



Investment Environment in Myanmar

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Outlines

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



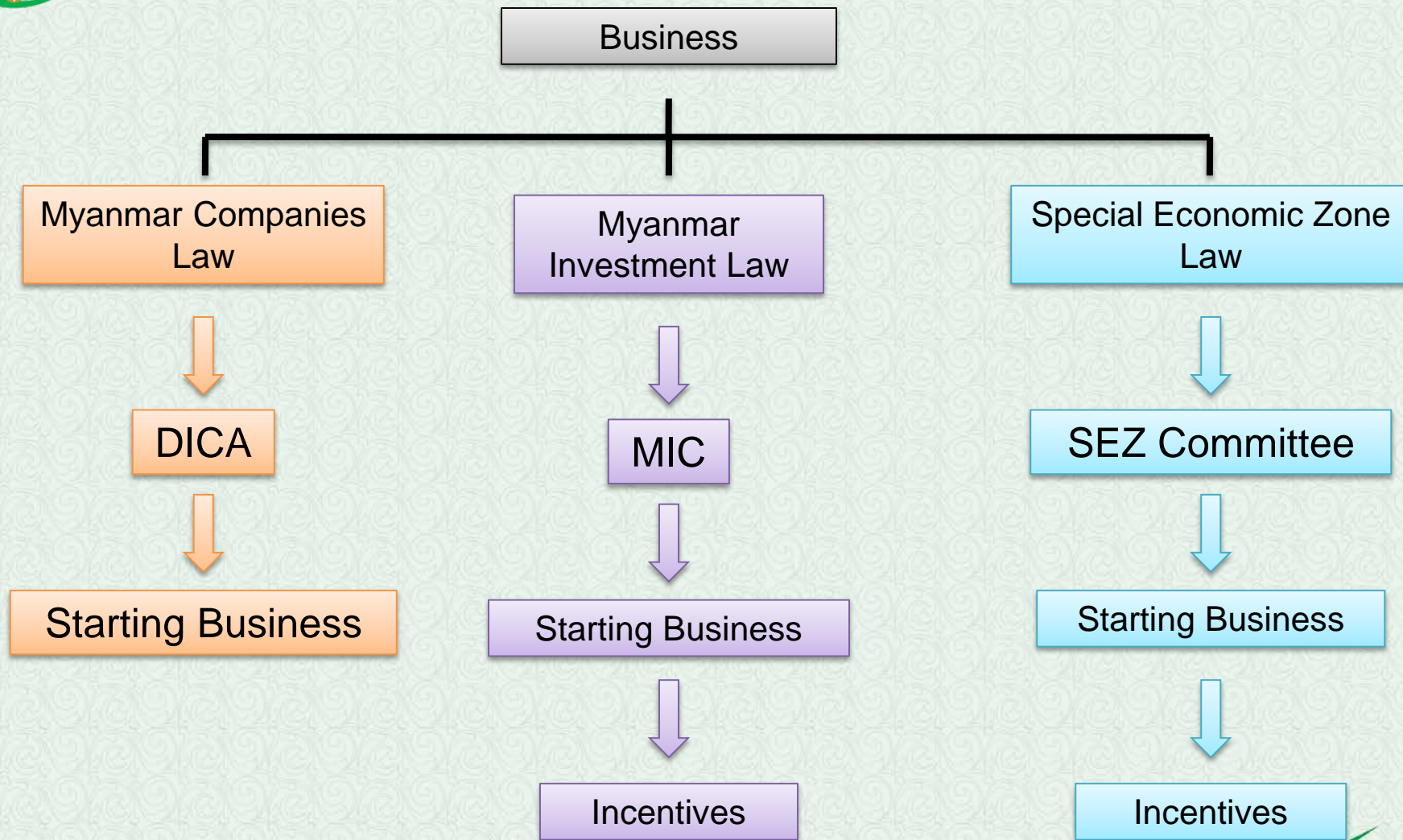
What are MIC & DICA?



- ✓ 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.



