

IMPORTANT NOTICE: THIS IS A DISCUSSION DRAFT ONLY AND SUBJECT TO GOVERNMENT REVIEW AND APPROVAL RELEASED FOR INFORMATION PURPOSES ONLY. THE COMMISSION RESERVES THE RIGHT TO MAKE ANY CHANGE TO THE DRAFT IT SEES FIT AND NO RELIANCE SHOULD BE PLACED ON IT. THIS DRAFT CONTAINS THE FIRST TRANCHE OF DRAFT RULES (1-139) PRIMARILY RELATING TO THE ASSESSMENT OF PERMIT AND ENDORSEMENT APPLICATIONS AND OTHER FILINGS (RELEASED 13/1/17), THE SECOND TRANCHE (140 – 195) CONCERNING RULES ON THE COMMISSION, DELEGTION OF COMMISSION POWERS, AND COMMITTEES TO BE ESTABLISHED TO SUPPORT THE COMMISSIONS INVESTMENT APPROVAL, INVESTOR ASSISTANCE AND INVESTMENT MONITORING FUNCTIONS AND THE THIRD TRANCHE DEALING WITH REPORTING, INVESTOR RESPONSIBILITIES, ADMINISTRATIVE PENALTIES AND OTHER MISCELLANEOUS AND TRANSITIONAL MATTERS. IN ISSUING THIS DRAFT WITH THE TRANCHE 3 RULES SOME MODIFICATIONS HAVE BEEN MADE TO HE PREVIOUS TRANCHES FOLLOWING SUBMISSIONS MADE AND FURHTER REVIEW. A FURTHER, FULLY REVISED DRAFT TAKING ACCOUNT OF ALL COMMENTS AND SUGGESTIONS REMAINS TOBE COMPLETED.

GOVERNMENT OF THE REPUBLIC OF THE UNION OF MYANMAR MINISTRY OF PLANNING AND FINANCE NOTIFICATION NO. [•] /2017

**THE [•]TH WANING DAY OF [•], [•] ME
([•], 2017)**

In exercise of the power conferred under section 100 of the Republic of the Union of Myanmar Investment Law (Law No. 40 of Pyidaungsu Hluttaw, 2016), the Ministry of Planning and Finance has prescribed these Rules with the approval of Union Government:

Rules	Comments
Chapter I Title and Interpretation of these Rules	
1.	These Rules shall be called the Myanmar Investment Rules.
2.	Save as expressly provided in these Rules, terms defined in the Myanmar Investment Law have the same meaning when used in these Rules. In addition, the following definitions apply: <i>[Note: definitions will be added as successive tranches of the draft rules are released]</i>

Rules	Comments
<p><i>Application</i> means any of a Proposal, Endorsement, Tax Incentive, Land Rights Authorisation or Investment Screening application;</p>	
<p><i>Approval</i> means any approval granted by the Commission under the Law or these Rules, including the grant of a Permit, Endorsement, Tax Incentive and Land Rights Authorisation;</p>	
<p><i>Associate</i> has the meaning given in the Myanmar Companies Law [●];</p>	<p>[Note: MCL based definitions to be updated if new MCL is not passed by the date of implementation of these Rules. Refer to latest draft MCL on DICA website for explanation of definitions]</p>
<p><i>Authority</i> means any Union, state, regional or local government or governmental, administrative, fiscal, judicial or government owned body, Ministry, department, commission, committee, agency or enterprise;</p>	
<p><i>EIA Type Project</i> has the meaning given in the Environmental Impact Assessment Procedure made under Notification 616/215 pursuant to the Environmental Conservation Law, or any replacement or similar law;</p>	
<p><i>Environmental Compliance Certificate</i> has the meaning given in the Environmental Impact Assessment Procedure made under Notification 616/215 pursuant to the Environmental Conservation Law, or any replacement or similar law;</p>	
<p><i>Environmental Conservation Law</i> means the Environmental Conservation Law 9/2012 or any replacement law;</p>	
<p><i>Environmental Management Plan</i> has the meaning of either a Construction Phase EMP or Operational Phase EMP given in the Environmental Impact Assessment Procedure made under Notification 616/215 pursuant to the Environmental Conservation Law, or any replacement or similar law</p>	

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<i>Foreign Company</i> has the meaning given in the Myanmar Companies Law [●];	
<i>HS Codes</i> means the Harmonized System or Harmonized Tariff Schedule developed by the World Customs Organization, as in use by the Union customs authorities from time to time;	
<i>Holding Company</i> has the meaning given in the Myanmar Companies Law [●];	
<i>IEE Type Project</i> has the meaning given in the Environmental Impact Assessment Procedure made under Notification 616/215 pursuant to the Environmental Conservation Law, or any replacement or similar law;	
<i>Investment Monitoring Department</i> means the department within the Commission Office formed under rule [●] and having the primary responsibilities outlined in rule [●];	
<i>Investment Screening application</i> means an application made under rule 42;	
<i>Investor Assistance Department</i> means the department within the Commission Office formed under rule [●] and having the primary responsibilities outlined in rule [●];	
<i>ISIC</i> means International Standard Industrial Classification of All Economic Activities developed by the United Nations Statistics Division and as revised from time to time;	
<i>Land Rights Authorisation</i> means a right to obtain a long-term lease of land or buildings under section 50 of the Law;	
<i>Law</i> means the Myanmar Investment Law (40/2016);	
<i>Myanmar Company</i> means a company incorporated in Myanmar and registered under the Myanmar	

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Companies Law [●] which is not a Foreign Company;	
<i>One Stop Service Centre</i> means the centre within the Commission office formed under rule [●] and having the primary responsibilities outlined in rule [●]	
<i>Prior Permission</i> means has the meaning given in the Environmental Impact Assessment Procedure made under Notification 616/215 pursuant to the Environmental Conservation Law, or any replacement or similar law;	
<i>Promoted Sectors</i> means the sectors set out in the notification issued by the Commission in accordance with section 43 of the Law from time to time, including a list of promoted business activities;	
<i>Proposal Assessment Team</i> means the assessment working group established under rule 68;	
<i>Related Body Corporate</i> has the meaning given in the Myanmar Companies Law [●];	
<i>Small Company</i> has the meaning given in the Myanmar Companies Law [●];	
<i>State or Regional Committee</i> means a State or Regional Investment Committee established with the approval of the Commission for the purpose of considering an Application and granting an Approval under these rules [●];	
<i>State or Regional Committee Office</i> means the state or regional office of the Directorate of Investment and Company Administration which is responsible for carrying out the administrative activities of the relevant State or Regional Committee;	
<i>State or Regional Secretary</i> means the head of the Directorate of Investment and Company Administration for a state or region from time to time.	

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	<i>Submission</i> means any Application, notification, document or other information required to be submitted by or on behalf of an Investor to the Commission or other Authority under this Law;	
	<i>Subsidiary</i> has the meaning given in the Myanmar Companies Law [●];	
	<i>Tax Incentive</i> means an exemption or relief from certain taxes under sections 76, 77 and/or 78 of the Law;	
	<i>Transition Period</i> means the period of [24] months commencing on the date that these Rules take effect;	
	<i>Working Days</i> means any day (other than a Saturday, Sunday or a public holiday) when the Commission Office is open;	
3.	A reference in these Rules to a section of a law is a reference to that section of the Law and a reference to a rule is to one of these Rules.	
4.	Any reference in the Law or these Rules to land shall be read to include any body of water or any airspace located within territory of the Union.	
5.	Any reference in the Law or these Rules to a Foreign Investor or related expression includes a Foreign Company.	
6.	Any reference in the Law or these Rules to a Myanmar Citizen Investor or related expression includes a Myanmar Company.	
7.	Any reference in the Law or these Rules to a monetary amount expressed in United States Dollars or \$ shall include the Myanmar Kyat equivalent of such amount at the official exchange rate prevailing at the relevant time.	

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8.	In the exercise of its powers under section 100 of the Law the Commission may update any monetary amount or other quantitative measure expressed in these Rules.	
Types of Investment		
<i>Investments where a Permit is required</i>		
9.	An Investor must submit a Proposal to the Commission and may only invest after receiving a Permit if the proposed Investment meets any of the criteria in section 36 of the Law, including as clarified below.	An Investment may meet more than one criteria.
10.	The Investor must comply with all conditions of the Permit and other applicable laws when proceeding with its Investment.	
11.	<p>For the purpose of section 36(a) of the Law, an Investment is taken to be strategic to the Union if:</p> <p>(a) it is made in the communications, technology, transport infrastructure, energy infrastructure, urban development infrastructure, extractive/natural resources, agricultural, urban land or media sectors [and has an expected Investment value exceeding \$[20] million];</p> <p>(b) it is made pursuant to the grant of a concession, agreement or similar authorisation by an Authority [and has an expected Investment value exceeding \$[20] million];</p> <p>(c) it is made in a border region or conflict affected area [and has an expected Investment value exceeding \$[10] million];</p> <p>(d) it will be conducted across the national border [and has an expected Investment value exceeding \$[20] million];</p> <p>(e) it is made for primarily agriculture related purposes and includes rights to occupy or use more</p>	<p>In relation to rule 11(b), the Commission will have regard to the decision of the relevant Authority in relation to the Investment where the grant, agreement or approval was made following a transparent and competitive procurement process</p> <p>In relation to rule 11(d), the Investment will not be considered to be conducted across the border if the only cross border activity is to distribute goods and there is no material physical infrastructure used by the Investor or an Associate in relation to the Investment outside the one country.</p>

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	<p>than [1000] acres of land; or</p> <p>(f) it is made for primarily non-agricultural related purposes and includes rights to occupy or use more than [100] acres of land.</p>	
12.	For the purpose of section 36(b) of the Law, an Investment is taken to be capital intensive if the expected investment value exceeds \$[100 million].	
13.	<p>For the purpose of section 36(c) of the Law, an Investment is taken to have a large potential impact on the environment and the local community if:</p> <p>(a) it has been or is likely to be classified as [an EIA Type Project];</p> <p>(b) the project is located under a designated protected area or biodiversity area under the Environmental Conservation Law; or</p> <p>(c) it includes rights to occupy or use land which:</p> <p style="margin-left: 20px;">a. has been is or likely to be acquired through expropriation, compulsory acquisition procedure or by agreement in advance of such expropriation or compulsory acquisition procedure in accordance with the laws of the Union and will either cause the relocation of at least [100] individuals permanently residing on such land or comprise an area of more than [100] acres;</p> <p style="margin-left: 20px;">b. comprises an area of more than [100] acres and would be likely to cause involuntary restrictions on land use and access to natural resources to any person having a legal right to such land use or access;</p> <p style="margin-left: 20px;">c. comprises an area of more than [100] acres and which is the subject of a pre-existing bona fide claim or dispute (as determined by the Commission) by a person regarding rights to occupy or use such land in a way which would conflict with the proposed</p>	

