

LEGAL DIGEST

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Legislative developments – March 2023



BANGLADESH



Banking and Finance

*Circular No. 06 dated 2 March 2023 issued by the Banking Regulation and Policy Department of the Bangladesh Bank on “**Exemption from the General Credit Limit under Section 26B(1) of the Bank Company Act 1991 for Electricity Producing Companies**”*

The circular is aimed at maintaining uninterrupted flow of money required for power generation to import fuel oil and other raw materials in the power sector. The central bank has waived, for the purpose of lending to electricity producers, the provision of Section 26B(1) of the Bank Company Act 1991, which states that banks cannot lend to any one borrower an amount that exceeds 25% of their paid-up capital. The circular became effective on its issue date and will remain in effect until 31 December 2023 or upon further notice from the Bangladesh Bank.

*Circular No. 05 dated 19 March 2023 issued by the Foreign Exchange Policy Department of the Bangladesh Bank on “**Repayment of Loans obtained from the Export Development Fund (“EDF”)**”*

In order to prevent delays in the repayment of EDF loans, the Bangladesh Bank will charge penalty interest (compensation under Shariah-based Islamic banking) at 4% above the prevailing interest rate to authorized dealers (“AD”) on all overdue EDF loan repayment amounts for the period they are overdue.

In addition, the circular specifies that when applying for an EDF loan, ADs must submit a debit authorization form to the Bangladesh Bank so that it can obtain payment of the principal and accrued interest, including penalty interest or compensation.

*Circular No. 05 dated 16 March 2023 issued by the Banking Regulation and Policy Department of the Bangladesh Bank on “**Guidelines on Cloud Computing**”*

Aiming to mitigate cyber risks and maintain the overall stability of the financial sector, the Bangladesh Bank has issued guidelines on cloud computing, which apply to banks, non-

banking financial institutions, mobile financial service providers, payment and settlement systems, payment system operators, and other financial service providers.

The guidelines lay out certain parameters to meet security and data privacy requirements and specify the roles and responsibilities of the relevant stakeholders with regard to organizational security, privacy, and computing requirements.

Environment

*SRO No. 53/Law/2023 dated 5 March 2023 issued by the Ministry of Environment and Forests on “**Environmental Conservation Rules 2023**”*

The Bangladesh government has issued the Environmental Conservation Rules 2023 and repealed the prior ones that were enacted in 1997, with immediate effect. Like the previous rules, industrial units and projects are classified into four categories—green, yellow, orange, and red—based on their activities and level of environmental pollution.

The green category denotes a lower impact on the environment; yellow denotes a medium impact on the environment; orange denotes those that have a harmful effect on the environment and human health, and the effect must be reduced to maintain a healthy environment; and red denotes those in industries that have a severe impact on the environment and human health, which must be reduced to maintain a healthy environment.

Changes of note are specified below.

- To establish a new industrial unit or project that is categorized as yellow, orange, or red, the owner must obtain both a location clearance certificate and an environmental clearance certificate from the Department of Environment. For green-categorized industrial units and projects, owners only need to obtain an environmental clearance certificate.
- An exception applies for industrial units and projects set up in government and private export processing zones, economic zones, and industrial cities of Bangladesh Small and Cottage Industries Corporation—regardless of how they are categorized, only an environmental clearance certificate is required; they do not need to obtain a location clearance certificate.
- No one is allowed to establish infrastructure without having a location clearance certificate from the Department of Environment.
- Gas, electricity, water, and other essential services cannot be provided to new industrial units or projects categorized as yellow, orange, or red unless they have obtained a location clearance certificate.
- If there is no Department of Environment office where the industrial unit or project is located, then location clearance certificates and environmental clearance certificates must be obtained from the district office or metropolitan office, as applicable.

Tax

*Statutory Regulatory Order No. 351 dated 23 March 2023 issued by the National Board of Revenue on **"Payment of Tax at Source through Electronic Transfer"***

The National Board of Revenue has made it mandatory to pay all types of taxes electronically by abolishing the provision that allows payment through pay orders and manual treasury challan. Effective immediately, all taxes must be deposited to the state treasury through electronic transfer.

