**CHAPTER 4**

**POLICIES AND LAWS**

**Chapter 4:**

Policies and laws

4.1 Myanmar Industrial Policy

The Myanmar Industrial Policy was issued by the Ministry of Industry in February 2016.

The vision of the State is laid down “**to establish the peaceful and modern developed new democratic nation”** for providing the State with stability and peace, improvement of the public and socio- economic sectors. Although Myanmar has a plenty of natural resources such as land and water, it cannot perform the long-term economic development, industrial development in production and services, based on the natural resources is to be encouraged.

Under the Myanmar Industrial Policy, the following main areas based on the industrial sector to be developed concurrently shall be encouraged:

(a) electricity power;

(b) petroleum and natural gas; (oil and gas)

(c) manufacturing;

(d) mining;

(e) hotel and tourism;

(f) livestock and fisheries;

(g) transport and communication;

(h) industrial zone.

The following plans shall be implemented under the missions of the industrial sector development:

(a) Development of the Micro, Small and Medium Enterprises;

(b) Improvement of the export-oriented industries;

(c) Advancement of labour intensive industries, getting a job, training and seeking employment for youths who learned not completely and left middle or high school;

(d) Implementation of heavy industries and technical intensive industries by attracting local and foreign investment;

(e) Creation of a suitable environment for supporting financial assistance to the local industrial enterprise;

(f) Preserving of State-Owned industries in accordance with the needs of the Nation;

(g) Inviting the local and international investors to perform joint cooperation tasks on potential State-owned Enterprises toward the development of private industrial sector (PPP);

(h) Strengthening clusters development and industrial cooperative firms forward productivity improvements;

(i) Development of the wholesale markets and merchandise to enter into supply chain;

(j) Fostering the financial services through Public-Private Working Groups;

(k) Upgrading the existing industrial zones and provision of infrastructure development.

VISIT: for full text of the Myanmar Industrial Policy:

<https://www.mlis.gov.mm/mLsView.do;jsessionid=E494AE48E941CCBD009094168CE0A51D?lawordSn=3794>

4.2 Myanmar Investment Policy

The investment policy is sure to support the implementation of 12-Point Economic Policy of the Government of the Republic of the Union of Myanmar.

1 Responsible and mutually beneficial foreign investments are welcomed.

2 The Myanmar Investment Commission and the relevant government organizations are sure to facilitate foreign investments through transparent, clear and expeditious procedures.

3 The supportive environment with macroeconomic stability, rule of law, credible dispute settlement procedures, and reliable financial system for well-functioning economic infrastructure for all investors are to be carried out.

4 As foreign investment is very crucial for national development, the Union Government will

(a)   establish a predictable regulatory environment with non-discriminatory treatment between foreign and local businesses;

(b)   protect businesses from seizures that is likely to be in dispute;

(c)   protect the right to transfer profits and other repatriation in accordance with the law after payment of taxes and duties and other payment obligations;

(d)   provide right to long-term land lease in accordance with the law for the approved investments.

5 Local and foreign investors shall comply with the principles for responsible investment and business conduct, including environmental and natural resources matters on an equal basis and in a non-discriminatory manner at all times.

6 No foreigners are permitted to conduct certain businesses relating to national security, and culture and social affairs. These restricted businesses will be made publicly available.

7 The following investment businesses are welcomed and encouraged:

(a)   Investment businesses that support productivity-enhancing and value-added agro-based industries with linkages to regional and global supply chains;

(b)   Investment businesses that enable technology transfer and domestic production to be beneficial;

(c)  Investment businesses that enable to support the development of small and medium enterprises;

(d)   Investment businesses for rapid development of infrastructure;

(e) Investment businesses that enable to create job opportunities and provide vocational education and training for skill enhancement and development of human capacity;

(f)   Investment businesses to be made in economically less-developed regions;

(g)   Investment businesses that enable to develop industrial cities and the special economic industrial clusters;

(h)   Investment businesses related to tourism.