Mode of Doing Business





How to Register a New Company in Myanmar



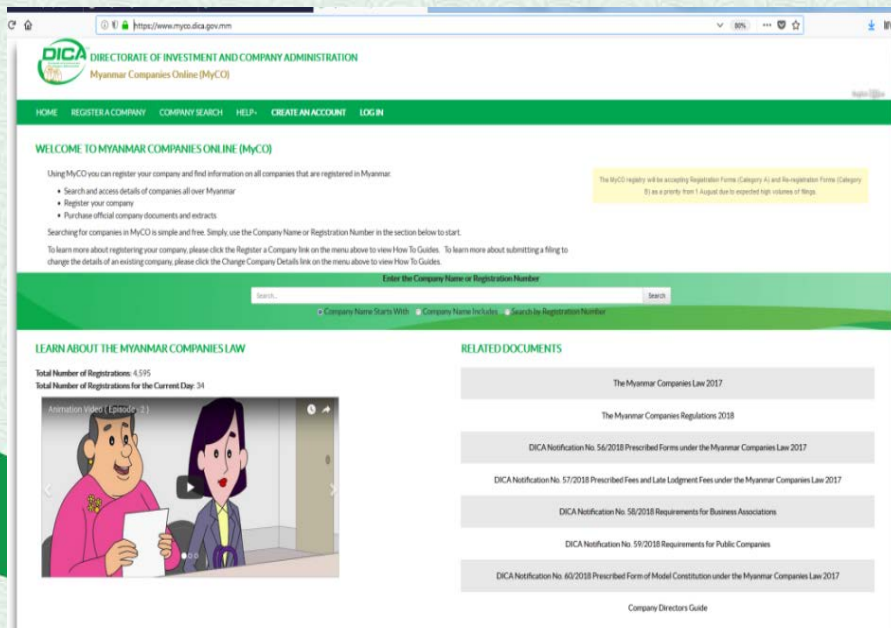
How to Register a New Company in Myanmar



- Myanmar Companies Law
(Launched at 1st August 2018)



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





Submitting Proposal to MIC (Section 36)



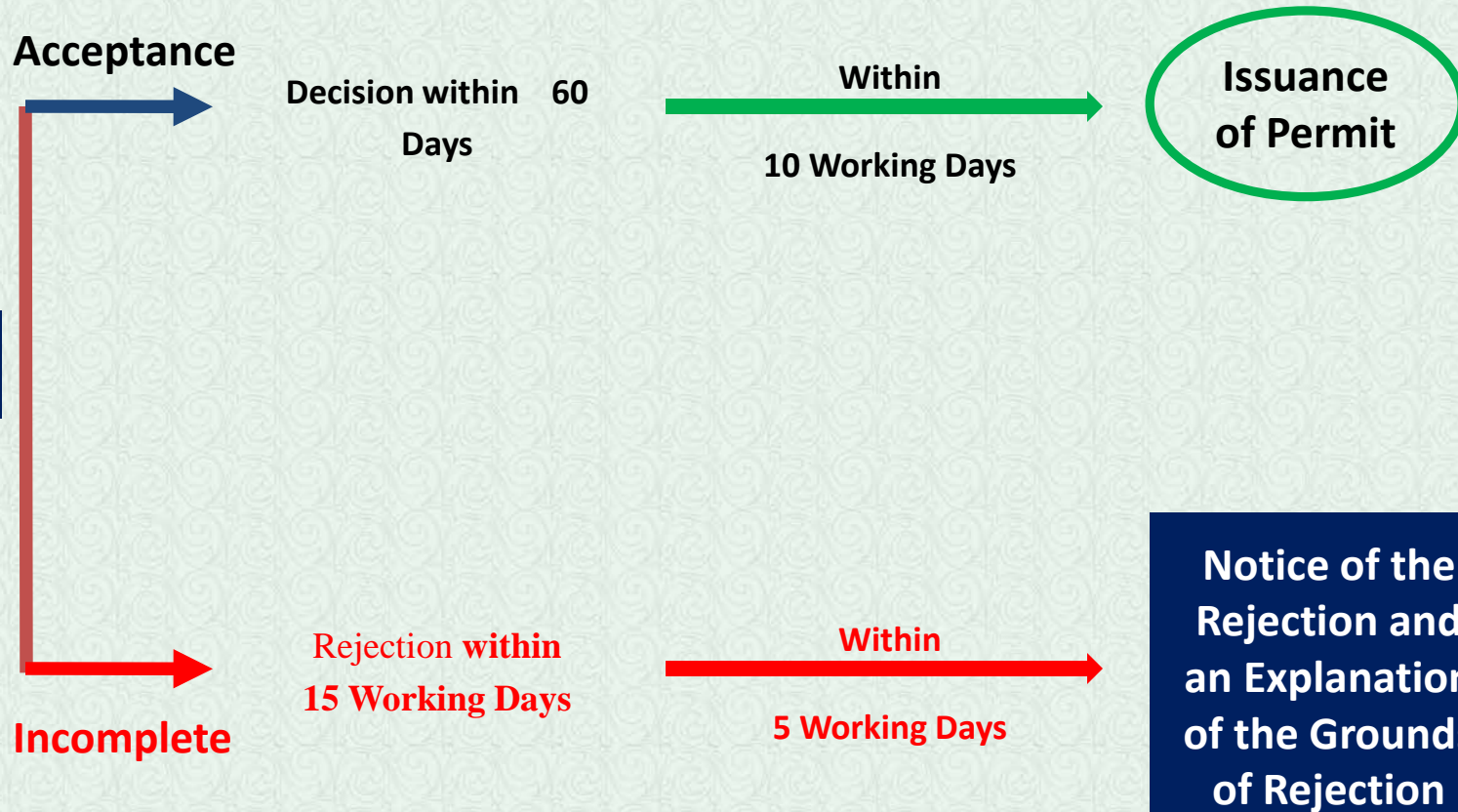
1. Businesses that are strategic for the Union
2. Large capital intensive investment projects
3. Projects which have large potential impact on the environment and the local community
4. Business carried out in the State-owned land and building
5. Businesses which are designated by the government to require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





