



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 50 - 2nd July 2018

Dear Readers,

Welcome to a new edition of our newsletter.

1. Investing in Myanmar's LPG sector

Myanmar is *the* hot market for LPG at the moment as the government is trying to increase import to make LPG more widely available as a substitute for charcoal, firewood and electricity used for cooking. The government's goal is to provide LPG to 1.5 million households by 2020, and a market analyst forecasts that demand will grow from 20,000 tonnes in 2010 to nearly 140,000 tonnes in 2026.

Against this background, we have outlined the regulatory and tax framework for investments in the LPG sector: <https://tinyurl.com/y9vu4ar4>

2. Obtaining retail and wholesale permits in Myanmar

We would like to ask our readers to download our presentation again as we have corrected a mistake on one slide (the foreign/local shareholding ratio in relation to the minimum initial investment amounts was wrong): <https://tinyurl.com/y8e524zx>

Unfortunately, the Ministry of Commerce seems to be presently drafting an "explanation to which businesses Notification 25/2018 will apply and to which it will not", so we are expecting at least a partial roll-back of the marked access liberalisation. We hope that the foreign business chambers will lobby to prevent this - after all, foreign investment brings in capital, opens new distribution channels to local producers and provides consumers with more products to choose from.

3. Our seminar on the new Companies Law

The new Companies Law will enter into effect on 1 August 2018. It will change a lot of things for the better, but a change for the worse is the new punitive regime of fines for every minute fault. We will hold a seminar **on Saturday, 21 July 2018** with an emphasis on compliance, the new filing system and how to re-register existing companies and branches.

Participants will be presented with our **corporate compliance bible (English and Myanmar)**.

The invitation can be found here: <https://tinyurl.com/yayssobd>. Please send an e-mail to sebastian@lincolnmyanmar.com or nyeinchanzaw@lincolnmyanmar.com in order to register.



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4. Real Estate Broker Bill published

A bill (= draft law submitted to parliament) to regulate the conduct of real estate brokers and their relationship with customers was published on 13 June 2018 (<https://tinyurl.com/ybev8lux>). We will translate it for our premium subscribers if there is interest.

5. Electricity and energy news

- (a) Tenders to be launched to upgrade two oil refineries: <https://tinyurl.com/yd6ekcd5>
- (b) Oil and gas responsible for half of Myanmar's debt (but also its highest revenue generator): <https://tinyurl.com/ybsv382x>
- (c) Petrol produced by state-owned enterprise to be sold directly to consumers through eight outlets to stabilise fuel prices: <https://tinyurl.com/y9lasy86>
- (d) McDermott and Baker Hughes win contract for the second phase of the Shwe gas field development from Posco Daewoo: <https://tinyurl.com/y7vsdonl>

6. Market access and other news

- (a) Thai industrial zone developer Amata eyes Myanmar, Laos for Chinese factories: <https://tinyurl.com/yd4ab5go>
- (b) Kyaukphyu not a Chinese debt trap, says minister (and MIC chairman): <https://tinyurl.com/ybcmabsdj>
- (c) Chinese fiber optic firm HyalRoute to list Myanmar and Cambodian assets in the US: <https://tinyurl.com/y8dmfuz9>
- (d) Government approves seven new express delivery providers: <https://tinyurl.com/y8tfuosd>
- (e) Local media company forms joint venture with NHK: <https://tinyurl.com/yajtnyeji>
- (f) EU and Canada sanction several Myanmar generals: <https://tinyurl.com/yaf5sctg> (while, so far, fresh US sanctions have been held back by the senate majority leader: <https://tinyurl.com/ya87zydq>)



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- (g) **New Yangon Municipal Law passed (does not replace the 2013 YCDC Law):**
<https://tinyurl.com/y9fg2oe3>

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

Sebastian Pawlita
Managing Director

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Director