

### NEWSLETTER 180 - 25 December 2024

### Dear Readers,

Welcome to a new edition of our newsletter.

#### 1. Amendments to the Motion Picture Law

On 20 December 2024, the State Administration Council ("SAC") amended the Motion Picture Law. This amendment in particular expands the application of the law to films shown on the internet, introduces licensing requirements for many more film-related activities, and significantly increases the scope and severity of penalties.

#### CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

Republic of the Union of Myanmar
State Administration Council
Law Amending the Motion Picture Law
(State Administration Council Law No. 59/2024)
1386, 5<sup>th</sup> Waning Day of Nadaw
(20 December 2024)

The State Administration Council hereby enacts this law according to article 419 of the Constitution:

- 1. This law shall be known as the Law Amending the Motion Picture Law.
- 2. In section 2 of the Motion Picture Law:
  - (a) Sub-sections (a), (b) and (h) shall be replaced as follows:
    - "(a) 'Motion picture' means the production and showing of a motion picture using any technology to produce and release, with any technology, still pictures, moving pictures, or pictures and sound.
    - (b) 'Motion picture film' means a feature film, documentary film, a film showing a drama, comedy, theatre play or musical, a plot, or a series [produced] for public screening, for distribution with any technology after



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- public screening, for home use without public screening, for broadcasting on television and the internet, or for competing in a contest.
- (h) 'Department' means the Department of Information and Public Relations of the Ministry of Information."
- (b) The following sub-section (i) shall be added after sub-section (h):
  - "(i) 'Motion picture artists and technicians' means directors, actors, screenwriters, music creators, editors, set designers or production managers who artistically or technically participate in the production of a motion picture film, and persons participating in the creation of a motion picture film using any technology as required."
- 3. In section 3 of the Motion Picture Law:
  - (a) The expression "Myanmar Motion Picture Enterprise" in sub-section (a) shall be replaced with the expression "Myanmar motion pictures".
  - (b) The expression "motion picture artists and specialists" in sub-section (d) shall be replaced with the expression "motion picture artists and technicians".
- 4. The expression "Myanmar Motion Picture Enterprise" in sections 4, 7, 24, 25, 26, 27, 36 and 39 Motion Picture Law shall be replaced by the expression "Department".
- 5. After section 4 (h) Motion Picture Law, sub-sections (i), (j), (k), (l), (m) and (n) shall be added as follows:
  - "(i) establishment of motion picture training schools;
  - (j) letting motion picture equipment;
  - (k) operating a services business for motion picture production;
  - (I) establishing and operating motion picture production studios;
  - (m) carrying out motion picture film animation, sound editing and special effects;



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- (n) establishing an online cinema, broadcasting motion picture films using applications, broadcasting motion picture films using online platforms."
- 6. Section 5 Motion Picture Law shall be replaced as follows:
  - "5. The Department shall examine whether the application meets the criteria and may, with the approval of the Ministry of Information, issue or reject [the issuance of] the motion picture business license."
- 7. Section 8 Motion Picture Law shall be replaced as follows:
  - "8. The Department shall determine the terms to be followed by the motion picture business license holder."
- 8. The expression "Managing Director, Myanmar Motion Picture Enterprise" in sections 10 (a) (1) and 19 (a) (2) Motion Picture Law shall be replaced with the expression "Director General, Department of Information and Public Relations", and the expression "Director, Myanmar Motion Picture Enterprise" in sections 10 (a) (4) and 19 (a) (5) Motion Picture Law shall be replaced with the expression "Director, Department of Information and Public Relations".
- 9. Section 28 Motion Picture Law shall be replaced as follows:
  - "28. The Department shall determine the terms to be followed by the cinema license holder."
- 10. After chapter 6 Motion Picture Law, chapters 7 and 8 shall be replaced as follows:

# "Chapter 7 Administrative action and appeal

30. The Department may impose a fine of at least MMK 50,000 and at most MMK 300,000 on a motion picture business license holder who violated any terms referred to in section 8. In addition, it may revoke the motion picture business license.



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- 31. The Department may impose a fine of at least MMK 30,000 to at most MMK 200,000 on a cinema license holder who violated any terms referred to in section 28. In addition, it may revoke the cinema license.
- 32. The Department may impose one or more of the following administrative actions on any film artist or technician who incites, organises or speaks to harm the interests of the state and the people, or who acts, speaks, declares or incites to discredit the state, or who engages in any activity contrary to the laws enacted for the purpose of national security, rule of law, communal peace or public morals:
  - (a) Warning;
  - (b) prohibition from participating in the production of any motion picture film for a minimum of 1 year and a maximum of 3 years.
- 33. Any person dissatisfied with a decision or order of the Motion Picture Censorship Board or the Department may appeal to the Ministry of Information within 30 days from the date of such decision or order.
- 34. The Ministry of Information may confirm, cancel, modify or re-examine the decision or order of the Motion Picture Censorship Board or the Department or direct that the decision or order be re-examined.
- 35. The decision of the Ministry of Information shall be final.
- 36. If no appeal is filed against the Department's administrative decision, the Department's decision shall be implemented upon the expiration of the appeal period.

