



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

Dear Readers,

Welcome to a new edition of our newsletter.

1. Important new legal framework for big construction projects, construction companies and related service providers, and manufacturers, importers and distributors of construction materials

On 4 February 2026, the National Defence and Security Council (“**NDSC**”) decreed the Construction Sector Development Law (NDSC Law 5/2026) which introduces

- a new layer of approvals required for big construction projects;
- new registration certificates required by builders (contractors), consultants and consulting firms, project management firms, quality inspection firms, and third-party inspection organisations; and
- a prohibition to manufacture, import, distribute, and sell construction materials without a quality certificate.

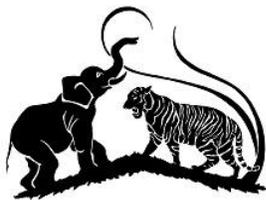
The law is not yet being implemented as it will only enter into force by notification of the President. However, this is an important space to watch as the new law introduces hefty new penalties for non-compliance.

The new law provides for the establishment of a Construction Sector Development Central Committee and Regional Committees, Steering Committees, expert supervisory and inspection teams, and a Registration Certificate Scrutiny and Issuance Working Committee, as well as for the designation of a Ministry and a Department responsible for the implementation of the law. We understand that all this has not happened yet.

(a) New layer of approvals for big construction projects

Various approvals are already required at the municipal and regional level for big construction projects which the project owner must obtain as part of the building permit application procedure.

Furthermore, municipal building authorities (e.g., the Yangon City Development Committee “**YCDC**”) send the design of buildings with more than 12 floors to the (nationwide) High-Rise and Public Building Projects Committee for scrutiny and may also



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

have the design of smaller buildings reviewed by specialised authorities (e.g., in the YCDC area, YCDC's Development Area Permit Section scrutinises the design of buildings with 9 to 12 floors).

The NDSC's new law introduces new review processes which we suppose are added to all the review processes that exist already. Accordingly, municipal building authorities must, once the new law is in force, send a building permit application also -

- to the Regional Committee for approval if a person wishes to construct a private sector project involving buildings with 9 to 12 floors or a height of 100 to 140 feet, religious buildings from 40 to 68 feet in height, or public buildings (offices, schools, markets, etc.) with an area of 10,000 to 12,000 square feet;
- through the Regional Committee to the Central Committee for scrutiny by the relevant Steering Committee and approval if a person wishes to construct a private sector project involving buildings above 12 floors or exceeding 140 feet in height, religious buildings exceeding 68 feet in height, 12-floor buildings including a basement, public buildings below 12 floors with an area exceeding 12,000 square feet that are used by 500 or more persons, buildings posing hazards to the public, or storage facilities for toxic or explosive substances.

Constructing a building without the necessary approval from the Regional Committee or Central Committee is punishable with imprisonment of up to 5 years, a fine of up to 30% of the value of the building completed without approval, or both.

(b) New registration certificates

The new law requires builders (contractors), consultants and consulting firms, project management firms, quality inspection firms, and third-party inspection organisations to apply to the Department for a registration certificate. The certificates are issued by the Registration Certificate Scrutiny and Issuance Working Committee. The term of validity and the fees are not specified. An application for renewal must be filed 60 days before expiry.

Operating without a registration certificate is punishable with imprisonment of up to 3 years, a fine of up to MMK 5,000,000, or both.



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

Holders of a registration certificates are subject to the supervision and control of the Department which may issue a warning, impose a fine, or suspend the registration certificate for a specified period of time.

It should be noted that service providers in the construction sector may additionally require specific municipal or regional licences. E.g., construction companies in the YCDC area need a director with a YCDC contractor's licence which requires the director to own real estate worth at least MMK 150,000,000.

(aa) Builders (contractors)

As a matter of administrative practice, the Ministry of Construction currently requires construction companies to register with a "contractor registration working committee". Whether this registration will still be required once the new law is implemented remains to be seen.

At least one person in the company must have a certificate as registered engineer or registered senior engineer in the relevant field of work from the Myanmar Engineering Council, and at least one person must be a site supervisor in the relevant field of work.

