



LEGAL DIGEST: BANGLADESH, CAMBODIA, LAOS, MYANMAR, VIETNAM

Legislative developments - April 2022

LAWS AND REGULATIONS

Pandemic-related updates

Memorandum No. 1069 of the Disease Control Branch of the Bangladesh Health Department dated 7 April 2022 on “Completing an Online Health Declaration Form before coming to Bangladesh”

Previously, passengers entering Bangladesh were required to complete a Health Declaration Form (“HDF”) manually and submit it to immigration upon arrival, which caused long queues. To alleviate this, the Director General of Health Services has instituted a protocol by which the HDF can be completed and submitted online.

Effective 7 April 2022, passengers need to complete the HDF within 72 hours of their departure for Bangladesh using this link: <https://healthdeclaration.dghs.gov.bd/>. After completing it, passengers then download and/or print a copy of the Health Declaration Card, which has a QR code on it. Airlines will check to make sure that passengers have this Health Declaration Card before boarding.

Upon arrival in Bangladesh, passengers will have to show either a printed or electronic version of their Health Declaration Card to the concerned officer.

Banking & Finance

DFIM Circular No. 6 issued by the Financial Institutions and Markets Department of Bangladesh Bank, dated 18 April 2022 on “Rationalization of the Rate of Interest/Profit on Deposits and on Loans/Leases/Investments for Non-Bank Financial Institutions”

This circular was issued by Bangladesh Bank (“BB”) to all non-bank financial institutions (“NBFIs”) operating in Bangladesh to fix the interest rate on deposits and loans. It comes as a response to analysis it carried out that discovered that some NBFIs are offering deposit interest rates that are higher than the market rate, and thus, their lending rates are also higher. The result of such practice is a reduction in the capacity of borrowers and an increase in the ratio of loan defaults, creating a negative impact on overall production and the economy.

Thus, to foster a more friendly investment environment, BB has fixed the maximum rate of interest/profit on deposits at 7% and on loans/leases/investments at 11%. To be clear, “deposits” means deposits of money by individuals or corporate to NBFIs and loans/leases/investments refers to when NBFIs invest money or lend money to an individual or corporate entity.

LAWS AND REGULATIONS

This circular will come into force on 1 July 2022 and will not be applicable to transactions completed before its implementation.

TMT

*SRO No. 07 of 2022 issued by the Post and Telecommunications Control Division, Bangladesh Telecommunication Regulatory Commission, Ministry of Post, Telecommunication and ICT, Bangladesh dated 16 March 2022 on “**Bangladesh Telecommunication Regulation (Licensing) 2022**”*

The Bangladesh Telecommunication Regulatory Commission (“**BTRC**”) has issued a new licensing regulation named “Bangladesh Telecommunication Regulation (Licensing) 2022” (the “**Regulation**”) whereby service providers are able to obtain a license for providing various telecommunication-related services. The BTRC will provide licenses to service providers through tenders and open allocations.

The Regulation replaces the old regulation issued in 2004, and states that a total of eight telecommunication services will be able to obtain licenses from the BTRC through open application; these include internet services, V-SAT services, radio communication, amateur radio, internet protocol telephony service, telecommunication transmission services, national internet exchange services, and vehicle tracking services.

The Regulation also categorizes 12 services that will be able to obtain a license from the BTRC through a tender process; these services include cellular mobile telecommunication services, mobile number portability services, tower sharing license services, submarine cables, international terrestrial cable services, broadband wireless access services, voice over internet protocol services, satellite services, international gateway services, international internet gateway services, interconnection exchange services, and public-switched telephone network services.

The BTRC has stipulated the prescribed forms and rules for license application for tender processes as well as committee formation for scrutiny of applications, processes, and issuing and renewing licenses.

In addition, according to Schedule V of the Regulation, the BTRC will issue registration certificates in favor of call centers, telecommunication value-added services, application-to-person SMS services, mobile number portability, tower sharing license services, etc.

This Regulation is aimed at promoting the provision of advanced services and cutting-edge technology, and for service providers to be able to provide more user-friendly services to their customers.



LAWS AND REGULATIONS

Trade & Commerce

“Trade Organization Act 2022” dated 13 April 2022, published by the Bangladesh National Parliament

Currently, there are approximately 1,000 licensed trade organizations or trade bodies in Bangladesh.

