



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 99 - 1 November 2022

Dear Readers,

Welcome to a new edition of our newsletter.

SAC orders new Registration of Associations Law

As you are probably aware, the SAC enacted a new Registration of Associations Law on 28 October 2022 (please find an [English translation](#) on our homepage).

This law is important for all INGOs, NGOs and other not-for-profit organisations. Please find below a summary of the most important changes.

1. Existing INGOs and local associations expected to (re-) register

- **Existing associations** (INGOs and local associations) **with a registration certificate** issued under the old Registration of Associations Law (Pyidaungsu Hluttaw Law No. 31/2014) may continue to operate until their registration certificate expires. If they wish to continue operating thereafter, they are supposed to “**reapply**” (which might mean that they will have to go through the full application process) for a registration certificate.
- **Unregistered associations** are given 60 days to apply for a registration certificate after the enactment of the SAC’s new law - according to our calculation, this means that they will have to make up their mind, and possibly file, **by 27 December 2022 at the latest**.

2. INGO specific provisions

- 40% of the board members of the Myanmar operation of an INGO must be Myanmar nationals.
- List of what to provide when applying for INGO registration now appears to be significantly longer (among others, recommendations from the Ministry of Investment and Foreign Economic Relations and the Ministry of Immigration and Manpower required)
- Increase of the registration fees: Now MMK 500,000 (previously MMK 100,000).
- Increase (presumably) of the renewal fees: Now MMK 300,000 (previously unspecified).

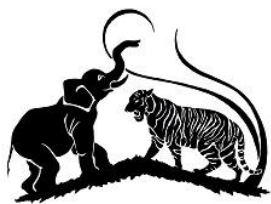


3. New provisions specific to local associations

- Increase of the registration fees: Now MMK 100,000, 50,000, or 30,000 (previously, MMK 100,000, 30,000, or 0).
- Increase of the renewal fees: Now MMK 100,000, 50,000, 30,000 or 10,000 (previously MMK 0).

4. Other new provisions applying both to INGOs and local associations

- Change of the official registration timeline: 21 days from the filing of the application until issuance of a temporary registration certificate (previously, 7 days); 30 days from the “decision to grant the certificate” until its issuance (previously, 30, 60 or 90 days from the filing of the application).
- Remedies against rejections tightened: There is now one appeal against a rejection, to be filed within 30 days; if the appeal is unsuccessful, the association is barred from filing an application anywhere in the country again. Previously, the law allowed for unsuccessful applications to be improved and filed again, without deadline.
- Applications for renewal of registration certificates must now be filed 90 days prior to expiry (previously, 30 days). An (unspecified) penalty applies if the application for renewal is filed later than 90 days before to expiry. If the association misses the expiry date, it now has to file a completely new application for registration.
- Annual report now to be filed within 60 days after the end of the calendar year (we understand that previously, the deadline was 20 December each year) with the respective registration board and the line ministry, the report must be audited by a Myanmar CPA in case of INGOs and bigger local associations.
- Quarterly reports to be filed with the Township General Administration Department (this requirement seems to be completely new).
- Specific obligation to submit to inspections by any government authority that might be concerned.



5. New: Administrative action

The SAC's new law for the first time provides for a list of "administrative orders" to which an association (INGO and local association) may be subjected if it does not comply with its obligations listed in the law.

These administrative orders are warning; limiting the activities of the association for a specified period of time; temporary suspension of the registration certificate for a specified period of time; revocation of the registration certificate.

An association "interfering in the internal affairs or politics of Myanmar" shall have its registration certificate revoked.

6. New: Criminal penalties

The SAC's new law now provides for criminal penalties, as follows:

Sr.	Offence	Penalty
1	Establishing and operating an association without registration certificate	Imprisonment up to 3 years or fine up to MMK 1,000,000
2	Continuing to operate an association after the expiry or revocation of its registration certificate	Fine up to MMK 500,000. If not paid, imprisonment up to 2 years
3	Participating in, promoting, or passing off as real an association without a registration certificate	
4	Using the name of a registered association to preach, organise or persuade for a political party or for a religion or for any interest beyond carrying out social and academic development work for the common interest of the association's members	Imprisonment up to 3 years or fine or both for the officer of the association who committed the offence
5	As a registered association, obtaining, transferring, using or contributing any money, goods or assistance by illegal means, or obscuring or concealing any such activity	
6	Directly or indirectly contacting or supporting any of the following organisations or individuals: <ul style="list-style-type: none">- Organisations and individuals having taken up arms against the state;- organisations and individuals designated by the state as committing acts of terrorism;- unlawful associations and their members	Imprisonment up to 5 years or fine up to MMK 5,000,000 or both for the officer of the association who committed the offence; liquidation of the association and confiscation of its assets
7	Directly or indirectly harming the sovereignty, law and order, security, and ethnic unity of the state	



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We hope that you have found this information useful.

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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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