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	<p>Investment; or</p> <p>d. would otherwise adversely impact the legal right of at least [100] individuals occupying such land to continue to occupy such land.</p>	
14.	<p>Subject to rule 14, for the purpose of section 36(d) of the Law, an Investment is taken to use state-owned land and buildings if an Authority has the land, building or relevant land rights and is authorised to transfer or deal in such land, building or rights in the capacity of an owner or occupier. It does not include land use rights arising from the grant, alteration or other administration of land rights pursuant to a statutory land administration process within the responsibility of the Authority.</p>	<p>For example, this rule does not cover the application of land grant or other administration process under the Farmland Act or Vacant, Fallow or Virgin Land Law (noting that these may still be covered by other rules in this chapter).</p>
15.	<p>The Investor is not required to apply for a Permit under section 36(d) of the Law if:</p> <p>(a) the consideration or value of other payments to be made in respect of the acquisition and use of such land rights by the Investor is less than \$[5] million in aggregate and the Investor is leasing or licensing the land or building for a term of 5 years or less (including any option the Investor may have to an extension of such land rights); or</p> <p>(b) the Investor sub-leases or licences such state-owned land or buildings from a person who:</p> <p style="margin-left: 20px;">a. has previously obtained the right to use the state-owned land or building from an Authority in accordance with the laws of the Union (including this Law); and</p> <p style="margin-left: 20px;">b. is authorised to sub-lease or sub-licence the state-owned land or buildings in accordance with the rights granted from the Authority; and</p> <p>the land and buildings are to be used by the Investor in a manner permitted under the lease, agreement or other instrument by which the land rights were granted by the Authority to the person.</p>	<p>Rule 15(a) will apply where the Investor obtains rights to use multiple areas of state-owned land and buildings as part of the Investment - the aggregate consideration for all such rights issued by any Authority shall be used.</p>

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16.	The duty to obtain a Permit under section 36 of the Law does not apply in respect of an Investment for which the Investor has obtained all required permits, licences and has satisfied all other requirements under the Laws of the Union to commence construction or operation of their Investment prior to these rules becoming effective, including a permit under the previous Foreign Investment Law (21/2012) or Myanmar Citizens Investment Law (18/2013).	
17.	Notwithstanding rule 16, if an Investor who has commenced construction or operation of their Investment prior to these rules coming into effect makes any changes to their Investment and any such changes considered separately from the original Investment would require the Investor to submit a Proposal, then the Investor shall submit a Proposal to obtain a Permit prior to making such changes to their Investment.	
18.	Any Investor who was not required to obtain a Permit when initially making their Investment who subsequently meets the requirements of section 36 due to a change in their Investment must submit a Proposal to obtain a Permit prior to making such changes.	
19.	Any reference in rules 11, 12, 13 and 15 to monetary amounts, land areas or numbers of affected individuals will be taken to mean an aggregate amount when looking at the Investment and the related business of the Investor and its Associates as a whole.	The purpose of this Rule is to enable the Investment to be looked at in holistic terms, including where the direct activities of the Investor may be supported by its Associates, to ensure that the spirit of the Rules are followed.

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20.	<p>Nothing in these rules limits the Commission from prescribing:</p> <p>(c) other forms of Investment which require the Investor to submit a Proposal and acquire a Permit, including under section 36(e);</p> <p>(d) the circumstances in which a Proposal will be submitted to the Pyidaungsu Hluttaw for approval under section 46;</p> <p>(e) other criteria or conditions which may apply to the assessment of a Proposal or grant of a Permit, including determining a minimum cash investment that must be made as a proportion of the total investment amount.</p>	<p>Subject to the special circumstances of a particular Investment, the Commission intends to publicise any other determinations of types of Investment to which section 36 and/or section 46 would apply.</p>
<i>Prohibited Investments</i>		
21.	<p>With the approval of the Government the Commission from time to time may issue notifications of Prohibited Investments under section 41 of the Law.</p>	<p>A separate notification specifying types of prohibited investments will be issued by the Commission.</p>
22.	<p>Without limiting the application of any other law, an Investment which is not subject to a notification referred to in rule 21 will not be considered to be a Prohibited Investment under the Law.</p>	
23.	<p>No person may make an investment which is a Prohibited Investment.</p>	
24.	<p>For the purpose of section 41(a) of the Law, hazardous and poisonous waste means all substances listed or prohibited under the <i>Prevention from Danger of Chemical and Associated Materials Law (28/2013)</i>, the <i>Environmental Conservation Law (9/2012)</i> or otherwise determined by the Ministry of Industry, Ministry of Natural Resources and Environmental Conservation or other competent Authority as prohibited from being imported, exported, stored, traded, manufactured or otherwise produced within the Union. The production or use of such substances in connection with an Investment is prohibited, subject to any</p>	

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	express statutory exception or dispensation or approval of a competent Authority.	
25.	The purpose of sections 41(b), (c), (d), (e) and (f) of the Law is to ensure that Investments are conducted in accordance with the laws of the Union, including the <i>Environmental Conservation Law</i> , <i>Public Health Law</i> and <i>Consumer Protection Law</i> . These sections do not prevent an Investment to the extent it is carried out in accordance with the laws of the Union.	
26.	Without limiting any other power, the Commission: <ul style="list-style-type: none"> (a) may request information from any Investor whom it believes may be engaging in a Prohibited Investment or related activity; and (b) may order the suspension or cessation of any Investment if it believes that a Prohibited Investment has occurred. 	
<i>Restricted Investments</i>		
27.	With the approval of the Government the Commission from time to time may issue notifications of Restricted Investments under section 42 of the Law and amend these under section 44 of the Law.	A separate notification specifying types of restricted investments will be issued by the Commission.
28.	Section 45 of the Law does not limit the matters which the Commission may discuss when considering an amendment to a notification referred to in rule 27, nor require any particular form of consultation.	
29.	Without limiting the application of any other law, an Investment which is not subject to a notification referred to in rule 27 will not be considered to be a Restricted Investment under the Law.	
30.	Any person making an Investment which is a Restricted Investment must do so in accordance with the	

Rules		Comments
	Law and other applicable laws, including as clarified below.	
31.	For the purpose of section 42(a) of the Law, and subject to other applicable laws, in connection with such an Investment activity the Government may contract with an Investor, and the Investor’s involvement in the Investment activity is permitted to that extent.	
32.	Without limiting the application of the section, Investment activities specified under section 42(b) of the Law may be made by Myanmar Companies.	Note that under the new Myanmar Companies Law a Myanmar Company will be able to have a degree of foreign investment (expected to be up to 35%). Such a Myanmar Company would not be restricted from making investments covered by section 42(b).
33.	For the purpose of section 42(c) of the Law, subject to any express exception in the relevant notification, the minimum direct shareholding or interest of a Myanmar Citizen Investor (or group of them) in the joint venture is 20%.	
34.	Without limiting the application of section 42(c) of the Law or rule 30, the minimum direct shareholding or interest of a Myanmar Citizen Investor in the joint venture may be held by a Myanmar Company (or group of them).	When considering the maximum foreign ownership threshold in a joint venture only the direct ownership interest will be considered. An interest that a foreign investor may have in a Myanmar Company participant in the joint venture will therefore not be considered in determining the joint venture ownership ratios.

Rules		Comments
<i>Promoted Sector Investments</i>		
35.	<p>With the approval of the Government the Commission from time to time may issue notifications of:</p> <p>(a) Promoted Sectors under section 43 of the Law and other Investment activities which may receive tax exemptions or relief; and</p> <p>(b) Places in the Union which are to be designated under section 75 of the Law as Zone 1, Zone 2 or Zone 3 depending on their level of development.</p>	Separate notifications specifying types of promoted investments and places in the different investment zones will be issued by the Commission.
36.	Without limiting any other power or rule, the Commission may prescribe minimum investment criteria to be satisfied before an Investment is eligible to receive a Tax Incentive and may prescribe a maximum value of Tax Incentives that may be granted to any Investment, Promoted Sector or generally in any period. The eligibility criteria could include a minimum cash investment that must be made as a proportion of the total investment amount.	Other minimum investment criteria could include any one or combination of factors such as the proposed Investment value, the anticipated level of job creation and the application of new or enhanced technology.
Investment Submissions		
<i>Submissions Generally</i>		
37.	An Investor shall make all Submissions to the Commission in accordance with the Law and these Rules.	
38.	<p>Every Submission must:</p> <p>(a) be in writing;</p> <p>(b) be in Myanmar or English language;</p>	The Commission may publish summary information about Proposals received (eg on its website)

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	<ul style="list-style-type: none"> (c) where it is a Proposal, include a summary of the proposed Investment in English and Myanmar language; (d) be signed by an authorised representative of the Investor and each other applicant where relevant; (e) be completed on the prescribed form where applicable; (f) contain the information as specified by the Commission; (g) contain information which is true and complete in all respects and not misleading; (h) be lodged with the Commission Office or relevant State or Regional Committee Office; and (i) be lodged with the relevant Submission fee. 	
39.	<p>A summary of proposed Investment, prepared in accordance with rule 38(c) shall include information on:</p> <ul style="list-style-type: none"> (a) the Investor, and any other person holding a significant direct or indirect interest in the Investment; (b) the principal location or locations of the Investment; (c) a description of the sector in which the Investment is to be made and the activities and operations to be conducted; (d) the proposed amount of the Investment; (e) a description of the plan for the implementation of the Investment (including expected timetable); and 	

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	(f) such other information as prescribed by the Commission from time to time.	
40.	If an Investor has not yet been legally established, the party responsible for establishing the Investor may submit the Application on behalf of the Investor. The establishment of the Investor will be a condition of being issued the Approval and will not alter any of the obligations of the Investor under the Law.	This Rule will apply to Applications under rules 42, 53, 73, 91 and 121. Establishment will occur in accordance with section 65(b) of the Law.
41.	Without limiting any of its other powers, the Commission may consult with any Authority in considering a Submission, and in relation to any Application may consult with and obtain information which it considers relevant to its determination from other stakeholders and persons affected by the determination.	

Rules	Comments
<i>Investment Screening Applications</i>	
<p>42. An Investor may submit an Investment Screening application to the Commission for non-binding guidance on whether its proposed Investment is of the kind:</p> <ul style="list-style-type: none"> (a) where a Proposal to the Commission is required to be submitted under section 36 of the Law; (b) likely to be submitted to the Pyidaungsu Hluttaw for approval under section 46 of the Law prior to the issue of the Permit; (c) which is a Prohibited Investment under section 41 of the Law and any related notification; (d) which is a Restricted Investment under section 42 of the Law and any related notification; or (e) which is a Promoted Investment under section 43 of the Law and any related notification. <p>The Investment Screening guidance will not express a likelihood of an Approval being granted.</p>	
<i>Investment Screening Procedure</i>	
<p>43. Once the Investment Screening application has been submitted and the correct application fee paid, it shall be assessed. Once the assessment is complete the Commission shall issue the guidance. Such guidance is non-binding and may be conditional.</p>	
<p>44. The maximum duration for assessing a complete Investment Screening application shall not exceed [10] Working Days, or [20] Working Days where guidance is sought under rule 42(b). The assessment period can be extended if the Commission requires additional information from the Investor.</p>	

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45.	An Investment Screening application will lapse if information requested by the Commission is not provided by the Investor within 10 Working Days from the date that it was requested, or such extended timeframe as may be approved by the Commission.	
<i>Change of Guidance</i>		
46.	If the Commission determines at any time that guidance issued under rule 42 should be amended, it may inform the Investor. The Investor is required at all times to comply with the Law and take whatever action is necessary in response to the amended guidance.	
47.	<p>Provided that the Investor:</p> <ul style="list-style-type: none"> (a) fully disclosed the nature of the Investment in the Investment Screening application; (b) disclosed all information which a reasonable person would consider material to the Commission's assessment of the Investment Screening application; and (c) acted in good faith and did not mislead the Commission or act fraudulently or wilfully conceal any information, <p>it shall not be subject to any penalty for taking action in response to guidance issued under rule 43 which may be subsequently amended under rule 45. The Investor shall be given a period of 6 months (or such extended timeframe as may be approved by the Commission) to take whatever action is necessary in response to the amended guidance.</p>	