The new act replaces the 61-year-old Trade Organizations Ordinance, 1961. The primary objectives are to provide licensing and ensure discipline among the various types of trade organizations in Bangladesh.

The previous ordinance had 23 sections while the new act has 33 sections. Some of the more notable changes are included below:

- Per Section 3(2)(i), foreign traders are allowed to form joint trade bodies in Bangladesh.
- Section 8 includes a provision to allow the formation of a federation, where two or more similar types of trade organizations can be a federation.
- Some provisions have been included in the act for women entrepreneurs.
- Section 22 adds a provision that provides that no individual is allowed to be a member of a trade organization that is under a different business category than the one mentioned in their trade license; it also prohibits membership if the trade organization is located in a district that is not the district mentioned in their trade license.

To make it clear to readers, in Bangladesh, a trade license is the primary document that every business must obtain in order to conduct business, and the district refers to a specific area of the country.

Transport and Logistics

“Bangladesh Drone Law Amendment 2022” issued by the Civil Aviation Authority Bangladesh dated 26 March 2022

The Bangladesh Drone Law was enacted in 2019, and amended in 2020 and now again in 2022. Drones are allowed in Bangladesh for casual use, and with permission from the government, for professional use, but operators must adhere to the specific regulations on their use.

Under this amendment:

- Harming or posing any risk to aviation safety and property is prohibited.

LAWS AND REGULATIONS

- The minimum age requirement for drone operation is 18 years old.
- There are restrictions on drone operation pertaining to height, areas, and duration.
- The operator is required to submit certain documents, such as proof of appropriate liability insurance coverage; the name, address, and telephone number of the drone operator; and a copy of the unmanned aerial vehicle operating limitations as published by the manufacturer, for permission to operate a drone.
- The use of drones weighing more than 5 kg requires permission from the Civil Aviation Department.

Intellectual Property

*Parliamentary amendment of **The Bangladesh Patent Act 2022**, dated 11 April 2022*

To safeguard intellectual property rights and further foreign direct investment, the patent law has been amended by Parliament to set out appropriate regulations for patent holders and include additional features.

The validity period of a patent has increased to 20 years from 16. It also includes joint registration, where technological products can also be made patentable.

The amended Patent Act will facilitate compliance with agreements on the Trade-Related Aspects of Intellectual Property Rights (“**TRIPS**”) and other global standards relating to patents and innovation. However, inventions; scientific theories and mathematical methods; and business methods, rules, or methods of performing purely mental work or sports and any such computer program will not be patent protected. There will be a registrar’s office that will issue or cancel patents for joint or and single inventors.

Criminal Law

*Parliamentary amendment of **The Bangladesh Evidence (Amendment) Act 2022** dated 18 March 2022*

Although the original text of the amended law has not yet been made available for review, a remarkable change has been added to the Evidence Act of Bangladesh. To regulate electronic crime, the Bangladesh Parliament has made digital evidence admissible. Digital evidence includes any type of electronic document that can be found on any type of electronic device, such as mobile phones, computer hard drives, etc.

Legislative developments - **April 2022**



BANGLADESH

LAWS AND REGULATIONS

According to amended law, for such evidence to be admissible, it must be authenticated by one of the forensic labs that the government has established, with more planned in the future.

This amendment is effective from the issuance date of 18 March 2022.

* * *

LAWS AND REGULATIONS

Logistics

Sub-Decree No. 81 ANK.BK by the RGC dated 19 April 2022 on the “Establishment and Functioning of a Digital Government Committee”

To implement its Cambodia Digital Government Policy 2022-2035, the RGC is establishing the Digital Government Committee to oversee and ensure the effectiveness of promoting technology and the Digital Government Policy in Cambodia. The committee will mainly manage the implementation of policy, strategy, principles, and orientation for the prior activity of the Digital Government initiative; review, propose, and advise the National Economic Council and Digital Society on preparing, revising, and/or amending laws and regulations related to this initiative; promote the implementation of laws and regulations related to the program; project and plan Digital Government activities and prepare the Base Registry; and coordinate among ministries and share with the private sector.

