

DOCUMENTATION

POLITICAL PARTIES REGISTRATION LAW

The State Law and Order Restoration Council The Political Parties Registration Law

State Law and Order Restoration Council Law No. 4/88 2nd Waning Day of Tawthalin, 1350 BE 27 September 1988

The State Law and Order Restoration Council for the successful holding of multi-party general elections, hereby enacts the following law.

Chapter I Title and Definitions

1. This Law shall be called the Political Parties Registration Law.
2. The following expressions in this Law shall have the following meanings:
 - (a) political party means an organization that accepts and practices the genuine multi-party democracy;
 - (b) election means the multi-party general elections;
 - (c) Commission means the Multi-Party Democracy General Elections Commission.

Chapter II

Registration of Political Parties

3. Any political party desirous of contesting the elections shall apply in the prescribed manner for registration to the Commission. The following organisations, however, shall not have the right to apply for registration:
 - (a) an organisation declared as an unlawful association under any existing law;
 - (b) an organisation in revolt with arms against the State;
 - (c) an organisation that uses or accepts directly or indirectly money, buildings, vehicles and other assets owned by the State;
 - (d) an organisation that uses or accepts directly or indirectly money, assets or other aids from a religious organisation or government of a foreign country;
 - (e) an organisation that misuses religion for political purposes;
 - (f) an organisation formed by personnel enjoying monthly salaries from the State Budget or personnel from the defence forces such as the Tatmadaw, the People's Police Force, public service organisations, state-owned economic boards and corporations.
4. Any political party may contest the election only after permission is granted to register under this law.

Chapter III

The Rights of the Commission

5. The Commission on receiving an application for registration by a political party [will] examine it in the prescribed manner and may:
 - (a) allow registration or
 - (b) refuse registration.
6. The Commission on finding before holding the elections, that a political party which has been allowed registration as an organisation as provided in section 3, sub-sections (a), (b), (c), (d), or (e) shall cancel the respective registration.
7. The Commission on finding before holding the elections, that a political party which has been allowed registration as an organisation as provided in section 3, sub-section (f), shall inform the respective political party and the respective public service organisation to ask the persons concerned to resign from the said political party.
8. The decision of the Commission under section 5, 6 or 7 shall be final.

**Chapter IV
Miscellaneous**

9. The Commission may, for the purposes of carrying out the provisions of this law, make rules, procedures, orders and directives.

Sd. General Saw Maung
Chairman
State Law and Order Restoration Council

SOURCE: *The Working People's Daily*, 7 October 1988.

**LAW RELATING TO
FORMING OF ORGANIZATIONS**

**The State Law and Order Restoration Council
The Law Relating to Forming of Organizations**

**State Law and Order Restoration Council Law No. 6/88
5th Waning Day of Tawthalin, 1350 BE
30 September 1988**

The State Law and Order Restoration Council hereby enacts the following Law:

**Chapter I
Title and Definitions**

1. This Law shall be called the Law relating to Forming of Organizations.
2. The following expressions in this Law shall have the following meanings:
 - (a) an organization means an association, society, union, party, committee, federation, group of associations, front, club and similar organization that is formed with a group of people for an objective or a programme either with or without a particular name.
 - (b) a political organization means an organization that has a political movement based upon a certain political ideology.

Chapter II

Applying for permission to form organizations

3. (a) Organizations shall apply for permission to form to the Minister of Home and Religious Affairs according to the prescribed procedure.
(b) Organizations that have already been formed shall apply within thirty days from the date of promulgation of this Law.
(c) Organizations that are not permitted shall not form or continue to exist and pursue activities.
4. The following organizations do not require to apply for permission to form:
 - (a) Organizations that are registered and remain so registered under the Protection of National Unity Law, 1964;
 - (b) Organizations that pursue religious activities only;
 - (c) Organizations that pursue economic activities only;
 - (d) Organizations registered under any existing law;
 - (e) Organizations that have under the Political Parties Registration Law received permission for formation from the Multi-party Democracy General Elections Commission or that have applied or that have submitted that preparations are being made for application.

