

The Union of Myanmar
The State Peace and Development Council

The Myanmar Special Economic Zone Law

(The State Peace and Development Council Law No. 8 / 2011)

The 8th Waning of Pyatho, 1372. M.E.

(27th January, 2011)

The State Peace and Development Council hereby enacts the following Law.

Chapter I

Title and Definition

1. This Law shall be called the Myanmar Special Economic Zone Law.
2. The following expressions contained in this Law shall have the meanings given hereunder:
 - (a) Special Economic Zone means the zone notified and established by the Government under this Law as the Special Economic Zone by demarcating the land area, extent of territory and boundary in the suitable area in order to cause further development of the economic momentum of the State;
 - (b) Export Processing Zone means the zone that carries out securely from local or abroad export processing by importing machinery, raw materials and special services relating to export goods in accordance with the stipulations within the Special Economic Zone. The said Zone is demarcated by a boundary, securely fenced and supervised by the Customs Department.
 - (c) Sub-trading Zone means a specifically stipulated area which is situated close to the port, railway station, air port and that carries out loading unloading for transshipment, storage or repacking and supervised by the Customs Department.

- (d) Developer means the person or organization which has been given responsibility of constructing the building, designing model, organizing, promoting, providing finance, for developing the whole or a part of the infrastructure of Special Economic Zone and providing amenities in the Special Economic Zone;
- (e) Investor means the local or foreign person or organization granted permission to do business by investing in the type of currency determined by the Central Body in the Special Economic Zone;
- (f) The expressions "citizen, resident foreigner, non-resident foreigner and capital gains" shall have the same meanings as are defined in the Income Tax Law;
- (g) "Service" means a service carried out for wages, fee or consideration. The said expression includes trading business, entertainment business, hotel, guest house and restaurant business, tourism business and businesses determined by the Government, from time to time, as service;
- (h) Government means the Government of the Republic of the Union of Myanmar;
- (i) Central body means the Central Body relating to the Myanmar Special Economic Zone formed by the Government under this Law;
- (j) Responsible Ministry means the Union Ministry prescribed and assigned duty by the Government to take responsibility in implementing the necessary functions and duties under this Law;
- (k) Central Working Body means the working body formed under this Law by the Central Body for enabling to support the Central Body according to the work, in implementing the works relating to the Special Economic Zone;

- (l) Management Committee means the Special Economic Zone Management Committee formed by the Central Body under this Law to carry out the administration and supervision works in the relevant Special Economic Zone.

Chapter II

Objectives

3. The Objectives of this Law are as follows:
- (a) to base on the framework of the maintenance, protection and safeguarding the sovereignty of the State in allowing to operate foreign investment businesses;
 - (b) to develop the momentum of the economy of the State by establishing and operating the Special Economic Zones;
 - (c) to develop the industry and high technologies in the State;
 - (d) to improve the goods processing, trading and service business;
 - (e) to enable the citizens to train, learn and transfer the high technologies;
 - (f) to create more employment opportunities for the citizens;
 - (g) to develop the infrastructures of the State.

Chapter III

Special Economic Zone

4. The Government may, by notification establish as Special Economic Zone, by demarcating the land area, extent and boundary of the territory in the suitable area in order to further develop the economic momentum of the State.

5. The Special Economic Zone includes high tech industrial zones, information and telecommunications technology zones, export processing zones, port area zones, logistics and transportation zones, scientific and technological research and development zones, service business zones, sub-trading zones and zones prescribed by the Government, from time to time.

6. The works and places where the investment may be made in the Special Economic Zone are as follows:

- (a) production based businesses such as goods processing business, hi-tech production business, industries, agriculture, livestock breeding and fishery, mineral produce business and forestry produce business;
- (b) services business such as trading, logistics and transportation, storage, hotel and tourism, education and health, residential quarters, infrastructure supply and support centers, green areas which conserves and protects the natural environment, recreation and resort centres;
- (c) infrastructure construction businesses such as road, bridge, airport, port, electricity, communication and water supply environment conservation and protection, and wastes control;
- (d) other businesses determined by the Central Body, with the approval of the Government.

