin	Acting Director General for Directorate of Investment and Company Administration	Acting Secretary
13.	Daw Mya Thuza	Deputy Director General (Retired), Directorate of Investment and Company Administration	Joint Secretary



Law, Rules and Notifications for Investment

1.	Myanmar Investment Law	18.10.2016
2.	Myanmar Investment Rules	30.3.2017
3.	Designation of Development Zone (10/2017)	22.2.2017
4.	Prescribing Investment Capital Amount for Investment Activities for State and Regional Investment Committees to Issue Endorsement Order	3.3.2017
5.	Classification of Promoted Sector (13/2017)	1.4.2017
6.	List of Restricted Investment Activities (15/2017)	10.4.2017




How to Register a New Company in Myanmar



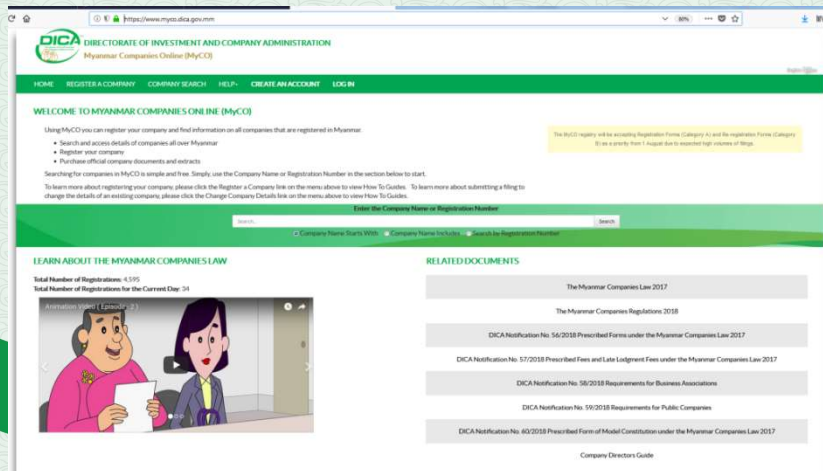
How to Register a New Company in Myanmar




 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



Myanmar Investment Law



New Myanmar Investment Law





Treatment of Investors


National Treatment for the Foreign Investors and Investments


Most- Favoured Nation Treatment

Fair and Equitable Treatment




Decentralization

 Permit Vs Endorsement

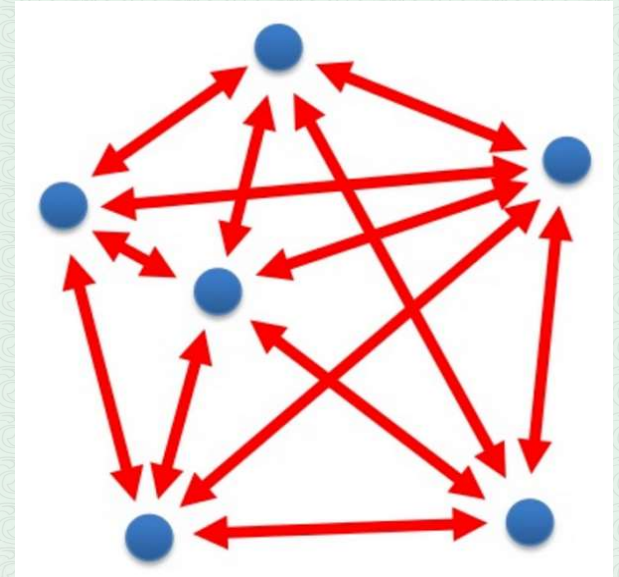
 Myanmar Investment Commission (MIC)

 Permit and Endorsement

 State and Region Investment Committees

 Endorsement

 Can approve under 5 Million USD.





Submitting Proposal to MIC (Section 36)



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





Endorsement Application Submission

Business except where it concerns investments stipulated under section 36

Endorsement application to the Commission

To enjoy the Rights to Use Land under Chapter (12) and Exemptions and Reliefs under sections 75,77 and 78

Not required to submit a Proposal to the Commission





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.