Chapter III

Organizations not permitted to form

5. The following organizations shall not be formed, and if already formed shall not function and shall not continue to exist:
 - (a) Organizations that are not permitted to register under the Political Parties Registration Law, 1988, or if permitted to register, the registration of which have [sic] been cancelled by the Multi-party Democracy General Elections Commission;
 - (b) Organizations that attempt, instigate, incite, abet or commit acts that may in any way disrupt law and order, peace and tranquillity, or safe and secure communications;
 - (c) Organizations that attempt, instigate, incite, abet or commit acts that may effect or disrupt the regularity of state machinery;
 - (d) Organizations that are formed with service personnel from the Tatmadaw and the People's Police Force of the defence forces and personnel of public service organizations, State owned economic boards, corporations and other organizations of the State machinery or with service personnel receiving monthly emoluments from the state budget and being either under the influence of or associated with a political party.

**Chapter IV
Punishments**

6. Any person found guilty of committing an offence under Section 3, Sub section (c) or Section 5 shall be punished with imprisonment for a term which may extend to five years.
7. Any person found guilty of being a member of, or aiding and abetting or using the paraphernalia of organizations that are not permitted to form or not permitted to continue in existence as provided in Section 3 Sub section (c) or that are not permitted to form as provided in Section 5 shall be punished with imprisonment for a term which may extend to three years.

**Chapter V
General Provisions**

8. The Ministry of Home and Religious Affairs may cancel the registration of those organizations that are found to be acting in ways or for an objective [sic] that are different from those at the time of registration.
9. The Ministry of Home and Religious Affairs may make necessary rules, orders, and directives and procedures.

Sd. General Saw Maung
Chairman
State Law and Order Restoration Council

SOURCE: *The Working People's Daily*, 7 October 1988.

STATE LAW AND ORDER RESTORATION COUNCIL

Declaration No. 8/88

**9th Waxing Day of Thadinkyut, 1350 BE
19th October 1988**

1. The Tatmadaw, after taking over the reins of power of the State beginning from 18 September, 1988, has been making efforts to enforce the rule of law and order to ensure peace and tranquillity in the country. At the same time, it permitted the registration of political parties for holding the multi-party democracy general elections and allowed these political parties to organize and carry out their activities in accordance

with the situations permitted for enforcement of the rule of law and order and for ensuring peace and tranquillity in the country.

2. However, it has been found that some of the political parties, taking advantage of the permission granted for carrying out organization work, have been organizing and agitating in such a way as to sow mistrust between the Tatmadaw and the people, to sow discord and disunity amidst the Tatmadaw and to weaken its organizing power. The Tatmadaw is not a party which would organize and take part in the forthcoming general elections and take over the reins of power of the country, but only a body which would see to it that free and fair general elections are held. This should be taken into serious consideration.

3. The political parties are forbidden to make personal attacks on any individual person or any particular political party, but are permitted to carry out correct organizational work so that the public would come to accept and support their policies, principles and programmes and thus help win the general elections. However, it is forbidden to organize and agitate, give talks, spread false and malicious rumours and write such materials with the intention of bringing about disintegration of the Tatmadaw. It is announced that effective action would be taken against those found violating these restrictions.

Sd. Saw Maung
General
Chairman
State Law and Order Restoration Council

SOURCE: *The Working People's Daily*, 20 October 1988.