7. The Special Economic Zone established under section 4 shall be:

- (a) a zone implemented under this Law in accordance with the economic policies adopted by the State;
- (b) a zone managed according to the nature of the work of Special Economic Zone in accordance with this Law;
- (c) a zone invested and used in the currency determined by the Central Body with the approval of the Government;

- (d) a zone which conforms to the international commercial market based on goods processing and export for the fulfilment of the objectives contained in section 3;
 - (e) a zone which practices speedy one-stop service system for the office works relating to the Special Economic Zone.
8. The State shall encourage the investors in the Special Economic Zone to operate the following works in priority:
- (a) Hi-tech industries;
 - (b) businesses which will further promote the economic development of the State;
 - (c) businesses which will further promote trade and service;
 - (d) businesses which will further promote the infrastructures;
 - (e) businesses which will create more employment opportunities for citizens;
 - (f) businesses which include citizen's investment in foreign investment businesses;
 - (g) businesses for conservation and protection of natural environment;
 - (h) other businesses prescribed by the Central Body, from time to time, to carry out in priority.

Chapter IV

Formation of Central Body, Central Working Body and Management

Committees relating to the Myanmar Special Economic Zone and Functions and Duties thereof

9. The Government of the Union of Myanmar:
- (a) shall form the Central Body relating to the Myanmar Special Economic Zone comprising a suitable person as Chairman and suitable persons from

- the relevant ministries, government departments and organizations as members for enabling to carry out the functions and duties contained in this Law in respect of establishing and operating the Special Economic Zone;
- (b) shall determine and assign duty to the Vice-Chairman, the Secretary and the Joint Secretary from among the members, in forming the Central Body.
10. The functions and duties of the Central Body are as follows:
- (a) implementing, supervision and causing to abide by the provisions contained in this Law;
 - (b) submitting the proposal, suitable place, necessary area, extent of territory and boundary demarcation to the Government for establishing the Special Economic Zone, after obtaining and scrutinizing the opinion of the relevant government departments and organizations;
 - (c) forming the Central Working Bodies and management committees, with the approval of the Government, to enable implementation of the works relating to Special Economic Zone;
 - (d) adopting projects and plans for the development and management of the Special Economic Zone;
 - (e) scrutinizing the Special Economic Zone's development plan submitted by the Management Committee and granting approval;
 - (f) assigning duty to the Management Committee for the implementation of the works contained in section 6, supervising the functions of such Management Committee, inspecting from time to time and coordinating with the relevant Government departments and organizations;
 - (g) scrutinizing the business proposal submitted by the developer or investor and approving, refusing or causing to amend and operate;

- (h) determining the categories of investment businesses which are entitled to be operated according to the Special Economic Zone and allowing the developer or investor to operate with the approval of the Government;
- (i) determining as the large, medium and small investment business based upon the category of business, amount of initial investment, with the approval of the Government;
- (j) determining the category of currency to be used within the Special Economic Zone with the approval of the Government;
- (k) determining the taxes and revenues, rentals and land-use premiums to be levied under this Law, with the approval of the Government, giving exemption and relief;
- (l) arranging enable carrying out office work by the speedy one-stop service within the Special Economic Zone;
- (m) forming the department and organizations, with the approval of the Government, for carrying out administrative, security, management and development matters in the Special Economic Zone and determining the functions and duties thereof, causing the management committee to directly supervise such organizations, causing such organizations to comply with and carry out the functions and duties according to the directive of the management committee;
- (n) submitting report on the situation of the implementation in respect of the Special Economic Zones to the Government;
- (o) carrying out other functions and duties assigned by the Government in relation to the Special Economic Zone.

