



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

Legislative developments - September 2022

LAWS AND REGULATIONS

Banking and Finance

Department of Sustainable Finance (SFD) of Bangladesh Bank Circular No. 05: “Policy on Green Bond Financing for Banks and Financial Institutions” dated 18 September 2022.

Bangladesh Bank issued circular on green bonds issuance by banks and financial institutions. As per the circular, banks or NBFIs having more than 10% defaulted loans are not allowed to issue such bonds. After being approved by the board of directors, bank or NBFIs may issue green bonds to raise capital with a view to finance environmentally eligible projects. Banks and NBFIs shall not finance more than 5 per cent of the sum of paid-up capital, statutory reserve, retained earnings and share premium account as from time to time prescribed by the Bangladesh Bank. Green bonds tenor shall not exceed 15 years, and such bonds shall be redeemable.

Department of Foreign Exchange Policy (FEPD) of Bangladesh Bank Circular No. 22, On “Foreign exchange transactions for merchanting trade” dated 14 September 2022.

Aiming to facilitate transactional services by Authorized Dealers (ADs) to their merchanting traders’ customers, Bangladesh Bank published guidelines. “Merchanting trade” is defined as “procurement of goods and services from another country and shipment of goods and services from that country directly to buyers in a third country. As per guideline:

1. Export permission form (EXP) – form, that needs to be furnished by *exporters* before shipment of goods - will not be required for export activities under the merchanting trade.
2. Similarly, the “IMP” forms applicable for *imports* will not be required in the case of procurement of goods from different countries.
3. Bank payments for import-leg are to be met out of payments received from the export-leg.
4. Circular also allows payment at the import leg under short term buyers' credit from external sources for which merchants can assign the receivables from the export leg.

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Department of Foreign Exchange Policy (FEPD) of Bangladesh Bank Circular No. 25, On “Maintaining Correspondent Accounts in Chinese Yuan Renminbi (CNY)” dated 15 September 2022.

Bangladesh Bank published a circular to settle cross-border payment in yuan. Previously, the authorized dealers could maintain a foreign currency clearing account with the Bangladesh Bank in the Chinese currency. But now banks will start to hold Chinese currency to settle payments in the future.

Department of Foreign Exchange Policy (FEPD) of Bangladesh Bank Circular No. 2022-4706, on “Encashment/Deposit of Foreign Currency held by resident Bangladeshi” dated 07 September 2022.

Bangladesh Bank restricted resident citizens of Bangladesh from keeping more than 10,000 USD or other equivalent foreign currency. It is mandatory for resident Bangladeshi citizens to sell the excess amount of \$10,000 to an authorized dealer bank/licensed money changer or deposit it as resident foreign currency deposit within one month of arrival in the country from abroad.

Circular No, 08.01.0000.030.06.005 (part-01). 21/203 of NBR, on “Withdrawal of obligation to submit proof of filing of income tax returns to scheduled banks in respect of taking loans up to specified limits and credit card transactions” dated 18 September 2022.

The National Board of Revenue (NBR) has withdrawn the requirement that income tax return certificate shall be submitted in connection with obtaining loans and credit cards in certain cases. According to the circular, an individual who has a tax-free income limit can get loans up to 19,398.64 USD from the scheduled banks without submission of a tax return certificate. Besides, credit card transactions up to 1,939.86 USD under the student category are also subject to the exemption.



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Consumer Protection

*Consumer Protection Competition and Fraud Repression Directorate-General (“CCF”) Notification dated 8 September 2022 on “**Misleading and/or Untrue Advertisements**”*

Noting an uptick in the number of advertisements that are untrue and/or misleading, which could affect the health of consumers, CCF issued notification prescribing all advertisers to rectify any misleading and/or untrue advertisements within 30 days from the date of the notification. For any non-compliance with the notification, the CCF will take available measures against the advertiser in accordance with the applicable laws and regulations.

