

Dear Readers,

Welcome to a new edition of our newsletter.

1. Private Security Services Law

On 18 February 2025, the State Administration Council (“SAC”) decreed a Private Security Services Law (the “Law”). The Global New Light of Myanmar carried an English [translation](#).

(a) Scope of application

Private security services are defined as privately operated services for the security of people and property at any place, including an individual, organisation, office, home, warehouse, company, factory, workshop, hotel, bank, school, market, hospital, transportation business, economic business, public event or religious place.

The Law is important not only for companies offering private security services as a business (such as Exera), but also for companies and organisations that hire their own staff for security duties (e.g., watchmen) as the Law provides that they need a permit if they employ more than 10 security staff. Furthermore, companies offering security training courses are also covered.

(b) Grace period for existing operations

Companies that currently offer security services (or security training courses) and entities that employ more than 10 security staff have 6 months to apply for a license or permit (i.e., until and including 18 August 2025 according to our calculation).

(c) Administrative structure

The Law sets up a central supervisory committee at the Union level and subordinated supervisory committees in each Region and State and the Union Territory.

(d) Offering private security services and/or security training courses

(aa) Minimum capital requirement and license application

Companies wishing to offer private security services (or security training courses) must be registered with the Directorate of Investment and Company Administration



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

("DICA"). Foreign companies must have "the right to be registered". We do not know why the Law makes this distinction.

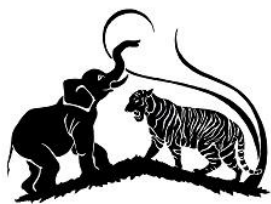
Furthermore, such companies must be able to show a minimum of MMK 100,000,000 (if a foreign company: an equivalent amount in foreign currency) as a fixed deposit with Myanma Economic Bank as a business guarantee during the period of operation.

License applications must be submitted to the supervisory committee in the respective Region or State or the Union Territory together with the following information and documents:

- Applicant's name;
- CV;

We suppose that this would be the CV of the managing director or the director in charge of the security business; this person would probably also have to sign the application.

- permanent address and contact address, telephone number, e-mail address;
- company logo;
- list of directors;
- objectives of the company;
- the company's "operational procedures" (we suppose that this refers to an organisational chart - who is responsible for what?)
- number of private security staff (male and female) to be hired and their complete personal details;
- 3 proposed designs for uniforms, badges and rank insignia of the security staff;
- evidence of experience in the private security services business;
- certified copies of the company registration certificate and of the company extract, issued within the last month;
- certified copy of the proof of deposit for the private security services;



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

- specific statements (if any), e.g., whether the company will use arms and ammunition;
- application date;
- if a foreign company, name of the country in which the headquarters are located.

The supervisory committee in the respective Region or State must forward the application with its comments to the central supervisory committee which may approve or reject the application. In the former case, the license is issued by the supervisory committee in the respective Region or State after payment of the license fee (amount not yet specified).

A license is valid for 3 years; applications for renewal must be filed at least 3 months prior to license expiry.

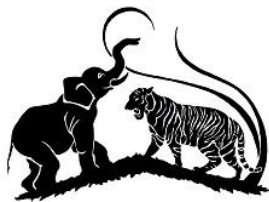
(bb) Hiring security staff

Security staff hired by a holder of a license to offer private security services must fulfill the following criteria:

- At least 18 years old and in good health;
- hold a “labour registration card” issued by the relevant department or organisation;

We are not sure what this means. Labour registration cards (“form 2”) are issued by the labour exchange offices under the Department of Labour Administration, but for the last 10, 15 years at least, recruitment by private businesses in practice has been largely done without the involvement of the labour exchange offices.

- be able to show a certificate that he or she does not have a criminal record, issued within the last 30 days, and a self-declaration to this effect;
- fulfill the criteria issued by the central supervisory committee from time to time;
- must attend a training course in private security services offered with the approval of the central supervisory committee;



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

- must wear the uniform, badge and rank insignia approved by the central supervisory committee when on duty;
- if a foreigner: must comply with the terms and conditions issued by the Ministry of Labour; must have a certificate issued by the relevant country evidencing that he or she does not have a criminal record; must not be a member of any foreign armed forces.

At least 75% of a license holder's security staff must be Myanmar nationals.

(cc) Offering training courses

License holders wishing to offer security training courses must submit the course details for approval to the central supervisory committee through the respective Regional or State supervisory committee. Trainers must have at least 5 years of relevant experience and be certified in the relevant technical subject.