CAMBODIA



Public finance

Sub-Decree No. 44 dated 15 February 2023 issued by the National Social Security Fund (“NSSF”) on the “National Social Security Fund Investment Guidelines”

Pursuant to the Sub-Decree, investment management of each section of the social security system will be under the jurisdiction of the Social Security Board of the NSSF, which is the NSSF Secretariat for Investment. This board must have at least two independent members recognized by the Social Security Regulator (“SSR”).

Investment funds are sourced from:

- Reserve funds from the provisions of each section of the social security system
- Profits from investment

Investment funds must be kept in a trading account at a commercial bank that has been licensed by the relevant regulator and is situated in the Kingdom of Cambodia.

The NSSF must prepare an annual investment plan no later than 1 October of each year. The plan must then be approved by the SSR.

The NSSF is authorized to invest in assets in the Kingdom of Cambodia in accordance with the investment limits for the investment funds of each section of the social security system as specified in Article 9 of the Sub-Decree. They are as below:

- Deposits at banks and financial institutions: up to 80%
- Investments in securities: up to 80%
- Investments in public infrastructure and public investment projects in the form of public-private partnerships: up to 20%
- Real estate investments: up to 20%

Bonds are the only overseas investments allowed, up to a limit of 20% of the total investment funds of each section of the social security system.

The NSSF must conduct an annual evaluation of the investment fund assets and submit a report to the SSR by the end of the first half of the following year. However, if there are issues with the fund, the SSR can require monthly, quarterly, semiannual, and annual reports as needed.

*Law No. 001 dated 11 March 2023 issued by the Ministry of Industry, Science, Technology and Innovation on “**Clean Water Management**”*

This law provides the legal framework for the management and development of the Kingdom of Cambodia’s commercial water supply services to ensure quality, safety, sustainability, and affordability.

The law sets out the following principles with regard to the provision of clean water supply services:

- The services should be transparent and equitable.
- Providers should provide water services on an equal and non-discriminatory basis to recipients.
- National and international investors should be encouraged to invest in clean water.
- The provision should be based on four conditions: the water must be of high quality, safe, sustainable, and affordable.

Telecommunications

*Sub-Decree No. 41 dated 3 February 2023 issued by the Ministry of Post and Telecommunications (“**MPTC**”) on the “**Equipment Identity Registration System**”*

This Sub-Decree introduces an Equipment Identity Registration System (“**EIRS**”). The MPTC is the authority in charge of directing and managing the EIRS and collecting the registration fees.

The purpose of the EIRS is to prevent the use of fake SIMs, devices belonging to thieves, and illegally imported equipment, and to protect consumer rights, improve the quality of equipment, encourage fair competition, and contribute to the national budget¹

The following principles apply:

- The EIRS must be accurate.
- Registration for the EIRS is mandatory except for SIMs of tourists or foreigners that temporarily stay for a period not exceeding 60 days.
- There is a prohibition against illegal IMEI.

The following types of telecommunications equipment must be registered in the EIRS:

- Smartphones that use SIMs or e-SIMs
- Normal SIM phones
- Cordless mobile phones
- SIM-enabled tablets
- PDA computers
- Computers and laptops using SIMs
- Dongle with SIM modules
- SIM-enabled modems

- WLAN router with SIM modules
- SIM-enabled e-books
- Other equipment as designated by the MPTC

SIM telecommunications equipment can be registered only if there is confirmation that the import duty and taxes have been paid in compliance with the applicable laws and regulations.

People bringing their own equipment from outside the country will need to register their devices with the MPTC. Further details on the procedure will be forthcoming. Sellers of equipment in Cambodia will also be required to follow a registration procedure, although further details have not yet been released.

Any person in breach of this Sub-Decree will be subject to an administrative penalty ranging from KHR1 million to KHR500 million.

