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# The Rise of Business Lawyers In the Republic Union of Myanmar

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**Myanmar has begun a phase of legal and economic transition. What are the opportunities for foreign lawyers?**

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Myanmar, previously known as Burma, is situated comfortably in Southeast Asia, with China to the North, Thailand to the East, and India to the West. Aside from the fact it hosts some of the most alluring sightseeing spots of Southeast Asia, it contains an abundance of untapped natural resources as well as a domestic market of nearly sixty million people. The rise of economic success and opportunities in Myanmar can be traced back to the release of Aung San Suu Kyi in 2010. In November of 2012 came its climax of success with the enactment of the Foreign Investment Law (FIL) completed on the 31st of January 2013 by the Foreign Investment Rules (FIR). Myanmar's leaders affirmed their strong commitment and agreed to speed up law reforms to liberalize trade and investment within the country.

## A Need for Legal Advice

This was enough to attract the attention of investors worldwide. Where there is a business perspective, there will be a need for lawyers. The legal market is literally exploding here. International law firms are currently in the process of establishing offices in areas that haven't yet been exposed to this. French firms are no exception. DFDL<sup>1</sup>, a regional law firm that operates in all of Southeast Asia is in Myanmar through its associated firm, Myanmar Thanlwin Legal Services. Vovan & Associés will open an office soon. Frédéric Favre, the managing partner of the Bangkok office, revealed he had received numerous requests from clients looking for advice on the Myanmar legal environment. Although Thailand may be a good hub to tap the Myanmar market, all of the surrounding regions are watching the burmese economy. For instance, Audier & Partners, an international law firm that operates in Vietnam and Mongolia, recently opened an office in Yangon. Florence Grangerat, the associate in charge of the new branch, has already been immersed in a full schedule. According to her "*many clients are looking for advice, and some are already beginning to take the plunge*".

## An Outdated System of Law

Myanmar's legal system may appear confusing to French lawyers accustomed to an inflationary legislative process. Even if the Myanmar parliament has been updating some outdated laws since its first session in 2011, most of the legal system dates back the beginning of the nineteenth century. For example, the Myanmar Companies Act (1914) is still enforced. The economic isolation of the country has also had a significant impact on legal practices. Mr Chandler, the founder of Chandler & Thong-ek Law Offices, located in Yangon through an associate office, Myanmar Legal Services, explained that *"local lawyers have been trained to do litigation work. There is a niche for foreign lawyers in corporate matters"*.

## **A Country to Built Upon**

Business opportunities in Myanmar are huge, but they are also dependent on a major restructuring of various aspects of this country. Myanmar is significantly lacking in modern buildings. The prices of accommodations and office spaces have increased three times in the last two years. Hence Myanmar has grown into the most expensive country in this particular region for foreigners to live in. If electricity and internet are now working quite well in Yangon, the economic capital, international roaming is still unavailable. Furthermore, the Banking system is still at an early stage of development. The first visa ATM was released nine months ago and foreign banks are not allowed to operate in the country (they can however open a representative office).

The increasing attractiveness of Myanmar for law firms has been in pace with a growing need of business advice by clients. However, there are many major challenges to successfully implementing a business in this country. Before setting up here as a lawyer, the potential evolution of the legal environment must be taken into account. Are there any restrictions on capitalization? Can a foreigner buy land? What are the requirements to acquire a working permit? The current law reforms are a step in the right direction, but it is more likely that Myanmar would espouse a protectionism system similar to those in force in its neighbours from Southeast Asia rather than the liberal model of its former English colonizer.

## **Vincent Birot**

1 DFDL is a regional law firm which counts several French partners