

# IFRS® STANDARDS—APPLICATION AROUND THE WORLD

## JURISDICTIONAL PROFILE: **Myanmar**



**Disclaimer:** The information in this Profile is for general guidance only and may change from time to time. You should not act on the information in this Profile, and you should obtain specific professional advice to help you in making any decisions or in taking any action. If you believe that the information has changed or is incorrect, please contact us at [ifrsapplication@ifrs.org](mailto:ifrsapplication@ifrs.org).

This Profile provides information about the application of IFRS Standards in Myanmar. IFRS Standards are developed and issued in the public interest by the International Accounting Standards Board (the Board). The Board is the standard-setting body of the IFRS® Foundation, an independent, private sector, not-for-profit organisation.

This Profile has been prepared by the IFRS Foundation based on information from various sources. The starting point was the answers provided by standard-setting and other relevant bodies in response to surveys that the IFRS Foundation conducted on the application of IFRS Standards around the world. The IFRS Foundation drafted the Profile and invited the respondents to the survey and others (including regulators and international audit firms) to review the drafts, and their comments are reflected.

The purpose of the IFRS Foundation's Jurisdictional Profiles is to illustrate the extent of implementation of IFRS Standards across the globe only. The Profiles do not reflect the intellectual property licensing status of IFRS Standards within any given jurisdiction. The IFRS Standards are protected by copyright and are subject to different licensing arrangements according to jurisdiction. For further information, please contact [Licences@ifrs.org](mailto:Licences@ifrs.org).

Profile last updated: 17 April 2019

### RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Myanmar Accountancy Council (MAC) Myanmar Institute of Certified Public Accountants (MICPA)
Role of the organisation	Accounting standards in Myanmar are set by the MAC, which is headed by the Union Auditor General of the Republic of the Union of Myanmar.  With regard to accounting standards, the MICPA is an advisory body to the MAC.
Website	MAC: <a href="http://www.oagmac.gov.mm">http://www.oagmac.gov.mm</a> MICPA: <a href="https://www.myanmar-icpa.org">https://www.myanmar-icpa.org</a>
Email contact	<a href="mailto:oagmac@gmail.com">oagmac@gmail.com</a> <a href="mailto:AUDITORGENERAL@mptmail.net.mm">AUDITORGENERAL@mptmail.net.mm</a> <a href="mailto:Myanmar.micpa@gmail.com">Myanmar.micpa@gmail.com</a> <a href="mailto:macygn7@gmail.com">macygn7@gmail.com</a>

### COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global	Yes.
--	------

accounting standards?	
Has the jurisdiction made a public commitment towards IFRS Standards as that single set of high quality global accounting standards?	Yes.
What is the jurisdiction's status of adoption?	<p>On 4 July 2018, through Notifications No 18/2018 and No 19/2018, the MAC announced the adoption of IFRS Standards and the <i>IFRS for SMEs</i> Standard, respectively, for financial reporting periods beginning on or after the 2022–2023 financial year. Public interest entities applying these Standards are required to use the latest versions issued by the International Accounting Standards Board on the date on which that entity applies the Standards (the latest versions). Early adoption of IFRS Standards and of the <i>IFRS for SMEs</i> Standard is permitted.</p> <p>Before the 2022–2023 financial year, public interest entities that do not apply the latest versions of IFRS Standards are required to comply with the 2010 versions of IFRS Standards. Those standards are known as Myanmar Financial Reporting Standards (MFRSs).</p>
Additional comments provided on the adoption status?	<p>The following entities are public interest entities:</p> <ul style="list-style-type: none"> <li>• financial institutions as defined in Section 2(b) of the Financial Institutions Law, namely, banks, non-bank financial institutions and scheduled institutions (Rural Development Bank, Agriculture Bank, micro finance institutions licensed under the Microfinance Business Law, credit societies, Postal Savings Bank);</li> <li>• insurance companies and insurance business entities established under the Insurance Business Law;</li> <li>• public companies, joint venture companies including those in which the government owns a share, significant subsidiaries of public companies incorporated under the Myanmar Companies Law;</li> <li>• companies, business entities and individuals described in Section 12 of the Securities Exchange Law; and</li> <li>• entities prescribed by the MAC from time to time in accordance with existing laws.</li> </ul> <p>In 2003 and 2004, the MAC issued Myanmar Accounting Standards (MASs) 1 to 30, which were based on IAS® Standards existing at that time. Because of a lack of detailed guidance and training on those standards, accountants in Myanmar found them difficult to apply.</p> <p>On 5 June 2010, the MAC withdrew all 30 of those standards and replaced them with 29 new MASs and eight new MFRSs that were identical to the IFRS Standards that existed on that date (including the same numbering). The new MASs and MFRSs were published in the <i>Official Gazette</i> and became effective on 4 January 2011.</p> <p>Section 12 of the <a href="#">Securities Exchange Law of Myanmar (Law No. 20 /2013)</a> (adopted on 31 July 2013) requires that the following types of entities use MASs and MFRSs:</p> <ul style="list-style-type: none"> <li>• public companies;</li> <li>• securities companies;</li> <li>• companies whose securities are traded in an over-the-counter market;</li> <li>• stock exchanges;</li> <li>• persons serving as a responsible person, member or agent of entities in the above categories; and</li> <li>• holders of a securities business licence issued by the Myanmar Securities and Exchange Commission and agents, lawyers and auditors of such licence-holders.</li> </ul>

If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Standards in the jurisdiction.

Not applicable.

## EXTENT OF IFRS APPLICATION

### *For domestic companies whose debt or equity securities trade in a public market in the jurisdiction:*

Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements?

The [Yangon Stock Exchange](#) (YSX) was launched in December 2015. Additionally, an over-the-counter market has developed for the shares of some companies; those companies are regarded as publicly accountable. Companies listed on the YSX and companies trading in the over-the-counter market are required to use MFRSs, which are identical to the 2010 versions of IFRS Standards. In July 2018, the MAC announced the adoption of the latest versions of IFRS Standards for financial reporting periods beginning in or after the 2022–2023 financial year.

if yes, are IFRS Standards required or permitted?

Required.

Does that apply to all domestic companies whose securities trade in a public market, or only some? if some, which ones?

All.

Are IFRS Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?

Yes.

For instance, are IFRS Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?

Required.

For instance, are IFRS Standards required or permitted for companies whose securities do not trade in a public market?

MFRSs (which are identical to the 2010 versions of IFRS Standards) are permitted. In July 2018, the MAC announced the adoption of the latest versions of IFRS Standards for financial reporting periods beginning in or after the 2022–2023 financial year. Early adoption of IFRS Standards is permitted.

Small and medium-sized enterprises (SMEs) are required to comply either with full MFRSs (which are identical to the 2010 versions of IFRS Standards) or with the MFRS for SMEs (which is identical to the 2009 version of the *IFRS for SMEs* Standard). In July 2018 the MAC announced the adoption of the latest versions of IFRS Standards and of the *IFRS for SMEs* Standard for financial reporting periods beginning in or after the 2022–2023 financial year. Early adoption of the *IFRS for SMEs* Standard is permitted.

If the jurisdiction currently does not require or permit the use of IFRS Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Standards for such companies in the future?

Not applicable.

**For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:**

Are all or some foreign companies whose securities trade in a public market either required or permitted to use IFRS Standards in their consolidated financial statements?

There are no foreign companies whose securities are traded in a public market in Myanmar.

If yes, are IFRS Standards required or permitted in such cases?

Not applicable.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

Not applicable.

**IFRS ENDORSEMENT**

Which IFRS Standards are required or permitted for domestic companies?

IFRS Standards as issued by the Board as at 2010, which have been adopted by the Myanmar Accountancy Council as MFRSs. In July 2018, the MAC announced the adoption of the latest versions of IFRS Standards for financial reporting periods beginning in or after the 2022–2023 financial year. Early adoption of IFRS Standards is permitted.