### Chapter 8

### Offences and penalties

37. Any person who is convicted of having failed to comply with the provisions of section 14 (b) shall be punished with a fine of not less than MMK 500,000 and not more than MMK 1,000,000.



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#### 38. Any person who:

- (a) is convicted of any of the following acts shall be punished with imprisonment for a term not exceeding 3 years, or a fine of not less than MMK 1,000,000 and not more than MMK 2,000,000, or both. In addition, evidence related to the offence shall be confiscated as state property.
  - (1) Operating any type of business under section 4 without a motion picture business license;
  - (2) showing a motion picture film without a motion picture censorship certificate.
- (b) is convicted again of an offence under sub-section (a) shall be punished with imprisonment for a term not exceeding 5 years, or a fine of not less than MMK 2,000,000 and not more than MMK 3,000,000, or both. In addition, evidence related to the offence shall be confiscated as state property.
- 39. Any person convicted of having exported or shown abroad a domestically produced motion picture film without a motion picture censorship certificate shall be punished with imprisonment for a term not exceeding 3 years, or a fine of not less than MMK 700,000 and not more than MMK 1,000,000, or both.
- 40. Any person who is convicted of having copied, distributed, let, sold or shown a film without complying with the instructions of the Motion Picture Censorship Board to cut or edit it shall be punished with imprisonment for a term of not less than 6 months and not more than 3 years, and may also be fined not less than MMK 500,000 and not more than MMK 1,000,000.

#### 41. Whoever:

(a) is convicted of having shown a motion picture film without a cinema license shall be punished with imprisonment for a term not exceeding 3 years, or a fine of not less than MMK 700,000 and not more than MMK 1,000,000, or both.



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- (b) is convicted again of an offence under sub-section (a) shall be punished with imprisonment for a term not exceeding 5 years, or a fine of not less than MMK 1,000,000 and not more than MMK 2,000,000, or both.
- 42. Any person convicted of having failed to comply with any provision or having violated any prohibition in any rule, regulation, terms, notification, order, directive or procedure issued under this law shall be punished with imprisonment for a term not exceeding 1 year, or a fine not exceeding MMK 500,000, or both."
- 11. The original sections 35, 36, 37, 38, 39, 40, 41 and 42 of the Motion Picture Law shall be renumbered as sections 43, 44, 45, 46, 47, 48, 49 and 50.
- 12. The following shall be added after section 46 of the renumbered Motion Picture Law as section 46-A:
  - "46-A.Taking administrative action according to this law shall not preclude the right to take action under any other law in force."
- 13. Section 49 of the renumbered Motion Picture Law shall be replaced as follows:
  - "49. When implementing the provisions of this law:
    - (a) The Ministry of Information may issue rules, regulations and terms as required with the approval of the Union Government.
    - (b) The Ministry of Information, the Department, the Motion Picture Censorship Board or the Motion Picture Evaluation Board may issue notifications, orders, directives and procedures as required."

I hereby sign according to section 419 of the Constitution of the Republic of the Union of Myanmar.

(Signature) Min Aung Hlaing
Senior General
Chairman
State Administration Council



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### 2. Customs procedures for CMP factories

On 13 November 2024, the Ministry of Planning and Finance and the Customs Department under the SAC issued Customs Procedures for the Contract Manufacturing System (also known as cut-make-package or CMP) and related notifications (English translation with all forms).

The import of raw materials and packaging materials is tax and customs duty exempt if the CMP operator uses the raw materials to produce finished goods for the foreign principal and exports them within 1 year from the submission of the import declaration for the raw and packaging materials. It is possible to apply for up to 2 extensions for up to 1 year at a time, if the application is filed 2 months before the expiry of the allowed manufacturing period.

Exporting finished goods late makes the CMP operator liable to a fine of 2%-20% of the customs duty on the raw and packaging materials. If the raw and packaging materials are used for domestic consumption, the CMP operator must pay the tax and customs duty for which originally an exemption existed and is in addition liable to a fine equivalent to the value of the raw and packaging materials plus the taxes due.

CMP operators who, for some reason, are unable to export finished goods and wish to avoid taxation and the fine may destroy the raw and packaging materials under supervision of the Customs Department.

The Procedures impose onerous filing, documentation and record keeping obligations (7-year retention period). As non-compliance may result in (at least) the imposition of the taxes for which there was originally an exemption, CMP operators should familiarise themselves with the new Customs Procedures and the forms annexed to them.

### 3. Oilfield decommissioning

The Ministry of Energy under the SAC recently published a Petroleum Business Decommissioning Order ("**Order**") dated 28 October 2024 (<u>English translation with all annexes</u>).

There is, as of now, no practical experience with the decommissioning of (offshore) fields in Myanmar as the first permit was granted only in the 1990s. However, the topic is in the spotlight due to high-profile departures of foreign companies from offshore gas fields in 2022 and reports of fields that seem to be nearing, or <a href="https://have.reached">have reached</a>, the end of their commercial life.



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Myanmar has so far had no legal framework for the decommissioning of oilfields (decommissioning provisions in the 1962 Petroleum Concession Rules are <u>probably defunct</u>). The Order addresses this gap.

