



Dear Readers,

Welcome to a new edition of our newsletter.

1. Men temporarily banned from working abroad

Today's press carried the following piece of news. No official announcement has been made yet. We will update our readers if and when new details emerge.

"Ministry of Labour informed that job invitations from abroad for Myanmar men have been temporarily suspended

U Nyunt Win, Permanent Secretary of the Ministry of Labour, told NP News that starting from 1st May this month, job invitations for Myanmar men from abroad have been temporarily suspended.

The right of Myanmar men to go abroad to work has reportedly been suspended as required by circumstances.

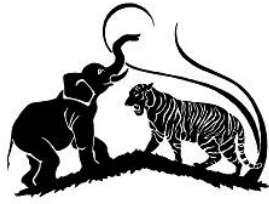
Permanent Secretary U Nyunt Win said: "It is a temporary suspension. If a demand is submitted and it is a demand for a man, it will not be allowed for the time being. It will not be allowed currently. This is all. We are suspending [the programme] because circumstances require it. This is a programme based on need. If necessary at some point, we will reopen it. So, what I want to say is that there is no need to exaggerate the significance. At the moment, I think that everyone will understand that it is a temporary suspension because this is needed. This is all that I want to say."

Recently, the majority of Myanmar workers have gone to Thailand to work. Malaysia comes second place.

The Permanent Secretary of the Ministry of Labour added: "Thailand is the most popular destination for workers. Malaysia comes second, then Japan, and then Korea."

After the SAC government some months ago issued an order to render the National Service Law effective, it has been observed that local young people are more prepared to leave and work abroad.

In addition, some young people who received summonses according to the National Service law are heard to have also left for Thailand illegally."



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2. Increase of the minimum reserve requirement ratio and the interest rate on excess reserve

The Central Bank under the State Administration Council (“SAC”) on 30 April 2024 increased the minimum reserve requirement ratio to be kept in MMK from 3.5% to 3.75% and the interest rate on excess reserve from 3.60% to 3.80%.

CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

**Republic of the Union of Myanmar
Central Bank of Myanmar**

Date: 30 April 2024

Directive No. 4/2024

Subject: Setting the minimum reserve requirement ratio that banks must maintain in MMK and the interest on excess reserve (IOER)

Reference: (1) Central Bank of Myanmar Directive No. 9/2023 dated 5 April 2023
(2) Central Bank of Myanmar Memorandum dated 5 April 2023

1. The Central Bank of Myanmar issued the directive referenced in (1) which sets a minimum reserve requirement ratio of 3.5% that banks must maintain in MMK, composed of 3% that banks must maintain as current account balance (CAB) with the Central Bank and 0.5% to be maintained as cash at bank, and the memorandum referenced in (2) which sets the interest rate on excess reserve at 3.6%.
2. The Central Bank of Myanmar has increased the minimum reserve requirement ratio that banks must maintain in MMK from 3.5% to 3.75% to prudently control the increase of the money in circulation and the increase of the inflation rate. State-owned banks, private banks and branches of foreign banks shall maintain, out of these 3.75%, 3% as current account balance (CAB) with the Central Bank and 0.75% as cash at bank.
3. In order to further improve the liquidity of banks and enable banks to earn more



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interest income, the interest rate on the average excess reserve will be set at 3.80%. When paying interest, interest will only be paid to banks with an average excess reserve amount of at least MMK 7 billion and above, and up to MMK 50 billion will be allowed as average excess reserve.

4. The adjustment of the minimum reserve requirement ratio that banks must maintain in MMK and the adjustment of the interest rate on the average excess reserve will come into effect starting from 3 May 2024.

On behalf of the Governor
Dr. Lin Aung, Deputy Governor

Distribution list: *[Omitted.]*

3. Nuclear power committees established

The Myanmar Gazette edition dated 26 April 2024 published SAC Notification No. 56/2024 dated 12 March 2024 which establishes a “National Nuclear Power Implementation Steering Committee” and Notification No. 57/2024 of the same date which establishes a “Nuclear Power Programme Implementation Working Committee”.

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:

■ Sebastian Pawlita, Managing Director

Phone: +95-9-262546284 (English)

E-Mail: sebastian@lincolnmyanmar.com

■ Nyein Chan Zaw, Director

Phone: +95-9-790488268 (Burmese)

E-Mail: nyeinchanzaw@lincolnmyanmar.com

Office address: No. 35 (D), Inya Myaing Road, Golden Valley, Bahan Township, Yangon Region

Web: www.lincolnmyanmar.com