Restricted Investment (Notification 15/2017)

- Investment activities allowed to carry out by State only;
- Investment activities restricted to foreign investors;
- Investment activities allowed only in form of joint venture with a citizen owned entity or a citizen of Myanmar; and
- Investment activities permitted with the recommendation of the relevant ministries





Rights to Use Land

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

Initial 50 years

The period of
consecutive
10 years

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

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

Further
10 years



Employment of Staff and Workers



Any Citizen

- ✓ Senior Manager
- ✓ Expert
- ✓ Advisor



Only Myanmar Citizens

- *The work which does not require skills*



Investment Guarantee

Guarantees not to expropriate or nationalize or indirect expropriation to any investment

Conditions for expropriation

- ✓ For a public interest
- ✓ In a non-discriminatory manner
- ✓ In accordance with due process of law
- ✓ Upon payment of prompt, fair, adequate and effective compensation



Incentives under Myanmar Investment Law



Incentives under Myanmar Investment Law

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





Promoted Sectors (Notification 13/2017)



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



Promoted *Sectors* (Notification 13/2017)



**City Development
Activities**



**Construction of Road, Bridge
and Railway Line**



**Construction of Seaport,
River Port and Dry Port**



**Management, Operation
and Maintenance of
Airport**



Maintenance of Aircrafts



**Supply and Transport
Services**



Promoted Sectors (Notification 13/2017)



**Power Generation,
Transmission and Distribution**



**Production of Renewable
Energy**



**Telecommunication
Businesses**



Educational Services

Education Services



Health Services



**Information Technology
Services**



Promoted Sectors (Notification 13/2017)



Hotel and Tourism

Science Research Development Business





Incentives *under Myanmar Investment Law*



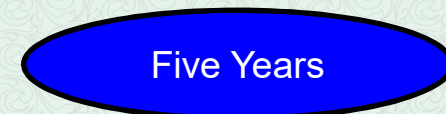
Zone(1)

Least- Developed Regions and States
Total 156 Townships



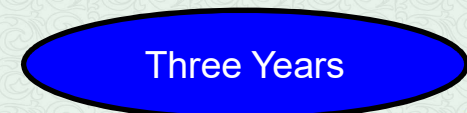
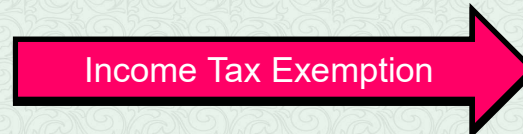
Zone(2)

Moderately Developed Regions and States
Total 122 Townships



Zone(3)

Developed Regions and States
Total 46 Townships





Designation of Development Zones (Notification 10/2017)