Rules		Comments
<i>Restricted Investment Notice</i>		
48.	Subject to rule 51, an Investor proposing to make a Restricted Investment under section 42 of the Law must notify the Commission of its Investment in the prescribed form.	
49.	The notice under rule 48 must be submitted within 3 months of the commencement of implementation of the Investment.	
50.	The notice may be submitted to the Commission Office or State or Regional Commission Office as notified by the Commission.	
51.	Rule 48 does not apply to a Small Company or to an Investor who is submitting a Proposal or Endorsement application in respect of the Investment within the time period referred to in rule 49.	
52.	Unless a Permit for the Investment is required, and subject to overall compliance with the Law and other applicable laws, no determination or approval of the Commission is required to proceed with an Investment which must be notified under rule 48.	
<i>Proposals</i>		
53.	An Investor must submit a Proposal to the Commission if the Investment requires a Permit under section 36 of the Law.	
54.	When submitting the Proposal, the following persons must apply: (a) the Investor; (b) any Subsidiary involved in the Investment, including those applying for a Land Rights	

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	Authorisation or a Tax Incentive in relation to the Investment.	
55.	<p>A relevant Authority may submit the Proposal if the Authority:</p> <p>(a) holds a significant ownership interest in the Investor;</p> <p>(b) has granted or intends to grant the Investor a concession which forms the basis of the Investment;</p> <p>(c) has entered a contractual agreement with the Investor which forms the basis of the Investment; or</p> <p>(d) is otherwise required or authorised by law to do so.</p>	
56.	Without limiting any of its other powers, the Commission will publish a summary of the Proposal, which may include information to be disclosed pursuant to rule 39 and such other information that the Commission considers beneficial to the interests of the Union to publish. The Commission may also consider Investor requests to refrain from publishing commercial-in-confidence or other sensitive information regarding the Investment.	
57.	A Land Rights Authorisation and / or Tax Incentive application may be submitted concurrently with the Proposal.	The Permit and Land / Tax Incentive application processes will in effect be done as the one process.
<i>Proposal Assessment Procedure</i>		
58.	Once a Proposal has been submitted and the correct application fee paid, it shall be screened for eligibility and completeness at the Commission Office (or other place designated by the Commission). If determined that the Proposal is eligible and complete it will be accepted and the Proposal shall undergo substantive assessment by the Proposal Assessment Team and then be submitted to the Commission for	

	Rules	Comments
	<p>review and determination at the meeting of its Members (or other person or body to whom authority is delegated under rule 68). The assessment, review and determination will be made having regard to the Proposal Assessment Criteria in rule 70 and the following rules.</p>	
<p>59.</p>	<p>Within [15] working days of receipt the Commission may reject the Proposal if it is considered to be incomplete, ineligible for approval or on other relevant grounds. If a Proposal is rejected the Commission will give the Investor notice of the rejection and an explanation of the grounds of rejection within a further [10] working days. If the Proposal is not rejected it will be deemed to be accepted.</p>	
<p>60.</p>	<p>Subject to rules 61 and 62, if the Proposal is accepted (or deemed to be accepted) the Commission will have up to a further [60] Working Days to complete its assessment and make its determination.</p>	
<p>61.</p>	<p>The time period for the assessment of the Proposal under rule 60 can be suspended if:</p> <ul style="list-style-type: none"> (a) the Commission requires additional information from the Investor or other party to make its assessment and determination on the Permit and any related Application; or (b) the Proposal is one which is to be referred to the Pyidaungsu Hluttaw for approval under section 46 of the Law. <p>The time period may be suspended more than once under this rule and the Investor will be notified of the suspension. Subject to rule 65, the time period will resume once the additional information is received or once the decision of the Pyidaungsu Hluttaw has been communicated to the Commission.</p>	
<p>62.</p>	<p>The time period for the assessment of the Proposal under rule 60 may be extended if the Secretary of the Commission determines that the complexity or novelty of the Proposal or other circumstances mean that it is beneficial to the interests of the Union to make an extension. The time period may be extended more than once under this rule and the Investor will be notified of the extension.</p>	

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63.	The Commission may require that an authorised representative of the Investor attend meetings of the Proposal Assessment Team or the Commission at which the Proposal is being considered.	
64.	The Commission may require the Investor to provide more information relevant to the Proposal at any stage of the process, including prior to acceptance for substantive consideration or before submitting the Proposal to the Commission for review at the meeting of Members.	
65.	Proposals will lapse if the information requested from the Investor by the Commission is not provided within [20] Working Days from the date that it was requested, or such extended timeframe as may be approved by the Commission. If the Proposal lapses an Investor who wishes to continue making the Investment will need to re-submit the Proposal and pay the correct application fee.	
66.	The Commission will consult with other Authorities as necessary or desirable in the conduct of the assessment of a Proposal, and all such Authorities shall be required to make relevant personnel and other resources available to ensure that the timeframes prescribed for the assessment of the Proposal are met.	
67.	The Commission may reject a Proposal at any time if it is not considered to be in compliance with law or is otherwise ineligible for Approval.	
68.	The Commission will establish a Proposal Assessment Team to conduct the primary review of Proposals, which may include officials from other Authorities. The Commission may also delegate the authority for assessing the Proposal and issuing a Permit to a State or Regional Committee if the value of the Investment is less than \$5 million.	
69.	The Commission may issue further guidelines on the Permit application and assessment procedure.	

Rules	Comments
<i>Proposal Assessment Criteria</i>	
<p>70. The Commission must in accordance with section 25(c) of the Law assess every Proposal and determine if it is beneficial to the interests of the Union. In making its assessment the Commission will have regard to the objectives, principles, rights and responsibilities in the Law, including in sections 3, 47 and 65. It shall also consider whether the Investor and/or the Proposal satisfies the following criteria:</p> <ul style="list-style-type: none"> (a) the Investor is acting, and the Investment will be made, in accordance with the laws of the Union; (b) the Investment is one for which a Permit is required; (c) the Proposal is in accordance with the Law; (d) the Investor has demonstrated a commitment to carry out the Investment in a responsible and sustainable manner, including by, as relevant, limiting any potentially adverse environmental and social impacts; (e) the Investor or Holding Company or an Associate involved in the management of the Investment have business experience and acumen relevant to the Investment; (f) the Investor has demonstrated its financial commitment to the Investment; (g) the Investor is of good character and business reputation; and (h) the Investment is compatible with national development, security, economic, social and cultural policies, taking into consideration development, security, economic, social and cultural policy objectives announced by the Government or the government of any State or Region affected by the Investment. 	<p>In relation to the criterion in rule 70(e), an Investor may include reference to its management, staff and consultants to seek to demonstrate that it has the required experience and acumen.</p>

Rules		Comments
71.	<p>In assessing the Proposal in accordance with rule 70 the Commission:</p> <p>(a) must consider all criteria and determine of the criteria in rules 70(d) to (h) are most relevant to the Investor and the Proposal (with the criteria in rules 70(a) to (c) being mandatory criteria); and</p> <p>(b) must determine whether the mandatory criteria are met and the relevant non-mandatory criteria are substantially met.</p>	
72.	<p>For the purposes of rule 70(g), in assessing whether the Investor is of good character and business reputation the Commission may consider (without limitation) whether the Investor or any Associate with an involvement or interest in the Investment has committed an offence or other contravention of the law of the Union or another jurisdiction, including any environmental, labour, anti-bribery and corruption or human rights law.</p>	<p>The Commission will consider the seriousness of any offence or contravention and its relevance to the Investment when making this assessment.</p>
<i>Endorsement Applications</i>		
73.	<p>Any Investor who is not required to submit a Proposal under section 36 of the Law but who wishes to apply for a Land Rights Authorisation and / or Tax Incentive may apply for an Endorsement.</p>	
74.	<p>When submitting the application for an Endorsement, the following applicants must apply:</p> <p>(a) the Investor;</p> <p>(b) any Subsidiary involved in the Investment, including those applying for a Land Rights Authorisation or a Tax Incentive in relation to the Investment.</p>	

Rules		Comments
75.	The relevant Land Rights Authorisation and / or Tax Incentive application should be submitted concurrently with the Endorsement application.	The Endorsement and Land / Tax Incentive application processes will in effect be done as the one process.
76.	As required by section 38 of the Law all recommendations, approvals, licences, permits and similar authorisations relevant to the initial implementation of the Investment must be submitted with the Endorsement Application, provided that where such a recommendation or authorisation necessarily follows the implementation of the Investment or relates solely to ongoing operational matters then such authorisation shall be obtained after the submission of the Endorsement Application in the ordinary course.	A hotel licence and construction approval is an example of this – the recommendation letter of the Ministry of Hotels and Tourism is required before construction of a hotel can commence. The hotel licence itself will not be issued until after construction is complete. The Endorsement may be applied for once the recommendation letter is issued by the Ministry, with the licence to follow.
<i><u>Endorsement Application assessment procedure</u></i>		
77.	Once the Endorsement application has been submitted and the correct application fee paid, it shall be screened for eligibility and completeness at the Commission Office (or other place designated by the Commission). If determined that the application is eligible and complete the application for Endorsement shall be submitted for review and determination at the meeting of Members (or other person or body to whom authority is delegated under rule 87). The assessment, review and determination will be made with regard to the Endorsement assessment criteria in rule 89 and the following rules.	While the Endorsement assessment procedure mirrors that used for a Permit, the intention is that it will occur in a far more streamlined way if the content of the application and associated Land / Tax Incentive application is simpler. Flexibility exists to delegate decision making authority to DICA staff and, consistent with the Government's policy towards decentralisation, to State and Regional Government bodies (see Rule 87). Subject to further Government consideration it is possible that following a transitional period

Rules		Comments
		<p>applications involving investment amounts of less than \$5 million will be handled at the State/Regional level, with the close involvement of senior DICA staff stationed in the State/Region. It is also likely that most other Endorsement applications (and related Tax and Land Rights Authorisation applications) will be efficiently determined by designated DICA officials. Further guidance on this will be provided as procedures are developed.</p>
78.	<p>Within [15] working days of receipt the Commission may reject the Endorsement application if it is considered to be incomplete, ineligible for approval or on other relevant grounds. If an application for an Endorsement is rejected the Commission will give the Investor notice of the rejection and an explanation of the grounds of rejection within a further [10] working days and an explanation of the grounds of rejection within. If the Endorsement application is not rejected it will be deemed to be accepted.</p>	
79.	<p>Subject to rules 80 and 81, if the Endorsement application is accepted (or deemed to be accepted) the Commission will have up to a further [60] Working Days to complete its assessment and make its determination.</p>	
80.	<p>The time period for the assessment of the Endorsement application under rule 79 can be suspend if the Commission requires additional information from the Investor or other party to make its assessment and determination of the Endorsement application and any related Application. The time period may be suspended more than once under this rule and the Investor will be notified of the suspension. Subject to rule 84, the time period will resume once the additional information is received.</p>	
81.	<p>The time period for the assessment of the Endorsement application under rule 79 may be extended if the Secretary of the Commission (or delegate) determines that the complexity or novelty of the Endorsement</p>	

Rules		Comments
	application or other circumstances mean that it is beneficial to the interests of the Union to make an extension. The time period may be extended more than once under this rule and the Investor will be notified of the extension.	
82.	The Commission may require that an authorised representative of the Investor attend meetings of the Commission at which the Endorsement application is being considered.	
83.	The Commission may require the Investor to provide more information relevant to the Endorsement application at any stage of the assessment process.	
84.	Endorsement applications will lapse if the information requested from the Investor by the Commission is not provided within [20] Working Days from the date that it was requested, or such extended timeframe as may be approved by the Commission. If the Endorsement application lapses an Investor who wishes to continue making the Investment will need to re-submit the Endorsement application and pay the correct application fee.	
85.	The Commission will consult with other Authorities as necessary or desirable in the conduct of the assessment of an Endorsement application, and all such Authorities shall be required to make relevant personnel and other resources available to ensure that the timeframes prescribed for the assessment of the Endorsement application are met.	
86.	The Commission may reject an Endorsement application at any time if it is not considered to be in compliance with law or is otherwise ineligible for approval.	
87.	The Commission may delegate the authority for assessing the Endorsement application and issuing an Endorsement to a State or Regional Committee if the value of the Investment is less than \$5 million or to another officer of the Commission of Director level or above or committee of Commission officials formed for that purpose.	

