

# CHARLTONS

SOLICITORS



## Myanmar Highlights

September 2014

### Nestlé announces plan to invest US\$50 million in Myanmar over the next six years

Swiss food conglomerate Nestle SA (**Nestlé**) has announced it intends to invest approximately US\$50 million in Myanmar over the next six years. President Thein Sein met with Nestlé representatives during an official visit to Switzerland on 8 September 2014. The President's office stated that the investment is subject to Myanmar Investment Commission's approval. Nestlé's brands are already well-established in Myanmar. Nestlé produces a wide range of goods including coffee, dairy products, drinking water and other beverages. (Source: *Myanmar Times online*, 10 September 2014.)



### Young Investment Group and Pacific Hunt Energy being granted drilling permits

The Ministry of Energy has announced that Myanmar's Young Investment Group Company Ltd and Australia's Pacific Hunt Energy Ltd have been granted permits to drill for oil at block PSC C-1 in the Chindwin Basin and PSC H in the Pegu Yoma and Sittoung Basin. The joint venture partners are required to produce environmental and social impact reports before exploration activities can commence. (Source: *elevenmyanmar.com*, 7 September 2014)

### Ho Hup Construction announces details of Yangon residential project

Malaysia's Ho Hup Construction Company Berhad (**Ho Hup**) has announced details of a new residential development project in Yangon. The project has an estimated value of US\$200 million. Ho Hup's subsidiary, Ho Hup (Myanmar) E&C Company Ltd (**Ho Hup Myanmar**), has entered into a joint venture agreement with Myanmar's Zaykabar Company Ltd. Pursuant to the joint venture agreement Ho Hup Myanmar will have a sole and exclusive right to develop 191 villas and bungalows in Mingalardon Garden City. The project will be undertaken in three phases with the first phase expected to be completed within two years. Construction will commence once all relevant permits have been received. (Source: *einnews.com*, 8 September 2014)

### Taiwan's Electrical and Electronic Manufacturers' Association to develop industrial park in southern Ayeyarwady region

Taiwan's Electrical and Electronic Manufacturers' Association (**TEEMA**) will spend approximately US\$468 million developing an industrial park in Myanmar's southern Ayeyarwady region. TEEMA has signed a letter of intent with its local counterpart to procure 1,400 hectares of land from the Government. (Source: *Myanmar Business Today*, 8 September 2014)

### Parami Energy, Petroleum Exploration Ltd and Siren Exploration and Production enter into Myanmar partnership

Myanmar's Parami Energy Group, Pakistan's Petroleum Exploration (Pvt) Ltd and UK based Siren Exploration and Production Ltd have entered into a production sharing contract

in relation to onshore oil blocks PSC-O and PSC-J. The joint venture partners must complete environmental and social impact assessments before exploration activities can be commenced. Parami will hold a 30% shares in the project with each of the foreign partners taking 35%. (Source: *Myanmar Business Today*, 11 September 2014)

### Virtue Land signs a coal plant MOU with the Ministry of Electric Power

Asia World Group subsidiary Virtue Land Company Ltd has entered into a memorandum of understanding with the Ministry of Electric Power in relation to the construction of a 300MW coal plant on Build-Operate-Transfer basis. The plant will have a maximum output capacity of 370MW. Since 2012 the Government has approved the development of nine new coal power plants. (Source: *Myanmar Times*, 8 September 2014)



### Myanmar to benefit from Lippo Group's ASEAN investment strategy

Indonesia's Lippo Group (**Lippo**) has announced it plans to invest approximately US\$5 billion over the next 3 to 5 years in the healthcare, food retail and telecom sectors across the ASEAN region, but primarily in the Philippines, Vietnam and Myanmar. Lippo first invested in Myanmar's healthcare sector earlier this year. (Source: *reuters.com*, 8 September 2014)

### Brunei National Petroleum enters into offshore exploration agreement

On 19 November 2013, Myanmar Oil and Gas Enterprise Private Ltd entered into a production sharing agreement (**PSA**) with Brunei National Petroleum Company Sendirian

Berhad (**Petroleum Brunei**) in relation to the exploration and development of onshore block EP-1 located in the Kyaukkyi-Mindon region of Myanmar. Block EP-1 was made available for development as part of the 2013 Myanmar Onshore Bidding Round. Petroleum Brunei must now produce an environmental impact assessment and a social impact assessment before exploration activities can be commenced. The PSA provides an initial exploration period of two years. (Source: *www.einnews.com*, 17 September 2014)

### Myanmar Petroleum Products Enterprise announces aviation-fuel tender shortlist

The Myanmar Petroleum Products Enterprise (**MPPE**) has named four shortlisted candidates in the running to win a Government contract to supply fuel to 11 domestic airlines operating in Myanmar's largest airports. The four shortlisted companies have been chosen from an original long-list of 23 local and international companies who first submitted letters of interest in May 2014. The shortlisted companies are Puma Energy Ltd, Singapore Petroleum Co. Ltd, Petroleum Thailand Exploration and Production Ltd, and Bangkok Aviation Fuel Services PC Ltd. The winner, to be announced by the end of September 2014, will enter into a joint venture arrangement with MPPE. (Source: *www.consult-myanmar.com*, 3 September 2014)

# CHARLTONS

**Best Boutique Firm 2014**

Asian Legal Business Awards

---

**This newsletter is for information purposes only.**

Its contents do not constitute legal advice and it should not be regarded as a substitute for detailed advice in individual cases.

Transmission of this information is not intended to create and receipt does not constitute a lawyer-client relationship between Charltons and the user or browser.

Charltons is not responsible for any third party content which can be accessed through the website.

If you do not wish to receive this newsletter please let us know by emailing us at [unsubscribe@charltonslaw.com](mailto:unsubscribe@charltonslaw.com)

**Hong Kong Office:**

Dominion Centre  
12th Floor  
43-59 Queen's Road East  
Hong Kong  
**Tel:** + (852) 2905 7888  
**Fax:** + (852) 2854 9596

**Myanmar Office:**

Charltons Legal Consulting Ltd  
161, 50th Street  
Yangon, Myanmar  
**email:** [myanmar@charltonslaw.com](mailto:myanmar@charltonslaw.com)

[www.charltonslaw.com](http://www.charltonslaw.com)