Employment

*Guideline No. 20/23 dated 15 March 2023 issued by the Ministry of Labor and Vocational Training ("MLVT") on "**Suspension of Employment Contracts for Factory Workers in the Textile, Garment, Footwear, and Travel Products and Bags Industry Affected by the Global Economic Crisis**"*

Per this guideline, in order to maintain the living standard of workers and ensure the stability of factories with declining production in the context of the global economic crisis, the MLVT is recommending that factory owners or directors discuss with the workers' representatives about putting workers on rotating shifts when there is a need for contract suspensions because of economic reasons. There are also allowances that must be provided to these workers depending on how long the suspension lasts.

Workers whose employment contract is suspended from 1 April 2023 are entitled to the applicable allowance below:

- For suspensions that last from 7 to 14 days, US\$20 from the government and US\$15 from the employer.
- For suspensions that last from 15 days to 1 month, US\$40 from the government and US\$30 from the employer.

Factory owners and directors must:

- Submit an application for suspension of an employment contract to the MLVT at least five working days before the date the employment contract suspension begins as per the form set out in Annex 1 of the guideline.
- Disseminate notifications to the workers who have been suspended
- Accurately fill in the list of workers whose employment contracts have been suspended as per the form in Annex 3 of the guideline.
- Attach two sets of each of the following documents to the application:
 - Payroll book (must stamp every page)

- Certificate of incorporation
- Patent tax certificate
- Certificate of the enterprise's registration in the NSSF
- Account number of the factory or director

For employees to access their government allowance, which will be released through Wing, they must:

- Provide their Cambodian national ID and personal phone number so they can be contacted about their government allowance 10 days after suspension of their employment contract.
- Present their Cambodian national ID with their phone information to obtain their government allowance.

After issuance of the approval of the employment contract suspension, the MLVT must complete the form in Annex 5 of the guideline regarding the suspension, number of employees affected, and allowance amounts and provide copies to the Ministry of Economy and Finance, the Ministry of Industry, Science, Technology and Innovation, the Ministry of Commerce, and the relevant municipal and provincial authorities.

Real Estate

*Notification No. 001 dated 22 March 2023 issued by the Ministry of Land Management, Urban Planning and Construction on "**The Occupancy Certificate of Factories and Warehouses**"*

This notification specifies that owners of factories or warehouses that were built before the promulgation of the Construction Law for which there is not a construction closing permit or occupancy certificate are allowed to apply for an occupancy certificate at the One-Window Service of the Ministry of Land Management, Urban Planning and Construction.

Trading

*Notification No. 1020 dated 22 March 2023 issued by the Ministry of Commerce on "**Attaching Price Tags on All Goods and Services**"*

Per the notification, all traders, merchants, and service providers who are engaged in commercial, business, and service activities in Cambodia must put a price tag with the price in KHR on all goods and services on display, except for informal traders.

- All traders, merchants, and service owners who own duty-free shops must apply to the Provincial Administration One-Window Service office for a permit to affix a price tag in a foreign currency. The permit is valid for one year and can be renewed.
- Price tags must have the price in Khmer on top, with the English below, and if necessary, a third language below the English.
- For gas stations, the price must be visible from 200 meters.

- The Private Sector Development Department, the General Department of Consumer Protection, Competition and Fraud, and all Capital-Provincial Departments of Commerce will cooperate with the competent ministries and institutions to conduct monthly inspections of compliance with the price tag requirement.

Violators of this notification will be penalized per the applicable laws and regulations.

*Sub-Decree No. 60 dated 6 March 2023 issued by the Ministry of Commerce and the Government on “**Conditions and Procedures for Business Mergers**”*

This Sub-Decree stipulates that the Cambodia Competition Commission (“**CCC**”) must receive prior notification of a transaction, if such transaction reaches any of the notification thresholds the CCC sets. The thresholds will be based on the parties’ Cambodian assets, or revenues, or the value of the business combination. Upon review of the information by the CCC, it will determine, if a further (secondary) review is required before the transaction can proceed.

The Sub-Decree applies to any corporate combination that could be deemed to substantially impede, restrict, or distorts competition in the Cambodian market, regardless of its location.

The CCC has seven days to verify that a notification is complete after receiving it, and 30 days to conduct a preliminary evaluation after receiving such complete notification. If the CCC does not notify the parties that the transaction is subject to secondary review by the end of this period, the transaction may proceed.