Rules		Comments
88.	The Commission may issue further guidelines on the Endorsement application and assessment procedure.	
<i>Endorsement Application assessment criteria</i>		
89.	<p>The Commission must in accordance with section 25(d) of the Law assess every application for an Endorsement, and determine whether to issue an Endorsement, after considering the objectives, principles, rights and responsibilities in the Law, including in sections 3, 47 and 65, and applying the following criteria:</p> <ul style="list-style-type: none"> (a) the Investor is acting, and the Investment will be made, in accordance with the laws of the Union; (b) the application for an Endorsement is in accordance with the Law; (c) the applicant is an Investor as defined by the Law; (d) the application relates to an Investment as defined by the Law; and (e) the Investor is eligible to receive one or both of the Land Rights Authorisations or Tax Incentives applied for with the Endorsement application. 	
90.	In assessing the Endorsement application in accordance with rule 89 the Commission must determine whether the criteria are met.	
<i>Tax Incentive Application</i>		
91.	<p>Any Investor:</p> <ul style="list-style-type: none"> (a) proposing to make an Investment in a Promoted Sector or in respect of any other Investment 	

Rules		Comments
	<p>activities which have been notified as being eligible for Tax Incentive; and</p> <p>(b) who has been issued a Permit or an Endorsement, or who is in the process of applying for a Permit or Endorsement, in relation to the Investment,</p> <p>may apply for a Tax Incentive.</p>	
92.	<p>Applications for a Tax Incentive may be submitted together with a Proposal or application for an Endorsement. Applications for a Tax Incentives under section 77(c) or 78(a) of the Law may also be submitted subsequently. The precise Tax Incentives applied for must be specified in the Application.</p>	
93.	<p>Without limiting other information which may be required, a Tax Incentive application comprising the income tax exemption under section 75 of the Law must state the Zone in which the Investor considers that more than 65% of the value of the Investment will be invested or carried out, calculated in accordance with rule 103.</p>	
94.	<p>Without limiting other information which may be required, if an Investors is applying for a Tax Incentive comprising a custom duty exemption under section 77(a) and (d) of the Law the Investor must provide:</p> <p>(a) a list of machinery, equipment, instruments, machinery components, spare parts and construction materials to be imported for the construction and implementation of the Investment. The level of detail regarding these items should reflect the HS Code chapter (four-digit HS Code); and</p> <p>(b) a calculation of the total value of all such imports for which the Tax Incentive comprising a custom duty exemption is being applied.</p> <p>These details may be amended by the Investor following the grant of such Tax Incentive, subject to the approval of the Commission.</p>	

Rules		Comments
<i>Tax Incentive Application assessment procedure</i>		
95.	Rules in respect of the Permit or Endorsement assessment procedure set out above shall apply in the same way to the assessment of a Tax Incentive application with all necessary changes and save that the assessment, review and determination will be made having regard to the Tax Incentive assessment criteria in rule 98.	
96.	The Commission may delegate the authority for assessing the Tax Incentive application to a State or Regional Committee if the value of the Investment is less than \$5 million or to the Secretary of the Commission or committee of Commission officials formed for that purpose.	
97.	The Commission may issue further guidelines on the Tax Incentive application and assessment procedure.	
<i>Tax Incentive assessment criteria</i>		
98.	<p>The Commission must in accordance with section 74 of the Law assess every Tax Incentive application, and determine if the Investor is eligible for any Tax Incentives applied for, after considering the objectives, principles, rights and responsibilities in the Law, including in sections 3, 47 and 65. It shall also consider whether the Investor and/or the Investment satisfies the following criteria:</p> <p>(a) the Investor is acting, and the Investment will be made, in accordance with the laws of the Union;</p> <p>(b) the application for Tax Incentives is in accordance with the Law;</p> <p>(c) the Investment is in a Promoted Sector or in respect of other Investment activities which have been notified as being eligible for a Tax Incentive and the Investment forms all or substantially all of the business of the Investor;</p>	<p>Note: Additional guidance to be provided on how these criteria are to be applied to ensure incentives are efficiently used to meet the Government’s economic development objectives relating to the promoted sectors.</p> <p>In respect of the criterion in rule 98 (c), to give effect to the intention of the Government’s policy on tax incentives the Investor’s business must consist only of the Investment, or the Investment and some insubstantial ancillary or other activities.</p>

Rules		Comments
	<p>(d) the Investor holds or is to be granted a Permit or Endorsement in respect of the Investment;</p> <p>(e) the Investment is being made in a place designated under a Commission notification as Zone 1, Zone 2 or Zone 3 (or combination of them);</p> <p>(f) the requirements and authorisations contained in rules 101 to 111;</p> <p>(g) the Investment will assist with the creation of new employment opportunities in the Union and the development of a skilled labour force;</p> <p>(h) the Investment will bring into the Union new or enhanced technology or business skills;</p> <p>(i) the Investment will lead to added market competition, greater efficiency or productivity, or provision of enhanced infrastructure or services, in the Union; and</p> <p>(j) the Investment will increase export receipts for the Union.</p>	
99.	<p>In assessing the Tax Incentive application in accordance with rule 98 the Commission:</p> <p>(a) must consider all criteria and determine which of the criteria in rules 98(g) to (j) are most relevant to the Investor and the Proposal (with the criteria in rules 98(a) to (f) being mandatory criteria); and</p> <p>(b) must determine whether the mandatory criteria are met and the relevant non-mandatory criteria are substantially met.</p>	
100.	<p>The Commission may Approve or refuse some or all of the Tax Incentives applied for by the Investor, and may grant a Tax Incentive in whole or in part and subject to any conditions, including that any transactions between the Investor and its Affiliates that are relevant to the Investment be on arms' length terms.</p>	

Rules		Comments
101.	The Commission may refuse to grant a Tax Incentive if the Investor or an Associate has within the previous [3] years discontinued or significantly reduced a prior Investment for which a tax incentive was given under any law.	
102.	The Tax Incentive granted will only apply in relation to the portion of the Investment in a Promoted Sector or in respect of other Investment activities which have been notified as being eligible for a Tax Incentive, and not to income earned or other actions taken in respect of other activities of the Investor and any Subsidiary in respect of the Investment.	Per the guidance above in relation to rule 98 (c), the Investor's business must consist only of the Investment, or the Investment and some insubstantial ancillary or other activities. The Tax Incentives apply to the Investment activities only.
103.	Where the Investor makes or undertakes its Investment in more than one Zone, if more than 65% of the value of the Investment is invested or carried out in: <ul style="list-style-type: none"> (a) Zone 1, the Investment is considered to be made in Zone 1; (b) Zone 1 and Zone 2, the Investment is considered to be made in Zone 2; and (c) Zone 1, Zone 2 and Zone 3, the Investment is considered to be made in Zone 3. 	
104.	The Commission may only grant a Tax Incentive comprising a customs duty exemption under section 77(a) and (d) of the Law for machinery, equipment, instruments, machinery components, spare parts and construction materials required for the construction of the Investment or during the Investment implementation period.	

Rules		Comments
105.	The Commission may make it a condition of granting the Tax Incentive comprising a customs duty exemption under section 77(a) and (d) of the Law that a contractor named on the Tax Incentive Approval pursuant to rule 114 confirm the accuracy of the list of goods to be imported.	
106.	Tax Incentives comprising customs duty exemptions or relief under section 77(b) of the Law may only be granted if at least 80% of the income expected to be earned from the Investment is in foreign currency from exports, and may be granted on a pro-rata basis based on the percentage of income in excess of this amount expected to be earned from the Investment in foreign currency from exports.	
107.	Tax Incentives comprising a reimbursement of customs duty under section 77(c) of the Law will be calculated by the Commission on a pro-rata basis of the entire custom duties paid by the Investor based on the proportion of income from the Investment earned in foreign currency from exports. The reimbursement can be applied for at the end of an assessment year for the custom duties paid in the assessment year. The reimbursement may be in the form of a customs duties credit which can be offset against future customs duties to be paid by the Investor, or by such other means as may be determined by the relevant Authority in consultation with the Commission.	
108.	<p>The Commission may grant a Tax Incentive comprising the exemption or relief from income tax under section 78(a) of the Law if the following additional conditions are met:</p> <ul style="list-style-type: none"> (a) the profits reinvested are from earnings received by the Investor in the assessment year in which the income tax exemption under section 78(b) is being claimed; (b) the re-investment has occurred in the assessment year following the assessment year in which the income tax exemption under section 78(b) is being claimed; (c) the reinvestment is made in capital items or other expenditure for the purpose of increasing the productive capacity of and earnings from the Investment or a similar, related Investment. In this regard, the payment of operating expenses is not considered reinvestment of profits for the 	

Rules		Comments
	<p>purpose of this rule; and</p> <p>(d) all income tax and other taxes due in respect of the assessment year in which the income tax exemption under section 78(b) is being claimed have been duly paid.</p>	
109.	The Commission may grant the Investor a Tax Incentive comprising the right to depreciate its assets at a rate equal to 1.5 times the rate permitted under the relevant laws of the Union or such other rate as may be notified from time to time.	[Note: these additional limits are being considered]
110.	<p>The Commission may grant the Investor a Tax Incentive Comprising the right to deduct research and development expenses from its assessable income under section 78(c) of the Law if:</p> <p>(a) the research and development activity is carried out within the Union;</p> <p>(b) the research and development activity relates solely to the Investment;</p> <p>(c) the research and development is required for the economic development of the Union; and</p> <p>(d) the research and development expenses are recognised as such under the applicable accounting standards in the Union.</p>	
111.	The Commission may prescribe additional limits or criteria concerning the amount of or procedure for applying or administering the Tax Incentive comprising the right to deduct research and development expenses from its assessable income under section 78(c) of the Law.	[Note: these additional limits are being considered]
<i>Other matters relevant to Tax Incentive Applications and Approvals</i>		
112.	The Tax Incentive comprising the income tax exemption under section 75 of the Law shall commence from the earlier of the year of assessment in which the Investor commences commercial operation or the year of assessment in which the Investment earns income which would otherwise be assessable.	