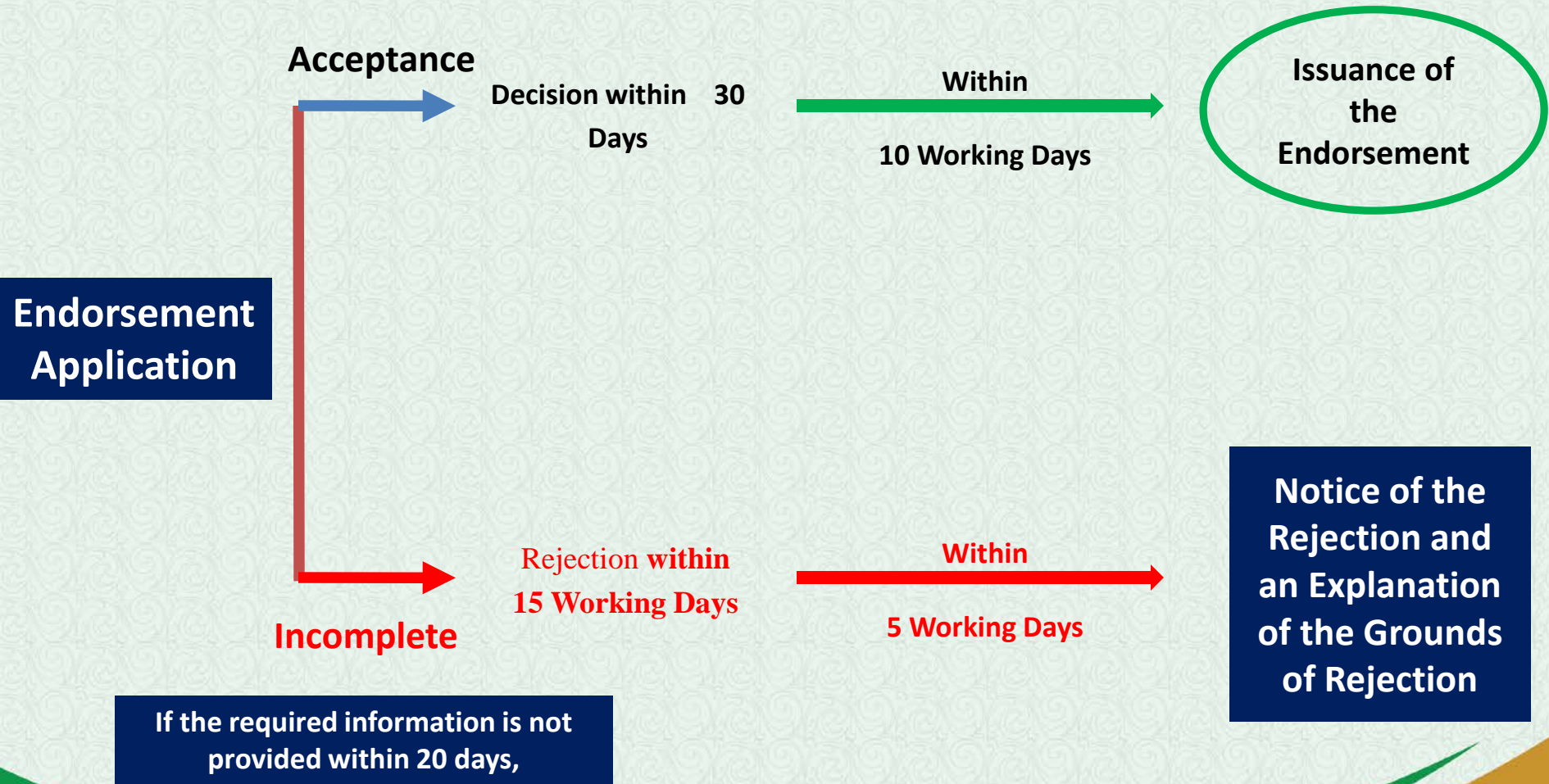
Proposal Submission and Assessment

Proposal Assessment Procedure



Endorsement Application and Assessment

Endorsement Application Assessment Procedure



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