- 11. The Central Body, with the approval of the Government;
 - (a) shall form the Central Working Bodies comprising persons from the stipulated Government departments and organizations for enabling to support in implementing the works relating to the Special Economic Zone.
 - (b) shall form a Management Committee each according to the Special Economic Zone with the persons from stipulated Government departments and organizations, to enable carrying out functions and duties contained in section 13;
 - (c) in forming under sub-sections (a) and (b), shall determine and assign duty to the Chairman, Vice-chairman, Secretary and Joint-secretary;
 - (d) may appoint, in substitution, the members of the Central Working Body and Management Committees formed under sub-section (a) and (b) and reform as may be necessary;
 - (e) may form and assign duty to other suitable working bodies.
- 12. The functions and duties of the Central Working Body are as follows:
 - (a) submitting the proposal for the construction of Special Economic Zone, proposal of investment business submitted by the Management Committee, Developer or investor to the Central Body after scrutinizing;
 - (b) scrutinizing the Special Economic Zone plan submitted by the Management Committee for the implementation of the Special Economic Zone and submitting to the Central Body;
 - (c) submitting the Central Body after scrutinizing, for enabling to determine the category of Special Economic Zone, work in priority, category of work to be carried out according to zone, category of large, medium and small investment business;

- (d) studying and submitting on the matters of international Special Economic Zone, advising and submitting to the Central Body, other Special Economic Zones and areas which should be carried out in Myanmar;
- (e) coordinating with relevant departments and organization for enabling to carry out investment businesses in the relevant Special Economic Zone, with the permission of the Central Body in accord with the stipulation;
- (f) advising and submitting, after scrutinizing on the administrative, management and other legal matters in the Special Economic Zone;
- (g) carrying out other functions and duties assigned by the Central Body.

13. The functions and duties of the Management Committee are as follows:

- (a) submitting the Special Economic Zone development plan to the Central Body and Central Working Bodies and obtaining approval for enabling to implement and operate the Special Economic Zone successfully;
- (b) arranging to enable operation of the investment businesses to be carried out in the relevant Special Economic Zone with the approval of the Central Body, in accordance with the stipulation;
- (c) supervising and inspecting the matters on implementation of investment and establishment plans, land-use, environmental conservation, wastes control, health, education, finance and taxation, development, transport, communication , security, electricity, energy and water supply etc., and coordinating with the relevant government departments and organizations;
- (d) coordinating with the relevant Government departments and organizations as may be necessary for enabling to give protection to the property, profits and other rights of the investor in conformity with the existing laws;

- (e) coordinating with the relevant Government departments and organizations as may be necessary for enabling to obtain entry visa and residency for foreign investors and their employees, technicians and staff working in the Special Economic Zone;
- (f) coordinating to facilitate the Central Bank of Myanmar as may be necessary, in implementing financial management, supervising foreign currency exchange and financial businesses for the investors in the Special Economic Zone and in communicating and carrying out with the banks permitted to do foreign banking business in Myanmar;
- (g) coordinating with the developers, investors or companies which will take responsibility to construct the infrastructures in any Special Economic Zone and giving permission to do so in accord with the stipulation and supervising their activities;
- (h) carrying out one-stop service relating to the works which may be allowed by the Management Committee according to the existing Law;
- (i) scrutinizing and approving the construction works, designs in accord with the main plan of the Special Economic Zone;
- (j) supervising for the natural environmental conservation and protection in the Special Economic Zone in accord with the existing laws, scrutinizing the disposal system of industrial wastes and if it is not in conformity with the stipulations, causing the developer or investor to perform in line with them;
- (k) carrying out the functions and duties specifically assigned by the Government and the Central Body.

14. The Management Committee shall carry out that the developer or the investor employs the citizen businessman, company or organization in term of contract for the works in their businesses invested within the Special Economic Zone except the work which require specific expertise. If the investor asks advice it shall be coordinated to enable to obtain suitable citizen businessman, company or organization for his work.

Chapter V

Special Privileges of Investor

15. The investor is entitled to carry out the following businesses in accord with the stipulations:

- (a) manufacturing finished products from raw materials, process production by machinery, carrying out warehousing, transport , service providing;
- (b) transporting and importing raw materials, packaging materials, machinery and equipment, and fuel oils to be used in investment business from local or overseas to the Special Economic Zone;
- (c) commerce, import and export;
- (d) selling at local market, in accordance with the stipulation of the Management Committee, other goods produced by investment business, which are sub-standard but consumable except medicines and foodstuff,;
- (e) establishing and operating offices for investment business and overseas service works in Special Economic Zone, with the permission of the Management Committee;
- (f) carrying out other businesses not prohibited under the existing laws, with the permission of the Management Committee.

