

KELVIN CHIA YANGON

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Kelvin Chia Yangon Ltd. (KCY) has been in active operation in Myanmar since 1995, currently with offices in Yangon and Mandalay. KCY is the firm of choice for those seeking to navigate the fast-changing legal and regulatory landscape in Myanmar, where we have gained extensive experiences and expertise across all the fast-changing legal and regulatory landscape in Myanmar areas of commercial practice.

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MYANMAR INVESTMENT COMMISSION SPECIFIES MAXIMUM AMOUNT OF CAPITAL FOR INVESTMENTS THAT STATE AND REGIONAL INVESTMENT COMMITTEES MAY APPROVE FOR ENDORSEMENTS

On 22 February 2017, Myanmar Investment Commission (“MIC”) issues Notification 11/2017, specifying the maximum amount of capital for investments that may be approved by relevant Investment Committees at State and Regional levels for Endorsement.

In accordance with Section 24 (h) of the Myanmar Investment Law 2016 (“MIL”), the MIC has specified the maximum amount of capital for investments which the State and Region Investment Committees may approve for Endorsement at US\$ 5 million or 6 billion Kyats.

It is worthy to note that Section 24 (h) of the MIL allows for the MIC to delegate the power to approve the investments to State and Regional levels, and the draft Myanmar Investment Rules contemplates firstly, the delegation of power to assess and approve the Investment Permits for investments under \$5 million, and additionally, the delegation of power to approve the Endorsements for investments under \$5 million. Hence, the question is what powers do Notification 11/2017 delegate? It appears that the Notification only allows the Investment Committees at State and Regional levels to approve Endorsement applications and not Investment Permits. Further clarification from the MIC has revealed that while the Notification 11/2017 does not distinguish between the endorsement for tax incentives and the endorsement for land lease, the State and Region Investment Committees will only be able to grant the Endorsement for land lease, and the Endorsement for the tax incentives will still require the approval of the MIC.



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