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By Sam Holmes

PricewaterhouseCoopers Opens Shop in Myanmar

Professional services group PricewaterhouseCoopers opened a Myanmar office Tuesday, becoming the second of the Big Four global accountancy firms to set up shop in the long-isolated country since it launched democratic and economic reforms last year.

The opening follows a similar move by rival KPMG last week in Yangon, the country's main commercial center, and comes as Western companies seek investment opportunities in the Southeast Asian nation.

U.K.-based PriceWaterhouseCoopers, or PwC, exited a joint venture in Myanmar in 2003, around the time that heavy sanctions by Western governments against the military junta in the country prompted many multinational corporations to leave the market.

An ensuing period of isolation led to economic stagnation and significant underinvestment in key services, particularly in the financial sector. But the transition to a nominally civilian government and the suspension of most sanctions have heralded a potential new era of foreign investment.

President Thein Sein last week signed into law a new pro-business foreign investment framework that crucially removes previous restrictions regarding foreign ownership ratios.

"Since the opening up of its economy at the beginning of this year, we have seen growing interest from both Asian and Western corporations and we expect an increasing stream of foreign direct investments in the years to come," PwC Singapore Executive Chairman Designate Yeoh Oon Jin said.

The new PwC office will be supported by the group's Singapore branch during the first years of operation and will provide services to both large local businesses and foreign groups.

Jasmine Thazin Aung and Jessica Ei Ei San, Myanmar citizens who worked with PwC in Singapore, will head the small local team in Yangon.

Many companies, though enticed by Myanmar's investment opportunities especially in infrastructure and natural resources, remain guarded about the still-unclear legal infrastructure, risk of corruption and uncertainty about local partners.

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