Decision No. 28 SSR by the Royal Government of Cambodia (“RGC”) dated 20 April 2022 on the “Creation of an Inter-Ministerial Committee to Prevent and Crackdown on Fishing Offenses”

In order to respond to the fishing offenses occurring in the Boeung Tonle Sab area, the RGC has indicated its plan to prevent these violations by the creation of an inter-ministerial committee to address these issues. The committee is headed by the Minister of Ministry of Agriculture Forestry and Fisheries and the composition is stipulated in Articles 1 and 2 of the decision. The main duties of the committee are to take action to prevent fishing offenses; investigate, seek, and arrest offenders; plan and take proper measures to prevent and crackdown on offenses; report the work result to the government and implement any other tasks assigned by the government.

* * *



| LAWS AND REGULATIONS |
|--|
| Import and Export |
| <p><i>Decision No. 0317/MOIC dated 21 March 2022 of the Ministry of Industry and Commerce on “the Import of Petroleum and Lubricant”</i></p> <p>The Ministry of Industry and Commerce (“MOIC”) issued Decision No. 0317/MOIC to determine the principles, rules, and procedures to import petroleum and lubricant from overseas.</p> <p>The procedures to import petroleum from overseas includes submission of the determined application for import petroleum and required supporting documents to the Department of Import and Export of the MOIC.</p> <p>Upon receiving the completed application, the Department of Import and Export will consider issuing the importation license within three working days.</p> |
| <p><i>Instruction No. 0332/MOIC dated 22 March 2022 of the Ministry of Industry and Commerce on “Wood Export from Natural Forest to Foreign Countries”</i></p> <p>The Ministry of Industry and Commerce (“MOIC”) issued Instruction No. 0332/MOIC to determine and implement the condition, procedures, methods, and measures regarding exportation of the natural forest overseas, as follows:</p> <ul style="list-style-type: none"> I. Conditions for exporting natural wood products <p>Exporters of natural wood products must have the following qualifications:</p> <ol style="list-style-type: none"> 1. Must be one of the operators following: <ul style="list-style-type: none"> - Carry out wood decoration - Carry out agricultural and forestry import-export 2. Fully fulfill its obligations to the state in accordance with the rules and regulations 3. There must be a management system and monitoring of input and output logs. II. Exports of natural wood products |



LAWS AND REGULATIONS

a) Procedures for exporting natural wood products

The export of natural wood products to foreign countries must be done through international checkpoints only and consists of two steps:

1. Application for export license for natural wood products;
2. Notification of documents at the checkpoint.

b) Application for export license for natural wood products

1. Assemble Documents
2. Consideration
3. Inspection of natural wood products to be exported
4. Issuance of export licenses for natural wood products
5. Application for Certificate of Origin (CO)

III. Notification of documents at checkpoints for export of natural wood products

Exports of natural wood products must be made through international checkpoints only. After obtaining an export license for natural wood products, the exporter can notify the authorities at the checkpoint where the timber will be exported by completing the following documents:

1. One original set of export license for natural wood products (OEC.01);
2. List of original natural wood products for export, 1 set;
3. Documents as specified in the tax law.

This Instruction entered into force on 15 April 2022 after it was published in the Lao Official Gazette on 28 March 2022, and replaces Instruction No. 2143/MOIC.DIMEX dated 25 November 2016.



LAWS AND REGULATIONS

Decision No. 0333/MOIC dated 22 March 2022 of the Ministry of Industry and Commerce on “Goods subject to Licensing Prior to Import or Export”

The Ministry of Industry and Commerce (“MOIC”) issued Decision No. 0333/MOIC to derive the article 11 of the Decree on Goods Importation and Exportation No. 114/GOL dated 6 April 2011. The goods subject to licensing prior to import or export are as follow:

The goods subject to licensing prior to import:

- 1) Guns and ammunition for practice and sporting events.
- 2) Explosives used in industry
- 3) International Gold used as a medium of international payments
- 4) All kinds of gambling materials
- 5) Medicines and medical products
- 6) Drugs and psychotropic substances
- 7) All types of motorized vehicles
- 8) Petroleum products used as fuel
- 9) Cooking gas (LPG)
- 10) Logs, stumps
- 11) Rough diamond
- 12) Rice
- 13) Hazardous chemicals of type two and three listed in the Chemical Industry of the MOIC
- 14) Non-timber forest products specified in the List II of the Ministry of Agriculture and Forestry
- 15) All kinds of aquatic animals - wildlife and its parts according to Management list I and II of the CITES International Convention
- 16) Medium and small hazardous pesticides
- 17) Minerals and mineral products, radioactive minerals are not included

