



**Dear Readers,**

Welcome to a new edition of our newsletter.

### **1. New Private Education Law**

The SAC issued a new Private Education Law on 12 May 2023, repealing the 2011 Private School Registration Law. Please contact us if you wish to receive an English translation (for a fee).

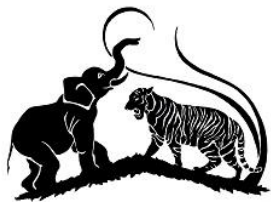
The following schools and each of their branches have to be registered, irrespective of whether they operate for profit or not for profit: (i) independent or private basic education school; (ii) independent or private technical and vocational education and training school; (iii) independent or private higher education school; and (iv) any independent or private school designated by the SAC's Ministry of Education from time to time.

A person wishing to establish an independent or private school shall apply for its registration to the relevant regional supervisory board to be newly set up. In addition, it may be necessary to obtain a permit or endorsement from the Myanmar Investment Commission or the Investment Committee of a Region or State or permission according to other "relevant laws". An independent or private school may form a joint venture with a public school or other types of schools that are not public schools, or cooperate with the latter in any other way, in accordance with the requirements of the relevant ministry or government organisation.

The registration criteria will be set by a new supervisory board to be set up by the SAC's Ministry of Education. This new supervisory board is also responsible for approving the registration of independent or private higher education schools, independent or private schools teaching an international curriculum, and independent or private schools that employ foreign private teachers.

Generally speaking, the applicant for a private school registration has to fulfill the basic requirements set by the Ministry of Education or other relevant ministry and submit the permission to establish the school according to the Myanmar Investment Law or other relevant law, evidence of the ownership or lease of the school premises, the curriculum and a plan how to teach it, evidence that the dormitories (if any) are in compliance with the standards prescribed by the supervisory board, evidence that the campus and classrooms are in good shape, an emergency health care programme, and school safety and fire prevention programmes.

The school registration is valid for 5 years and may be renewed. Schools established prior to 12 May 2023 shall register within 1 year (i.e., until 11 May 2024).



The Private Education Law introduces the requirement for teachers (also foreign teachers) at independent or private schools to register. The registration is valid for 3 years and may be renewed.

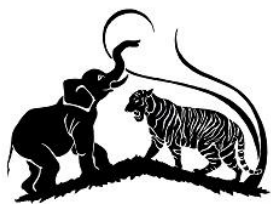
### 2. **New exporter/importer registration order**

The Ministry of Commerce issued a new exporter/importer registration order ([English translation](#)) on 10 May 2023, repealing Export/Import Newsletter 6/2018. The main differences seem to be as follows:

- As previously, companies and cooperative societies may apply for an exporter/importer registration “for trading”, and a new registration category “for non-trading purposes” has been introduced for “government departments and organisations, state-owned enterprises, associations registered with the relevant departments, and religious figures and diplomats”;
- the Department of Trade is apparently supposed to do a ground check prior to registration;
- the order contains extensive provisions on the suspension and cancellation of the registration.

### 3. **Central Bank**

- As reported in a previous newsletter, the CBM issued Directive 2/2023 ([English translation](#)) on 25 January 2023 on how to pay taxes in foreign currency. The Medium Taxpayers Office 2 (and presumably other tax offices as well) issued instructions on 4 May 2023 ([English translation](#)) to their taxpayers mirroring this directive.
- According to CBM Notification 36/2022 ([English translation](#)) dated 5 August 2022, exporters have to convert 65% of their repatriated export earnings to MMK at the Central Bank rate and may sell at the market rate or use the remaining 35% themselves. In a letter dated 18 April 2023 ([English translation](#)), the CBM specifies how to deal with old cases: Export earnings from export declarations made before 3 April 2022 may in their full amount be sold at the market rate or used, and export earnings from export declarations made between 4 April and 4 August 2022 have to be split 65%/35% as per CBM Notification 36/2022.



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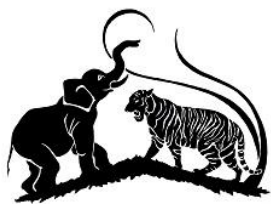
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- As reported in a previous newsletter, the CBM issued standard operating procedures on 25 April 2023 ([English translation](#)) for verifying whether entrepreneurs, companies, organisations and individuals paid taxes due to the state when remitting more than USD 10,000. The Internal Revenue Department followed up on 11 May 2023 with a list of documents that taxpayers have to submit to the bank in this process ([English translation](#)).
- A legal and tax advisory firm reports that on 27 April 2023 (this letter is not in the public domain), the CBM instructed banks to disallow UN agencies and INGOs access to their bank accounts if their memorandum of understanding expired and they cannot present a recommendation letter from the relevant ministry stating that the memorandum of understanding is in the process of being renewed.
- On 2 May 2023, the CBM increased the minimum reserve ratio to be kept by banks in MMK from 3% to 3.5% ([English translation](#)).

We hope that you have found this information 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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