

# LINCOLN CONSULTANCY (MYANMAR) LIMITED

NEWSLETTER 224 - 12 March 2026

**Dear Readers,**

Welcome to a new edition of our newsletter.

## **New Anti-Money Laundering Law**

On 11 March 2026, the National Defence and Security Council decreed a new Anti-Money Laundering Law (Law No. 16/2026) which replaces the [previous law](#) from 2014. It entered into force immediately.

The 2026 law maintains the core structure of the previous framework, including the Central Body and the Financial Intelligence Unit, and integrates the [Anti-Money Laundering Order](#) from 2019. By and large, it increases minimum punishments and decreases maximum punishments.

### **(a) Applicability**

The new law includes in the scope of its application offences committed by foreigners abroad if they have a foreigner's registration certificate and reside permanently in Myanmar, or have been granted permanent residence.

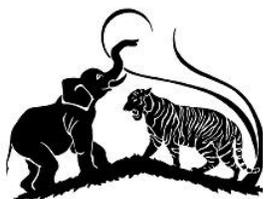
### **(b) Two sets of legal obligations**

As the previous law, the 2026 law distinguishes between not participating in money laundering, which is an obligation that must be observed by anybody, and preventing money laundering, which is an obligation that must only be observed by "**Reporting Organisations**".

### **(c) Money laundering**

Money laundering is, in essence, the handling of money or property derived from a listed offence. We understand that the offences (26 items, some of them as vague as "environmental crime") listed in the new law replace the lists in both the old law and the 2019 Anti-Money Laundering Order. Among others, any offence which is punishable by at least 6 months imprisonment is a listed offence.

Nobody may engage in, or aid and abet, money laundering. The new law increased the minimum punishment and decreased the maximum punishment. Offenders may now be liable to imprisonment from 1 to 5 years, a fine from MMK 50,000,000 to MMK 100,000,000, or both. If the offender is a company or organisation, it may be liable to a fine from MMK 200,000,000 to MMK 500,000,000. A beneficial owner may be sentenced to imprisonment from 6 months to 2 years, or a fine from MMK 100,000,000 to MMK 300,000,000.



### (d) Reporting Organisations

Reporting Organisations are (i) banks and financial institutions and (ii) designated non-financial businesses and professions (“DNFBPs”).

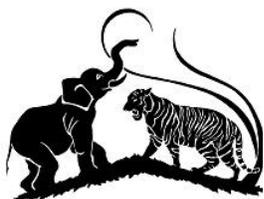
The definition of banks and financial institutions has remained the same. Included are commercial banks, development banks, savings and loan associations, finance companies, securities companies, foreign exchange counters, microfinance institutions, insurance companies, insurance agents and brokers, and other organisations that engage in any business included in a list of 13 activities.

DNFBPs are, as in the previous law, casinos; real estate agents; dealers in precious metals and precious stones; lawyers, notaries, accountants and other independent legal professionals; corporate service providers; trustees; nominee shareholders and arrangers of nominee shareholders.

### (e) Obligations of Reporting Organisations

Reporting organisations are subject to a wide scope of obligations to prevent money laundering. To summarise, Reporting Organisations must

- assess and document the money laundering risk presented by customers, products and transactions;
- implement customer due diligence processes (enhanced, standard, simplified) according to the result of the risk assessment (high, medium, low);
- perform customer due diligence measures by ticking off a list of particulars provided in the new law before authorising any suspicious transaction or any transaction exceeding the designated threshold;
- scrutinise individually all complex or unusually large transactions, all unusual patterns of transactions, and all business relationships or transactions with “any individual, company, or organisation from a country that does not adequately comply with measures for the prevention of money laundering and terrorism financing”;
- have risk-appropriate management systems to determine whether a customer or beneficial owner is a “politically exposed person”;



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- report to the Financial Intelligence Unit transactions that exceed the specified threshold, and file a “suspicious transaction report” if they suspect money laundering or terrorist financing;
- establish and implement internal procedures, programmes, manuals and control mechanisms, and appoint a compliance officer;
- keep records for inspection for 5 years;
- implement the many other anti-money laundering measures prescribed by the new law.

Of note, Reporting Organisations now must, when conducting transactions or business relationships with individuals, companies or organisations, including financial institutions, from countries and regions on the Financial Action Task Force (“**FATF**”)’s list of high-risk and other monitored jurisdictions, apply enhanced customer due diligence commensurate with the risk, and apply proportionate and effective countermeasures as called for by the FATF. This has the curious consequence that theoretically, any domestic transaction must now be treated as “high risk” as Myanmar is on what is colloquially termed the FATF’s black list.

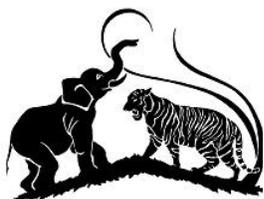
### (f) **Taking cash, gemstones or gold into and out of the country**

We understand that it is still permissible to take cash into and out of the country without declaring it according to Customs Department Internal Directive 22/2014.

This may be a space to watch as section 50 of the new law provides that the “Customs Department shall, in coordination with the Ministry of Finance and Revenue and with the approval of the Anti-Money Laundering Central Body, determine the threshold value for mandatory declaration if a person entering the country or leaving the country carries with him or in his luggage currency, bearer negotiable instruments, precious stones or metals, or arranges for their transport into or out of the country by any means of transport or by courier.”

### (g) **Anti-money laundering institutions**

Both the old and the new law establish an institutional framework which under the new law is composed of the Ministry of Home Affairs, the Anti-Money Laundering Central Body, the Financial Intelligence Unit, supervisory authorities (persons or bodies assigned by the Central Body to supervise Reporting Organisations), law enforcement agencies (government departments and



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organisations authorised to investigate, enquire, search, seize, control, freeze, or prosecute), and an investigation unit (the Financial Crimes Prevention and Suppression Police Force).

It should be noted that the Central Body is now, among others, explicitly tasked with formulating measures to enable sectoral risk assessments of, among others, non-profit organisations (NPOs). We understand that this was a FATF request.

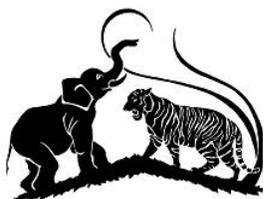
### **(h) Powers of the anti-money laundering institutions**

The 2019 Anti-Money Laundering Order expanded the powers of the anti-money laundering institutions, allowing them to more effectively and systematically investigate and suppress activities that they deem illicit. This expansion is also reflected in the 2026 law.

The Ministry of Home Affairs is, e.g., empowered to issue an order upon the request of a law enforcement agency allowing any of the following for a period of up to 3 months: (i) access to computer systems, networks, and servers; (ii) placing phone lines, fax machines, electronic transmissions or communication facilities under surveillance; restricting, intercepting, seizing or disabling them; inspecting, copying and using crime-related data that they recorded; (iii) audio or video-recording movements, conduct or conversations; (iv) undercover investigation; (v) controlled delivery (letting illicit transactions proceed in the hope of identifying the offenders).

We hope that you have found this information useful.

Sebastian Pawlita  
Managing Director



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### About Lincoln Consultancy (Myanmar) Limited

Lincoln Consultancy (Myanmar) Limited provides the full range of legal advisory (through our local lawyers), 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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