(bb) Consultants or consulting firms

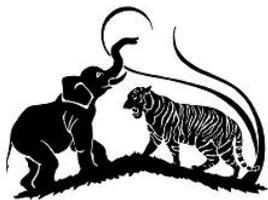
Individuals wishing to provide technical consultancy and advisory services to manage the construction process must be registered engineers in construction or in structural design.

Consulting firms must have at least one registered engineer in construction or in structural design depending on the field of work, and additionally for each other field of work at least one registered engineer or registered senior engineer for this specific field of work.

Registered engineers and senior engineers must have at least 5 years of work experience with this qualification.

(cc) Project management firms

A project management firm is a company or organisation that prepares plans, provides supervision during construction, and analyses post-construction phases



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

to enable the builder (contractor) to deploy any type of construction-related services.

The firm must have at least one registered engineer in construction, and for each other field of work at least one registered senior engineer.

(dd) Quality inspection firms

A quality inspection firm is a company or organisation that checks whether providers of construction-related services stick to the design specifications, and whether construction is carried out according to the Myanmar Building Code, relevant construction industry standards, and construction procedures.

The firm must have at least one registered engineer in construction or in structural design depending on the field of work, for each other field of work at least one registered engineer and one registered senior engineer, and at least three registered engineers with experience in quality inspection for on-site inspections.

(ee) Third-party inspection organisations

Third-party inspection organisations are companies and organisations that are unaffiliated with the project owner, builder (contractor), consultant or consulting firm, quality inspection firm, or relevant authority.

Inspection by a third-party organisation is compulsory for major national-level infrastructure construction projects funded by the State budget, and other projects that must be approved by the Central Committee (private sector project involving buildings above 12 floors or exceeding 140 feet in height, etc.).

The firm must have at least one registered engineer in construction and in structural design, and for each other field of work a registered engineer or senior engineer and a licenced architect or senior architect.

(c) Quality certificates for construction materials

A quality certificate is a certificate issued according to the Standardisation Law.

Anybody wishing to obtain a quality certificate for imported or domestically manufactured construction materials must, once the new law is in force, apply to the



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

Department with documentation, samples, and proof of payment of the testing fee. The Department will then send the samples to an accredited laboratory for testing.

The manufacture, import, distribution or sale of construction materials that do not have a quality certificate is punishable with imprisonment of up to 5 years, a fine of up to MMK 50,000,000, or both. The offending materials may also be confiscated.

(d) Penalties

Apart from the penalties already mentioned above, the new law furthermore provides for significant criminal penalties for the following acts:

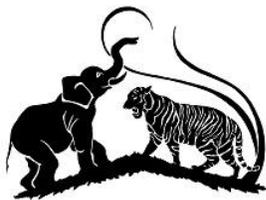
- Submission of false documents when applying for approval for construction works;
- failure to adhere to the Myanmar Building Code and relevant standards by architectural and engineering service firms, builders, site supervisors, consultants, consulting firms, project management firms, quality inspection firms, and third-party inspection organisations;
- failure by the builder to rectify deficiencies found in an inspection, leading to the building not meeting required quality standards when handed over to the project owner;
- causing a building, except in unforeseen circumstances, to deteriorate, become damaged, or collapse before its designated lifespan due to failure to adhere to the Myanmar Building Code and industry standards when designing or constructing the building, or due to the use of construction materials without quality certificate.

In addition to the criminal penalties, the offender may be ordered to repair or reconstruct the building or pay monetary compensation in an equivalent amount.

Criminal prosecution may be initiated only by the Department, and only based on the findings of an investigation commission.

2. Application for motion picture licences and cinema hall licences

On 20 December 2024, the State Administration Council [amended](#) the [Motion Picture Law](#), *inter alia* expanding the application of the law to films shown on the internet, increasing by 6 from



originally 8 to now 14 the number of business lines for which a “motion picture business licence” is needed, and significantly increasing the scope and severity of penalties.

A motion picture business licence is now needed for filming, developing and printing, sound recording, editing, distributing, importing, or exporting a motion picture film, and for establishing a motion picture training school, letting motion picture equipment, operating a services business for motion picture production, establishing and operating motion picture production studios, carrying out motion picture film animation, sound editing and special effects, and for establishing an online cinema, broadcasting motion picture films using applications, or broadcasting motion picture films using online platforms.