	Rules	Comments
113.	<p>Where a Tax Incentive comprising the income tax exemption under section 75 of the Law is granted, after three and five years of operation the Zone(s) in which more than 65% of the value of the Investment is invested or carried is to be re-assessed, and if the value of actual Investment in the Zone(s) is different from the way assessed when granting the Tax Incentive, the Commission may amend the Tax Incentive to reflect the Zone in which the actual Investment is made in accordance with the formula in rule 103.</p> <p>Any re-assessment will be retrospective and if the Investor is found to have received a greater amount of Tax Incentive than it was eligible for based on the re-assessment it will be deemed to have incurred a tax liability in respect of this amount, which will be payable in its next annual tax assessment. No adjustment will be made if the Investor is found to have received a lesser amount of Tax Incentive than it may have been eligible for based on the re-assessment.</p>	[Note: re-assessment tests based on the Zone where income is earned are also being considered]
114.	<p>Where a contractor is required by an Investor to import goods for the construction and implementation of the Investment and title is to be transferred to the Investor after the goods are imported, the Commission may, by listing the contractor on the Investor's Tax Incentive Approval, grant the contractor the right to benefit from the Tax Incentive comprising the customs duty exemption under section 77(a) and (d) of the Law when importing the goods for the Investment.</p>	
115.	<p>Unless prior Approval is granted by the Commission, if the machinery, equipment, instruments, machinery components, spare parts and construction materials covered by the Tax Incentive comprising a customs duty exemption under section 77(a) and (d) are used for any other purpose than the construction or implementation of the Investment, the Investor is required to pay all applicable customs duties which would have been payable but for being granted the Tax Incentive comprising the customs duty exemption. If a contractor was listed on the relevant Tax Incentive Application, the contractor will be jointly and severally liable with the Investor for the payment of any customs duty under this rule.</p>	
116.	<p>Prior to granting the Tax Incentive comprising a custom duty exemption under section 77(a) and (d) of the Law the Commission may assess whether the goods imported are to be used in the construction and implementation of the Investment.</p>	

Rules		Comments
117.	If a Tax Incentive comprising a custom duty exemption is granted under section 77(b) of the Law and the percentage of income actually earned in foreign currency from exports in an assessment period is less than the expectation stated in the Tax Incentive Application, the customs duty exemption will be reduced to a pro-rata exemption based on the actual earnings from exports in that period, and the Investor will be required to repay any excess customs duties which were incorrectly exempted under the Tax Incentive Approval.	If export income is less than 80% of the total then the full value of the incentive is to be repaid.
118.	If a Tax Incentive comprising a right to accelerated depreciation is granted under section 78(b) of the Law The Investor must apply such depreciation rate from the earlier of the year of assessment in which the Investor commences commercial operation or the year of assessment in which the Investment earns income that would otherwise be assessable.	
<i>Land Rights Authorisation Application</i>		
119.	Any Investor who has been issued a Permit or an Endorsement, or who is in the process of applying for a Permit or Endorsement, in relation to the Investment may apply for a Land Rights Authorisation.	
120.	Without limiting other information which may be required, a Land Rights Authorisation application must state: <ul style="list-style-type: none"> (a) to the extent known, the area, type and location of the land or buildings; (b) to the extent known, the landlord(s) of the land or buildings; (c) if available, a recommendation letter or similar document or approval from a State or Regional Government Authority or other Authority endorsing any proposed change in use of the land to allow it to be used as contemplated in the Investment; (d) to the extent known, whether the Investors proposed use of the land will require any significant 	

Rules		Comments
	<p>alteration of topography or elevation of the land, as contemplated in section 65(f) of the Law; and</p> <p>(e) the period of the Land Rights Authorisation requested (which, subject to section 50(f) of the Law, may not exceed 50 years for the initial lease and not more than two consecutive periods of not more than 10 years each).</p>	
<i>Land Rights Authorisation Application assessment procedure</i>		
121.	Rules in respect of the Permit or Endorsement assessment procedure set out above shall apply in the same way to the assessment of a Land Rights Authorisation application with all necessary changes and save that the assessment, review and determination will be made having regard to the Land Rights Authorisation assessment criteria in rule 124.	
122.	The Commission may delegate the authority for assessing the Land Rights Authorisation application to a State or Regional Committee or to an officer of the Commission of at least Director level or committee of Commission officials formed for that purpose.	
123.	The Commission may issue further guidelines on the Land Rights Authorisation application and assessment procedure.	
<i>Land Rights Authorisation assessment criteria</i>		
124.	<p>The Commission must in accordance with section 25(d) of the Law assess every application for a Land Rights Authorisation and determine whether to issue a Land Rights Authorisation after considering the objectives, principles, rights and responsibilities in the Law, including in sections 3, 47 and 65. It shall also consider whether the Investor and/or the Investment satisfies the following criteria:</p> <p>(a) the Investor is acting, and the Investment will be made, in accordance with the laws of the Union;</p>	

Rules		Comments
	<p>(b) the application for Land Rights Authorisations is in accordance with the Law;</p> <p>(c) the Investor holds or is to be granted a Permit or Endorsement in respect of the Investment;</p> <p>(d) the land over which the Investor has applied for Land Use Rights is able to be used for the purposes contemplated in the Investment under applicable laws, whether presently or following the completion of a change of use or similar statutory procedure; and</p> <p>(e) if the Investors proposed use of the land will or may be likely to require any significant alteration of topography or elevation of the land, whether such alteration is likely to have a material adverse effect on the environment which cannot be reasonably mitigated.</p>	
125.	In assessing the Land Rights Authorisation application in accordance with rule 124 the Commission must determine whether the criteria are met.	
126.	The Commission may Approve or refuse some or all of the Land Rights Authorisations applied for by the Investor, and may grant a Land Rights Authorisation in whole or in part and subject to any conditions, including conditions to inform the Commission of any matters referred to in rule 120 which are not fully known at the time of the Application but which subsequently become known. .	
<i>Other matters relevant to Land Rights Authorisation Applications and Approvals</i>		
127.	Subject to compliance with any other applicable law and any conditions imposed by the Commission, where the Investor has a received a Land Rights Authorisation the Investor will be able to enjoy the rights stated in the Land Rights Authorisation. Each relevant Authority will be required to give effect to this rule.	
128.	Subject to compliance with any other applicable law and any conditions imposed by the Commission, where the land the subject of the Land Rights Authorisation requires the completion of a change of use or similar statutory procedure to allow it to be used as contemplated in the Investment and a	

Rules		Comments
	recommendation letter or similar document or approval from a State or Regional Government Authority or other Authority endorsing such proposed change in use has been obtained, the Investor shall be able to implement the change of use procedure in accordance with law and each relevant Authority will be required to give effect to this rule.	
129.	Without limiting the Commissions powers or discretions in relation to its assessment of other Applications, where land for which the Investor is applying for a Land Rights Authorisation is located in a designated industrial zone, the Commission is not required to consult with any Authority in order to issue the Land Rights Authorisation.	
Approval of Applications		
130.	An Approval under the Law and these Rules shall be granted after the Commission or the relevant delegated Authority approves the relevant Submission. The Approval shall be issued within 10 Working Days of the Submission being approved.	
131.	An Approval will be granted to the Investor and may include any Subsidiary or other relevant applicant included in the Application.	
132.	Without limiting any other rule, an Approval may be: <ul style="list-style-type: none"> (a) unconditional or subject to the conditions that the Commission or relevant delegated Authority think appropriate; and (b) granted retrospectively. 	
133.	Without limiting any other rule, the issuing of a Permit or the Approval of a Tax Incentive may be: <ul style="list-style-type: none"> (a) granted in respect of a proposed or specified Investment; 	

Rules		Comments
	<p>(b) granted in respect of classes of Investments;</p> <p>(c) granted subject to the payment of a bond;</p> <p>(d) granted for a specified duration; or</p> <p>(e) granted in whole or in part.</p>	
134.	A Tax Incentive issued by the Commission in accordance with the Law grants the Investor the right to benefit from the specified incentive. Prior to the Investor being able to benefit from any Tax Incentive under sections 75 and 78 of the Law, the Investor must submit, and the Internal Revenue Department must accept, the tax assessment for the relevant assessment year.	
135.	In evaluating a tax assessment of an Investor benefiting from a Tax Incentive under sections 75 and 78 of the Law the Internal Revenue Department may review whether the Investor is complying with the provisions of the Law relating to the Tax Incentive and any conditions specified in the Tax Incentive granted to the Investor.	
136.	The Commission may revoke an Approval if in the Commission’s reasonable opinion the Approval has been obtained through fraud or other misleading conduct or the Investment has not been carried out substantially in accordance with the Application and no Approval permitting the variation has been granted by the Commission.	

Rules		Comments
137.	<p>Without limiting any other rule, the Commission may:</p> <ul style="list-style-type: none"> (a) vary an Approval granted under the Law with the agreement of the Investor; (b) vary or add any conditions of an Approval with the agreement of the Investor; and (c) revoke a condition of an Approval. <p>An application for a variation of an Approval or a condition of an Approval may be made by the Investor by written notice to the Commission accompanied by the applicable fee.</p>	
138.	<p>It is a condition of every Approval, whether or not it is stated in the Approval that:</p> <ul style="list-style-type: none"> (a) the information provided by the Investor to the Commission in connection with the Application was correct at the time it was provided; (b) the Investor, and each other applicant where relevant, must comply with the representations and plans submitted in support of the Application, unless compliance shall reasonably be excused; and (c) the Approval is granted subject to continuing compliance with all applicable laws. 	
139.	<p>Without limiting any applicable law, an Investor making an Investment under this Law may import any equipment, goods or materials relevant to the Investment without requiring any specific Approval from the Commission. Where any licence or other approval is required under an applicable law to proceed with such an import, the Investor will be entitled to apply to the relevant Authority for and the relevant Authority must give effect to this rule and issue such a licence if the relevant legal requirements are met.</p>	
The Commission		

Rules		Comments
<i>Conduct of Members</i>		
140.	Without limiting section 21 or section 22 of the Law, any Member of the Commission who has an interest in any matter specified in sections 21 and 22 of the Law (including as an Associate of an Applicant) shall expressly declare such interest. Any such declaration will be recorded in the meeting minutes of the Commission or, if the matter is not discussed at a meeting, the Member shall lodge such declaration with the Commission Office.	
141.	In relation to any matter where the Member has an interest, the Member shall: <ul style="list-style-type: none"> (a) not influence nor seek to influence any decision to be made in relation to the matter; (b) absent themselves from that part of any meeting during which the matter is discussed; (c) not vote on a decision relating to the matter; and (d) not otherwise take part in any deliberation of the Members or work of the Commission Office or delegate of the Commission relating to the matter. 	
<i>Commission Reporting</i>		
142.	An annual investment report must be prepared by the Commission in accordance with section 24(g) of the Law. Within 20 Working Days of submitting the annual investment report to the Pyidaungsu Hluttaw a version of the annual investment report in Myanmar and English must be published by the Commission. The annual investment report shall include information from the reporting period on: <ul style="list-style-type: none"> (a) investment trends; (b) the principal activities of the Commission, including a summary of the activities of the Investment 	