The goods subject to licensing prior to export:

- 1) International Gold used as a medium of international payments
- 2) Natural wood products
- 3) Planted trees and products



| LAWS AND REGULATIONS |
|--|
| <p>4) White charcoal 5) Unprocessed natural medicinal resources 6) Rice 7) Rough diamond 8) Hazardous chemicals of type two and three listed in the Chemical Industry of the MOIC 9) Non-timber forest products specified in the List II of the Ministry of Agriculture and Forestry 10) All kinds of aquatic animals - wildlife and its parts according to Management list I and II of the CITES International Convention 11) Minerals and mineral products, radioactive minerals are not included</p> <p>The goods which not listed in this Decision can process the tax declaration at the checkpoint and have to follow the technical rules provided by the relevant authorities of the Lao PDR or destination country.</p> <p>This Decision entered into force on 15 April 2022 after it was published in the Lao Official Gazette on 28 March 2022, and replaces notification on goods subject to automatic and non-automatic import or export licensing no. No 0076 /MOIC.DIMEX dated 13 January 2012.</p> |
| Administrative |
| <p><i>Law on No. 06/NA dated 16 November 2021 on “Making Legislation”</i></p> <p>The National Assembly (“NA”) issued <i>Law on No. 06/NA dated 16 November 2021</i> to determine the principles, rules, and procedures for making and amending legislation.</p> <p>Legislation is a legal normative document that regulates social relations and is of general or specific legal application, and is developed, adopted and promulgated by the authorized State authority at the central and local levels. Making legislation is a legislation drafting process by the authorized State authority at the central and local levels, ranging from preparation, information collection and writing; down to the adoption and promulgation steps. Making legislation includes the amendment of legislation.</p> <p>This Law determined the making of four types of legislation as follows:</p> <p style="padding-left: 20px;">I. Making and amending the constitution</p> |



LAWS AND REGULATIONS

A National Committee for Making or Amendment of the Constitution shall be established [to make or amend the Constitution], collect information and conduct public consultations in a broader manner than making and amending of laws. The NA determines the detailed regulations on the procedures for making and amending the Constitution.

II. Making or amending a law

Law making and amending shall be implemented according to the following steps:

- Planning for law making and amendment;
- Drafting a law;
- Reviewing the consistency of a draft law by the Ministry of Justice;
- Reviewing a draft law by the Government;
- Reviewing a draft law and adoption of a law by the National Assembly;
- Promulgation of a law by the President of the Republic.

III. Making legislation lower than a law

Legislation lower than a law are Resolutions of the National Assembly; Resolutions of the Standing Committee of the National Assembly; Ordinances of the President of the Republic; Decrees of the Government; Resolutions of the Government; Orders and Decisions of the Prime Minister; Orders, Decisions, and Instructions of the Minister and Head of a Government Authority; Resolutions of the People's Assembly of Provincial and Resolutions of the Standing Committee of the People's Assembly of Provincial; Orders, Decisions and Instructions of the Provincial Governors and City Governors; Orders, Decisions, and Instructions of the District and Municipality Chiefs; Village Regulations.

International treaties are legislation that shall be implemented in accordance with the provisions of specific legislation.

IV. Making legislation by accelerated procedures (**new**)

- Drafting a legislation;
- Asking for comments on a draft law by relevant individuals and organizations;
- Reviewing the consistency of a draft law by the authority in charge
- Adoption and execution of the legislation by the authority in charge



LAWS AND REGULATIONS

The law entered into force on 6 May 2022 after it was published in the Lao Official Gazette on 21 April 2022.