4.3 Related laws and rules (Extracts and URLs)

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| Law | Extracts / URLs of laws |
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| 1 Board of Yangon City Electric Power Supply Law (2005) | ¡ This Law is enacted by the State Peace and Development Council (the then government), aiming to provide for the establishment of the Yangon City Electricity Supply Board. It addresses its functions, duties and financial issues.  <https://www.burmalibrary.org/sites/burmalibrary.org/files/obl/docs15/2005-SPDC_Law2005-06-Board_of_Yangon_City_Electric_Power_Supply_Law-en.pdf> |
| 2 Boiler Law (2015) | ¡ This Law specifies boiler registration and defines duties and rights of owner, manufacturer/importer, repairer, boiler attendant, inspector and chief inspector.  <https://myanmar.gov.mm/documents/20143/8126610/9.2.1+The_Boiler_Law_English_Version.pdf/0bdb122f-5ffa-de12-b8a1-a7ef70ae15fa?t=1537506310774> |
| 3 Competition Law (2015) | ¡ The objectives of this Law are as follows:  (a) to protect and prevent acts that injure of public interests through monopolization or manipulation of prices by any individual or group with intent to endanger fair competition in economic activities, for the purpose of development of the national economy;  (b) to be able to control unfair market competition on the internal and external trade and economic development;  (c) to be able to prevent from abuse of dominant market power; and,  (d) to be able to control the restrictive agreements and arrangements among businesses.  <https://www.commerce.gov.mm/sites/default/files/documents/2020/02/The%20Competition%20Law.pdf> |
| 4 Conservation of Water Resources and Rivers Law (2006) | <http://extwprlegs1.fao.org/docs/pdf/mya139027.pdf> |
| 5 Electricity Law (2014) | ¡ This law replaces the Electricity Law of 1984.  ¡ This is a comprehensive piece of legislation covering licensing, a new regulatory commission, standards, inspection, tariff, and restrictions.  ¡ This law divides projects into **small** (up to 10MW), **medium** (between 10MW to 30MW) and **large** (upwards of 30MW); authorities of States and Regions can issue permits for small and medium power plants.  <https://www.mlis.gov.mm/mLsView.do;jsessionid=01A33480229B18DAFA77B8F74220FC6F?lawordSn=9633> |
| 6 Employment and Skill Development Law (2013) | ¡ The purpose of this law is to ensure job security and to develop the skills of employees in programs paid for by the project owner.  <http://www.myanmar-law-library.org/law-library/laws-and-regulations/laws/myanmar-laws-1988-until-now/union-solidarity-and-development-party-laws-2012-2016/myanmar-laws-2013/pyidaungsu-hluttaw-law-29-2013-employment-and-skill-development-law-burmese-and.html> (Myanmar and English) |
| 7 Environmental Conservation Law (2012) | <https://www.mlis.gov.mm/mLsView.do;jsessionid=713D54937717F7678D237A19618037B5?lawordSn=533> |
| 8 Ethnic Rights Protection Law (2015)  (Also translated as: Protection of National Races Law) | ¡ This law has provisions for equal treatment and considerations for various ethnicities and races within Myanmar.  <https://www.pointmyanmar.org/sites/pointmyanmar.org/files/document/the_ethnic_rights_protection_laweng-myan.pdf> |
| 9 Explosive Act (1884) | ¡ This Act stipulates the prohibitions on production, possession and use of explosives without permission.  **This law was enacted under the British rule.**  <https://dipp.gov.in/sites/default/files/Explosive_Act_1884_0.pdf> |
| 10 Export and Import Law (2012) | ¡ This law replaces the Control of Imports and Exports Act of 1947.  ¡ It aims to implement the economic principles of the State successfully, and to lay down the policies to export and import that will support the development of the State and that will be in conformity with the international trade standards.  <https://www.myanmartradeportal.gov.mm/uploads/legals/2018/7/The%20Export%20and%20Import%20Law%202012(Eng).pdf> |
| 11 Factories Act (1951) | ¡ This law replaces the Factories Act, 1934.  <https://data.opendevelopmentmekong.net/dataset/f0158c23-2da5-43fe-80eb-7186963b894d/resource/6091c554-6eef-49de-8b46-541f8bfcf1b3/download/factories-act-1951-no.-lxv-of-1951.pdf>  ¡ Law Amending the Factories Act was enacted in 2016.  <https://www.burmalibrary.org/sites/burmalibrary.org/files/obl/docs21/2016-01-20-Law_Amending_the_1951_Factories_Act-12-bu.pdf> (in Myanmar) |