Zone 1: Less Developed Zone

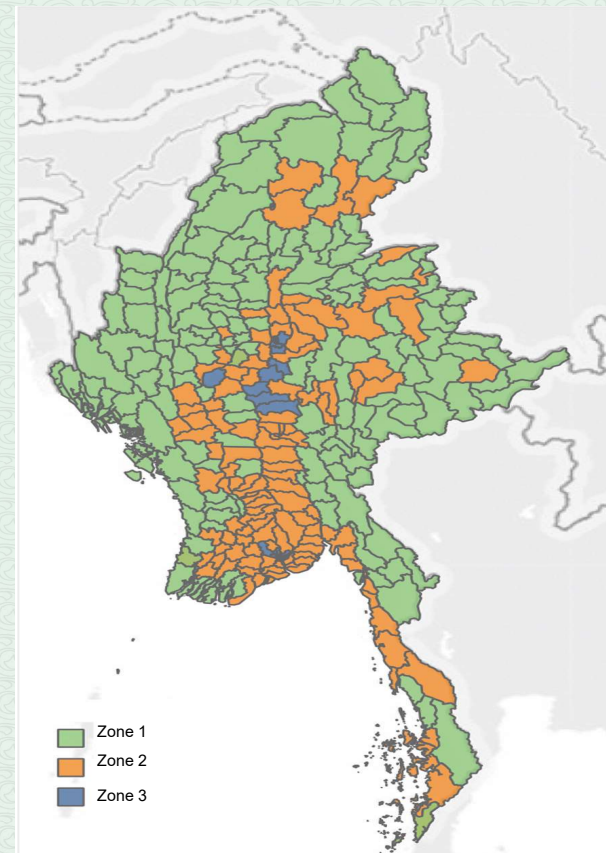
Total: 156 townships

Zone 2: Moderate Developed Zone

Total: 122 townships

Zone 3: Developed Regions

Total: 46 townships

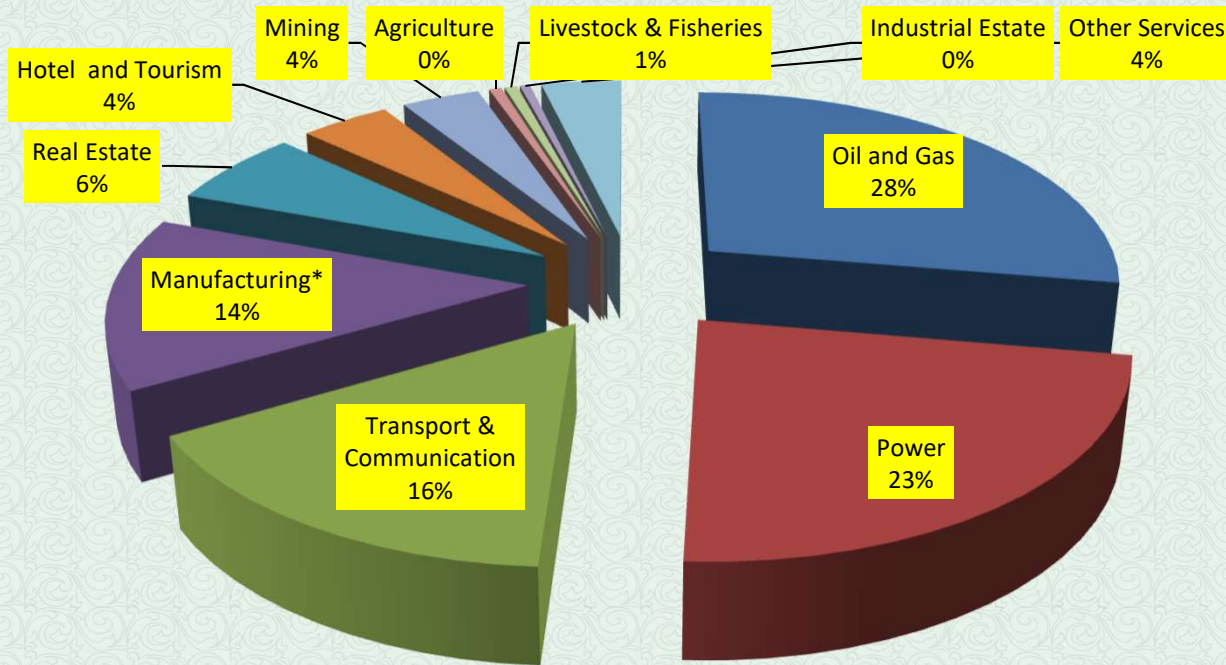




FDI in Myanmar



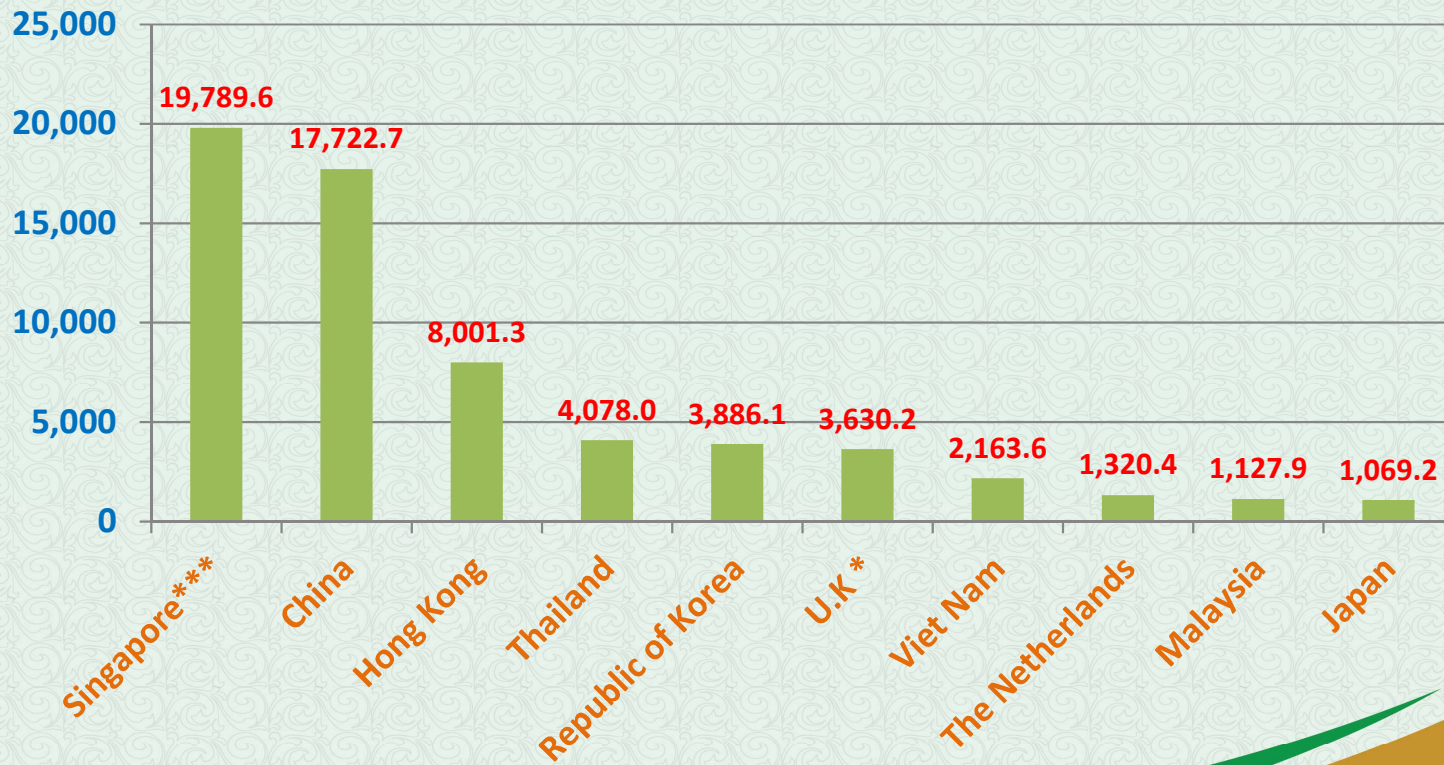
Foreign Investment in Myanmar (1988-1989 to April, 2019)