A motion picture film is “a feature film, documentary film, a film showing a drama, comedy, theatre play or musical, a plot, or a series *[produced]* for public screening, for distribution with any technology after public screening, for home use without public screening, for broadcasting on television and the internet, or for competing in a contest.”

Furthermore, according to the Motion Picture Law, motion pictures may only be shown if they have a censor certificate, and cinema halls require a separate licence.

On 3 December 2026, the Ministry of Information under the NDSC amended the Motion Picture Rules, and furthermore announced that motion picture business licences may and must now also be applied for the 6 additional business lines. The amendment in particular provides for new rules for applying for a cinema hall licence and for the following and related forms:

- Application for a motion picture business licence and for its renewal;
- application for scrutiny and approval of a film story;
- application for a censor certificate and for its renewal;
- application for a cinema hall licence and for its renewal; form of the standardised report by which the regional Information and Public Relations Department forwards the results of its scrutiny of the licence application to Nay Pyi Taw.

An AI-generated English translation of the amendment with all the forms can be found [on our website](#).



3. **New licence requirements for private medical assistance training schools and outpatient surgeries**

On 17 February 2026, the NDSC amended the Law Relating to Private Healthcare Services (NDSC Law 7/2026).

In addition to existing prior permission and/or licence requirements for private clinics, hospitals, maternity homes, diagnostic services, nursing homes, mobile healthcare, “agency” (transport and placement in foreign hospitals), and general healthcare services, the amendment newly introduced the requirement to obtain prior permission and a licence for

- **private medical assistance training schools** (to train and produce auxiliary nurses and medical professionals in technical subjects); and
- **private outpatient surgeries** (to provide surgical treatment to outpatients who do not require at least 24-hour observation)

“Prior permission” means that the operator must apply to the Township Private Healthcare Services Supervisory Committee for permission before constructing a new or renovating an existing building to be used for healthcare services; the Township Committee then reviews the application and passes it on through the hierarchy to the Central Committee for approval.

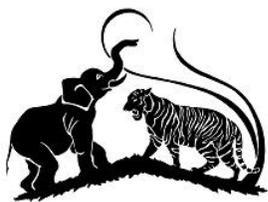
In addition, operators of private medical training schools or outpatient surgeries must apply for a licence to the Township Committee which, again, is to pass on the application through the hierarchy to the Central Committee for approval.

Prior permission and a licence are only granted if the facility meets a list of specific criteria which the amendment newly inserted in the law for medical training schools and for outpatient surgeries. Operation without a licence is punishable with imprisonment from 1 to 5 years and may in addition be punished with a fine.

The amendment furthermore lengthened the list of duties and obligations of the persons in charge and of healthcare service providers (among others, to add obligations that are specific to operating schools).

4. **Amendments to the Cooperative Societies Law**

On 24 February 2026, the NDSC amended the Cooperative Societies Law (NDSC Law 8/2026). Among others, the amendments provide for the following:



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

(a) By-laws to be amended

The society's by-laws must now (i) state that the term of office of the executive, auditor, or representative is five years at a time, and that the term shall not exceed two terms, except in primary cooperative societies with less than 15 members, and must (ii) include matters related to election and appointment when a position of executive, auditor, or representative becomes vacant.

Furthermore, the by-laws must now specify that a person with the following qualifications may stand for election as an executive or representative: (i) Has passed the university entrance examination; (ii) can dedicate time to the activities of the society and possesses business acumen and experience; (iii) has been a member for at least one year and attended at least one general meeting; (iv) is of good moral character; (v) is of good health and not older than 70 years; (vi) is interested in cooperative work; (viii) complies with the laws and the society's by-laws in force.

Additionally, the by-laws must include provisions to ensure "that a member does not become alienated from the society." (We are not sure what this means.)

Existing societies must amend their by-laws accordingly.

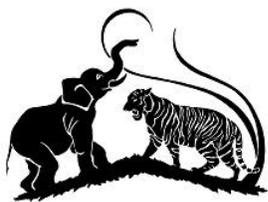
(b) Deceased members may pass on debts to their heirs

Section 12 (b) now states that if a member or former member has not designated a person to inherit his "benefits" upon his death, the society shall transfer "all benefits and debts due to or receivable from the member" in the following order: (i) wife or husband; (ii) children; (iii) grandchildren; (iv) brothers and sisters; (v) mother and father; (vi) other legal heirs.

