

**The Republic of the Union of Myanmar**

**Myanmar Real Estate Services Association**

**Regulation No. 1 /2019**

**5<sup>th</sup> Waxing of Pyartha 1381 ME**

**( 30<sup>th</sup> , December, 2019)**

In exercise of the powers conferred under Section 69 (c) of the Anti-Money Laundering Law, the Myanmar Real Estate Services Association, with the approval of the Anti-Money Laundering Central Body, hereby issues the following Regulations in order to prevent the flow of proceed of crimes into the real estate market, exploitation of real estate market for money laundering and terrorism financing, to emerge the real estate agents who works systematically in consistent with rules and regulation, to support foreign investment via the development of real estate market stably, to promote cooperation and coordination with international, regional and domestic organizations and private sectors and to be systematic real estate service business.

**Chapter 1**

**Title, Application and Definition**

1. These regulations shall be called regulations for real estate services.
2. These regulations shall be applied by the registered real estate service providers working in Myanmar.

**Definition**

3. The following expressions contained in this Regulation shall have the same meanings as are assigned to them under the Anti-Money Laundering Law and Anti-Money Laundering Order No. 45 / 2019 on 14<sup>th</sup> November 2019 issued by office of the president. In addition thereto, the following expressions shall have the meanings given hereunder:

- (a) **Real Estate** means any building which was constructed for stay or doing business, included house, barracks, brick building, flat, apartment condominium, industry, warehouse, showroom, hotel, guest house, shop and parts of them, premise, lands, garden land, industrial land, commercial land and transferrable land in consistent with law.
- (b) **Real Estate Service** means participation in any process, by taking service fee, such as sale, buying, leasing, giving, exchange, transferring in any way of a real estate, undertaking to get bank loans, consulting, valuation and acting as an agent on behalf of client.
- (c) **Association** means “Myanmar Real Estate Services Association (MRESA)” which is registered under Department of Investment and Management of Companies and designated as a competent authority by Anti-Money Laundering Central Body.
- (d) **Services Provider** means any person or organization registered in line with this Regulation and performing real estate services.
- (e) **Client** means any person who takes a real estate services from a service provider by giving service charge.

- (f) **Charge** means any charges for Real Estate Services which was agreed by services provider and client.
- (g) **Registration** means a certificate issued by the association in consistent with regulation in order to conduct real estate service.

## **Chapter 2**

### **Requirement for Registration**

- 4. (a) Every services provider shall be register at the association.
- (b) An applicant for service provider registration shall submit the following documents and information:
  - (i) Copy of National Registration Card (Must be a Myanmar Citizen and 18 years old);
  - (ii) Copy of Association Member Card (Updated);
  - (iii) If the real estate service company is a joint venture with a foreigner, it must have been approved by the Myanmar Investment Commission.
  - (iv) Name, Location and address of service provider;
  - (v) The certificate of completion of the AML/CFT compliance training course or other training at which these subjects are included;

- (c) If it is found that, the document contained in subparagraph (b) has been presented, the Association shall register in the registration book and issue a certification of registration.

### **Chapter 3**

#### **Duties and Rights of Real Estate Service Provider**

- 5. The duties of service provider is as follow;
  - (a) Shall take responsibility for not selling or leasing more than agreed prize;
  - (b) Shall identify and verify ownership documents relating to the service at relevant departments;
  - (c) Shall show the intended real east to sell or lease to the client and keep the record;
  - (d) Shall contact and negotiate with selling or renting person and client;
  - (e) Shall provide required services to be a valid transaction of the real estate relating to the service until completed;
  - (f) Shall explain tax issue to the client;
  - (g) The service provider shall not have any responsibility if the client tried to sell or rent the intended real estate fraudulently. However, if the service provider conspire with this client, it must be responsible;
  - (h) Shall provide the information with prescribed form in timely manner if the association requested;

- (i) Shall maintain the record relating to conducted real estate services completely in order to use in crimes and money laundering and financing of terrorism crimes and arrange to ensure that the records are readily to submit when law enforcement agencies including Myanmar Police Force, Bureau of Special Investigation and Financial Intelligence Unit requested.
6. The right of service provider is as follow;
- (a) May conduct the real estate service as a business;
  - (b) May inquire required information for the services at relevant government department, organization and association in line with stipulations;
  - (c) May attend trainings relating to real estate services;
  - (d) May declare, on behalf of client, real estate information by using newspaper, journal, bail board and any media;
  - (e) May conduct on behalf of the client to obtain a lone in a state owned bank or private bank by mortgaging real estate in accordance with the law, if the client assign the service;
  - (f) May obtain service charges in accordance with the agreement prescribed in contract of real estate service;
  - (g) May sue the client either by criminal or civil, if he or she breach the contract of real estate service;

## Chapter 4

### Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT) Obligations

7. Holder of real estate service registration has the obligations to comply with the following AML/CFT requirements:
- (a) If the service provider is a company, shall establish a AML/CFT unit, lay down the required policies and appoint and assign a compliance officer to comply with the procedures;
  - (b) in conducting real estate service, if the amount of transaction is over threshold or if there is a reasonable grounds to suspect that the money and property involved in the transaction was obtained by illegal means or is relating to money laundering or financing of terrorism or attempted to do so, shall submit a report, promptly, to the Financial Intelligence Unit in line with the Anti-Money Laundering Law, Rules and orders.
  - (c) Shall maintain serviced record for at least five years;
  - (d) Shall screen the names of all customers, including both client and selling or renting person, against updated terrorists and terrorist organizations list via the website of the financial intelligence unit (<https://www.mfiu.gov.mm/en>), the UN Security Council (<https://www.un.org/securitycouncil/content/un-sc-consolidated-list>), UNSCR 2270 and successor resolutions, the list of terrorists and terrorist organizations list designated by the Central Committee for Counter Terrorism and the blacklists distributed by the Countering the Financing of Terrorism Working Group from time to time, and list of

natural persons and legal persons designated by United Nations Security Council Resolutions 2270 and successor resolutions in respect of proliferation of WMD and shall report immediately, if it was found, to the Central Committee for Counter Terrorism, Countering the Financing of Terrorism Working Group, MFIU and the association.

- (e) Shall apply enhance due diligence measures, taking required action and report to MFIU, if it was a business relationship with natural persons and legal persons from jurisdictions subject to FATF call for counter measures, enhance due diligence measures and form high-risk and other monitored jurisdictions that are publishing in FATF's website.

## **Chapter 5**

### **Protection of Client**

- 8. The Association shall settle any dispute between the client and registered service provider, if it was occurred.

## **Chapter 6**

### **Supervision and Sanction**

- 9. The Association shall laydown appropriate plans to prevent doing real estate service business without registration.

10. The Association has a right to supervise the registered service provider. The registered service provider shall comply notification, procedure and discipline issued by the Association from time to time.

11. Registered service provider shall be taken action by existing laws if the provider fails to comply with the provisions of this Notification and failure to report the suspicious activities and transactions.



Chairperson

(Khin Maung Than)

Myanmar Real Estate Services Association