16. The investor:

- (a) shall sell the goods produced in the Special Economic Zone to the international market;
- (b) shall use the imported materials for own production only and not sell them in local market;
- (c) if it is desirous to sell the goods contained in sub- sections (a) and (b), locally shall obtain the permission of the Management Committee and pay stipulated taxes and revenues in accord with the procedure under the existing law.

17. The investor who invests and operates business in the Special Economic Zone:

- (a) may apply for income tax exemption on the proceeds of overseas sale for the first five years from the day of commencement of the production or service;
- (b) may apply for fifty percent relief on the income tax rate stipulated under existing law for the second five years on the overseas sale proceeds;
- (c) for the third five years, if the profit obtained from export sale is re- invested, may apply for fifty percent relief on the income tax rate stipulated under existing law on such invested profit;
- (d) after the expiry of exemption and relief period contained in sub- sections (a) and (b), if exemption and relief is not allowed again under this law, shall pay at the income tax rate stipulated under existing law.

18. After the expiry of the tax exemption and relief period for goods processing businesses invested and operated in the Special Economic Zone, if the value of export items exceed 50 per cent of the total value of products in the large- scale investment businesses; if it exceeds 60 percent in the medium- scale investment businesses; and if it exceeds 70 percent in the small- scale investment businesses , income tax relief for that year may be applied for.

19. The investor, within the Special Economic Zone, shall:

- (a) if the capital asset is transferred by sale, exchange or otherwise as the promotion for long-term investment, pay to the State the amount of money stipulated by the Central Body which is not more than 50 percent of the profit gained based upon the category of business, value of investment and sale proceeds;
- (b) pay tax, according to existing law, on the remaining profit after having paid under sub-section (a).

Proviso: In case of petroleum and natural gas sector and petrochemical businesses, income-tax shall be paid at the rate as prescribed by the Income-tax Law.

- (c) if income is obtained from the lease of property, income tax shall be paid on such income at the rate stipulated under existing law;
- (d) may apply for exemption from income tax on the dividends of each shareholder distributed on the profit accrued locally and on which tax has already been paid.

20. Although a non-resident foreigner has no business incorporated in the Union of Myanmar, if he obtains the right to operate relating to the special economic zone under any property and intellectual property right:

- (a) the person who makes the payment shall deduct the withholding tax from the source for the royalty, interests and payments for business activities and purchases in accord with income tax rate prescribed under the Income-tax Law and pay it to the person concerned;
- (b) the person who makes the payment shall deduct the withholding tax from the source on rental fee and other similar receipts in accordance with income tax rate prescribed under existing law and pay it to the person concerned.

21. The relevant investor shall collect and pay the income tax of the local and foreign staff and workers employed in the Special Economic Zone on their salaries and income at the income tax rate prescribed under the existing law in the currency determined by the Central Body.

22. In the Special Economic Zone, the service enterprises:

- (a) may enjoy tax relief of commercial tax up to the prescribed period commencing from the year of operation.
- (b) on expiry of the relief period contained in sub-section(a), shall paid shall pay commercial tax in accord with the Commercial Tax Law.

23. In respect of the export items produced in the Special Economic Zone, the exemption from commercial tax and value-added tax (VAT) may be applied for.

24. The investor may be allowed to;

- (a) import raw materials, machineries, equipments from foreign country which are imported for export-oriented processing enterprises established in Export Processing Zone, with exemption from customs duty and other revenues;
- (b) import, with stipulations, machineries and motor vehicles from foreign countries which are to be used in investment enterprises with exemption from customs duty and other revenues, for five years commencing from the year of operation, and relief of fifty percent of customs duty and other revenues for the next five consecutive years.
- (c) except Export Processing Zone, other zones in Special Economic Zone have the right of exemption and relief of tax and revenue in respect of the importation of materials related to investment business from local and foreign countries, in accord with the existing law.