| 12 Farmland Law and Rules (2012) | <https://themimu.info/sites/themimu.info/files/documents/Farm_Land_Law_2012_ENG_MMR.pdf> |
| 13 Foreign Exchange Management Law (2012) | ¡ The Foreign Exchange Regulation Act, 1947, has been revoked by this law.  <https://www.mlis.gov.mm/mLsView.do;jsessionid=1CBE8F285235BE50858F2EEBEBD76392?lawordSn=1477> |
| 14 Forest Law (1992) | <https://www.myanmartradeportal.gov.mm/kcfinder/upload/files/THE%20FOREST%20LAW%20_Eng.pdf> |
| 15 Industrial Use Explosive Substances Act (1918) | ¡ This Act stipulates the prohibitions on production, possession and use of explosives without permission.  <http://www.myanmar-law-library.org/law-library/laws-and-regulations/laws/myanmar-laws-1988-until-now/national-league-for-democracy-2016/myanmar-laws-2018/pyidaungsu-hluttaw-law-no-17-2018-industrial-use-explosive-substances-burmese.html> (in Myanmar) |
| 16 Labour Dispute Settlement Law (2012) | ¡ This law was enacted for safeguarding the rights of workers, good relationship between employers and workers and making a peaceful workplace or obtaining the rights fairly, rightfully and quickly by settling the dispute between employer and worker justly.  <https://www.mlis.gov.mm/mLsView.do;jsessionid=713D54937717F7678D237A19618037B5?lawordSn=7803> |
| 17 Labour Organization Law (2011) | ¡ This law seeks to protect the rights of the workers, to have good relations among the workers, or between the employer and the worker, and to enable to form and carry out the labour organizations systematically and independently.  ¡ Every worker, who has attained the age prescribed in respective existing law to work in any trade or activity shall have the right to:  (a) join as a member in a labour organization and to resign from a labour organization according to their own desire;  (b) join as a member only in a labour organization formed according to the category of trade or activity relating to them.  ¡ The employer shall recognize the labour organizations of his trade as the organizations representing the workers.  <https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-yangon/documents/genericdocument/wcms_185567.pdf> |
| 18 Land Acquisition Act (1894) | ¡ This law serves as the fundamental law for land acquisition in Myanmar. It sets out the procedures for land acquisition and compensation.  ¡ Furthermore, this law outlines relevant procedures such as notice periods, procedures for objections to acquisition, the method of valuation of land, process for taking possession of land, court process and appeals, procedure for the temporary occupation of land, and the acquisition of land for companies.  ¡ The Act requires that compensation at market value is provided to those from whom the land is acquired.  **This law was enacted under the British rule.**  <http://displacementsolutions.org/wp-content/uploads/THE-LAND-ACQUISITION-ACT-1894.pdf> |
| 19 Leave and Holidays Act (1951)  (Amended in 2014) | ¡ This act has been used as the basic framework for leaves and holidays for workers. This Act defines the public holidays that every employee shall be granted with full payment. It also defines the rules of leaves for workers including medical leave, earned leave and maternity leave. |
| 20 Leave and Holidays Ruels (2018) | <https://smartmyanmar.org/files/uploads/2018_leave_and_holiday_rules_english.pdf> |
| 21 Minimum Wages Law (2013) | ¡ The purpose of this law is to ensure the owner pay his employees the wages not less than the prescribed. The prescribed wages must be put up in the work place to bring them to the notice of the workers.  ¡ The law provides a framework for minimum wage determination: the presidential office establishing a tripartite minimum wage committee which shall decide the minimum wages with industrial variation based on a survey on living costs of workers possibly every two years. This also stipulates equal payment.  <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/90652/114148/F1221961295/MMR90652%20Eng.pdf> |