Foreign Investment of Permitted Enterprises as of (30-4-2019) (Countries)

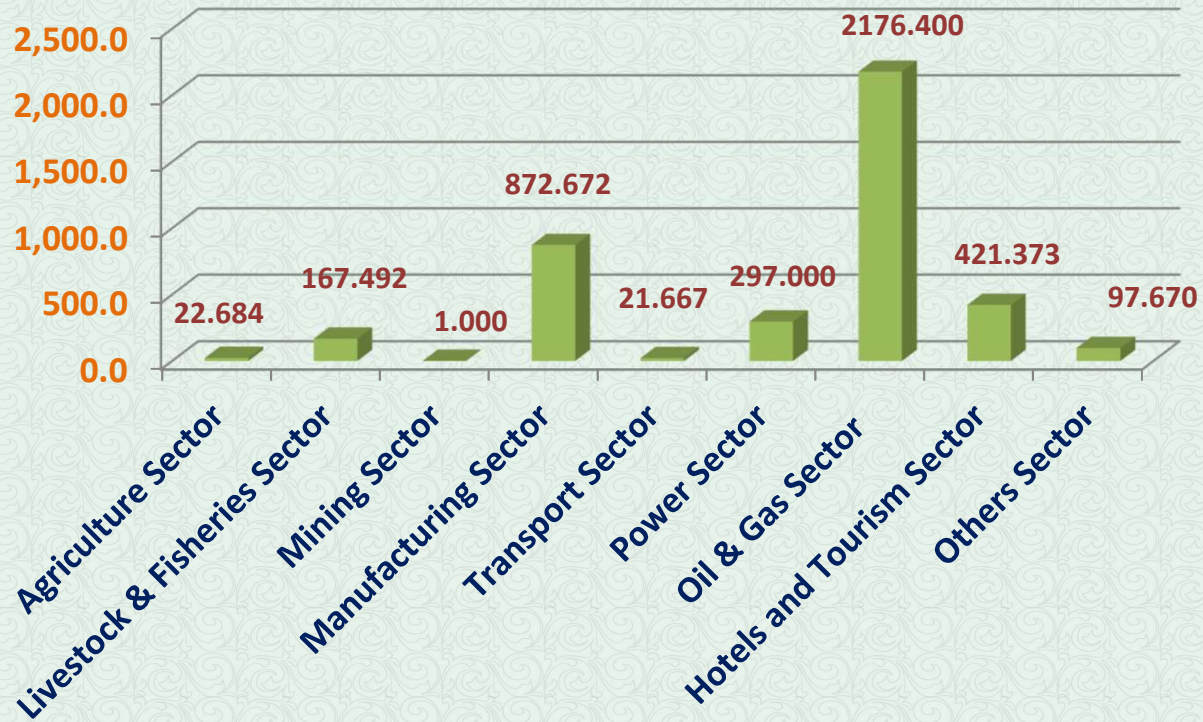
US\$ in Million





Thailand Investment in Myanmar

US\$ in Million





*Cooperator of Business Community,
Developer of National Economy*

DICA

Thank You



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