

LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 70 - 27th April 2020

Dear Readers,

Welcome to a new edition of our newsletter!

1. COVID-19

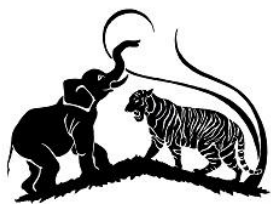
For the masochists who just cannot get enough of it -

- We uploaded English translations of government announcements and other resources [on our homepage](#) (under “Laws in English”) and are updating and expanding this section regularly.
- We dutifully compiled a [legal guide](#) through the disaster, covering:
 - (a) Current restrictions on movement;
 - (b) business operation and employment;
 - (c) suspension, deferral or cancellation of contractual obligations;
 - (e) relief measures and taxation;
 - (f) corporate compliance;
 - (g) banks, microfinance and insurance.
- Among others, the guide covers the recent “**close until you are inspected**” announcement, addressed to all factories, workplaces and establishments, and implications of travel restrictions on the residence requirements under the Myanmar Companies Law.

2. Seven foreign banks enter Myanmar

On 9th April, the Central Bank of Myanmar granted preliminary licenses to the following new entrants:

Sr. no.	Bank	License type
1	Bank of China (Hong Kong)	Branch license
2	Cathay United Bank	Branch license
3	Industrial Bank of Korea	Subsidiary license
4	KB Kookmin Bank	Subsidiary license



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Sr. no.	Bank	License type
5	Korean Development Bank	Branch license
6	Mega International Commercial Bank	Branch license
7	Siam Commercial Bank	Subsidiary license

Furthermore, the Central Bank approved Kasikorn Bank's 35% acquisition of Ayeyarwaddy Farmers Development Bank.

To celebrate, we have prepared a [legal primer for foreign banks](#) on important aspects of the regulatory environment and lending activities.

3. Litigation abroad

The COVID-19 pandemic has left many factories and other businesses in Myanmar in a bind: First, they faced a shortage of raw materials from China. Now, China's economy is recovering - but customers from the United States and Europe are cancelling orders.

In our [primer on litigation abroad](#), we set out ways for Myanmar businesses to recoup damages from defaulting foreign business partners.

4. Labour law seminar materials

We uploaded two presentations that we held at a workshop in Singapore in February:

- [Working in Myanmar: What foreigners need to know before making the move](#)
- [Guidelines for efficient registration of foreign employees](#)

5. Myanmar Insolvency Law enacted

We understand that the new [Myanmar Insolvency Law](#), enacted on 14th February 2020, entered into force on 25th March 2020. Norton Rose Fulbright, a law firm heavily involved in the drafting process, published [a summary](#) (with a dose of house advertising).

6. Yangon Stock Exchange

Share trading by resident and non-resident foreigners at the YSX started on 20th March 2020, but interest so far [has been minimal](#) (scroll down to "Foreign Shareholding Status").



7. Electricity and energy news

- (a) [Households exempt from the first 150 units of electricity in April](#) and [power bill payment deadline extended](#)
- (b) [Emergency power consortium may avoid fines despite missing deadlines...](#) (absolutely worth reading)
- (c) [...but power cuts “unlikely”](#)
- (d) [Puma’s jet fuel debacle](#) (absolutely worth reading - valuable lessons!)
- (e) [Toshiba ESS wins contract on Sedawgyi rehabilitation project](#)
- (f) [Government “considering a number of renewable energy proposals”](#)

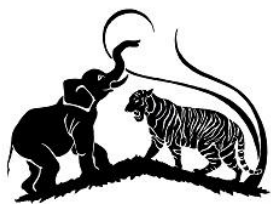
8. Market access and other news

- (a) Government apparently planning stimulus measures worth several hundred million USD, [but not much has leaked out yet](#)
- (b) [EU sets up EUR 5 million emergency fund for Myanmar garment workers impacted by COVID-19](#) (Somewhat at odds with all the talk about withdrawing preferential customs treatment, but a nice gesture.)
- (c) [Japan to fund Yangon-Mandalay railway improvement and power plant in Thilawa with JPY 47 billion](#)
- (d) [MIC to accelerate approvals for labour-intensive, healthcare investments](#)
- (e) [Myanmar Investments agrees to sell microfinance firm MFIL to Thailand’s Thitikorn](#)
- (f) [Ambassador: China committed to investing in Myanmar despite COVID-19 pandemic](#)
- (g) [Mandalay Industrial Zone sees expansion, investment link](#)

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

Sebastian Pawlita
Managing Director

Nyein Chan Zaw
Director



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About Lincoln Legal Services (Myanmar) Limited

Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

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