(Originally, section 12 (b) only instructed the society to transfer "all benefits" without mentioning debts.)

(c) Audit

Societies that obtained government bank loans or state support must now submit to an audit by the Cooperative Department.



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

(d) Profit allocation

Societies must now allocate 50% of their annual net profits as appropriate to a (i) business expansion fund, (ii) social and cultural fund, and (iii) general fund for unforeseen losses and expenses. The remaining 50% must be distributed as appropriate as (i) dividend on the shares subscribed by the members, (ii) dividend on deposits entrusted by members as investment, and (iii) refunds to buyers from the society.

Dividends to executive committee members and employees are no longer possible.

(e) Provisions

In addition to provisions for the depreciation of capital assets and taxes, a society must now also make provisions for bad debts, for guarantees, and for salaries and expenses for executives and employees.

(f) Administrative action; criminal penalties

Administrative action (warning; fine; expulsion; suspension of the society's registration; revocation of the society's registration) may be taken against any society, member, or associate member that/who fails to comply with the Cooperative Societies Law or any rules, etc., issued according to this law. This is a first; the law did not provide for administrative action prior to this amendment.

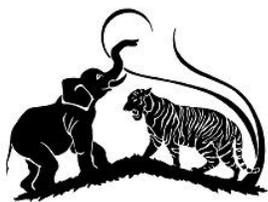
In what is likewise a first, the amendment introduces (severe) criminal penalties for falsely complaining against a society, executive committee, executive, or relevant government department and organisation; and for misappropriating money or property by breaching any term of a contract between the society and the relevant government or organisation, another society, or a private party.

(g) Voluntary retirement

New section 36-A allows employees who have reached the age of 62 years to voluntarily retire.

5. Reconstitution of the Committee for Security, Peace and Stability, and Rule of Law

On 29 January 2026, the NDSC reconstituted the Committee for Security, Peace and Stability, and Rule of Law.



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

**Republic of the Union of Myanmar
Office of the National Defence and Security Council**

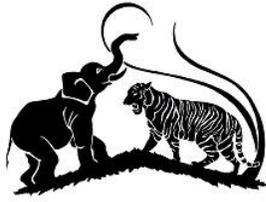
Notification No. 28/2026

1387, 12th Waxing Day of Tabodwe

(29 January, 2026)

Reconstitution of the Committee for Security, Peace and Stability, and Rule of Law

1. The Committee for Security, Peace and Stability, and Rule of Law is hereby reconstituted as follows:
 - (a) **Chairman:** U Nyo Saw, Prime Minister, Minister of the Prime Minister's Office and the Ministry of Investment and Foreign Economic Relations
 - (b) **Vice-Chairman:** General Ye Win Oo, Joint Secretary, Office of the National Defence and Security Council
 - (c) **Member:** Union Minister 1, Ministry of the President's Office
 - (d) **Member:** Union Minister, Ministry of Defence
 - (e) **Member:** Union Minister, Ministry of Border Affairs and Ministry of Ethnic Affairs
 - (f) **Member:** Union Minister and Attorney General of the Union, Ministry of Legal Affairs
 - (g) **Member:** Union Minister, Ministry of Immigration and Population
 - (h) **Member:** Union Minister, Ministry of Labour
 - (i) **Secretary:** Union Minister, Ministry of Home Affairs
2. The Committee for Security, Peace and Stability, and Rule of Law shall be responsible for carrying out tasks on behalf of the Prime Minister and the Union



LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 218 - 28 February 2026

Government concerning matters of state Peace and Stability, community peace and tranquility, and the rule of law, as provided for in section 219 of the Constitution.

3. Notification No. 11/2025 dated 8 August 2025, of the Office of the National Defence and Security Council is superseded and repealed by this Notification.

By Order

(Signed)
Aung Lin Dway
Secretary

We hope that you have found this information useful.

Sebastian Pawlita
Managing Director

About Lincoln Consultancy (Myanmar) Limited

Lincoln Consultancy (Myanmar) Limited provides the full range of consultancy, 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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