When the CCC informs the parties that a transaction is subject to secondary review, it will include a request for more information and a deadline for its submission to the CCC. After receiving the information requested, the CCC will perform the secondary review within 60 working days. This review period is subject to two 30-day extensions. If the CCC has requested further details, the review period may be put on pause until such request is fulfilled.

The parties to a transaction subject to this Sub-Decree are obligated to register the status of the transaction within 30 days of its completion.

Sub-Decree No. 60 entered into effect on the day of its signature and its enforcement will begin six months after that.

*Decision No. 095 dated 14 March 2023 issued by the Ministry of Commerce on “***Thresholds for Prior Notification of Business Mergers***”*

This decision sets out the thresholds for which prior notification must be given to the CCC before a business combination can proceed so that the CCC can review, monitor, and evaluate the impact on competition.

Thresholds for general business combinations:

- The total assets of any party or its related group are at least KHR340 billion; or
- The total turnover of any party or its related group is at least KHR270 billion; or
- The input purchase turnover of any party or its related group is at least KHR120 billion; or
- The transaction value of the proposed business combination is at least KHR41 billion.

Thresholds for banking and financial institutions:

- The total assets of any party or its related group are at least KHR4.5 trillion; or
- The total turnover of any party or its related group is at least KHR420 billion; or
- The input purchase turnover of any party or its related group is at least KHR3.8 trillion; or
- The transaction value of the proposed business combination is at least KHR120 billion.

Thresholds for insurance or securities businesses:

- The total assets of any party or its related group are at least KHR1 trillion; or
- The total turnover of any party or its related group is at least KHR280 billion; or
- The input purchase turnover of any party or its related group is at least KHR820 billion; or
- The transaction value of the proposed business combination is at least KHR61 billion.

LAOS



Pharmaceuticals

Decision No. 3708/MOPH dated 21 December 2022 issued by the Minister of Public Health on “Management of the Prices of Drugs and Medical Products”

The decision determine the principles, regulations, measures, and methods for managing the prices of medicines and medical products that are distributed in the Lao PDR so that they are reasonable, with the aim of maintaining price parity, as well as protecting the rights and legitimate interests of business operators, consumers, and the State.

Pharmaceutical manufacturers, and pharmaceutical and medical equipment import companies must notify the Ministry of Public Health of the estimated wholesale and retail prices of drugs, showing their calculations and price structure.

Pricing of medicines and medical products

1. Wholesale businesses must display the wholesale price of each drug and medical product by putting the price on a board, price tag, or other image and placing, hanging, or attaching it in the trading location where customers can easily see it. The wholesale price set must not be higher than the wholesale price that the manufacturer or import company submitted to the Ministry of Public Health.
2. Pharmaceutical retailers must display the retail price of all pharmaceutical products and medical products by putting the price on a board or attaching the price to the drug panel or the medicine box, ensuring that the necessary information about the drug is not covered. The retail price set must not be higher than the retail price that the manufacturer or import company submitted to the Ministry of Public Health.
3. Hospitals, and public and private clinics must display prices in the same way as pharmaceutical retailers per item no. 2 above.

The decision enters into force on 9 April 2023.

Postal Services

*Decision No. 957/MOTC dated 16 March 2023 issued by the Minister of Technology and Communications on “**Standards for Postal Service Locations**”*

The Minister of Technology and Communications issued this decision to set forth the principles, regulations, and measures regarding the standards for postal service locations to ensure the quality, convenience, and safety of the management and use of such facilities for more efficient postal services and to protect the rights and benefits of service users.

The standards that will be used for evaluation cover the following areas:

- Location and size
- Characteristics
- Components inside the postal service location
- Signage
- Fire emergency system
- Closed-circuit television system

The relevant authorities of the Ministry of Technology and Communications will conduct regular inspections of postal service locations during November to December each year.

If the inspection finds that the postal service location is less than 80% compliant with the above standards, the authorities will require the operator to make improvements within 90 days.

