



# LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 130 - 3 October 2023

**Dear Readers,**

Welcome to a new edition of our newsletter.

**1. E-commerce business registration has started**

The website to register e-commerce businesses went live on 2 October 2023 (<https://ecomreg.gov.mm/>). The registration fees still have not been announced. Businesses (individuals and companies) may register until 31 December 2023 without paying a registration fee (only an online service charge of MMK 3,000 has to be paid). This initial registration is valid for 6 months. After the first renewal, the term of validity is 2 years.

Registration is mandatory for businesses “providing and selling goods or services through an online system.” According to the Ministry of Commerce under the SAC, “those found to be engaging in an online sales business without a registration certificate will be prosecuted according to section 5 Essential Supplies and Services Law” starting 6 months from the date of notification 50/2023, i.e., starting from 21 January 2024.

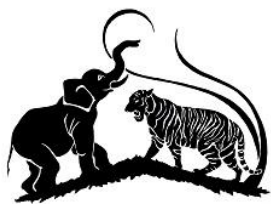
Judging by the “user guides” published on the website, there are some differences in comparison to the requirements set forth in the Online Sales Business Registration Order. E.g., companies have to upload details of one of their directors (who may be a Myanmar national or a foreigner) and provide evidence of his or her address with a ward recommendation letter.

**2. Most company information no longer publicly accessible**

Already last year, the Directorate of Investment and Company Administration (DICA) disabled the function to purchase the “company extract” (i.e., information such as shareholders and capital) of third-party companies from its online registry at [myco.dica.gov.mm](http://myco.dica.gov.mm). Additionally, since last week, most of the company information that still had been accessible to anybody (in particular the names of a company’s directors, its address and its filing history) has disappeared from the website.

**3. Registration of SIM cards**

Even before the military take-over, the Ministry of Transport and Communications regularly exhorted users to properly register their SIM cards, saying that SIM cards without registration would be deactivated. We furthermore understand that the Ministry of Transport and Communications imposed substantial administrative fines on all four telecom operators at least



twice, both before and after the military take-over, for having failed to ensure the registration of their SIM cards.

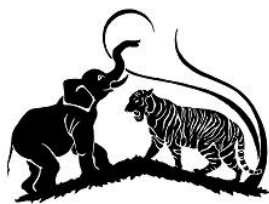
On 25 September 2023, the Ministry of Transport and Communications under the SAC for the first time (to the extent that we are aware of) threatened sellers and transferors of unregistered or improperly registered SIM cards with imprisonment (up to 6 months) and criminal fines. Please find an English translation of the notification below.

**Government of the Republic of the Union of Myanmar  
Ministry of Transport and Communications  
Notification No. 18/2023  
1385, 11<sup>th</sup> Waxing Daw of Tawthalin  
(25 September 2023)**

**Systematic registration of SIM cards when selling them and systematic re-registration of SIM cards when transferring them**

The Ministry of Transport and Communications has issued this notification in exercise of the powers conferred by section 88(b) Telecommunications Law.

1. The Ministry of Transport and Communications has, in order to protect users who are using mobile communication services correctly, already issued orders and directives to be complied with when SIM cards are sold by mobile network operators, aimed at preventing fraud and assisting in the investigation of criminals in relation to financial services businesses and e-commerce businesses based on mobile communication systems.
2. However, it has been found that mobile SIM cards continue to be sold in SIM card shops, points of sales (POS) of mobile network operators, and mobile hand set shops, as well as in markets and street stalls and online without being registered in accordance with the directives. In relation to financial services and other online services that are purchased and used by the public and that are connected to unregistered SIM cards, fraud may occur, and in addition there are difficulties in conducting investigations in accordance with the law in order to combat crime, because SIM cards can be purchased and used without proper registration. In addition, as more crimes, terrorist activities and intimidation are being committed



over the telecommunication network, the stability of the Union and law and order are affected. Therefore, in relation to the systematic registration of SIM cards when selling them, not only mobile network operators and the sales representatives and shops that have concluded official contracts with them, but anyone including the general public need to be cognisant and compliant.

3. Therefore, in relation to the sale of SIM cards, the following shall be complied with:
  - (a) Shops of mobile network operators and sales representatives and points of sale that have signed an official contract with mobile network operators may sell only after registering in accordance with the directives on customer registration. Newly issued SIM cards and existing SIM cards shall be valid when being sold.
  - (b) Nobody may sell SIM cards which are not registered or fraudulently registered or which are not registered in accordance with the customer registration directives.
4. Anyone transferring a SIM card registered accordance with the customer registration directives shall re-register it in accordance with the customer registration directives with correct information of the user.
5. Anyone convicted of having violated any provisions of paras. 3 and 4 shall be punished according to section 72 Telecommunications Law.

**Ministry of Transport and Communications**

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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