Taxation

Notice No. 1106/MOF dated 22 April 2022 of the Ministry of the Ministry of Finance on “Implementation of VAT in accordance with the Law on Amendments to Certain Articles of the Law on Taxation, No. 01/NA dated 7 August 2021”

The Ministry of Finance (“MOF”) issued Instruction No. 1106/MOF to guide the implementation of VAT as follows:

I. Implementation of VAT in 2021:

- (i) Individuals, legal entities and organizations in the VAT system for services in December 2021, but the issuance of VAT at the beginning of 2022 is allowed to be used at the rate of 10% to calculate the collection of VAT such as electricity, water, telephone, room rent, accounting or consulting fees, security fees, cleaning fees, etc. due to the periodic use of the year.
- (ii) Individuals, legal entities and organizations in VAT system for supply service long-term contracts (for the year 2021-2022), such as construction projects, insurance and so on. After the invoice is issued in 2021, the VAT will be charged at the rate of 10% even if the service has not been completed or the payment has been received in advance.

II. Implementation of VAT initially inbound that was not fully deducted in late 2011:

Individuals, legal entities, and organizations in the VAT system that have VAT initially inbound that was not fully deducted in late 2021 of operating a VAT rate of 10% according to the Law of Value Added Tax (Revised) No. 48/NA, dated June 20, 2018, are not allowed to deduct but let into expenditure of tax for the fiscal year 2021, as defined below in Article 24 Point 6 of the Act to improve some articles of the Act.

III. Implementation of the use of specific invoices with a fixed there are information set rate of 10%, which will not use all in 2021:

Individuals, legal entities, and organizations in the VAT system summarize the value-added tax invoices that were not used all in 2021 by the Tax Department for information purposes, inspection, monitoring, and joint memorandum as a basis for the use of the remaining VAT invoices, as well as listening to the publication on how to use them properly.

IV. Implementation of VAT in 2022:



LAWS AND REGULATIONS

- (i) Individuals, legal entities, and organizations in the VAT system with income from the provision of services that receiving money and issuing VAT invoices in 2020 is to apply value added tax at the rate of 10%, as stipulated in Article 17.1 of the Law on Value Added Tax (Revised) No. 48/NA, dated June 20, 2018;
- (ii) Individuals, legal entities, and organizations in the VAT system that provides services with long-term contracts (for the year 2021-2022), such as insurance construction projects and so on. After the invoice is issued in 2022, the value-added tax will be calculated at a rate of 7% on the basis of the two sides must jointly amend the contract in writing and notify the relevant tax authorities for monitoring and inspection information.
- (iii) Individuals, legal entities and organizations that calculate, collect, give and lose in excess of the law.
 - a) Individuals, legal entities and organizations subject to the VAT system:
 - Individuals, legal entities, and organizations in the VAT system that supply goods and services (seller) must not be in section 1.1 above, which has a value added tax invoice in 2022 and a calculated tax VAT rate of 10% including VAT buried or price includes VAT as prepaid cards, movie tickets, lottery tickets, airline tickets, bus tickets, and holds a collection of value added tax than the law requires to bring tax 3% collected over records in [room 21] of Value Added Tax return form 01/VT
 - In the case of individuals, legal entities, and organizations in the value-added tax system, supply goods and services (Buyer) who receive a value-added tax invoice in 2022 and give a value-added tax at the rate of 10% are considered to give a value-added tax according to the tax law. Bring 3% VAT that is given in excess of the record in [room 20] of the VAT Form 01/VT,
 - b) individuals, entities, and organizations that are not in the system of VAT, including micro enterprises that supply goods - services (Buy) in 2022 (excluding the items specified in 1.1 above) received the VAT invoice in 2022 and paid a VAT rate of 10% is pay VAT exceeds the law limit, can assemble a document for refunds of value added tax by 3% overpaid at the Department of Taxation, Ministry of Finance, the latest not more than 3 months since given tax onwards.

V. Measures



LAWS AND REGULATIONS

Individuals, legal entities, and organizations in the VAT system who filed a VAT invoice in December 2021 and January 2022 with information or content inconsistent with this notification shall be promptly amended. In case of fines, make an offer to the tax authorities of their respective places to consider the fines policy.

* * *



LAWS AND REGULATIONS

Banking & Finance

*Notification No. 4/2022 dated 3 April 2022 issued by the Central Bank of Myanmar (CBM) on “**Foreign currency conversion requirement**”*

The CBM issued Notification No. 4/2022 instructing all licensed banks holding Authorized Dealer Licenses (the “**AD Banks**”) to implement a number of requirements with respect to foreign currency balances in their custody, including with respect to its conversion and permits for transfers of foreign currency.