Employment

*Ministry of Labor and Vocational Training (“MLVT”) Prakas No. 247/22 dated 21 September 2022 on the “**Determination of the Minimum Wage for Garment, Shoe, and Travel Equipment and Bags Factory Workers for the Year 2023**”*

MLVT approved an increase in the base salary of garment, shoe, and travel equipment and bags factory workers to a minimum of US\$200 per month for full-time workers and US\$198 during their probation period. Prakas further states that all other benefits will remain. The increased minimum wage is effective from 1 January 2023.

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Land
<p><i>Decision No. 4392/MONRE dated 25 August 2022 issued by the Ministry of Natural Resources and Environment on “Land-Related Businesses”</i></p> <p>According to the decision, types of businesses that deal with land are:</p> <ul style="list-style-type: none"> ▪ Land survey and measurement services; ▪ Land valuation services; ▪ Businesses that buy and sell land-use rights; and ▪ Businesses that provide other land-related services. <p>Lao citizens are allowed to carry out all of the businesses listed above. However, foreigners, stateless people, and foreign nationals with Lao ancestry are only allowed to carry out land survey and measurement services, and land valuation services, as long as they have the necessary authorization to operate a business in the Lao PDR.</p> <p>The decision also stipulates additional requirements that must be met by a business operator, including:</p> <ul style="list-style-type: none"> ▪ Hiring technicians with at least three years of experience in land-related work with documentation of their actual work performance or their diploma in a specialized field related to land work; ▪ Opening a deposit account with a commercial bank or state-owned bank; and ▪ Not having a criminal record. <p>Individuals or legal entities who want to incorporate and register a land-related business must submit an application to the Enterprise Registry Office of the Enterprise Registration and Management Department of the Ministry of Industry and Commerce, and then must submit an application to obtain a business license from the relevant land authority of the Ministry of Natural Resources and Environment.</p> <p>The decision entered into force on 21 September 2022 after it was published in the Lao Official Gazette on 6 September 2022.</p>
Tax
<p><i>Decree No. 927/GOV dated 29 August 2022 issued by the Government of the Lao PDR on “Invoice Management”</i></p> <p>The decree specifies two different types of invoicing: paper invoices and electronic invoices:</p>



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- Paper invoices are used in the form of books, sets, and sheets.
- Electronic invoices constitute a compilation of information regarding the purchase-sale of goods and services, which is recorded in an electronic system. They can be displayed and printed out for reference.

There are three forms of invoices:

- (i) Value added tax invoices;
- (ii) Invoices for microenterprises; and
- (iii) Invoices for official service fees.#

The decree also states the conditions for printing out invoices as follows:

- Business units must have an enterprise registration certificate and tax identification number, and a tax payment certificate that is valid, and must meet their tax obligations regularly, accurately, and completely as provided in the law.
- Organizations must pay official service fees on a regular, accurate, and complete basis, as specified by the law.
- Printing houses must have an enterprise registration certificate and tax identification number, must be registered in the value added tax system, and must have a tax payment certificate that is still valid and permission from the tax sector to print out the invoices, and must meet their tax obligations regularly, accurately, and completely as mentioned in the law.

Additionally, the decree specifies how invoices are to be used by various types of entities:

- By business units and state organizations: before being used, invoices must be registered with the tax sector.
- By a branches of enterprises and groups of companies: the branch office must use the same invoices as the parent company. The invoice that is being used by the group of companies should be bought from the tax sector or printed out by themselves.
- By representatives and agencies: representatives must use invoices that are issued and sold by the Ministry of Finance or invoices that are printed out by themselves and approved by the tax sector. Agencies should use invoices that belong to the business units that they work for.



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The management and examination of invoices is the responsibility of the Ministry of Finance, the Tax Department, Provincial and Capital Tax Divisions, and the District Tax Administration.

This decree replaces Decree on Invoices No. 12/PM dated 23 January 2006 and enters into force on 4 October 2022 after it was published in the Lao Official Gazette on 19 September 2022.