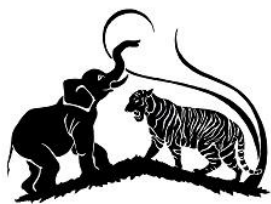
Training courses may not be offered in densely populated urban areas. Non-compliance may be punished with imprisonment of up to 2 years and in addition a fine of up to MMK 50,000,000. If the offender is a company or organisation, it may be fined from MMK 50,000,000 to MMK 100,000,000 (presumably in addition to the criminal penalty imposed on the company's directors or other persons involved in the commission of the offence).

(dd) Security equipment

The Law defines security equipment as communication devices, technical security equipment and security-related items approved by the central supervisory committee according to the laws in force for use in a private security services business.

The purchase, sale or possession of security equipment without permission from the central supervisory committee may be punished with imprisonment from 1 to 3 years and in addition a fine up to MMK 10,000,000. If the offender is a company or organisation, it may be fined from MMK 100,000,000 to MMK 300,000,000.

Furthermore, license holders letting or otherwise transferring their own security equipment may be punished with imprisonment of up to 2 years and in addition a fine up to MMK 50,000,000. If the offender is a company or organisation, it may be fined from MMK 50,000,000 to MMK 100,000,000.



(ee) Arms and ammunition

Carrying arms, ammunition and related materials requires permission from the central supervisory committee and shall be done according to the Arms Law (SAC Law 49/2023), the Permission to Carry Arms and Ammunition (Ministry of Home Affairs (Minister's Office) Notification 54/2023) and other laws in force.

(ff) Notification and other compliance requirements

Holders of a license to offer private security services (or security training courses) must display the license in a conspicuous place and report changes in the managing director, the relocation of the office and changes in the number of security staff to the supervisory committee in the respective Region or State.

Furthermore, they must specify the rules and regulations to be followed by the security staff and measures in case of violations, keep a systematic record of each security staff's complete personal information and service history, and immediately report any violation of the law by security staff to the relevant authorities.

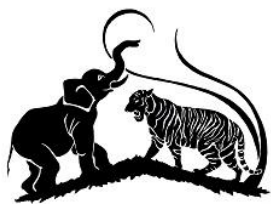
The license may be returned and the business discontinued only with the permission of the supervisory committee.

(e) Employing more than 10 security staff in one's own business

(aa) Permit application

Any person wishing to employ more than 10 security staff in his own business or branch (not for providing private security services) must apply to the relevant supervisory committee with the following information and documents:

- Applicant's name;
- CV;
- applicant's permanent address and contact address, telephone number, e-mail address;
- name and type of the business;
- license or permit required for the business (if any);



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

- business location, contact address, telephone number, e-mail address;
- number of private security staff (male and female) to be hired and their complete personal details;
- 3 proposed designs for uniforms, badges and rank insignia of the security staff;
- application date;
- other information as may be specified by the central supervisory committee from time to time.

The supervisory committee in the respective Region or State must forward the application with its comments to the central supervisory committee which may approve or reject the application. In the former case, the permit is issued by the supervisory committee in the respective Region or State after payment of the permit fee (amount not yet specified).

A permit is valid for 3 years; applications for renewal must be filed at least 3 months prior to permit expiry.

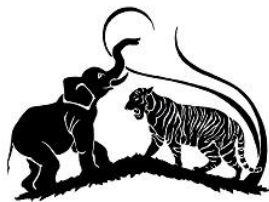
(bb) Hiring security staff

Security staff hired by a permit holder must be at least 18 years old and in good health, hold a labour registration card, have no criminal record (certificate issued within the last 30 days and self-declaration to this effect), and fulfill other criteria as may be issued by the central supervisory committee from time to time.

They must attend a training course in private security services offered with the approval of the central supervisory committee and wear the uniform, badge and rank insignia approved by the central supervisory committee when on duty.

There are no specific provisions concerning foreigners.

A permit holder causing his own security staff to provide security services to other persons may be punished with imprisonment of up to 1 year and/or a fine from MMK 10,000,000 to MMK 50,000,000.



(cc) Security equipment; arms and ammunition

Security staff of a permit holder are apparently not allowed to use security equipment and carry arms and ammunition (section 28 (b) of the Law).

(dd) Notification and other compliance requirements

Permit holders must display the permit in a conspicuous place and report the location of the business or branch where the security staff is deployed, changes thereto, and changes in the number of security staff to the supervisory committee in the respective Region or State.

Furthermore, they must specify the rules and regulations to be followed by the security staff and measures in case of violations, and keep a systematic record of each security staff's complete personal information and service history.

(f) Arrests, self-defence and reporting information

Security staff may, irrespective of whether they are employed by a license holder or a permit holder, arrest an offender within the place, building or premises where the security services are provided. They must immediately report the arrest to the nearest police station and hand over the arrested person according to the Code of Criminal Procedure.

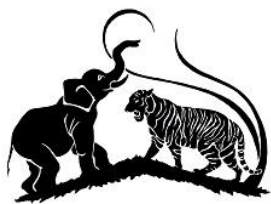
They have the right to self-defence according to the Penal Code.