The decision enters into force on 9 April 2023.

Notarization

Law on Notary (Amended) No. 24/NA dated 29 December 2022 issued and endorsed by the National Assembly and promulgated by the President of the Lao PDR

This law enters into force on 30 March 2023 and replaces the Law on Notary No. 11/NA dated 26 November 2009.

Although failure to notarize an agreement or contract generally should not automatically render it illegal, to a certain extent, notarization of an agreement or contract is a confirmation by the Notary Public Office that the terms and conditions contained therein are legal, valid, and enforceable under Lao PDR law.

The prior law did not specify exactly what kinds of agreements or contracts should be notarized through the Notary Public Office. The new law sets out the agreements and contracts that must be submitted to the Notary Public Office for notarization:

- Agreements for the sale and purchase, exchange, lease, assignment, or transfer of registered vehicles

- Agreements for the sale and purchase, exchange, lease, assignment, or transfer of immovable assets
- Loan agreements secured by an immovable asset or a registered vehicle
- Partnership agreements, shareholders' agreements or joint venture agreements
- Agreements for the sale and purchase or transfer of shares
- Concession agreements

Other things that need to be notarized or certified by the Notary Public Office are as follows:

- Wills or testaments
- Documents relating to the ownership of property
- True copies
- Signatures or fingerprints
- Photographs of individuals
- Time and place of submission
- Translations
- Documents on inheritance

Electronic Transactions

*Law on **Electronic Transactions** No. 31/NA dated 29 December 2022 issued by the National Assembly and promulgated by the President of the Lao PDR*

This law entered into force on 22 March 2023 after it was published in the Lao Official Gazette. It replaces the Law on Electronic Transactions No. 20/NA dated 7 December 2012.

Under the new law, articles in relation to electronic transaction businesses were added.

There are three types of electronic transaction businesses, which all must be registered with the industry and commerce authorities and have a business operation license from the technology and communications authorities:

1. Electronic transaction system services: For these businesses, in addition to the business operation license, the entity must obtain an electronic transaction system technical standards certificate from the technology and communications authorities.
2. Digital identity verification and authentication services
3. Electronic signature certification services

MYANMAR



Banking and Finance

*Instruction letter No. MaBaBa/1(2/2023) dated 13 February 2023 issued by the Central Bank of Myanmar ("CBM") on "**Compliance Matters relating to Overseas Travel of Chief Executive Officers ("CEOs") and Management-Level Officers**"*

This instruction letter was issued to banks requiring that they comply with the following regarding the overseas travel of their CEOs and management-level officers:

- An application for approval must be submitted to the CBM with the relevant information at least five days prior to the trip; failure to obtain approval prior to travel could result in administrative action being taken by the CBM.
- The overseas trip cannot last longer than three months. If there is a particular reason for the trip duration to be longer than three months, an application must be made 15 days in advance to request an exception.
- The application must specify the information of the person who will be acting in the officer's stead while they are away, such as name, position, and validity period.
- The CBM must be notified of the officer's return within three business days from the date of return.

For failure to comply with this instruction, the CBM could take any of the administrative actions specified in Section 154 of the Financial Institutions Law, which include fines, warnings, restrictions on the bank's operations, or the officer's temporary suspension or termination.

Export & Import

*Newsletter No. 7/2023 issued on 22 March 2023 by the Ministry of Commerce ("MOC") on the "**Regulation on the Importation of Products that Require an Import License**"*

The MOC previously issued Notification No. 50/2020, which stated that "As for the goods that require an import license to be imported, the goods, excluding those which are to be imported and stored in customs bonded warehouses, shall not arrive at the port without prior permission." The MOC has now suspended the exemption from having an import license for

goods to be stored in customs bonded warehouses, so that those goods also require an import license before they can be imported.

The suspension of this exemption will be for six months starting from 1 April 2023, and may be extended further as necessary.

