LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 201 - 31 July 2025

Dear Readers,

Welcome to a new edition of our newsletter.

1. Cybersecurity Law in force

State-owned The Global New Light of Myanmar reported on 31 July 2025 that the State Administration Council ("SAC") put its Cybersecurity Law (English translation) into force with effect from 30 July 2025 by virtue of Notification 113/2025.

(a) Use of VPNs

The law provides that "anyone wishing to establish a VPN or provide VPN services within the national cyberspace shall obtain permission as prescribed from the Ministry".

The penalty for non-compliance is imprisonment from 1-6 months, a fine from MMK 1,000,00-10,000,00 or both. If the offender is a company or organisation, such company or organisation shall be punished with a fine of not less than MMK 10,000,000 (we suppose in addition to the penalty imposed on the individual offender). Furthermore, the evidence relating to the case shall be confiscated.

What the law means by "establishing a VPN" is controversial. Some seem to say that the law only penalises VPN service providers that establish a VPN or provide VPN services without permission, and that individuals and entities are not restricted from using VPNs.

We are not so sure if this view is correct as the wording of the law does not seem to make such a distinction. Furthermore, instructions abound on the internet how to "establish a VPN" (example from one of our seminars) which direct users to (i) choose a provider, (ii) download the provider's app and (iii) click on the "Connect" button. We therefore think that being found with a VPN app on a device entails the risk of prosecution under the SAC's Cybersecurity Law, unless the app is from a permitted local provider.

Some Myanmar entrepreneurs and internet service providers are reportedly planning to offer VPN services.

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(b) Ministry in charge

As of the time of writing this newsletter, the "ministry implementing the matters under this law" (such as permitting the establishment of a VPN) does not seem to have been determined yet.

(c) Other provisions

- The law claims to apply to Myanmar citizens residing abroad who commit an offence punishable under this law.
- Digital platform service providers with 100,000 or more users are required to register. Any digital platform service provider whose platform is accessible in the country is obliged to be able to identify the originator of posts that are deemed undesirable and to retain customer and access data for 3 years.
- Cybersecurity service providers require a license, and cybersecurity groups (nonprofits providing cybersecurity services) require permission.
- The law contains provision against "cyber abuse", other conduct related to cyber resources that is deemed undesirable, and online gambling.

2. Law on the Protection of the Multi-Party Democratic General Elections from Obstruction and Sabotage

The Global New Light of Myanmar also <u>reported</u> on 31 July 2025 that elections would be held "in December 2025".

On 29 July 2025, the SAC decreed a Law on the Protection of the Multi-Party Democratic General Elections from Obstruction and Sabotage (<u>Burmese</u>) which contains penalties ranging from 3 years imprisonment to the death penalty. Among others, it prohibits any one from "in any way speaking publicly, speaking, inciting, protesting, or distributing written material to undermine the multi-party democratic general election process or any part of it"; the penalty on conviction is imprisonment from 3-7 years.

This is (another) reminder that companies and organisations should remind their employees and, in particular, foreigners flown in on short-term assignments to be careful with what they post on social media. There have been instances where vigilantes on Telegram uncovered and published the identity of the originators of critical posts made by foreign employees in English and other



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foreign languages, linking the posters to their employers and calling on the authorities under the SAC to take action.

We hope that you have found this information useful.

Sebastian Pawlita Managing Director

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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