



New list of goods required to apply for import licenses

The Trade Department, under the Ministry of Commerce issued a newsletter in relation to imports on 15 January 2022 with the intention of remedying business suspensions as a result of the COVID-19 outbreak, systematic exportation and importation, and controlling the use of foreign currency on importation.

On 1 March 2022, the list of goods including foodstuffs, unfinished plastic based goods and some household goods, floorings made of silk and cotton, carpets, properties made of glass and bicycle and motor vehicle spare parts are designated as the goods that are required to apply for import licenses. Hence, the goods mentioned above must be permitted only after obtaining import licenses in accordance with procedures set out by the Ministry of Commerce.

https://www.commerce.gov.mm/sites/default/files/Bulletin%20%281-2022%29_0.pdf

25 Jan 2022

Yoma becomes majority shareholders in Wave Money

According to YOMA Strategic, Yoma MFS Holdings (**YMFS**), its subsidiary, made a share purchase agreement with Telenor group which owns a 51% stake in Digital Money Myanmar (**Wave Money**). YMFS will hand over a US\$53 million cash deal for a controlling interest in Wave Money under the proposed agreement.

A major reason why YMFS wishes to acquire a majority share in Wave Money is that Wave Money aims to grow substantially in the digitalisation of the Myanmar financial system, which is a key priority of the Central Bank of Myanmar even though there is a challenging business atmosphere for the time being.

<https://www.businesstimes.com.sg/companies-markets/yoma-to-acquire-controlling-interest-in-wave-money-via-us53m-deal>

17 Jan 2022

Increase in commercial tax on internet services

The Law Amending Union Taxation Law 2021 was enacted by the State Administration Council (**SAC**) on 6 January 2022 for the purpose of increasing 15% commercial tax imposed on the internet services as well as imposing a Ks. 20,000 per SIM card on the sales and activation of SIM cards.

The SAC said that the extreme use of internet services leads to physical and mental suffering of the new generation of students. Nevertheless, many people are working from home and students are joining their online classes through the internet.

<https://mmbiztoday.com/sac-levies-k20000-per-sim-card-and-15-tax-on-internet-services/>

10 Jan 2022

More than 8000 companies registered on MyCO

The Directorate of Investment and Company Administration (**DICA**) introduced the MyCO system on 1 August 2018 under the Myanmar Companies Law in 2017 so that old companies as well as new ones can be registered on the online registration platform without personally applying at the DICA office.

According to the statistics released by the DICA, there are about 8000 companies

registered on the MyCO in 2021. More precisely, the total number of registered companies is 8011 at the end of December 2021. As for registered companies, they need to file annual returns on the MyCO registry system within two months of incorporation, and at least once every year (not later than one month after the anniversary of the incorporation).

<https://www.gnlm.com.mm/number-of-companies-registered-on-myco-tops-around-8000-in-2021-dica/>

06 Jan 2022

Yuan/Kyat direct payments permitted by the CBM on China-Myanmar border

The Central Bank of Myanmar (**CBM**) issued the Notification No. 48/2021, which permits the Yuan/Kyat direct payments on the China-Myanmar border, with reference to the powers conferred by the Foreign Exchange Management Law on 14 December 2021 in order to promote China-Myanmar border trade, facilitate trade flows and payment systems, and increase the use of local currency in line with the objectives of the ASEAN Financial Integration plan.

Furthermore, those who will import and export and conduct cross-border trade may be permitted to open Yuan accounts at designated banks that are capable of conducting Yuan/Kyat direct payments. Those designated banks must comply with Yuan/Kyat direct payment guidelines for China-Myanmar border trade.

<https://www.mlis.gov.mm/IsSc>

14 December 2021

Complying with provisions under the Insolvency Law for applicants in company liquidations

The Supreme Court of Myanmar issued a circular letter concerning company liquidation under the Insolvency Law on 28 December 2021. After the enactment of the Insolvency Law and its Rules, the Supreme Court conferred the powers to self-administered divisional courts, self-administered regional courts and district courts so that the liquidation cases of companies incorporated under the Myanmar Companies Law may be adjudicated.

Furthermore, section 418(a) of the Insolvency Law says that notwithstanding anything contained in any other laws, liquidations of companies, incorporated micro, small and medium enterprises (**MSMEs**) and partnerships including unincorporated MSMEs must be carried out under the Insolvency Law as soon as the law came into effect.

Accordingly, company liquidation, partnership liquidation and bankruptcy must be carried out under the Insolvency Law as of 25 March 2020, the enforcement date of the law. In relation to ongoing liquidation cases before the enforcement of the Insolvency Law, they continue in accordance with the previous laws under section 419 of the Insolvency Law.

In the conclusion of the circular, the Supreme Court urges the lower courts to study modern laws, rules, procedures, directives and notifications issued by the Supreme Court because it was found that the courts are still accepting the applications of company liquidation under the previous laws such as the Myanmar Companies Law despite the enforcement of the Insolvency Law. Such applications must be made only under the Insolvency Law.

<https://www.facebook.com/arkar.pyaephyo/posts/2340515779423763>

28 Nov 2021

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