25. The Central Body may, for the purpose of development throughout the country, determine the extension of tax exemption and tax relief period more than those prescribed in this chapter, with the approval of the Government , for the investors in Special Economic Zones located in economically backward and difficult to communicate areas.

Chapter VI

Specific Duties of Developer or Investor

26. The developer or investor, his employees, technicians, staff and their family members residing in the Special Economic Zone shall also abide by other existing laws of the Union of Myanmar in addition to the provisions of this Law.

27. The balance of statement relating to his business shall be in surplus for the developer or investor.

28. The investor shall, in respect of production enterprises in export processing zone:

- (a) establish necessary management organizations, offices and departments, industries and warehouses only in the Zone;
- (b) keep unused raw materials, packaging materials and spare parts of machines only at the warehouse or store recognized by the Customs Department;

29. Except export processing zone, in respect of production enterprises from other zones, the investor shall pay taxes in advance in importing raw materials to be used and may apply to refund the exempted taxes under section 24 when exporting items abroad.

30. The investor responsible to pay tax and duty assessable under this Law shall:

- (a) pay tax and duty within the prescribed period.. If he is entitled to extend after the expiry of the prescribed period, 0.5 percent of the payable tax shall be paid as daily fine for each day of such extended period.

- (b) if he evades to payment of tax and duty, fails to pay tax and duty after extended period or refuses to pay, he shall pay fine of amount not more than five times of tax and duty prescribed by the relevant Government department and organization;
- (c) if sufficient evidence is found of intentionally falsifying the statistics prepared and submitted to the relevant Government department and organization, he shall have legal action taken against him under criminal proceedings.
- (d) if a dispute arises in respect of matter on tax, he may apply to re-examine such matter to the relevant department after first paying the tax.

31. The investor shall:

- (a) register the enterprise, company or organization to be operated in Special Economic Zone in accord with the stipulations;
- (b) report to the Management Committee, on the situation of implementation of his investment business in accord with the stipulations;
- (c) carry out for preparing and keeping records for business statistics and accounts properly, auditing, submitting to audit of relevant department and reporting in accord with the stipulations;
- (d) destroy unusable perished and sub- standard medicines and food stuff from pharmaceutical and food stuff enterprises among the invested enterprises, with the approval of the Management Committee.

32. The investor shall:

- (a) if desirous to terminate or liquidate his business, company or organization, perform the termination or liquidation with the prior permission of the Management Committee, in accord with the stipulations;

- (b) settle any dispute arising in relation with investment enterprise, in accord with the dispute settlement procedures mentioned in relevant agreement;
- (c) transfer or sell part or whole of the shares of his business, company or organization, with the approval of the Management Committee;
- (d) transfer and sell machineries and motor vehicles to be used in investment enterprise which are imported under sub- section (b) of section 24 when they are no longer needed to be used at the enterprise or at the time of termination of enterprises, with the permission of the Management Committee, in accord with the stipulations and the existing law.

33. Except enterprises which need specific expertise in other enterprises among invested enterprises, the developer or investor shall entrust work to citizen entrepreneur, company or organization as contractor.

34. The developer or investor shall take responsibility for not causing environmental pollution and air pollution in respect of his enterprise.

Chapter VII

Land Use

35. The Central Body:

- (a) shall may, with the approval of the Government, permit the developer or investor land lease or land use after causing payment of fees to be made for land lease or land use, for at least 30 years;
- (b) if desirous to continue to operate after the expiry of the permitted term under sub-section (a), may extend consecutive term of 30 years for large-scale investment enterprise and further 15 years of extension after the expiry of the said term;

- (c) if desirous to continue to operate after the expiry of the permitted term under sub-section (a), may extend consecutive term of 15 years for medium-scale investment enterprise and further 15 years of extension after the expiry of the said term;
- (d) if desirous to continue to operate after the expiry of the permitted term under sub-section (a), may extend two times of consecutive term of five years for small-scale investment enterprises;
- (e) shall scrutinize and permit the term of period for land lease or land use which the developer or investor actually needs depending on the type of investment business and the amount of investment.