Security staff must furthermore report to the nearest police station any information received while on duty that affects the nation's security and rule of law. Failure to do so may result in imprisonment of up to 2 years and/or a fine of up to MMK 300,000.

(g) Sanctions and penalties

The relevant supervisory committee may issue a warning, impose a fine or suspend the license or permit for a specified time if a license or permit holder is found to be non-compliant with its obligations, and in case of recidivism cancel the license or revoke the permit with or without blacklisting.

Persons offering private security services or training courses without a license may be imprisoned from 1 to 3 years and in addition fined up to MMK 10,000,000. If the offender is a company or organisation, it may be fined from MMK 100,000,000 to MMK 300,000,000.



Persons hiring more than 10 security staff without a permit may be imprisoned for up to 1 year and/or fined from MMK 10,000,000 to MMK 50,000,000.

Penalties also apply to, among others, making false statements in license applications, making false advertisements in relation to a business for which a license is issued, selling, letting, pawning or otherwise transferring a license or permit, disclosing information and data received from a service recipient, creating a resemblance with government departments, using any unauthorised uniform, badge, insignia, security equipment or vehicle, and refusing to cooperate with the relevant supervisory committee or any national security organisation if so intimidated.

Administrative and penal fines imposed on foreigners and foreign companies have to be paid in foreign currency.

2. Court fees increased

On 17 February 2025, the SAC amended the Court Fees Act ([translation](#) as published in the Global New Light of Myanmar), increasing the maximum court fees from previously MMK 500,000 to now MMK 3,000,000.

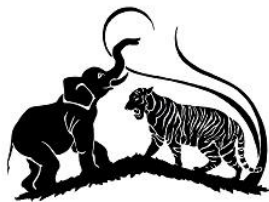
3. Supreme Court on the enforcement of foreign arbitral awards

The Supreme Court published two decisions on its website concerning the recognition and enforcement of foreign arbitral awards:

- In a judgment dated [27 July 2024](#), (Myanmar Offshore Co., Ltd. and MOL Offshore Pte. Ltd. vs. ARV Offshore Co., Ltd., Revision No. 599/2022), the Supreme Court refused to recognise and enforce an arbitral award made by the Singapore International Arbitration Centre (SIAC) as arbitration proceedings had started on 2 November 2010, before the [Arbitration Law](#) came into force on 5 January 2016, and the award therefore could not be enforced under the new law (section 58 (a)).

The court furthermore argued that it would be contrary to the national interest of the state to enforce the award (section 46 (c) (2) Arbitration Law):

“The court found that in the final judgment [sic] of the Singapore International Arbitration Centre, the Centre considered and decided on a claim against the applicants for payment of USD 2,819,155.16 which included the statement that a former minister of energy of Myanmar and former senior MOGE officials, all named,



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

had to be paid USD 1,000,000 in bribes. The court considers that recognising and enforcing the arbitral award, which was made without allowing these individuals to respond to the allegations of bribery, could damage the reputation of the ministry and, by extension, the Union government, and could be contrary to the national interest of the state.”

- In another judgment dated [3 January 2024](#) (Asia Myint Group Co., Ltd. vs. Agrocorp International Pte. Ltd., Appeal No. 374/2023), the Supreme Court found no fault with the recognition and enforcement of an award made by the Panel of Arbitrators of The Refined Sugar Association in London, dismissing the notion that it would be an obstacle to recognition if the award was not signed by all arbitrators, and holding that based on all the correspondence that had reached the applicant by DHL and e-mail, the applicant had been sufficiently notified of the institution of the arbitration proceedings, although DHL had not been able to deliver one notice.

4. Labour law presentation slides

We would like to extend our appreciation to everybody who attended our labour law seminar on 20 February 2025. We have uploaded the presentation slides to our [website](#).

5. Luxury apartment 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. **24 hours electricity**. Price to be negotiated. Contact Peter: sanlan.peter@gmail.com*

(Photos on the next page.)



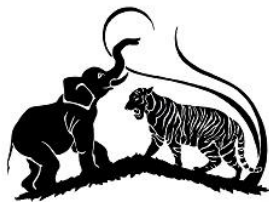
LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025



We hope that you have found this information useful.

Sebastian Pawlita
Managing Director



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 187 - 23 February 2025

About Lincoln Legal Services (Myanmar) Limited

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:

Sebastian Pawlita, Managing Director
E-Mail: sebastian@lincolnmyanmar.com

Phone: +95-9-262546284 (English) or +95-9-428372669 (Myanmar)

Office address: No. 35 (D), Inya Myaing Road, Golden Valley, Bahan Township, Yangon Region

Web: www.lincolnmyanmar.com