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MYANMAR



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Introduction



Throughout the year, we have been keeping you up to date on noteworthy developments across the region with our Regional Round-up Publications. As we enter 2022, we are pleased to share with you our *2021 year-in-review of the Regional Round-up* for our Regional Offices in the Rajah & Tann Asia network.

In each jurisdiction, we recount the key milestones in the path that has been travelled in 2021, as well as consider the terrain of the road that lies ahead in 2022. In the "**Looking Back: 2021**" section, we take stock of the past year and highlight the key legal and regulatory developments affecting each jurisdiction in 2021. In the "**Gazing Into: 2022**" section, we look ahead to some key areas of development that you should take note of in the year to come, referencing the legal and business trends shaping up potential legislative and regulatory changes in each jurisdiction.

We hope that this year-in-review edition of the Regional Round-up provide some perspective and insight into the legal landscape of the jurisdictions across the region. As always, please feel free to contact our lawyers in our Regional Offices if you have any queries or for further discussions.

Please click on the links below to access the full collection of our country-specific *2021 year-in-review of the Regional Round-up*:

- [Cambodia](#)
- [China](#)
- [Indonesia](#)
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Looking Back: 2021

2021 was a year of tumultuous changes in Myanmar due to the **ongoing military takeover** which started on 1 February 2021. The newly formed **State Administration Council ("SAC")** introduced many legislative changes, and institutions under the SAC imposed numerous **directives to control the economy**, particularly in relation to the **depreciation of the Myanmar Kyat**.



Summaries of the key developments relating to the above areas are provided below.

Dispute Resolution / Technology, Media & Telecommunications – Law Amendments

The State Administration Council ("**SAC**") has amended the Law Protecting the Privacy and Security of Citizens ("**Privacy Law**") and the Ward and Village Tract Administration Law ("**Ward Administration Law**"). Sections 5, 7, and 8 of the Privacy Law was effectively suspended, allowing authorities to exercise discretion in relation to indefinite detentions, conduct searches without a legal warrant, and carry out surveillance activities. Furthermore, the SAC has reinstated the requirement for overnight guests to register with the ward office pursuant to the amendment of the Ward Administration Law. The requirement was previously revoked by the National League for Democracy (NLD)-led administration. Click [here](#) for more information

The SAC has also amended the Penal Code, introducing new provisions as well as amending existing provisions. The amendment includes introducing penalties for high treason, sabotaging, hindering the Defence Service, law enforcement organisations or Government employees in carrying out their duties, and inciting hatred and disloyalty against the Defence Services Forces. Click [here](#) for more information.

Lastly, the SAC amended the Electronic Transactions Law to include data protection mechanisms against Personal Data, which is defined as "*information which identifies or is capable of identifying an individual*". Click [here](#) for more information.

Banking & Finance / Employment & Benefits – Updates from the Central Bank of Myanmar

The Central Bank of Myanmar ("**CBM**") has issued numerous directives and instructions in 2021 in order to address issues concerning inflation, cash shortages, and foreign employment. CBM decreed that all foreign-currency income must be declared and exchanged at an authorised dealer within four months of the issuance of

the receipt of incoming remittance in accordance with the CBM-approved exchange rate. CBM also issued an instruction imposing restrictions on the employment of foreigners in banks registered under the Financial Institutions Law. Lastly, CBM declared in September 2021 an interim financial-year which would end on 31 March 2022. This is due to the change of the financial year for all financial institutions for 2022 to 2023 from the usual period of 1 October to 30 September, to 1 April to 31 March. Click [here](#) for more information.

Tax – Law Amending the Union Taxation Law

The Union Taxation Law has been amended to reconfigure the taxation rates for Personal Income. The new taxation rates have been reconfigured to relieve tax burdens on lower income tax brackets. Furthermore, the tax rates levied on income that had escaped assessment and are used for purchasing, construction, obtaining fixed assets, or expanding a business have been changed with the amended Union Taxation Law. Click [here](#) for more information.

Trade – Restrictions on Importation of Foreign Motor-Vehicles

The Ministry of Commerce announced that importation of motor-vehicles from foreign countries shall be restricted from October 2021. The mechanisms of restrictions include the suspension of the issuance of import licences for motor-vehicles as well as the suspension of the issuance of business licences for showroom and retail centres. Vehicles that were in transit before 1 October 2021 are allowed to be imported upon inspection of the original bill-of-lading. Click [here](#) for more information.

Gazing Into: 2022

Due to the **military takeover in 2021**, and a **caretaker government** being formed instead of a parliament, legislation may be enacted immediately. Similarly, key legal developments cannot be accurately forecast due to a lack of bills being made publicly available. However, it is expected that the Ministry of Commerce will **revoke the previous restrictions** that are imposed on **importation of foreign motor-vehicles**.



Furthermore, there are two laws which are expected to be enacted in 2022. These laws are:

- the **Private Security Business Law**; and
- the **Foreign Workers Law**.

Corporate Commercial – Private Security Business Law

The Private Security Business Law is expected to be enacted to allow private security firms and the Government to collaborate to improve security standards. The Law seeks to regulate existing licensed private security firms and penalise firms operating without proper licences. The Ministry of Home Affairs, the Ministry of Planning and Finance, and the Ministry of Commerce are reported to be involved in the drafting of the Private Security Business Law.

Employment & Benefits – Foreign Workers Law

The Foreign Workers Law used to be a law during the National League for Democracy (NLD) administration. This law is expected to be enacted in 2022 by the State Administration Government ("**SAC**"). The Foreign Workers Law aims to protect the rights of foreign workers, raise the skills and standards of local workers, and support the improvement of productivity and supervision of foreign workers. The law is expected to include provisions on rights and duties of foreign workers and their employers, the establishment of a foreign workers fund, and prohibitions and penalties.

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