



## LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

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**Dear Readers,**

Welcome to a new edition of our newsletter.

### **Import and sale of agricultural machines now open to foreign investment**

After brand new cars, construction materials, hospital equipment, seeds, pesticides and fertilisers, the Ministry of Commerce has now opened the import and sale of agricultural machines to foreign investment.

Please find a translation of MoC Notification 55/2017 here: <https://tinyurl.com/ycwc8dm4>

Foreigners wishing to engage in the import and sale of agricultural machines have to set up a joint venture company with a local joint venture partner. The Ministry of Commerce has set no maximum foreign/local ownership ratio. In line with Rule 22 Myanmar Investment Rules, one might assume that foreigners may not own more than 80% of the joint venture company, but it is probably worth examining if a higher percentage may be possible in practice.

It may be worth noting that with regard to foreign involvement in the trade of construction materials, hospital equipment, seeds, pesticides and fertilisers, the Ministry of Commerce lifted joint venture requirements that originally existed after approx. 1 1/2 years. This may also be in the cards for the trade in agricultural machines, but it is unknown if (and if yes, when) this is going to happen. Investors planning to set up an import business for agricultural machines may therefore wish to act now instead of waiting.

Please do not hesitate to contact us if you are interested in setting up, or upgrading an existing company to, a trading company according to any of the MoC Notifications. It is easy, fairly fast and not expensive.

We hope that you have enjoyed reading our newsletter and found it useful.

Sebastian Pawlita  
Managing Director

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Director