In a nutshell, the Order

- obliges petroleum operators to carry out decommissioning work in compliance with international and ASEAN regional conventions, guidelines and standards such as the ASEAN Council on Petroleum (ASCOPE) Decommissioning Guidelines;
- makes mandatory the establishment of a decommission fund, and seems to make mandatory
  the establishment of an environmental conservation fund (the Order is not clear on whether
  this would also apply to current operators with a legacy production sharing contract);
- in essence allows as decommissioning methods (i) well plug & abandonment, (ii) removal and disposal, and (iii) leave in place, with (iii) only being available if removal & disposal is not possible due to technical infeasibility, extreme costs, or unacceptable risks to personnel or the marine environment;
- contains a long list of environmental obligations of which many are, however, rather unspecific;
- obliges petroleum operators to submit a decommissioning plan (the Order provides a list of topics to be included in this plan) to the Department of Environmental Conservation at least 2 years before the end of the contract period, to prepare a feasibility study, and to prepare an environmental impact assessment report and have it approved by "an internationally recognised domestic or foreign organisation"; and
- provides a list of topics to be included in the "report of decommissioning completion" and the "report of disposal completion".

#### 4. Bridge holidays

Apparently to boost tourism, the Union Government under the SAC created 5 new holidays "between gazetted holidays and public holidays for easier travel and extended leisure periods". To make up for the extra holidays, it declared 5 Saturdays to be "substituted working days", as follows:

Sr. no.	New holiday	Saturday as substituted working day
1	31 December 2024	11 January 2025



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Sr. no.	New holiday	Saturday as substituted working day
2	12 March 2025	22 March 2025
3	14 March 2025	29 March 2025
4	3 November 2025	8 November 2025
5	26 December 2025	3 January 2026

# Govt designates continuous public days for 2024-2025 to ease travel and extend leisure December 22, 2024

The government has designated select working days between gazetted holidays and public holidays in the 2024 and 2025 calendars as continuous public days to facilitate easier travel and extended leisure periods for people and government employees as follows: –

- (a) 31 December 2024, between 28 (Saturday), 29 (Sunday) and 30 (Kayin New Year Day) December 2024, and 1 January 2025 (five holidays)
- (b) 14 March and 12 March 2025 (one day ahead of Taboung full moon day), between 13 March (Taboung full moon day), 15 (Saturday) and 16 (Sunday) March 2025 (five holidays)
- (c) 3 November 2025, between 1 (Saturday), 2 (Sunday) and 4 (full moon day of Tazaungmone) November 2025 (four holidays)
- (d) 26 December 2025, between 25 (Christmas), 27 (Saturday) and 28 (Sunday) December 2025 (four holidays)

The Saturdays closest to the above extended holidays will be substitute working days. For the first five-day holidays, 4 January 2025, Saturday is a substitute working day, but it is Independence Day. Therefore, 11 January (Saturday) will be a substitute working day, while 22 March (Saturday) and 29 March (Saturday) for the second-long holidays, 8 November (Saturday) for the third-long holidays, and 3 January (Saturday) 2026 for the fourth-long holidays. — MNA/KTZH

From the Global New Light of Myanmar



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### 5. Second testing of imported goods

The Ministry of Planning and Finance under the SAC on 12 November 2024 published procedures for conducting a second test for imported foods, beverages, raw materials Imported for food production, animal feed, and raw materials imported for animal feed production if the initial test result was not to the satisfaction of the importer (English translation).

### 6. Intellectual property updates

#### (a) First trademark registrations

In the last week of November, the Intellectual Property Department issued the first registration certificates for trademarks for which a declaration of ownership had previously been registered with the Registration of Deeds Office or which had been in use in Myanmar prior to the launch of the new online trademark registration system.



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Furthermore, on 1 December 2024, the Intellectual Property Department published its first online journal (scroll down to the end) with registered trademarks. From now on, this journal will be published monthly together with the opposition journal, i.e., the journal with marks for which an application for registration was filed and which competitors might wish to consult to determine whether they should file an opposition.

#### (b) Intellectual Property Agency Rules

On 26 November 2024, the Ministry of Commerce issued the Intellectual Property Agency Rules (text in Burmese) which specify how

- the Agency is formed;
- it is to hold meetings;
- working groups are formed for appeals, copyright, patents, and other matters;
- appeals are conducted against decisions of the Registrar;
- an organisation for the benefit of visually impaired persons is formed (section 5 (g)
   Copyright Law);
- a compulsory patent license is applied for (section 65 (b) Patent Law); and
- an application is made to transfer a patent to the relevant organisation for an invention directly derived from genetic or biological resources or traditional knowledge.

#### 7. Luxury appartment for rent

We are posting this for a friend:

160 sqm with 2 ensuite bedrooms. Large kitchen and dining area, plus living. Open plan. Wooden floors. All mod cons. (Voltage stabiliser, water filtration, A/C). Well furnished with quality items. Upper level, 10th. floor with lift. Price to be negotiated. Contact Peter: sanlan.peter@gmail.com

(Photos on the next page.)



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We wish all our readers a restorative festive season.

Sebastian Pawlita Managing Director



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Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

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