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Foreign Exchange and Financial Institutions
<p><i>Press release dated 30 August 2022 issued by the Central Bank of Myanmar regarding “Duration of retention of foreign currency earnings of Myanmar citizens”</i></p> <p>The Central Bank of Myanmar stated in this press release that wages and salaries earned in foreign currency abroad by Myanmar citizens and remitted back to Myanmar via authorized dealer banks can be spent by the citizen, transferred/sold to another party, or sold to licensed banks within 21 days from the date of remittance. However, the purchasing party cannot further sell the foreign currency to another party and will have to sell any remaining balance to a licensed bank after 21 days.</p>
<p><i>Instruction No. 4/2022 dated 13 September 2022 issued by the Ministry of Finance regarding “Anti-money Laundering/Combating the Financing of Terrorism Instructions for Microfinance Institutions”</i></p> <p>The Ministry of Finance on 13 September 2022 issued an instruction letter requiring microfinance institutions (“MFIs”) to monitor and record the business activities and cash transactions of their clients and report suspicious activities to relevant authorities.</p> <p>The instruction lists the responsibilities of the compliance officer to be employed by the MFI management such as forwarding information regarding suspected money laundering / terrorist financing activities to the Myanmar Financial Intelligence Unit in a timely manner, compiling and implementing AML/CFT policies and so on.</p> <p>The instruction also bars MFIs from offering services to persons labelled as terrorists, involved in criminal activities, and hailing from countries with high levels of corruption and illegal activities or not practicing the same AML/CFT measures as the MFI concerned.</p>
Corporate
<p><i>Action taken by the Directorate of Investment and Company Administration regarding ‘Restriction in accessing Myanmar Companies Online register’</i></p>



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The Directorate of Investment and Company Administration (“**DICA**”) has restricted *public* access to the certain *detailed company information* contained in the Myanmar Companies Online. Such information includes share structure, shareholder name and ID, shareholding etc. of a company. Such detailed information remains available to the company itself.

However, there is no restriction on public access to the basic company data available on DICA website such as company registration number, address, names and nationalities of its directors.

Announcement dated 15 September 2022 by the Directorate of Investment and Company Administration regarding “Changes in the process of seeking recommendation of the Directorate of Investment and Company Administration for renewing / extending foreign employee visa”

The Directorate of Investment and Company Administration (“**DICA**”) announced certain restrictions applicable to companies applying for DICA recommendation to extend/renew the visas of its foreign employees.

Some important points of this announcement are listed below:

1. Companies must have been incorporated with the DICA for at least one year before seeking the DICA’s recommendation for visa and stay permit extension.
2. In the case of the companies that have been suspended or struck off due to their failure to file an annual return with the DICA, the application of such companies for recommendation will only be accepted and reviewed after one year period following their remedy for their failure.
3. Request for the DICA’s recommendation relating to the extension of foreign employees’ stay permit, work permit, or multiple entry visa must be made at least 90 to 120 days prior to their visa expiration date.

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TMT
<p><i>Decree No. 53/2022/ND-CP dated 15 August 2022 by the Government on “Elaboration of a Number of Articles of the Law on Cybersecurity of Vietnam”</i></p> <p>Per this decree, foreign and domestic enterprises that provide services on telecommunications networks, the Internet, and value-added services in cyberspace in Vietnam must retain the following data in Vietnam (the form of retention can be determined by such enterprises):</p> <ul style="list-style-type: none"> ▪ Data on the personal information of service users in Vietnam; ▪ Data created by service users in Vietnam: account names, service use time, information on credit cards, emails, IP addresses of the last login or logout session, and registered phone numbers associated with accounts or data; and ▪ Data on the relationships of service users in Vietnam: friends and groups such users have connected or interacted with. <p>The data retention period starts when an enterprise receives a request for data retention from the Vietnam competent authorities until the end of the period prescribed in such request; the minimum retention period is 24 months.</p> <p>According to regulations prescribed in Clause 3 Article 26 of the Law on Cybersecurity 2018 of Vietnam, data retention is mandatory for the abovementioned enterprises that collect, use, analyze and process:</p> <ul style="list-style-type: none"> ▪ Data on personal information; ▪ Data on the relationships of service users; and ▪ Data created by service users in Vietnam.



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Decree No. 53/2022/ND-CP enters into force on 1 October 2022.