| 22 Myanmar Companies Law (2018) | ¡ This Law, including 31 Divisions (Sections) (475 paragraphs), deals with matters from formation of a company, share- and capital-related matters, management, securities and management of company accounts, to winding up of the company.  <https://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/final_mcl_english_version_6_dec_president_signed_version_cl.pdf> (Translation of the Bill)  ¡ Myanmar Companies Regulations, 2018 and Notifications  <https://www.dica.gov.mm/sites/dica.gov.mm/files/news-files/company_regulations_2018_eng.pdf> |
| 23 Myanmar Investment Law (2016) | ¡ The provisions in the Law include formation of the Myanmar Investment Commission, its duties and power, convening of meetings, submission of proposal and endorsement application, stipulation of types of investment businesses, treatment of investors, rights to use land, investment guarantee, transfer of funds, responsibilities of investors, insurance, settlement of dispute, among other matters.  <https://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/myanmar_investment_law_official_translation_3-1-2017.pdf> |
| 24 Myanmar Special Economic Zone Law (2014) | <https://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/myanmarspecialeconomiczonelaw.pdf> |
| 25 Payment of Wages Act (2016) | ¡ The project proponent has to pay the wages in accor-dance with Sections 3 and 4 of the said law.  ¡ The project proponent has to submit with the agreements of employees and reasonable ground to the concerned Department if it is difficult to pay because of force majeure including natural disasters.  ¡ The project proponent has to abide by the provisions of section 7 to 13 in chapter (3) in respect of deduction from wages.  ¡ The project proponent has to pay the overtime fees, prescribed by law, to the employees who work over working hours.  <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/103626/125982/F-1336298305/MMR103626%20Eng.pdf> |
| 26 Prevention and Control of Communicable Diseases (Law Amending the … …) (2011) | <https://www.mlis.gov.mm/mLsView.do?lawordSn=7794> |
| 27 Prevention of Hazard from Chemical and Related Substances Law (2013) | ¡ This laws stipulates chemicals management in Myanmar.  ¡ It stipulates that when chemical and related substances are to be transferred, stored, used or disposed, operating approval certificate must be obtained in accordance with the regulations based on the international treaties.  <https://www.myanmartradeportal.gov.mm/kcfinder/upload/files/Chemical%20Law_Eng.pdf> |
| 28 Private Industrial Enterprise Law (1990) | ¡ According to this law, all private industrial enterprises shall avoid or reduce the use of polluting technology.  <https://www.burmalibrary.org/docs15/1990-SLORC_Law1990-22-Private_Industrial_Enterprise_Law-en.pdf> |
| 29 Protection and Preservation of Ancient Monuments Law (2015) | <https://www.unodc.org/res/cld/document/protection-of-ancient-monuments-law_html/mya_lawprotmon_15_entof.pdf> |
| 30 Protection and Preservation of Antique Objects Law (2015) | <https://www.unodc.org/res/cld/document/mmr/protection-of-antique-objects-law_html/mya_lawprotcltobjects_15_entof.pdf> |
| 31 Protection and Preservation of Cultural Heritage Regions Law (1998) | <http://displacementsolutions.org/wp-content/uploads/THE-PROTECTION-AND-PRESERVATION-OF-CULTURAL-HERITAGE-REGIONS-LAW-1998.pdf> |
| 32 Protection of Wildlife and Conservation of Natural Areas Law (1994) | <http://displacementsolutions.org/wp-content/uploads/THE-PROTECTION-OF-WILDLIFE-AND-CONSERVATION-OF-AND-PROTECTION-OF-NATURAL-AREAS-LAW-1994.pdf> |
| 33 Public Health Law (1972) | ¡ This law stipulates the following for the environment:  – Residential area has to be trash free and wastage has to be properly disposed.  – Area of drinking water source has to be cleaned and monitored according to international standards.  – Residential area has to be free of odor, smoke, carbon dioxide, dust, noise and radioactive materials.  – Public and government buildings for the municipal and health care are advised to be developed.  ¡ The law stipulates the following for Processed Food delivered to the public.  – Processed food delivered to the pubic has to be clean and healthy.  – Food production facilities are to be clean from fraudulent products, disease, dust and pests.  <https://www.burmalibrary.org/sites/burmalibrary.org/files/obl/docs19/1972-Public_Health_Law-bu.pdf> (in Myanmar) |