**THE UNION OF BURMA
FOREIGN INVESTMENT LAW**

**(The State Law and Order Restoration
Council Law No. 10/88)**

**The 7th Waning Day of Tazaungmon, 1350 BE
(30th November 1988)**

The State Law and Order Restoration Council hereby enacts the following Law:

Chapter I

Title and Definition

1. This Law shall be called the Union of Burma Foreign Investment Law.
2. The following expressions contained in this Law shall have the meanings given hereunder:
 - (a) "Commission" means the Union of Burma Foreign Investment Commission;
 - (b) "Government" means the Government of the Union of Burma;
 - (c) "Citizen" includes an associate citizen or a naturalized citizen. The said expression also includes an economic organization formed with local investment only;
 - (d) "Foreigner" means a person who is not a citizen. The said expression also includes an economic organization formed with foreign investment only.
 - (e) "Promoter" means any citizen or any foreigner submitting an investment proposal to the Commission;
 - (f) "Proposal" means the prescribed application submitted by a promoter to the Commission for approval of an intended investment and the accompanying draft contract;
 - (g) "Permit" means the order in which the approval of the Commission of a proposal is expressed;
 - (h) "Foreign Capital" includes the following which are invested in an economic enterprise by any foreigner under a permit:
 - foreign currency;
 - property actually required for the enterprise and which is not available within the State such as machinery, equipment, machinery components, spare parts and instruments;
 - rights which can be evaluated such as licences, trade marks and patent rights;
 - technical know-how;
 - re-investment out of benefits accrued to the enterprise from the above or out of share of profits;
 - (i) "Investor" means a person or an economic organization making an investment under a permit;
 - (j) "Bank" means any bank of the State.

Chapter II

Applicable Economic Activities

3. This Law applies to economic activities prescribed by the Commission from time to time with the prior approval of the Government.

Chapter III

Basic Principles

4. Foreign investments shall be made in accordance with the following basic principles:
 - (a) promotion and expansion of exports;
 - (b) exploitation of natural resources which require heavy investment;
 - (c) acquisition of high technology;
 - (d) supporting and assisting production and services involving large capital;
 - (e) opening up of more employment opportunities;
 - (f) development of works which would save energy consumption;
 - (g) regional development.

Chapter IV

Form of Organization

5. Foreign investment may be made in any of the following forms:
 - (a) investment made by a foreigner to the extent of one hundred per cent foreign capital.
 - (b) joint-venture made between a foreigner and a citizen.
6. (a) In forming under section (5):
 - (i) a sole proprietorship, a partnership and a limited company may be formed;
 - (ii) if a joint-venture is formed the foreign capital shall be at least 35 per cent of the total capital.
- (b) In forming as mentioned above, in carrying out the business and in liquidation on the termination of business, other existing laws of the state shall be complied with.

Chapter V

Formation of the Commission

7. The Government shall form the Commission.

Chapter VI

Duties and Powers of the Commission

8. The Commission may accept any proposal which in its opinion will promote the interests of the State and which is without prejudice to any existing law.

9. The Commission shall in scrutinizing a proposal take into consideration facts such as financial credibility, economic justification of the business enterprise and appropriateness of technology.
10. The Commission shall issue a permit to a promoter, on a proposal being accepted.
11. In case an extension, relaxation or amendment of the term of the permit or the agreement is submitted by those concerned, the Commission may allow thereof as it may deem appropriate.
12. The Commission shall take necessary and prompt action in respect of complaints made by investors on failure to receive fully, benefits entitled to under this Law.
13. The Commission may, at any time require a promoter or an investor to furnish such evidence or facts as the Commission may deem necessary.
14. The Commission may, for the purpose of carrying out the provisions of this Law form such committees and bodies as may be necessary.
15. The Commission may prescribe the bank which shall transact financial matters under this Law.
16. The Commission shall, from time to time report its performance to the Government. It shall also recommend to the Government measures necessary to facilitate and promote foreign investments.

Chapter VII Contracts

17. In forming an economic enterprise under a permit, contracts shall be executed as may be necessary.
18. The Commission may, upon application by those concerned allow the extension, relaxation or amendment of the term of a contract or agreement as may be appropriate.

Chapter VIII Insurance

19. An economic organization formed under a permit, shall effect insurance with the Myanmar Insurance Corporation in respect of the prescribed types of insurance.

Chapter IX Appointment of Personnel

20. In appointing personnel in an economic organization formed under a permit, preference shall be given to citizens, provided that the

Commission may, if necessary, allow the appointment of experts and technicians from abroad.