Insurance

Circular No. 50/2022/TT-BTC dated 11 August 2022 by the Ministry of Finance providing “Guidance on Decree No. 119/2015/ND-CP and Decree No. 20/2022/ND-CP on compulsory insurance for construction investments”

Per the circular, insurers may be not required to indemnify the following losses:

- Losses caused by wars, riots, strikes, actions of hostile forces, rebellions, malicious actions on behalf of or related to political organizations, or the confiscation, escheat, requisition, etc., by order of a competent authority.

(Compared to current regulations, this circular adds losses caused by riots, malicious actions on behalf of or related to political organizations)

- Losses caused by terrorism actions.
- Losses caused by nuclear reaction, nuclear radiation, and radiation contamination.
- Losses caused by a policyholder’s or insured’s intentional violation of the law.
(This does not apply to compulsory insurance for workers working on construction sites in cases where they have to defend themselves, save lives, save property, or use stimulants for treatment prescribed by doctors).
- Losses due to policyholders not having interests eligible for insurance.
- Losses caused by the stoppage of construction work or losses caused in consequence of the stoppage of construction work (partially or wholly).



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- Losses of data, software, and computer programs.

Circular No. 50/2022/TT-BTC enters into force on 1 October 2022 and replaces Circular No. 329/2016/TT-BTC dated 26 December 2016.

Dispute Resolution

Ordinance No. 02/2022/UBTVQH15 dated 18 August 2022 by the Standing Committee of the National Assembly on “Administrative Penalties for the Obstruction of Justice”

The ordinance provides for the imposition of administrative penalties for revealing investigation secrets as follows:

- A fine ranging from VND4 million to VND8 million on participants in proceedings who reveal investigation secrets though they were required to keep the investigation information secret by investigators, investigating officers, prosecutors, or inspectors.
- A fine ranging from VND8 million to VND15 million on:
 - Participants in proceedings who reveal investigation secrets that should be kept secret as per request, resulting in a delay and prolongation of the investigation period.
 - Lawyers who reveal investigation secrets though they are requested to keep the investigation information secret by investigators, investigating officers, prosecutors or inspectors.
- A fine ranging from VND15 million to VND30 million on lawyers who reveal investigation secrets, leading to the delay and prolongation of the investigation period.

In addition, remedial measures include:



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<ul style="list-style-type: none"> ▪ The compulsory retrieval of information, documents, data, and items containing investigation secrets. ▪ The compulsory removal of information, documents, and data containing investigation secrets. ▪ The surrender of benefits obtained from the revelation of investigation secrets leading to the delay and prolongation of the investigation period. <p>Ordinance No. 02/2022/UBTVQH15 entered into force on 1 September 2022.</p>
<p><i>Decision No. 273/QĐ-TANDTC dated 15 September 2022 by the Supreme People’s Court on the “Pilot Implementation of the Collection and Payment of Advance Court Fees through the National Public Service Portal”</i></p> <p>Pilot implementation of this online service will take place at the following People’s Courts:</p> <ul style="list-style-type: none"> ▪ The People’s Court of Long Bien district, Hanoi ▪ The People’s Court of Dong Da district, Hanoi ▪ The People’s Court of Hoan Kiem district, Hanoi ▪ The People’s Court of Gia Lam district, Hanoi ▪ The People’s Court of Hai Ba Trung district, Hanoi <p>The pilot implementation period for the collection and payment of advance court fees is from 1 October 2022 to 31 October 2022.</p>
Information Technology
<p><i>Decree No. 59/2022/ND-CP dated 5 September 2022 by the Government on “E-Authentication and E-Identification”</i></p>



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This decree sets out what information comprises the e-identity of an individual or organization, as follows:

(1) For **Vietnamese citizens**, an e-identity consists of:

- Personal information:
 - Personal ID number
 - Last name, middle name, and first name
 - Date of birth
 - Gender
- Biometric information:
 - Portrait photo
 - Fingerprints

(2) For **foreigners**, an e-identity consists of:

- Personal information:
 - The foreigner's ID number
 - Last name, middle name, and first name



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- Date of birth
- Gender
- Nationality
- Number, date of issue, type and place of issue of the foreigner's passport or international travel document
- Biometric information:
 - Portrait photo
 - Fingerprints

(3) For **organizations**, an e-identity consists of:

- E-ID code of the organization.
- The organization's name, including the Vietnamese name, short name (if any), and foreign language name (if any)
- Date of establishment
- Address of headquarters.
- The leader or legal representative of the organization's personal ID number or foreigner ID number and their last name, middle name, and first name.