| 34 Shops and Establishments Law (2016) | ¡ This Law is a revision of the Shops and Establishments Act, 1951.  ¡ Purposes of this law are:  – To fix working hours for the workers working in shops and establishments;  – For the workers to receive rightful wages;   * To have occupational safety; and,   – To protect rights for health. |
| 35 Small and Medium Enterprises Development Law (2015) | <https://www.doca.gov.mm/sites/default/files/SMEs%20Development%20Law%201%202015.pdf> |
| 36 Standardization Law (2014) | ¡ The objectives of the Law are:  (a) to enable to determine Myanmar Standards;  (b) to enable to support export promotion by enhancing quality of production organizations and their products, production processes and services;  (c) to enable to protect the consumers and users by guaranteeing imports and products are not lower than prescribed standard, and safe from health hazards;  (d) to enable to support protection of environment related to products, production processes and services from impact, and conservation of natural resources;  (e) to enable to protect manufacturing, distributing and importing the disqualified goods which do not meet the prescribed standard and those which are not safe and endangered to the environment;  (f) to support on establishing the ASEAN Free Trade Area and to enable to reduce technical barriers to trade.  (g) to facilitate technological transfer and innovation by using the standards for the development of national economic and social activities in accordance with the national development programme.  <https://mlis.gov.mm/mLsView.do;jsessionid=C67362455C43B80637D839BA607E9741?lawordSn=9605> |
| 37 Social Security Law (2012)  <http://ilo.org/dyn/natlex/docs/ELECTRONIC/90653/104626/F1632361911/MMR90653.pdf> | ¡ The Social Security Law of 2012 amends the Social Security Act of 1954. |
| 38 Transfer of Immovable Property Restriction Act (1987) | <http://displacementsolutions.org/wp-content/uploads/THE-TRANSFER-OF-IMMOVEABLE-PROPERTY-RESTRICTION-ACT-1987.pdf> |
| 39 Underground Water Act (1930) | ¡ This Act provides measures for systematic and sus-tainable use of underground water and prohibitions on accessing and using underground water without a license.  ¡ Whereas it is expedient to conserve and protect under-ground sources of water supply in Myanmar; it is hereby enacted as follows:  – This Act extends to such areas as the President of the Union may, by notification, direct and shall apply only to tubes exceeding a depth to be prescribed by the President of the Union;  – Provided that the President of the Union may prescribe different depths for different local areas.  ¡ No person shall sink a tube for the purpose of obtaining underground water except under and in accordance with the terms of a licence granted by the water officer.  ¡ Every person owning a tube which was in existence before the extension of this Act to the local area concerned shall apply to the water officer for a licence for the said tube, and such licence shall be granted free of charge.  ¡ Every person obtaining or attempting to obtain underground water shall supply the water officer with such information as the President of the Union may by rule prescribe.  **This law was enacted under the British rule.**  <https://www.mlis.gov.mm/lsScPop.do?lawordListId=2716> |
| 40 Workmen’s Compensation Act (1923) | ¡ This Act stipulates that the employer is required to make payments to employees who become injured or who die in any accident arising during and in con-sequence of their employment. Such compensation also must be made for diseases which arise as a direct consequence of employment, such as carpal tunnel syndrome.  **This law was enacted under the British rule.**  ¡ It was amended on March 24, 1955, April 2, 1957 and May 11, 2005  <https://www.mlis.gov.mm/lsScPop.do?lawordSn=8574> |

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END OF CHAPTER 4: POLICIES AND LAWS