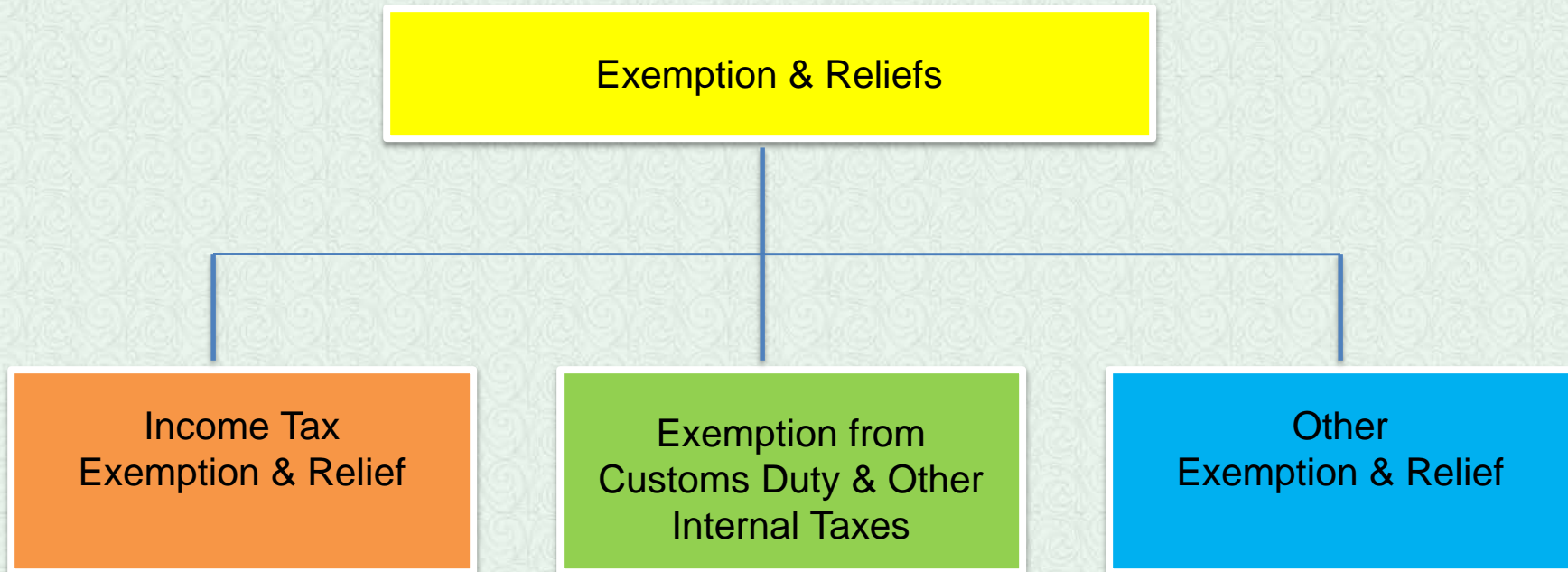
Conditions for expropriation

- ✓ 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

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



Incentives *under Myanmar Investment Law*



Zone(1)