Chapter X

Exemptions and Reliefs

21. The Commission shall, for the purpose of promoting foreign investments within the State, grant the investor exemption or relief from taxes mentioned in sub-section (a) out of the following exemptions or reliefs from taxes. In addition the Commission may grant any or more than one or all the remaining exemptions or reliefs from taxes:
- (a) in respect of any enterprise for the production of goods or services, exemption from income tax for a period extending to 3 consecutive years, inclusive of the year of commencement of production of goods or services; in case where it is beneficial for the State, exemption or relief from income tax for a further reasonable period depending upon the success of the enterprise in which investment is made;
 - (b) exemption or relief from income tax on profits of the business if they are maintained in a reserve fund and re-invested therein within 1 year after the reserve is made;
 - (c) right to accelerate depreciation in respect of machinery, equipment, building or other capital assets used in the business, at the rate fixed by the Commission to the extent of the original value for the purpose of income tax assessment;
 - (d) if the goods produced by any enterprise are exported, relief from income tax up to 50 per cent on the profits accrued from the said export;
 - (e) right of an investor to pay income tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income;
 - (f) right to pay income tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country;
 - (g) right to deduct from the assessable income, such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State;
 - (h) right to carry forward and set-off up to 3 consecutive years from the year the loss is sustained in respect of such loss sustained within 2 years immediately following the enjoyment of exemption

or relief from income tax as contained in sub-section (a), for each individual enterprise;

- (i) exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction;
- (j) exemption or relief from customs duty or other internal taxes or both on such raw materials imported for the first 3 years' commercial production following the completion of construction.

Chapter XI Guarantees

22. The Government guarantees that an economic enterprise formed under a permit shall not be nationalized during the term of the contract or during an extended term, if so extended.
23. On the expiry of the term of the contract, the Government guarantees an investor of foreign capital, the rights he is entitled to, in the foreign currency in which such investment was made.

Chapter XII Foreign Capital

24. The Commission shall evaluate the foreign capital in terms of kyats in the manner prescribed, and register it in the name of the investor. In so registering, the types of foreign capital and the type of foreign currency evaluated shall be stated.
25. In the event of termination of business, the person who has brought in foreign capital may withdraw foreign capital which he is entitled to withdraw as prescribed by the Commission within the time stipulated.

Chapter XIII Right to Transfer Foreign Currency

26. The following shall be transferable abroad in the relevant foreign currency through the bank prescribed by the Commission, at the prevailing official rate of exchange:
 - (a) foreign currency entitled to by the person who has brought in foreign capital;
 - (b) foreign currency permitted for withdrawal by the Commission to the person who has brought in foreign capital;

- (c) net profits after deducting from the annual profits received by the person who has brought in foreign capital, all taxes and the prescribed funds;
- (d) legitimate balance, after causing payment to be made in respect of taxes and after deducting in the manner prescribed, living expenses incurred for himself and his family, out of the salary and lawful income obtained by the foreign personnel during performance of service in the State.

Chapter XIV **Matters Relating to Foreign Currency**

- 27. An economic organization formed under a permit shall open in the bank prescribed by the Commission, a foreign currency account in the type of foreign currency accepted by the bank, and a kyat account and carry out all financial transactions relating to the business enterprise.
- 28. Foreigners serving in any such economic organization shall open a foreign currency account and a kyat account in any bank prescribed by the Commission.

Chapter XV **General Provisions**

- 29. The Commission shall hold meetings in the manner prescribed.
- 30. The decisions of the Commission made under the powers conferred by this Law shall be final and conclusive.
- 31. No suit or prosecution or other proceeding shall lie against any member of the Commission or committee or body or any public servant for any act done in good faith under this Law.
- 32. For the purpose of carrying out the provisions of this Law the Government may prescribe such procedures as may be necessary, and the Commission may issue such orders and directives as may be necessary.

Sd. Saw Maung
General
Chairman
The State Law and Order Restoration Council