*Order No. 5/2022 dated 5 April 2022, issued by the Central Bank of Myanmar (“**CBM**”) regarding “**Exemption from the conversion requirement under Notification 12/2022**”*

The order states that the accounts of Union Ministries are exempt from the conversion requirement under the Notification 12/2022.

*Order No. 6/2022 dated 5 April 2022, issued by CBM regarding “**Clarification on new foreign exchange policy**” providing for further guidance with respect to the revised foreign exchange requirements earlier introduced by CBM.*



LAWS AND REGULATIONS

Letter No. 42/2022 dated 7 April 2022 issued by the Central Bank of Myanmar (“CBM”) regarding “Instructions to domestic banks in Myanmar to readjust maximum credit limits available for international credit cards”

The Letter requires domestic banks in Myanmar to readjust the maximum amount limits of international cards as follows:

- (a) USD 2500 for international prepaid cards (MasterCard, VISA, UPI prepaid cards)
- (b) MMK 5 million for international credit cards (MasterCard, VISA, UPI credit cards and international co brand cards such as MPU-UPI, MPU-JCB cards)

Banks are required to submit to CBM information on the issuance and acquiring of international prepaid cards, international credit cards and international co brand cards every week.

Letter No. FE-1/69 dated 20 April 2022 issued by the Central Bank of Myanmar (“CBM”) regarding “Exemption from application of new foreign exchange policy”

The letter clarifies that the following are exempted from abiding by the new foreign exchange policy:

- (a) Businesses with foreign direct investment approved by the Myanmar Investment Commission
- (b) Investment businesses in special economic zones
- (c) Foreign diplomats and their families and foreign embassy staff holding diplomat level positions
- (d) Staff of UN offices including Myanmar citizens holding a UN laissez-passer diplomatic travel document
- (e) Foreign staff from overseas development agencies operating in Myanmar



LAWS AND REGULATIONS

- (f) Diplomat-level foreign staff at international organizations (such as ICRC, ILO), INGOs and development agencies (e.g., TICA, JICA)
- (g) Domestic and foreign airlines

The letter also requires authorized dealer banks to conduct Know Your-Customer and Customer Due Diligence procedures when processing foreign currency and related transactions to ensure that all foreign exchange requirements and exemptions are properly implemented.

Notification No. 7/2022 dated 26 April 2022 issued by the Central Bank of Myanmar (“CBM”) regarding “Yuan-Kyat and Baht-Kyat transaction along China-Myanmar and Thai-Myanmar border”.

The notification contains following instructions:

- (a) Importers conducting payments for imports are not required to seek approval from the Foreign Exchange Supervisory Committee, and may conduct their transactions through banks allowed to conduct Yuan-Kyat direct transaction and Bhat-Kyat direct transactions,
- (b) For the export proceeds of exporters, banks are required to assess and ensure that they are received into the accounts of exporters within Myanmar in accordance with the stipulations under the Foreign Exchange Management Law and its Regulations,
- (c) After the receipt of the export proceeds at the authorized dealer banks, the exporters may utilize such export proceeds in foreign currency themselves or to sell it to the bank, and the balance remaining is to be sold to the bank without fail (such banks are required to proceed to convert the balance of export earnings remaining after one month into Kyats)
- (d) To report to the Foreign Exchange Management Department using the Border Trade Module of the Electronic Reporting System of the foreign currency transactions relating to the China-Myanmar border trade and Thai-Myanmar border trade.



LAWS AND REGULATIONS

Employment

Resolution No. 17/2022/UBTVQH15 dated 23 March 2022 by the Standing Committee of the National Assembly on “the Annual and Monthly Overtime Hours of Employees while Ensuring COVID-19 Prevention and Control and Socioeconomic Recovery and Development”

According to the resolution, an employer may assign an employee to work 200-300 hours of overtime per year if the employee agrees, except for the following cases:

- Employees under the age of 18
- Employees with mild disabilities with a reduced work capacity of at least 51% or employees with severe disabilities or extremely severe disabilities
- Employees doing arduous, hazardous, dangerous, or extremely arduous, hazardous, or dangerous work
- Female employees in their seventh month of pregnancy onward (or in their sixth month of pregnancy onward if they work in the highlands, remote areas, border areas, or islands)
- Female employees nursing children under 12-month-old

This document entered into force on 1 January 2022 and does not apply to the cases specified in Clause 3 Article 107 of the Labor Code.