36. The developer or investor shall bear the expenses of transferring and compensation of houses, buildings, farms and gardens, orchards/ fields, plantation on land permitted by the Central Body if these are required to be transferred. Moreover, he shall carry out to fulfil fundamental needs of persons who transfer so as not to lower their original standard. The relevant management committee shall coordinate as may be necessary for the convenience of such works.

37. The developer or investor:

- (a) shall use the land which he is entitled to lease or use in accordance with the prescribed terms and conditions;
- (b) may, in accordance with the existing law, rent, mortgage or sell the land and building to another person for investment business within the term granted to operate in accord with the stipulations. If he sells, he shall comply with the stipulations under sub-section (a) of section 19 ;

- (c) shall not modify or alter, without permission, the topography or the contour of the land for which he obtained lease or land use;
- (d) shall report immediately to the Management Committee if natural mineral resources or antiques not relating to the permitted enterprise and which are not included in the original agreement are found above or under the land which he is entitled to lease or use. If the management committee permits, he may continue to operate on such land. If not, he shall shift to the substituted area.
- (e) Intend to operate affectively the permitted enterprises on the land permitted to lease or use. As such the enterprise contained in the agreement shall be completed within the prescribed term in the original agreement or up to two years from the day of permission to operate. If not completed, the permission shall be revoked. The said land shall be returned back and the buildings on this land shall be removed.

Chapter VIII

Banks and Finance Management and Insurance Business

38. The businesses which are operated in foreign currency in the Special Economic Zone shall have the right to open foreign account with any bank and carry out the matters of receipt and payment in foreign currency in accord with the stipulations.
39. The investor is entitled to:
- (a) evaluate in the currency determined by the Central Body and pay in accord with the stipulations within the period of production of goods and operation of businesses.

- (b) exchange and transmit their own foreign currency within the Special Economic Zone or abroad.

40. Foreign insurance companies and joint insurance companies have the right to operate their agency offices and insurance business within the Special Economic Zone in accord with the stipulations.

Chapter IX

Management and Inspection of Commodities by Customs Department

41. The export processing zone and sub-trade zone within the Special Economic Zone in which zones of different nature of works are combined:
- (a) enterprises concerned with the Customs Department shall operate under the supervision of the said department;
 - (b) shall, in respect of goods, transport vehicles and machineries and personal utilities, entering into or taking out of the Special Economic Zone, comply with this Law and existing Custom Law and Rules;
 - (c) are entitled to commence the operation of business, with the approval of the Management Committee, in accord with the stipulation if the responsible personnel of the Customs Department inspect and approve for security.
42. The Custom Department, in respect of investment enterprise in export processing zone and sub-trade zone:
- (a) may allow the investor to carryout importing raw materials and instruments, production of goods and exporting to local and foreign countries in accord with the stipulations;
 - (b) shall not allow retail and wholesale sale general trading and exhibition of goods not related to goods production enterprise in the export processing zone.

43. The Customs Department shall supervise to cause the investors who operate business in export processing zone and sub-trade zone to abide by this Law and existing Customs Law and Rules in carrying out the following matters:

- (a) transporting goods between foreign countries and the said zones;
- (b) transporting goods between the said zones and other special economic zones;
- (c) transporting goods within the said zones;
- (d) entering into or leaving from such zones of transporting vehicles and moving and transporting personal utilities.

44. The investor within the export processing zone and sub-trade zone in accord with the stipulations:

- (a) may purchase directly from inside the country necessary raw materials, supplementary materials, parts and instruments, packaging materials and semi- finished products for production of export items;
- (b) shall cause the goods purchased directly under sub- section (a) to be inspected by the Customs Department and approval obtained there from.

45. The investor shall, in buying goods directly from local market, buy from the seller who has completed in accord with the procedures and the export item provisions.

46. In importing raw materials and equipments into export processing zone and sub-trading zone to produce export item or in finally exporting export items to abroad, if the investors comply with the stipulation, the Customs Department shall carry out one- stop declaration, one- stop document inspection and one- stop goods inspection.