Least- Developed Regions and States
Total 166 Townships



Income Tax Exemption



Seven Years



Zone(2)

Moderately Developed Regions and States
Total 122 Townships



Income Tax Exemption



Five Years



Zone(3)

Developed Regions and States
Total 46 Townships



Income Tax Exemption



Three Years

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**



Education Services



Health Services



**Information
Technology Services**

Promoted Sectors (Notification 13/2017)



Hotel and Tourism

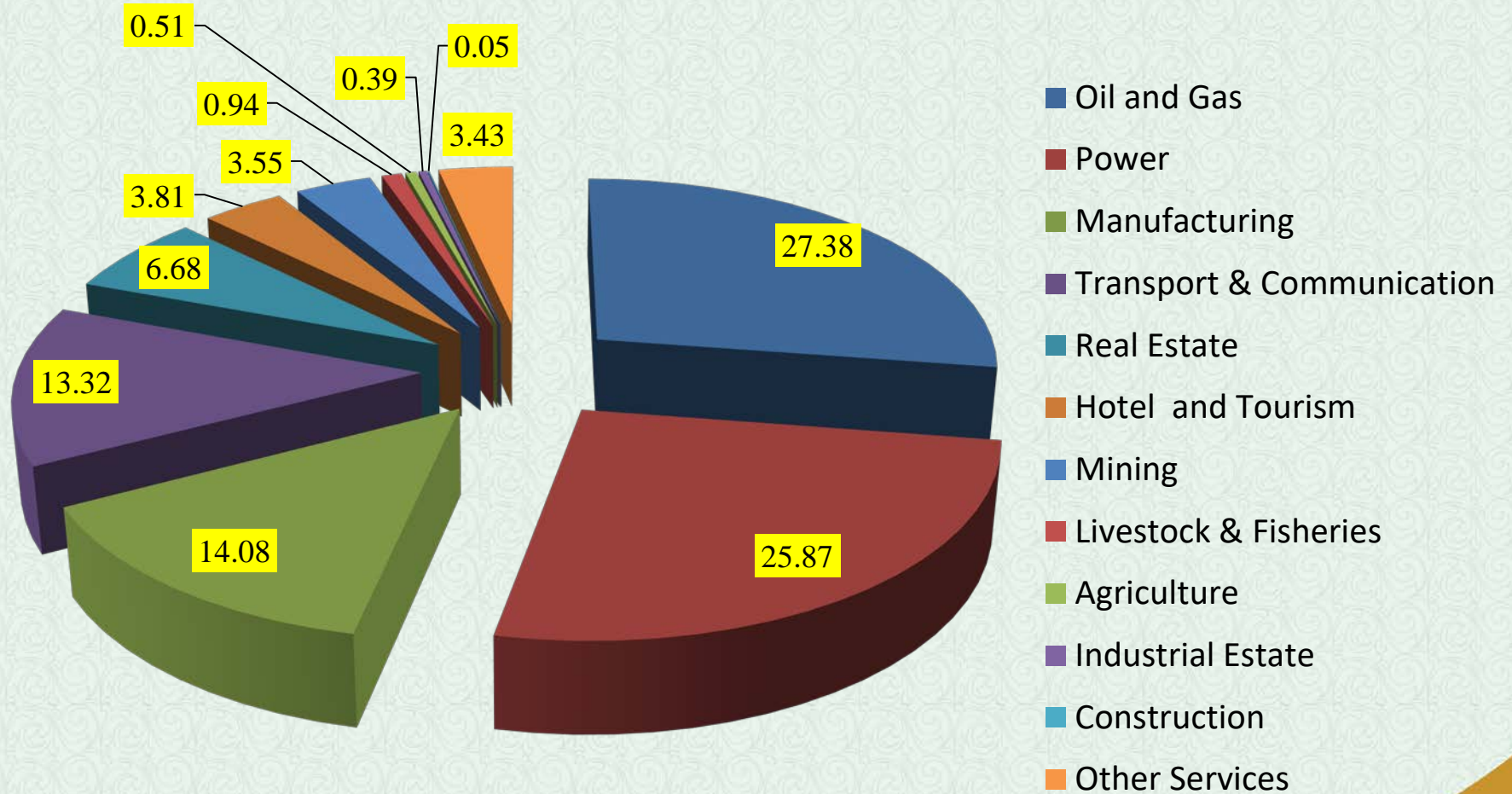
Science Research Development Business



Recent Trends in FDI

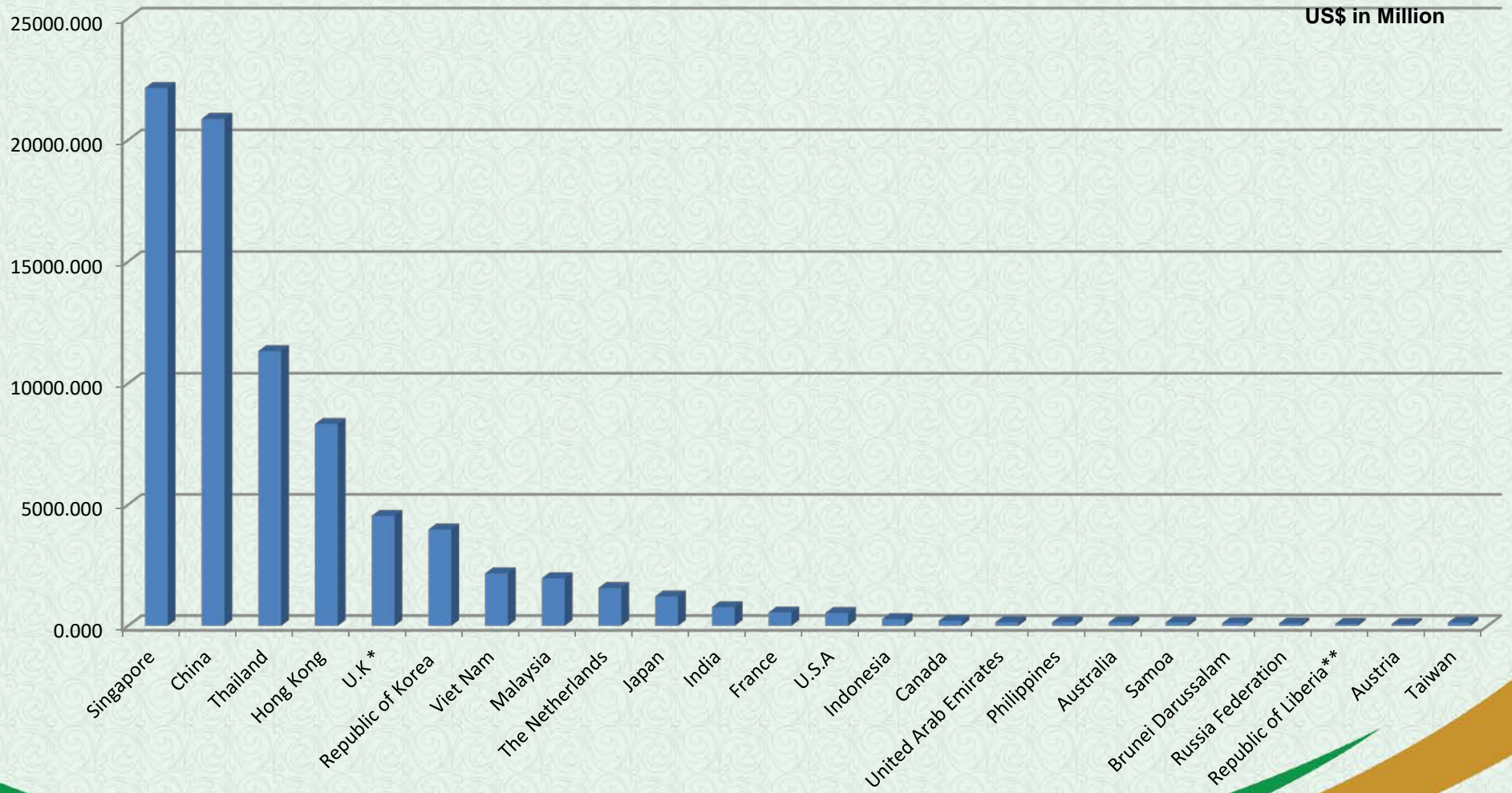
Foreign Investment in Myanmar

(1988-1989 to September, 2019)





Foreign Investment of Permitted Enterprises as of (30-9-2019) (Countries)





Taiwan Investment in Myanmar





“Thank You”

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