Decision No. 08/2022/QĐ-TTg dated 28 March 2022 by the Prime Minister on “Implementation of Policies on Rent Support for Employees”

Employees working for an enterprise located in an Industrial Zone, Export Processing Zone or key economic zone will be eligible for support if they fully satisfy the following conditions:

- They rent accommodation from 1 February 2022 to 30 June 2022.
- They have an indefinite-term employment contract or a fixed-term employment contract with a duration of at least one month that was concluded and executed before 1 April 2022.
- They participated in compulsory social insurance (i.e. they are on the list of participants in the compulsory social insurance of the social insurance agency) in the month preceding the month in which the enterprise makes the list of employees applying for rent support.

If an employee is not a participant in compulsory social insurance as specified in Clause 4 Article 2 of Decree No. 115/2015/ND-CP, they must be included on the enterprise’s payroll of the month preceding the month in which the enterprise makes the list of employees applying for rent support.



LAWS AND REGULATIONS

Employees working in enterprises meeting all of the abovementioned conditions will receive support of VND500,000/person/month from the State.

Support duration: Up to three months.

Support will be provided monthly.

Decision No. 08/2022/QĐ-TTg entered into force on 28 March 2022.

Circular No. 29/2021/TT-BLĐTBXH dated 28 December 2021 by the Ministry of Labour, Invalids and Social Affairs on “Standards for the Classification of Employees According to their Working Conditions”

According to this circular, employees are classified according to their working conditions as follows:

- Types I, II, III are occupations/work that is not arduous, hazardous, or dangerous.
- Type IV is for occupations/work that is arduous, hazardous, or dangerous.
- Types V, VI are occupations/work that is extremely arduous, hazardous, or dangerous.

The methods and procedures to determine working conditions are specified in the circular. Organizations determining working conditions must be qualified for environmental monitoring according to the Law on Occupational Safety and Hygiene.

Circular No. 29/2021/TT-BLĐTBXH entered into force on 15 April 2022

Import and Export Policy

Circular No. 07/2022/TT-BCT dated 23 March 2022 by the Ministry of Industry and Trade providing “Guidance on Implementation of Trade Remedies in the Regional Comprehensive Economic Partnership (RCEP) Agreement”

According to the circular, a petition for application of transitional RCEP safeguard measures should contain:

- Name, address, and necessary information of the organization or individual that is the representative of a domestic production industry
- Information, data, and evidence to show prove status as the representative of the domestic production industry
- Names and addresses of producers of similar goods that support or oppose the measures
- Description of imports that are eligible for special preferential import tariffs according to the RCEP Agreement and have to undergo investigation for application of transitional RCEP safeguard measures
- Description of similar goods or directly competitive goods of the domestic production industry



LAWS AND REGULATIONS

- Information about the volume, quantity, and value of goods for the three years before submission of the documentation and at least six months after the RCEP Agreement comes into force
- Specific requirements for application of the transitional RCEP safeguard measures, and duration and level of application

Circular No. 07/2022/TT-BCT enters into force on 8 May, 2022.

Tax & Accounting

Official Dispatch No. 2688/BTC-TCT dated 23 March 2022 issued by the Ministry of Finance regarding “Value Added Tax (“VAT”) Prescribed in the Government’s Decree No. 15/2022/ND-CP”

The Ministry of Finance has provided instructions on the timing of invoice issuance to be entitled to the reduction of VAT from 10% to 8%, which is applied in the following circumstances:

- For business entities that signed contracts for the provision of VAT-able services and invoiced for a portion of these services at the 10% rate before 1 February 2022, and their further provision of these services will complete during the period from 1 February 2022 to 31 December 2022:
 - The amounts recorded in invoices issued before 1 February 2022 will not be eligible for this VAT relief policy.
 - The outstanding amounts recorded in invoices issued during the period from 1 February 2022 to 31 December 2022 will be eligible for this VAT relief policy.
- If business entities provided goods or services subject to 10% VAT in January 2022 but did not issue their invoices until February 2022, they will be considered to have missed the prescribed timing for invoice issuance, and thus are not entitled to the VAT relief policy.
- For any invoice issued before 1 February 2022 at the 10% rate, if there is any problem found in that invoice after 1 February 2022, the new invoice correcting the problem invoice and the goods returned invoice will be issued at the VAT rate of 10%.



