

# CHARLTONS

SOLICITORS



## Myanmar Highlights

March 2014

### Asahi to partner with Loi Hein in Myanmar

Japan's Asahi Group (**Asahi**) is to partner with Myanmar beverage producer Loi Hein Company Limited (**Loi Hein**) to form a new soft drinks company in Myanmar. According to the Myanmar Investment Commission, Loi Hein will take a 49% stake in the new joint venture company with Asahi taking the remaining 51%. (Source: *The Myanmar Times*, 17 March 2014)

### DuPont de Nemours establish office in Yangon

DuPont de Nemours International (**Du Pont**) has established offices in Yangon, and is seeking to enter joint venture partnerships in relation to projects in the agriculture, food production, energy (photovoltaic) and construction sectors. Du Pont is committed to sustainable development, has an estimated 63,000 staff in more than 90 countries and annual revenues of approximately US\$35.7 billion. (Source: *Myanmar Business Today*, 18 March, 2014)



### Japanese International Cooperation Agency meets with ABD and World Bank to discuss issues arising from development of the Thilawa SEZ

Officials from the World Bank, the Asian Development Bank (**ADB**) and the Japanese International Cooperation Agency (**JICA**) met in Yangon to discuss challenges arising from the construction of the Thilawa Special Economic Zone (**Thilawa SEZ**). The JICA stressed that policies advocated by the World Bank and the ADB in relation to the development of economic zones including land rights, environmental assessments and labour issues would be implemented during the course of the construction of the Thilawa SEZ. The JICA is additionally implementing an Individual Responsibility Plan (**IR Plan**) for residents displaced by the project. As part of the IR Plan JICA will provide training to displaced persons and assist them to find work near the Thilawa SEZ. (Source: *The New Light of Myanmar*, 15 March 2014)

### UMFCCI enter into cooperation agreement with the Association of Chartered Certified Accountants

The UK Association of Chartered Certified Accountants and the Union of Myanmar Federation of Chambers of Commerce (**UMFCCI**) have entered into a cooperation agreement in relation to the implementation of international accounting standards in Myanmar. The UMFCCI further intends to enter into a Memorandum of Understanding with the Australian Chamber of Commerce. The UMFCCI is Myanmar's largest non-profit business federation and is affiliated with more than 40 different business organisations at home and overseas. (Source: [www.elevenmyanmar.com](http://www.elevenmyanmar.com), 16 March 2014)

## Jade export earnings rise to approximately US\$920 million for nine months ending 31 December 2013

According to the Ministry of National Planning and Economic Development, Myanmar jade export earnings for the nine months ending December 2013 were approximately US\$920 million. In September, the busiest month of 2013, jade exports were worth approximately US\$297 million. In excess of 10,000 tonnes of jade per annum is exported to China, Hong Kong and India. Pursuant to the new draft Taxation Law jade, ruby, sapphire, emerald, diamond and other uncut stones will be taxed at a rate of 30%. (Source: *www.elevenmyanmar.com*, 17 March 2014)

## Felda Global Ventures and Pho La Min Trading enter into joint venture

Malaysia's Felda Global Ventures Holdings Berhad Company (FGV) and Myanmar-based Pho La Min Trading (PLM) have entered into a joint venture agreement in relation to the construction of a US\$15 million rubber processing plant in the Tanintharyi Region. The new company will produce rubber for export to Malaysia and China and will eventually diversify into tire manufacturing and the production of other value-added products. According to the agreement, FGV would own 51% of the firm and PLM would acquire the remaining 49% stake. (Source: *The Myanmar Times*, 17 March 2014)

## Ministry of Mines and Finnish Department of Geology enter into MoU

The Ministry of Mines and the Finnish Department of Geology have entered into a Memorandum of Understanding (MoU) in relation to sustainable development in Myanmar's mineral resources sector. President Thein Sein first visited Finland to discuss the possibility of cooperation in 2013. (Source: *The New Light of Myanmar*, 18 March 2014)

## Hong Kong and Shanghai Hotels and Yoma enter into shareholders' agreement

Hong Kong and Shanghai Hotels Limited (HSH) and Myanmar's Yoma Strategic Holdings (Yoma) have entered into a shareholders' agreement for the purpose of restoring the former Myanmar Railway Company headquarters on Bogyoke Aung San Street. The restored building will become the Peninsula Yangon hotel. (Source: *Myanmar Business Today*, 18 March 2014)

## Thousands of Myanmar products to be included in US GSP

According to UMFCCI Vice Chairman U Maung Maung Lay approximately 5,000 Myanmar products are scheduled to be included in the US Generalised System of Preferences (GSP) in April or May 2014. Marine products, clothing, handicrafts, beans, pulses and gemstones (except rubies) are among the products restored to the GSP list. The Myanmar Garment Manufacturers Association attributes revenues of approximately US\$1.1 billion to the restoration of EU GSP status in 2013 and estimates that 2014 revenues will increase to approximately US\$1.5 billion. (Source: *Myanmar Business Today*, 16 March 2014)



## Yoma Strategic Holdings announce details of agricultural development initiative

Yoma Strategic Holdings (Yoma) has announced an agricultural diversification initiative in cooperation with the International Finance Corporation (IFC) part of the World Bank Group. Yoma will establish a new investment holding company, Yoma Agricultural and Logistics Holding Pte Ltd, which will focus on the development of projects in education, coffee production, the dairy industry, cold storage and logistics. The IFC will contribute 20% of the total project capital of US\$130 million with Yoma contributing the balance of funds. (Source: *www.mmbiztoday.com* 19 March 2014)

# CHARLTONS

## **Best Boutique Firm 2013**

Asian Legal Business Awards

---

### **This newsletter is for information purposes only.**

Its contents do not constitute legal advice and it should not be regarded as a substitute for detailed advice in individual cases.

Transmission of this information is not intended to create and receipt does not constitute a lawyer-client relationship between Charltons and the user or browser.

Charltons is not responsible for any third party content which can be accessed through the website.

If you do not wish to receive this newsletter please let us know by emailing us at [unsubscribe@charltonslaw.com](mailto:unsubscribe@charltonslaw.com)

#### **Hong Kong Office:**

Dominion Centre  
12th Floor  
43-59 Queen's Road East  
Hong Kong  
**Tel:** + (852) 2905 7888  
**Fax:** + (852) 2854 9596

#### **Myanmar Office:**

Charltons Legal Consulting Ltd  
161, 50th Street  
Yangon, Myanmar  
**email:** [myanmar@charltonslaw.com](mailto:myanmar@charltonslaw.com)

[www.charltonslaw.com](http://www.charltonslaw.com)