Rules		Comments
	<p>Monitoring Department, Investor Assistance Department and the One Stop Service Centre;</p> <p>(c) a summary of Investor grievances; and</p> <p>(d) list of all administrative penalties issued to Investors.</p>	
<i>Delegation of powers</i>		
143.	<p>The Commission may delegate its powers, duties and functions in accordance with the Law, including section 27. Any delegation:</p> <p>(a) must be in writing;</p> <p>(b) unless otherwise expressly provided by the Law, must be approved by the Commission and signed by the Chairman or Secretary;</p> <p>(c) may be made generally or in relation to a specific matter or class of matters;</p> <p>(d) may be made to:</p> <p style="padding-left: 40px;">(i) a specified person;</p> <p style="padding-left: 40px;">(ii) persons of a specified class;</p> <p style="padding-left: 40px;">(iii) the holder for the time being of a specified office or appointment; or</p> <p style="padding-left: 40px;">(iv) the holders of offices or appointment of a specified class;</p> <p>(a) may impose conditions and limits to the delegation;</p> <p>(b) must be made subject to any express restrictions in the Law, these Rules, or other applicable</p>	<p>Certain powers will, for example, be delegated by the Commission to:</p> <ul style="list-style-type: none"> - the MIC secretary - state and regional governments - Committees or departments in DICA <p>other DICA officials.</p>

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	<p>laws; and</p> <p>(c) may be revoked at any time.</p>	
144.	Subject to the conditions and restrictions given or imposed by the Commission, the person (or group of persons) to whom a power or function is delegated may exercise that power or function in the same way and with the same effect as if it had been exercised directly by the Commission in accordance with the Law or Rules.	
145.	In performing the delegated functions the delegate will be subject to the same duties and obligations as would apply if the functions were performed by the Commission, including those in sections 96 and 97 and rule 141. Delegates will also be subject to the same protections as Members, including under section 95.	
146.	A person who purports to act under a delegation is presumed to act in accordance with the terms of the delegation, unless the contrary is proved.	
147.	A delegation does not prevent the Commission or other duly authorised delegate from exercising the power or function that has been delegated.	
148.	Subject to the conditions and restrictions given or imposed in the delegation or under the Law or Rules, if the person the person acting under a delegation is the Secretary, he or she may further delegate the delegated power or function.	
<i>Proposal Assessment Team</i>		
149.	As provided in rule 68, the Commission shall by notification form a Proposal Assessment Team within the Commission Office to assist the Commission to review Proposals. The Proposal Assessment Team may comprise officers from the Commission Office, the Ministry or other Authority, as determined by the Commission. In carrying out its delegated duties the Proposal Assessment Team may require the	

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	assistance of other officials, whether generally or in respect of a particular Proposal.	
150.	The Role of the Proposal Assessment Team includes reviewing all Proposals submitted to the Commission, providing recommendations to the Commission on the application of the assessment criteria in rule 70 and an assessment of whether these assessment criteria have been satisfied, as required under rule 70.	
151.	The Proposal Assessment Team may require the Investor who has submitted a Proposal to attend a meeting of the Proposal Assessment Team to respond to questions regarding the Investment.	
152.	To assess if the Proposal satisfies the assessment criteria, the Proposal Assessment Team may request specific additional information from the Investor.	
153.	In carrying out its duties the Proposal Assessment Team may consult with any Authority.	
154.	The Secretary may issue such other orders and procedures as may be necessary for the efficient operation of the Proposal Assessment Team.	
<i>State or Regional Committees</i>		
155.	During the Transition Period, with the support of the Commission and the Commission Office, every State and Region of the Union shall form a State or Regional Committee, which shall have such powers and functions as may be set out in the Law, these Rules or as may be delegated by the Commission.	
156.	The State or Regional Secretary will manage the affairs and perform the administrative tasks of the State or Regional Committee.	
157.	In performing its functions the State or Regional Committee must cooperate with the Commission Office. The Chairman of the State or Regional Committee may also request additional support or guidance from the Commission Office whenever it feels it necessary to do so.	
158.	The State or Regional Secretary, with the approval of the Chairman of the State or Regional Committee	

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	and the Secretary of the Commission, may issue such other orders and procedures as may be necessary for the efficient operation of the State or Regional Committee.	
<i>Formation of the State Regional Committee</i>		
159.	The State or Regional Committee will consist of the following members: (a) the Chief Minister of the State or Region, who will be appointed as the Chairman; (b) the head of the State or Regional Committee Office, who will be appointed as the State or Regional Secretary; and (c) up to five further members appointed by the Chairman of the State or Regional Committee with the approval of the Chairman of the Commission, who shall all be suitably qualified persons from State or Regional Ministries or other Authorities.	
160.	The tenure of members of the State or Regional Committee, except for the State or Regional Secretary, is the same as the tenure of the state or region government. The tenure of the State or Regional Secretary shall be governed by the Civil Servant Law.	
161.	With the exception of members appointed in accordance with rule 159(a) and (b), the members of the State or Regional Committee shall not serve for more than two consecutive tenures.	
162.	The state or regional government shall reconstitute the State or Regional Committee within two months from the date of assuming office.	
<i>Resignation, dismissal from the State or Regional Committee and appointment for vacancy</i>		
163.	If the Chairman of the State or Regional Committee resigns from their position voluntarily during their tenure, they may resign as Chairman with approval of the Chairman of the Commission.	

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164.	The provisions of chapter V of the Law shall apply in respect of the resignation, appointment and removal of members of the State or Regional Committee, together with such changes or further provisions as may be specified by the Commission.	
<i>Conduct of State and Regional Committee Members</i>		
165.	Members of the State and Regional Committee shall be subject to the same requirements of the Law and these Rules governing the conduct of Members of the Commission. This includes the requirements under sections 21, 22, 96 and 97 of the Law and rule 140.	
<i>Use of third party service providers</i>		
166.	Pursuant but without limitation to section 25(j) of the Law, the Commission may engage an independent contractor, advisor or other third party service provider to assist it in performing its duties and functions under the Law and these rules. This rule does not permit the Commission to delegate and of its powers or authorities to such an independent contractor, advisor or other third party service provider.	
Investor Assistance		
<i>One Stop Service Centre</i>		
167.	<p>A One Stop Service Centre will be established pursuant to section 27 of the Law to:</p> <ul style="list-style-type: none"> (a) provide guidance to Investors on the implementation of their Investments; (b) accept on behalf of Authorities who have assigned officers to the One Stop Service Centre under rule 170 applications and submissions as may be required under an applicable law in relation to the implementation of an Investment; (c) accept requests for information as may be made under section 48(a) of the Law on any measures 	

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	<p>or decisions taken by any Authority;</p> <p>(d) assist the Investor Assistance Department to resolve grievances and provide assistance to Investors; and</p> <p>(e) assist the Investment Monitoring Department in the performance of its duties.</p>	
168.	<p>Any application or other submission made to the One Stop Service Centre will be considered duly submitted if all the conditions specified in the relevant application or other submission process have been satisfied. The One Stop Service Centre may decide not to accept, or may subsequently reject, any application or other submission:</p> <p>(a) which requires the payment of a fee or the granting of other type of security to the relevant Authority;</p> <p>(b) if the applicable application or submission requirements have not been met; or</p> <p>(c) if officers from the relevant Authority authorised to assess the application or submission have not been appointed under rule 170.</p>	
169.	<p>The One Stop Service Centre may require an Authority to provide information on any measure or decision which has a significant impact on an Investor in accordance with section 48(a) of the Law. The request for information shall be made in writing to the relevant Authority and the relevant Authority shall respond in writing within [15] Working Days.</p>	
170.	<p>The One Stop Service Centre will be staffed by staff of the Commission Office. Pursuant to section 25(j), the Chairman may also request that a relevant Authority assign one or more suitably experienced and duly authorised officers to the One Stop Service Centre to provide approvals on procedural or regulatory matters relevant to the Investor.</p>	
171.	<p>Without limiting rule 170, officers from the following Authorities (or any successor Authority) should be</p>	

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	<p>generally available at the One Stop Service Centre:</p> <ul style="list-style-type: none"> (a) Central Bank of Myanmar; (b) Internal Revenue Department; (c) Customs Department; (d) Directorate of Trade; (e) Department of labour; (f) Department of Immigration and National Registration; (g) Directorate of Industrial Supervision and Inspection; (h) Directorate of Investment and Company Administration; (i) [Natural Resource and Environmental Impact Assessment Division] (j) [Food and Drug Administration] 	
172.	The Secretary will appoint a Deputy Director General of the Commission Office to oversee the operations of the One Stop Service Centre and may issue such other orders and procedures as may be necessary for its efficient operation.	
173.	The Commission will provide the necessary facilities for the One Stop Service Centre at the Commission Office or other suitable location.	
<i>Investor Disputes</i>		

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174.	<p>An Investor who believes in good faith that:</p> <ul style="list-style-type: none"> (a) a decision of an Authority in respect of their Investment was incorrectly made; (b) that an application for a permit, licence, registration or approval was incorrectly refused by an Authority; or (c) that any right, protection or Approval benefiting them under the Law has been frustrated (d) may submit notice of their grievance or dispute to the Investor Assistance Department. 	<p>Investor rights under rule 174(c) could include rights to:</p> <ul style="list-style-type: none"> (a) implement their Investment in accordance with an Approval; (b) equivalent treatment under section 47 of the Law; (c) the investment guarantee and related protections in chapter XIV of the Law; (d) obtain information pursuant to section 48(a) of the Law; (e) employ Citizens and non-Citizens in accordance with section 51(a) and (d) of the Law; and (f) transfer funds under chapter XV of the Law.
175.	<p>Notices given under rule 174 must be prepared and submitted in accordance with rule 38. The Investor Assistance Department may refuse to accept any notice not meeting these requirements and if doing so it will notify the Investor of this.</p>	

Rules		Comments
176.	<p>In accordance with section 83 of the Law, no court or arbitral proceedings in respect of a dispute between an Investor and an Authority in relation to an Investment may be brought by the Investor unless:</p> <ul style="list-style-type: none"> (a) a notice under rule 174 has been provided; and (b) the steps to be taken under these Rules and any applicable notification for the settlement of the dispute have been taken. 	
177.	<p>For the purpose of section 83 of the Law, where a dispute is between Investors only and not with any Authority, Investors are encouraged to settle their disputes amicably and in accordance with the terms of any agreement between them. Neither this rule nor section 83 shall be taken to limit the Investors right to initiate dispute proceedings in accordance with applicable laws.</p>	
<i>Investor Assistance Department</i>		
178.	<p>Subject to these Rules, an Investor Assistance Department will be established within the Commission Office pursuant to section 27 of the Law to:</p> <ul style="list-style-type: none"> (a) coordinate with other Authorities to promote the efficient implementation of Investments in accordance with applicable laws; (b) receive notices from Investors of grievances, disputes and requests for assistance when dealing with other Authorities in the implementation of their Investment under rule 174; (c) assist with the establishment and administration of a grievance and dispute resolution mechanism pursuant to sections 25(n), 82 and 83 of the Law. 	