Chapter X

Quarantine Inspection and Confinement so as not to spread

Contagious Disease

47. The responsible person from the quarantine Prevention Department;
- (a) shall carry out Quarantine inspection and confinement so as not to spread contagious disease in transporting goods, vehicles, containers, animals and plants which are to be directly imported to a Special Economic Zone or transported from a Special Economic Zone to outside, between the ports, air ports, railway stations and special economic zones;
 - (b) shall carry out Quarantine inspection and confinement so as not to spread contagious disease , as may be necessary, relating to export import items or investment businesses within the Special Economic Zone.

Chapter XI

Matters relating to Labour

48. The Management Committee, in the Special Economic Zone:
- (a) shall supervise the conclusion of employment agreement in accordance with the stipulations;
 - (b) shall coordinate in determining the rights and duties of the employer and employee or terms and conditions relating to employment contained in the employment agreement, not to be less than the rights and duties contained in the existing labour laws and rules including minimum wages, bonus, leave, holiday, overtime fees, compensation for dismissal and workmen's compensation resignation from work, grant and rights;

- (c) shall negotiate and mediate in the disputes arising between the employer and employee, technician or staff;
- (d) shall inspect and supervise so as not to affect or lose the rights and protection of the employees, technicians and staff;
- (e) may determine the minimum wages of employee and staff.

49. If no settlement has been reached in the disputes arising between the employer and employee, technician or staff, in the Special Economic Zone although negotiation and mediation were made by the Management Committee, it shall accept the decision under the Trade Dispute Act of the Union of Myanmar.

50. The foreigners working in the Special Economic Zone shall have the work permit issued by the Union of Myanmar.

51. The investor:

- (a) in employing citizen skilled workers, technicians and staff for expertise works, shall employ at least 25 percent of citizens at the expiry of the first five years, 50 percent at the expiry of the second five years and 75 percent at the expiry of the third five years from the commencement year of the business;
- (b) shall arrange and provide necessary training for the improvement of the skill of the employees and staff in appointing under sub - section (a);
- (c) shall employ citizens only at the works where expertise is not required;
- (d) shall carry out labour recruitment through the Work and Labour Recruitment Office, local labour recruitment agents or by own arrangement;
- (e) shall employ, in employing citizen skilled workers, technicians and staff, by signing the employment agreement mutually between the employer and employee in accord with the existing labour laws and rules.

Chapter XII

Miscellaneous

52. The investment businesses in the Special Economic Zone are guaranteed not to be nationalized within the permitted period.

53. The Government may scrutinize and permit if the developer or investor submits proposal to carry out the construction of infrastructures such as motor roads, railroads, ports and bridges which are connected with the construction of the Special Economic Zone by BOT (Build, Operate and Transfer) system or any other system.

54. The relevant Union Ministries and Region or State Ministries shall implement the works relating to them contained in this Law.

55. The person assigned duty by the relevant Union Ministry or Region or State Ministry shall collect taxes and duties and fines recoverable under this Law from the defaulter in accord with the existing tax and revenue laws.

56. Subject to the provision of the Constitution of the Republic of the Union of Myanmar, notwithstanding anything contained in any existing law, the matters relating to any provision of this law shall be carried out only in accord with this Law.

- 57. (a) The responsible Ministry shall undertake the responsibilities to carry out the office works of the Central Body and bear the expenses;
- (b) The Government shall assign duty the responsible Ministry or any other Ministry to take responsibility to carry out office works of the Management Committee and bear the expenses.

58. The Government may, if it is necessary, form any special committee, with suitable persons for any Special Economic Zone to carry out the functions and duties of the Central Body and any Management Committee for carrying out management and supervisory works by notification and determine the functions and duties contained in this Law.

59. In implementing the provisions contained in this Law:
- (a) the responsible Ministry may, with the approval of the Government make necessary rules;
 - (b) the responsible Ministry, relevant Ministry, Central Body and Management Committee may issue necessary procedures, notifications, orders and directives.

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Senior General
Chairman
The State Peace and Development Council