LAWS AND REGULATIONS

- For the provision of special goods and services like electricity, business entities will be entitled to a VAT reduction as per the laws and regulations if invoices are issued within the period from 1 February 2022 to 31 December 2022.

Official Dispatch No. 883/TCT-DNNCN dated 24 March 2022 by the General Department of Taxation providing “Guidance on PIT Finalization”

This official dispatch provides guidance on personal income tax (“PIT”) finalization for taxpayers who directly finalize their PIT with a tax authority. Applications for finalization must include:

- PIT finalization using form No. 02/QTT-TNCN, which was enclosed with Circular No. 80/2021/TT-BTC dated 29 September 2021.
- A list of dependents for which exemptions are being claimed, using form No. 02-1/BK-QTT-TNCN, which was issued with Circular No. 80/2021/TT-BTC dated 29 September 2021.
- Photocopies of documents proving the amount of tax deducted or provisionally paid in the year or paid overseas (if any).

If the income-paying organization does not provide tax deduction documents for the taxpayer because it has been shut down, the tax authority will, according to the taxation database, consider processing the taxpayer’s application without requiring the tax deduction documents.

If the income-paying organization or individual (employer) uses electronic PIT deduction documents, the taxpayer must print them out and provide the physical copies with the application.

- A copy of the tax deduction certificate (specifying the tax payment in correspondence to income tax declaration) issued by the employer (or copies of the bank documents for overseas tax payments with certification of the taxpayer in case the foreign authority does not issue a written certificate of the tax payment according to the laws of that country).
- Copies of invoices proving contributions to charitable funds, humanitarian funds, or scholarship funds (if any).
- Documents proving the amount of money paid by the overseas income-paying organization if the taxpayer was paid from abroad by an international organization, embassy, or consulate.

Documents proving dependents claimed if a dependent exemption is claimed at the time of tax finalization for unregistered dependents.



LAWS AND REGULATIONS

Resolution No. 18/2022/UBTVQH15 dated 23 March 2022 by the Standing Committee of the National Assembly on “Environmental Protection Taxes on Gasoline, Lubricants, and Grease”

From 1 April 2022 to 31 December 2022, the environmental protection tax on gasoline (excluding ethanol), diesel fuel, mazut, lubricants, and grease will be cut by 50%, and for kerosene, by 70%.

The environmental protection tax after these cuts is as follows:

- VND2,000/liter of gasoline (excluding ethanol)
- VND1,000/liter of diesel fuel
- VND300/liter of kerosene
- VND1,000/liter of mazut
- VND1,000/liter of lubricant
- VND1,000/liter of grease

The environmental protection tax on aviation fuel is still VND1,500 per liter according to Resolution No. 13/2021/UBTVQH15 dated 31 December 2021.

Resolution No. 18/2022/UBTVQH15 entered into force on 1 April 2022.



LAWS AND REGULATIONS

Securities

Circular No. 24/2022/TT-BTC dated 7 April 2022 by the Ministry of Finance on “Amendments to Circular No. 48/2019/TT-BTC Providing Instructions about the Creation and Management of Provisions for the Devaluation of Inventories, Loss of Investments, Bad Debts and Warranties for Products, Goods, Services, or Construction Work at Enterprises”

Below are the types of securities subject to the provisioning requirement for protection against investment losses:

- Securities issued by domestic business entities in accordance with the law and under the ownership of enterprises:
 - listed or registered for their business transactions to be performed on the domestic securities market.
 - enjoying the freedom to trade securities on the market at the actual price determined at the time of completion of the annual financial statements, which is less than the book value of the investments in securities.

Government bonds, government-guaranteed bonds, and municipal bonds are exempted from such provisioning requirement. *(This is a new regulation.)*

Circular No. 24/2022/TT-BTC will enter into force on 25 May 2022.

* * *