Decree No. 59/2022/ND-CP enters into force on 20 October 2022.



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Corporate
<p><i>Decree No. 58/2022/ND-CP dated 31 August 2022 by the Government on “Registration and Management of the Operations of Foreign Non-Governmental Organizations in Vietnam”</i></p> <p>According to this decree, foreign non-governmental organizations in Vietnam have the following rights:</p> <ul style="list-style-type: none"> ▪ To enjoy the rights and incentives for taxes, the import of goods, and labor licenses according to the laws of Vietnam; ▪ To receive foreign currency or Vietnamese Dong via accounts according to the laws of Vietnam; ▪ To transfer foreign currency abroad for development support and humanitarian aid activities according to the laws of Vietnam; <p>To receive commendations for the achievement of effective implementation of programs and projects in Vietnam according to the laws of Vietnam;</p> <ul style="list-style-type: none"> ▪ To self-terminate their operations when there is no need to continue operating in Vietnam; and ▪ To open and use payment accounts that use Vietnamese Dong or foreign currencies at commercial banks or branches of foreign banks licensed to operate in Vietnam for the implementation of programs, projects, and other activities for development support and humanitarian aid according to the laws of Vietnam. <p>Decree No. 58/2022/ND-CP enters into force on 1 November 2022 and replaces Decree No. 12/2012/ND-CP.</p>
Aviation
<p><i>Decree No. 64/2022/ND-CP dated 15 September 2022 by the Government on “Amendments to Decrees related to Civil Aviation Business Activities”</i></p> <p>Per relevant decrees, the criteria for the issuance of a license to provide aviation services at airports are as follows:</p>



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- Satisfaction of the criteria prescribed in the Law on Vietnam Civil Aviation and having been appraised and assessed by the Civil Aviation Authority of Vietnam according to the corresponding service subsector prescribed in Article 15, Clause 1 of Decree No. 92/2016/ND-CP.
- Having the minimum capital required for establishing and maintaining aviation services at airports, as follows:
 - (1) Providing passenger terminal utilization services: VND30 billion
 - (2) Providing terminal utilization and warehouse services: VND30 billion
 - (3) Providing aviation petroleum services: VND30 billion

Per this decree, amendments are airport enterprises providing passenger terminal utilization services, and terminal utilization and warehouse services do not have to satisfy criteria (1) and (2) mentioned above).

- Regarding providers of passenger terminal utilization services, terminal utilization and warehouse services, aviation petroleum services, commercial-technical ground services, and airport utilization services, the capital contribution percentage of foreign individuals and organizations must not exceed 30% of the charter capital of such providers.

Decree No. 64/2022/ND-CP entered into force on 15 September 2022.

Real Estate

Directive No. 13/CT-TTg dated 29 August 2022 by the Prime Minister on “Measures for Promoting the Safe, Healthy, and Sustainable Development of the Real Estate Market”

In order to overcome shortcomings and inadequacies and to continue to promote the safe, healthy, and sustainable development of the real estate market over the next period, the Prime Minister requests the Ministry of Construction to:



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- Urgently research and complete the updating of the legal framework for real estate to facilitate the sustainable and healthy development of the real estate market.
- Develop an online real estate market information system for land information.
- Complete the legal framework in order to speed up the implementation of cashless payments for real estate transactions.
- Inspect the law enforcement of real estate trading, real estate exchange activities, and real estate brokerage activities.

Tax and Accounting

Decision No. 1391/QD-TCT dated 23 August by the General Department of Taxation on “Procedures for Managing E-Invoices with codes of tax authorities generated from cash registers”

This decision specifies the procedures for managing the application for the use of e-invoices generated by cash registers. Taxpayers wishing to use e-invoices generated by cash registers must apply using Declaration Form No. 01/DKTD-HDDT or change their information via Form No. 01/TB-TNDT, which are included in the appendix of this decision.

Decision No. 1391/QD-TCT entered into force on the signing date.

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