The auditor's report and/or the basis of presentation footnotes states that financial statements have been prepared in conformity with:

Myanmar Financial Reporting Standards—for entities applying MFRSs.  
International Financial Reporting Standards—for entities applying IFRS Standards in reporting periods beginning in or after the 2022–2023 financial year.

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Standards and the jurisdiction's GAAP)?

Yes.

Are IFRS Standards incorporated into law or regulations?

Yes.

If yes, how does that process work?

IFRS Standards have been adopted as MFRSs by the MAC, which was created in 1972 by the Myanmar Accountancy Council Law and has legal authority to issue accounting standards that are mandatory in Myanmar. From the 2022–2023 financial year, entities must comply with International Financial Reporting Standards, including cancellations, amendments, and new prescriptions that are made from time to time by the International Accounting Standards Board (IASB).

If no, how do IFRS Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Standards (including Interpretations) in place

Yes.

If yes, what is the process?

Before the issue of Notification No. 18/2018 in July 2018, MAC's policy was to consider new and amended IFRS Standards within one year of their issue by the International Accounting Standards Board. The MAC then sought the views of stakeholders including the MICPA. Approved MFRSs would be published in the Official Gazette. From the issue of Notification No. 18/2018 and No. 19/2018 on 4 July 2018, the latest versions of IFRS Standards and the *IFRS for SMEs* Standard can be directly applied. For financial reporting periods beginning in or after the 2022–2023 financial year entities must apply the

	latest versions of these Standards.
If no, how do new or amended IFRS Standards become a requirement in the jurisdiction?	Not applicable.
Has the jurisdiction eliminated any accounting policy options permitted by IFRS Standards and/or made any modifications to any IFRS Standards?	No. Myanmar permits direct application of the latest versions of IFRS Standards and the <i>IFRS for SMEs</i> Standard. For financial reporting periods up to those beginning in the 2021–2022 financial year, entities can continue to use MFRSs, which are identical to the 2010 versions of IFRS Standards.
If yes, what are the changes?	Not applicable.
Other comments regarding the use of IFRS Standards in the jurisdiction?	None.
<b>TRANSLATION OF IFRS STANDARDS</b>	
Are IFRS Standards translated into the local language?	No.
If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Standards?	Not applicable.
<b>APPLICATION OF THE <i>IFRS FOR SMEs</i></b>	
Has the jurisdiction adopted the <i>IFRS for SMEs</i> Standard for at least some SMEs?	Yes. Myanmar has adopted the 2009 version of the <i>IFRS for SMEs</i> Standard as the MFRS for SMEs. In July 2018, the MAC announced the adoption of the latest version of the <i>IFRS for SMEs</i> Standard for financial reporting periods beginning in the 2022–2023 financial year. Early adoption of the <i>IFRS for SMEs</i> Standard is permitted.
If no, is the adoption of the <i>IFRS for SMEs</i> Standard under consideration?	Not applicable.
Did the jurisdiction make any modifications to the <i>IFRS for SMEs</i> Standard?	No.
If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the <i>IFRS for SMEs</i> Standard in the jurisdiction, and are they required or permitted to do so?	All SMEs are required to comply either with MFRS for SMEs (which is identical to the 2009 version of the <i>IFRS for SMEs</i> Standard) or allowed to apply the latest version of the <i>IFRS for SMEs</i> Standard (if this is early adopted).
For those SMEs that are not required to use the <i>IFRS for SMEs</i> Standard, what other accounting framework do they use?	SMEs that do not use the MFRS for SMEs (or the latest version of the <i>IFRS for SMEs</i> Standard, if this is early adopted) must use full MFRSs which are identical to IFRS Standards as at 2010, or allowed to use the latest version of the full IFRS Standards (if these are early adopted).
Other comments regarding use of the <i>IFRS for SMEs</i> Standard?	None.