

Myanmar Legal MHM Newsletter

UPDATES ON THE MEASURES RELATING TO COVID-19 ISSUED BY THE MINISTRY OF LABOUR, IMMIGRATION AND POPULATION ("MOLIP")

In response to the outbreak of COVID-19 in Myanmar, the MOLIP has issued the following measures for the control and prevention of COVID-19:

- (1) Announcement for Compliance Measures for Factories, Workplaces and Establishments relating to COVID-19 dated 19 April 2020 (the "Announcement");
- (2) Notification No. 83/2020 dated 28 April 2020 (the "Notification"); and
- (3) Statement on Coronavirus Disease 2019 (COVID-19) concerning Factories and Businesses dated 3 May 2020 (the "Statement").

The Announcement requires factories, workplaces and establishments to comply with the instructions of the Ministry of Health and Sports ("MOHS") on the control and prevention of COVID-19 and provides that workplaces would be inspected by an inspection team comprising MOLIP and MOHS officials from 20 to 30 April 2020 to ensure such compliance with, and implementation of, the prevention measures of the MOHS. Factories, workplaces and establishments were ordered to close until the inspections and could resume operations if approved by the inspection team after the inspection.

While the Announcement is expressed to apply to all workplaces (that is, offices as well as factories), implementation of the Announcement has not been uniform and different offices of the MOLIP have taken different approaches, creating confusion. The MOLIP issued the Statement to address this. The statement categorises businesses and services which are essential for the public into the following three (3) groups:

- (i) essential businesses (which includes utility companies and hospitals);
- (ii) public services (such as banking and financial services and insurance companies); and
- (iii) other essential public services.

These businesses and services are allowed to continue to operate, but are required to comply with the measures specified by the MOHS to prevent the spread of COVID-19 and to prepare themselves for a joint inspection by the MOHS and MOLIP in the future.

In relation to the closures of workplaces due to the Announcement, the MOLIP also issued the Notification, providing that employees registered under the Social Security Law who were unable to work because their workplaces were closed for inspections in accordance with the Announcement would be eligible to receive forty (40) per cent of their salaries during the period their workplaces were closed from the Social Security Fund. This measure provides support to employees while also relieving some of the financial pressure on employers while their business is not generating any income.

However, it is still unclear whether employers are obliged to pay salaries to their employees if they shut down or ceased operations due to the COVID-19 outbreak. If the COVID-19 situation continues for a prolonged time, the MOLIP may need to provide clearer guidance on the payment of salaries during periods of closure of workplaces.

It is, therefore, recommended to closely monitor regulatory developments in relation to this issue.

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