Rules		Comments
179.	<p>In performing its duties the Investor Assistance Department is authorised to:</p> <ul style="list-style-type: none"> (a) Request such information from the Investor concerning the grievance or dispute as it may consider necessary. The Investor must submit such information in accordance with rule 38, and the Investor Assistance Department may suspend or discontinue its involvement in the grievance or dispute pending receipt of such information; (b) request support from the One Stop Service Centre; (c) require any Authority to provide information on any measure or decision referred to in section 48(a) of the Law. The request for information shall be made in writing to the relevant Authority and the relevant Authority shall respond in writing within [15] Working Days; (d) consult with any Authority following receipt of a Submission from an Investor under rule 174 on behalf of the Investor, including by outlining the nature of the grievance or dispute and suggesting a course of action to ensure the efficient resolution of the matter in accordance with applicable laws; (e) request that officials from the relevant Authority meet with the Investor to seek the efficient resolution of the grievance or dispute. In response to such a request the Authority shall assign officials to attend the meeting who have the authority to resolve the grievance or dispute; (f) propose that the Chairman consult with the Minister responsible for the relevant Authority where this may be necessary to efficiently resolve the grievance or dispute, including in cases where proceedings may be threatened under section 83 of the Law; and (g) obtain advice on the matters the subject of the grievance or dispute from the Union Attorney General’s Office or third party professional advisor. 	
180.	Any resolution of a grievance or dispute following the implementation of the processes in rule 179 must	

Rules		Comments
	be made in accordance with applicable laws.	
181.	<p>Prior to the end of the Transition Period the Commission will establish detailed procedures for the handling of disputes which may be brought:</p> <p>(a) in relation to the investment guarantee in chapter XIV of the Law, including in respect of the conduct of inquiries under section 55 and the determination of compensation of which may be payable under sections 52 and 53; or</p> <p>(b) any other significant dispute to be brought against an Authority by an Investor in connection with an Investment, including for the conduct of settlement discussions under section 83 of the Law.</p> <p>The Government shall not be required to determine any claims brought under chapter XIV pending the establishment of these procedures.</p>	
182.	In implementing a grievance mechanism pursuant to section 82 of the Law, including pursuant to the procedures to be developed under rule 181, the Commission may replace the Investor Assistance Department with another body responsible for the manging of disputes under section 83 of the Law.	
183.	The Secretary may issue such other orders and procedures as may be necessary for the efficient operation of the Investor Assistance Department.	

Rules	Comments	
Investment Monitoring		
<i>The Investment Monitoring Department</i>		
184.	<p>An Investment Monitoring Department will be established within the Commission Office pursuant to section 27 of the Law to:</p> <ul style="list-style-type: none"> (a) receive Applications for amendments to Approvals; (b) receive Applications for additional Approvals from an Investor in relation to an existing Permit or Endorsement; (c) receive Investor reports; (d) audit an Investor’s compliance with the Law; (e) arrange and conduct inspections pursuant to section 65(p) of the Law; (f) make recommendation to the Commission regarding any administrative penalties which should be imposed under section 85 of the Law; and (g) assist other Authorities requiring information on Investors. 	
185.	<p>The Investment Monitoring Department’s role in auditing Investor and Investment compliance is limited to ensuring that the Investor complies with its obligations under the Law and any Approval that it has received.</p>	
186.	<p>Applications for amending Approvals and for additional related Approvals must follow the procedures and be subject to the criteria as specified in the Law and these Rules.</p>	

Rules		Comments
187.	<p>When recommending to the Commission that an administrative penalty be imposed on an Investor under s85 of the Law, the Investment Monitoring Department shall provide to the Commission a report on:</p> <ul style="list-style-type: none"> (a) the act or omission of the Investor which constituted the breach of the Law or the conditions of the Approval; (b) the steps taken by the Investment Monitoring Department to investigate the breach of the Law or the conditions of the Approval; (c) whether the Investor has been informed of the breach of the Law and whether any request has been made to the Investor to remedy the breach of the Law or the conditions of the Approval; (d) whether the Investor has previously breached the Law or the conditions of the Approval and if an administrative penalty was issued; and (e) any actions taken by the Investor to remedy the breach of the Law. 	
188.	<p>The Investment Monitoring Department shall include in its report to the Commission under rule 187 an explanation as to how the recommended administrative penalty is proportionate to the breach in the circumstances, and confirm whether the administrative penalty is consistent with other administrative penalties issued in similar circumstances.</p>	
189.	<p>The Commission’s duty and authority to monitor compliance with the Law and issue administrative penalties for non-compliance will not derogate from the powers of any other Authority to act in response to a contravention of any applicable law, and it remains the responsibility of the relevant Authority to enforce the laws of the Union for which it has responsibility.</p>	
190.	<p>In assisting Authorities pursuant to rule 184(g), the Investment Monitoring Department may provide any information it has available on an Investor or Investment. It may also request additional information from an Investor for this purpose in accordance with rule 192.</p>	

Rules		Comments
191.	The Investment Monitoring Department may request support from the One Stop Service Centre.	
192.	The Investment Monitoring Department may request additional information from the Investor and may carry out site inspections to monitor the Investment. Requests for additional information shall be limited to information it is authorised to request in accordance with the Law. An Investor must promptly submit such information in accordance with rule 38.	
193.	The Investment Monitoring Department may request from Authorities additional information, support in reviewing an Investment and support in carrying out site inspections. The relevant Authority shall provide the necessary information and support.	
194.	In performing its duties the Investment Monitoring Department may require an Authority to provide information on any measure or decision in accordance with section 48(a) of the Law. The request for information shall be made in writing to the relevant Authority and the relevant Authority shall respond in writing within [15] Working Days.	
195.	<p>The Commission may, by notice in writing, require an Investor to provide such information or certifications as it believes is reasonably necessary to for the purpose of:</p> <ul style="list-style-type: none"> (a) monitoring compliance with the Law and the conditions of any Approval; (b) confirming that the information provided in a Submission, including information contained in any accompanying documents, is correct; and (c) compiling statistical information relating to investment in the Union. <p>The request must relate only to the matters referred to in this Rule and be limited to the extent necessary for the Commission to perform its duties. An Investor shall not be required to disclose any privileged information in response to such a request but shall otherwise comply with the Commission's request within the specified timeframe.</p>	

Rules		Comments
196.	The Secretary may issue such other orders and procedures as may be necessary for the efficient operation of the Investment Monitoring Department.	
Investor Responsibilities		
197.	Save as expressly provided in these or any subsequent Rules or notifications, the obligations of the Investor under sections 65(a) to (o) and 71 of the Law apply only to the extent that they are obligations pursuant to the laws of the Union. These provisions do not seek to derogate from these laws nor impose additional obligations.	
198.	An Investor to whom section 65(e) of the Law applies must notify the Commission by promptly lodging a Submission containing all relevant information concerning the discovery.	
199.	An Investor to whom section 65(f) of the Law applies must seek the Commission's Approval through making a relevant Application or, if not making an Application, by promptly lodging a Submission containing all relevant information concerning the proposed alteration.	
200.	<p>The requirement to keep records and information under section 65(h) of the Law relates to financial records and information to be kept under applicable company and tax laws of the Union and in accordance with the standards prescribed by them.</p> <p>If the Investor has received a Tax Incentive, the Investor shall retain all relevant financial records and information for the longer of:</p> <ul style="list-style-type: none"> (a) [7] years; or (b) the period required by any other applicable law, <p>following the assessment year in which the Investor benefited from the Tax Incentive.</p>	Specific documents and information may be notified following consultation with relevant Authorities.

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201.	Section 65(f) of the Law does not impose any liability on the Investor for any contravention of an applicable law, rule, order, directive, custom or tradition by a foreign employee or other person referred to in the section. Without limiting any other means of compliance, an Investor will be taken to comply with its obligation to supervise such persons if it provides the person with a means to access information about such applicable laws, rules, orders, directives, customs and traditions and informs the person of their obligation to follow these.	
202.	The Commission's right to undertake an inspection under section 65(p) of the Law includes a right to inspect records relating to the Investment and to interview any director, manager or employee of the Investor. Reasonable notice of such inspection shall be given, which may be immediately prior to an inspection if the Commission reasonably believes that a serious contravention of the Law has occurred.	
203.	An Investor to whom section 65(q) of the Law applies shall Submit confirmation of its compliance with the applicable requirements of the Environmental Conservation Law to undertake, obtain and implement an environmental examination, assessment, certificate and management plan as those requirements are met.	
204.	The requirement under section 68 of the Law for an Investor to repay the benefit of relevant tax exemptions or relief on the discontinuation of an Investment during its permitted period: <ul style="list-style-type: none"> (a) applies to exemptions or relief obtained under section 77(a) or 77(d) of the Law; and (b) does not apply where the discontinuation results from either: <ul style="list-style-type: none"> (i) the sale or transfer of the Investment to another Investor who intends to continue the Investment; or (ii) the involuntary winding up of the Investor. 	
205.	Sections 69 and 70 of the Law apply to contracts that require the Investor to obtain a Permit or	Ordinary course contracts could include

Rules		Comments
	<p>Endorsement before they can be performed, and not contracts which may be entered into in the ordinary course of the development or operation of an Investment.</p> <p>Contracts to which those sections of the Law apply may be entered into subject to receipt of the Permit, Endorsement or Approval of extension or amendment.</p>	<p>letters of intent, memoranda of understanding, short term leases and supply contracts.</p>
206.	<p>An Investor to whom section 70 of the Law applies must seek the Commission's Approval by lodging a Submission containing all relevant information concerning the proposed extension or amendment.</p>	

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207.	Subject to rule 208, an Investor to whom section 72 of the Law applies must give notice of the sub-lease, mortgage or transfer by lodging a Submission within 15 Working Days of the relevant event, provided that registration or notification of a mortgage or share transfer with the Commission Office under the provisions of another applicable Law will be taken to satisfy the notice requirements of this Rule.	
208.	It is a condition of every Permit that the Commission's prior Approval is required if a transfer of shares or business referred to in section 72 would result in a person who is not a Related Body Corporate of the Investor acquiring: <ul style="list-style-type: none"> (a) majority ownership or control of the Investor; or (b) more than 50% of the assets of the Investor; and (c) the proposed transferee has not separately applied for a Permit in relation to the proposed acquisition. 	
209.	An Investor to whom rule 208 applies must seek the Commission's Approval by lodging a Submission containing all relevant information concerning the proposed transaction, including information concerning the proposed transferee's satisfaction of the criteria referred to in rules 70(d) to (g) and the Investor's compliance with the conditions of the Permit. The Commission will give its Approval if it is satisfied that these requirements are met or if it is otherwise satisfied that the transfer is not contrary to the interests of the Union. In considering the Investors Submission the Commission may consult and share information with any other relevant Authority.	
Reporting		
210.	An Investor who has been issued a Permit or Tax Incentive Approval must within 3 months of the end of the financial year submit an annual report to the Commission in the prescribed form which gives details of:	

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<ul style="list-style-type: none"> (a) its progress in implementing the Investment; (b) any material variations to the Investment as implemented from the description presented in the Application, including, as relevant: <ul style="list-style-type: none"> (i) the amount of the Investment and any changes in capital invested; (ii) any change in shareholders or parties with an interest in the investor; (iii) the employment performance of the Investment; (iv) the impact of the investment on the environment and local community; and (v) the land used in the investment and changes to land or land uses; (c) how the Investor and the Investment is supporting the relevant objectives of the Law, as set out in section 3 of the Law; (d) the Investor’s compliance with the conditions of the Approval and any instances of non-compliance; (e) the material operating licences, permits and approvals obtained by the Investor since the Approval or date of the previous annual report; and (f) in the case of an Investor with a Permit, how it has demonstrated its commitment to carry out the Investment in a responsible and sustainable manner; (g) in the case of an Investor with a Tax Incentive Approval: <ul style="list-style-type: none"> (i) the estimated value of the Tax Incentives that the Investor has claimed or benefited from in the year and a breakdown of these by type of incentive; 	

