

Corruption Elimination Law and other Anti-Corruption Measures

Eradication of corruption ranks high on the government agenda and several anti-corruption measures have been taken by the Government this year.

On 8 January 2013, the President's Office, through Notification 9/2013, formed the Action Committee Against Corruption which was tasked with taking action against corruption and bribery in government organizations. This supplements that more recently created Commission for Eradication of Bribery (the "**Commission**") under the 2013 Corruption Elimination Law (the "**Anti-Corruption Law**"), which was enacted on 7 August 2013 and came into effect on 17 September 2013. It repealed the Suppression of Corruption Act 1948, making it the primary law on anti-corruption in Myanmar.

Members of the Commission and public officials ordered by the Commission are now required to prepare a list of assets and liabilities in their names and in their family members' names to be submitted to the President Office. The Anti-Corruption Law gives the Commission special powers to seize evidence, freeze properties, investigate accounts in financial institutions, and confiscate money and properties as part of the investigation process (which is conducted by the Corruption Investigation Team and Preliminary Scrutiny Panel). If found guilty, public officials covered by the Anti-Corruption Law face imprisonment of up to 15 years and the confiscation of properties earned through corruption. The Anti-Corruption Law also applies to non-public officials who have assisted public official in corrupt dealings.

The passage of the Anti-Corruption Law has been considered by many as a manifestation of the Myanmar government's continued commitment and willingness to achieve better transparency and accountability, which is consistent with its "Good Governance, Clean Government" policy.

Telecom Bill on the Top Agenda for Discussion at the Parliament

The Telecommunications Bill that was passed by the Parliament on 27 August has now been returned for further review.

The President has returned the Telecommunications Bill to Parliament highlighting issues for further discussion. Review of the Telecom Bill is a priority at the 8th Parliamentary session convening on 1st October. When finalized, the Law is expected to establish a new and dynamic framework for the regulation of the telecom industry, and setting the stage for future legislation that will provide rules for foreign investment, licensing, fees, competition, spectrum management, and infrastructure construction in telecommunications.

At present, the Posts and Telecommunications Department ("**PTD**"), under the Ministry of Communications and Information Technology ("**MCIT**"), is the regulatory body overseeing the industry, but the PTD is scheduled to become independent of the Ministry within 2 years. Under the new framework, the PTD will be responsible for the initial review of all license applications, the facilitation of interconnection, and the inspection and oversight of all licensed businesses, while the MCIT will maintain ultimate control over all business license and export/import approvals, spectrum management, and universal service obligations.

Also included in the draft bill is a general framework for regulation of investment, both foreign and domestic. There will likely be four license types, including those for network providers, facility and support services, content providers and application providers. Telenor and Ooredoo, who were awarded contracts through this year's government tender offer, are expected to operate under a general license covering all areas, though their specific license requirements have yet to be published. While the exact process for obtaining a license is unclear at present, it appears from the draft law and various government publications that investors will generally have to secure approval from both the MIC and MCIT, following which, the PTD will be granted permission to issue the licenses sought.