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	<ul style="list-style-type: none"> (ii) any recalculation and reimbursement of Tax Incentives required due to the operation of these Rules or confirmation that no such recalculation and reimbursement is required; (iii) confirmation of the applicable Zone of the Investment if the Investor benefits from an exemption in accordance with section 75 of the Law; (iv) the export earnings of the Investment; and (h) the audited financial statements of the Investor; (i) such other matters as may be prescribed by the Commission. 	
211.	<p>An Investor who has been issued a Land Rights Authorisation shall within 20 Working Days of:</p> <ul style="list-style-type: none"> (a) entering into a land or building lease agreement covered by the Land Rights Authorisation, submit details of the such to the Commission; (b) extending the term of a land or building lease agreement covered by the Land Rights Authorisation, submit details of such to the Commission; and (c) obtaining an approval of a change of land use covered by the Land Rights Authorisation, submit a copy of the relevant document to the Commission. 	
212.	<p>The Commission may prescribe other periodic or ad hoc reporting requirements as it considers necessary or desirable, any may apply these generally to all Investors or to only certain classes of Investors in relation to Investments in a particular sector or a particular type.</p>	
Employment of staff and workers		

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213.	Save as expressly provided in these or any subsequent Rules or notifications, the obligations of the Investor under sections 51 (d) to (f) of the Law apply only to the extent that they are obligations pursuant to the other applicable laws of the Union. These provisions do not seek to derogate from these laws nor impose additional obligations.	
214.	Where a foreign person is appointed by an Investor under section 51(a) of the Law to undertake a professional or technical role, the person must hold the relevant professional and technical qualifications.	
Transfer of funds		
215.	Save as expressly provided in these or any subsequent Rules or notifications, the obligations of the Investor under sections 57 and sections 59 to 61 of the Law apply only to the extent that they are obligations pursuant to the other applicable laws of the Union. These provisions do not seek to derogate from these laws nor impose additional obligations.	
216.	Without limiting section 59 of the Law, where a Foreign Investor: <p style="margin-left: 40px;">(a) proposes to transfer funds of the type referred to in section 56(c), (e) and (f) of the Law; and</p> <p style="margin-left: 40px;">(b) has any outstanding tax obligations, or any contingent or disputed obligations, within the Union,</p> <p>it must seek the Commission's Approval by lodging a Submission containing all relevant information concerning the proposed transfer, including information concerning the tax obligations and the proposed manner of dealing with these. The Commission will give its Approval if it is satisfied that these obligations will be met or if it is otherwise satisfied that the transfer is not contrary to the interests of the Union. In considering the Investors Submission the Commission may consult and share information with any other relevant Authority.</p>	
217.	The reference to legal work permits under section 60 of the Law shall be interpreted to mean any visa or other authorisation issued by an Authority which permits the person to earn income or conduct business	

Rules		Comments
	within the Union.	
Insurance		
218.	<p>For the purpose of section 73 of the Law, by the end of the Transition Period every Investor must have taken out the following types of insurance in respect of its Investment:</p> <p>(a) damage to third party property;</p> <p>(b) death and injury to third parties (including employees); and</p> <p>(c) such other insurances as the Commission may prescribe,</p> <p>provided always that such insurance is available in the Union on reasonable commercial terms.</p> <p>This rule does not limit the obligation of the Investor to take out any other insurance policy required under any other applicable law.</p>	<p>In relation to prescribing insurance for a particular class of Investors, the Commission could for example prescribe that Investors with professional services Investments take out professional indemnity insurance, or that Investors undertaking EIA Type Projects take out insurance to cover environmental clean up or remediation costs.</p>
219.	<p>In prescribing additional types of insurance to be taken out under rule 218(c), the Commission may require the insurance be taken out generally by all Investors or by only certain classes of Investors in relation to Investments in a particular sector or a particular type.</p>	<p>In relation to prescribing insurance for a particular class of Investors, the Commission could for example prescribe that Investors with professional services Investments take out professional indemnity insurance, or that Investors undertaking EIA Type Projects take out insurance to cover environmental clean up or remediation costs.</p>
Service Fees		
220.	<p>Pursuant to section 26 of the law the Commission may prescribe fees to be charged to Investors for the</p>	

Rules		Comments
	<p>performance of relevant function or which apply to specific acts, including Application and Approval Fees. In connection with this the Commission must ensure that:</p> <p>(a) a schedule of all current fees is published in Myanmar and English on a website used by the Commission;</p> <p>(b) a schedule of all current fees is displayed at any place where an Investor may submit an Application;</p> <p>(c) no fees are charged other than those listed or provided for in the published schedule of fees;</p> <p>(d) subject to rule 221, fees are charged on a non-discriminatory basis and are not discretionary; and</p> <p>(e) receipts are issued upon the payment of the applicable fee.</p>	
221.	The Commission may provide differential fees or relief from fees based on objective criteria and consistent with the objectives of the Law, including fees which vary because the Investor is a Small Company, or the Investment is of a particular size or type.	
Administrative penalties		
222.	Any administrative penalties imposed under section 85 of the Law must be proportionate to the breach in the circumstances, and shall be consistent with administrative penalties imposed on other Investors in similar circumstances.	
223.	<p>Prior to imposing any administrative penalty the Commission must:</p> <p>(a) consider the report prepared by the Investment Monitoring Department under rule 187;</p> <p>(b) decide on the proposed administrative penalty;</p>	

	Rules	Comments
	<p>(c) in accordance with section 85(b) of the Law, issue the Investor with a written notice outlining:</p> <ul style="list-style-type: none"> (i) the act or omission of the Investor which constitutes the breach of the Law or the conditions of the Approval; (ii) the proposed administrative penalty; and (iii) the reasons for this decision; <p>(d) if the Commission reasonably believes that the contravention is capable of remedy by the Investor, include in the notice the steps which the Investor may take to remedy the contravention and a timeframe in which to complete such steps;</p> <p>(e) if the proposed administrative penalty is a temporary suspension under sections 85(a)(ii) or (iii) of the Law, include in the notice the conditions which need to be met for the temporary suspension to be revoked;</p> <p>(f) include in the notice the names of any Associate or other person that the Commission intends to extend the administrative penalty to because of their role in the contravention, including any proposed inclusion of the Associate or person on the blacklist referred to in section 85(a)(v); and</p> <p>(g) provide the Investor with not less than 10 Working Days to respond to the notice and the proposed administrative penalty as required by section 85(b) of the Law, provided that a shorter period may be given where the Commission reasonably believes that more immediate action is required to deal with the effect of the contravention.</p>	
224.	<p>The Investor may lodge a Submission with the Commission in response to the notice issued under rule 223 within the time period set out in the notice setting out their views on the contravention and the proposed administrative penalty, or undertaking to meet the steps set out by the Commission to cure the contravention.</p>	

Rules		Comments
225.	<p>Following consideration of the Submission made by the Investor under rule 224, or the expiry of the time period set out in the notice if no Submission is made, the Commission will notify the Investor of its final decision to either impose an administrative penalty, which may be different to the administrative penalty initially proposed in the notice issued under rule 223, or take no further action.</p> <p>The notice will state the day on which the penalty will be applied, which must be not less than 20 Working Days after the date of the notice, provided that a shorter period may be given where the Commission reasonably believes that immediate action is required to deal with the effect of the contravention.</p>	
226.	<p>Within the timeframe allowed by section 86(a) of the Law, the Investor may appeal the decision of the Commission notified under rule 225 by notice in writing to [the Minister of Planning and Finance], or such other person or Authority as may be prescribed under the Law. Pending their decision on the appeal, the Minister or other person or Authority deciding the matter may suspend the imposition of the administrative penalty if it reasonably believes the Investor has submitted the appeal in good faith and immediate imposition of the penalty is not required to deal with the effect of the contravention.</p>	
227.	<p>Any decision under section 86(b) of the Law and rule 226 will be in writing and addressed to the Commission. The Commission shall notify the Investor, any other named party and any relevant Authority once the decision is received and take the necessary actions in response.</p>	
228.	<p>The Investor any other named party must comply with the terms of the administrative penalty as finally determined.</p>	
229.	<p>The Commission may remove an Investor or Associate from the blacklist referred to in section 85(a)(v) if the Commission believes it is in the interests of the Union to do so and the Investor or Associate has demonstrated to the reasonable satisfaction of the Commission that a further contravention and any other significant breach of the Law is unlikely to occur.</p>	

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230.	The Commission shall only be required to provide written notice under rule 223 once in relation to the act or omission of the Investor which constitutes the breach and is not required to provide a further notice with respect to the same or related breach of the Law.	
231.	Nothing in Chapter XX of the Law shall be taken to limit the rights or powers of the Commission or other Authority to take action against an Investor in respect of a breach of the Law or other applicable law. The Commission may recommend to a relevant Authority that it prosecute or take other relevant action an Investor in accordance with the laws of the Union	
Transitional and Miscellaneous Provisions		
232.	In accordance with section 92 of the Law, any permit issued to an Investor under a previous investment law shall remain effective until the permit expires. To the extent that the Law does not conflict with the terms of the permit, the Investor shall comply with the Law.	
233.	Notwithstanding an Investor continuing to hold the benefits of incentives in accordance with a permit granted under a previous investment law, to the extent that the Investor wishes to benefit from any additional or discretionary incentives available under this Law, the Investor shall apply for such incentives in accordance with the Law.	
234.	An Investor granted a permit under a previous investment law shall be considered to be holding a Permit for the purposes of the Law and will comply with the provisions applicable to the maintenance and holding of a Permit.	These provisions include the reporting obligations and obligations in relation to share transfers.
235.	Any Approval given under the Law prior to the commencement of these Rules is taken to be valid.	
236.	Any Investor who at the date of commencement of these Rules: (a) holds an Investment to which section 42 of the Law applies; and	

	Rules	Comments
	<p>(b) does not hold a valid authorisation or approval in respect of that Investment (including of the type referred to in section 93 of the Law),</p> <p>must during the Transition Period take the necessary steps to ensure compliance with the Law and these Rules, provided that where this rule would require an Investor to give notice of a Restricted Investment under rule 48, then the notice must only be given if the Investor is a Foreign Investor.</p>	
237.	<p>In connection with section 48(b) of the Law:</p> <p>(a) if an Investor reasonably believes that the Commission has made an incorrect decision in respect of an Application due to a failure to correctly apply the decision making criteria set out in these Rules or which otherwise may apply, it may Submit an appeal in writing to the Chairman or such other person, group of persons or Authority as may be prescribed setting out the grounds for this belief;</p> <p>(b) the Submission must be made within 10 Working Days of the date of the initial decision on the Application by the Commission, or 15 Working Days in the case of a decision with respect to a Permit.</p> <p>(c) The Chairman or other prescribed person or Authority will review the Investor's Submission with the cooperation of the Commission and inform the Investor in writing whether it will refer the matter back to the Commission for reconsideration or uphold the terms of the Commission's decision.</p>	
238.	<p>The Law does not apply to Investments made under the Special Economic Zone Law (2014, The Pyidaungsu Hluttaw Law No. 1/2014), or to Investors in respect of such Investments.</p>	