Intellectual Property

*Notification No. 82/2023 dated 10 March 2023 issued by the State Administration Council on the **"Effectiveness of the Trademark Law on 1 April 2023"***

(Note that the following information is from the session held when the notification was issued.) Implementation of the Trademark law is being done in phases. Prior to its effectiveness, during "Soft Opening Phase 1", the Myanmar Intellectual Property Department ("**MIPD**") under the MOC accepted applications for the reregistration of old marks that were already registered with the Office of the Registration of Deeds ("**ORD**").

After the effectiveness of the Trademark Law (from 1 April 2023), Soft Opening Phase 2 commences, during which the mark owners who have applied for reregistration pay the filing fees as officially announced by the MIPD (the MIPD has unofficially indicated that filing fees will be MMK150,000 per mark, subject to trademark classification). Mark owners are also required to appoint an agent or representative for processing the application, via the completion and submission of Form TM2, "**Appointment of the Representative or Agent**". If the mark owners are foreign residents, a notarized Form TM2 must be submitted.

In Phase 3, which is the grand opening for trademark registration, the MIPD will begin examination of the applications and required documents. Subsequently, the MIPD will provide the filing date for each application that meets its criteria. If an application is successful, the mark owner will then be required to pay the registration fees. Mark owners should still be able to register old marks during Phase 3, but only for a specified period of time. This is also the phase during which the registration of new marks under the World Intellectual Property Organization ("**WIPO**") system will begin. The interval between Phase 2 and Phase 3 will be approximately one month.

In Phase 4, which is after the grand opening period, the MIPD will only be accepting applications for new trademark registrations under the WIPO system.

VIETNAM



Competition

*Decree No. 03/2023/ND-CP dated 10 February 2023 issued by the Government of Vietnam on the **"Functions, Tasks, Powers, and Organizational Structure of the Vietnam Competition Commission"***

The decree, which goes into effect on 1 April 2023, provides details on the functions and powers of the Vietnam Competition Commission ("VCC"), which was previously mentioned in the Law on Competition No. 23/2018/QH14 four years ago.

The VCC will be in charge of: (i) controlling competition; (ii) protecting consumers' rights; and (iii) monitoring multi-level marketing operations.

Once the decree goes into effect, the VCC will replace the Vietnam Competition and Consumer Authority (in Vietnamese: *Cục Cạnh tranh và Bảo vệ người tiêu dùng*). In addition, the name "Vietnam Competition Authority" (in Vietnamese: *Cục Quản lý cạnh tranh*) as mentioned in Decree No. 99/2011/ND-CP will be changed to the Vietnam Competition Commission. Please also refer to a more detailed review [here](#).

Construction

*Circular No. 02/2023/TT-BXD dated 3 March 2023 issued by the Ministry of Construction on **"Guidance on Certain Regulations of Construction Contracts"***

The circular, which will enter into effect on 20 April 2023, replaces four previous circulars issued by the Ministry of Construction: (i) Circular No. 07/2016/TT-BXD on Guiding Price Adjustments in Construction Contracts; (ii) Circular No. 08/2016/TT-BXD on Guiding Certain Regulations of Construction Consultancy Contracts; and (iii) Circular No. 09/2016/TT-BXD on Guiding Construction Contracts; and (iv) Circular No. 30/2016/TT-BXD on Guiding Engineering, Procurement, and Construction ("**EPC**") Contracts.

Annex I of the circular provides the method for adjusting the price of construction contracts. Annex II provides a construction consultancy contract template, Annex III provides a construction contract template, and Annex IV provides an EPC contract template.

The templates are to be used for the agreement between the investor and the contractor. General contractors or main contractors apply the relevant parts of the templates with regard to the agreement and performance of their work.

Real estate

*Resolution No. 33/NQ-CP dated 11 March 2023 issued by the Government of Vietnam on “**Ways to Resolve the Difficulties and Promote the Safe, Healthy, and Sustainable Development of the Real Estate Market**”*

The main areas of focus specified in the resolution are as follows:

- (i) Improving the legal framework on construction investment, housing, and real estate businesses
- (ii) Promoting social housing development
- (iii) Facilitating credit capital for the development of housing and the real estate market
- (iv) Supervising corporate bond capital compliance
- (v) For local authorities, promoting the reform of administrative procedures, focusing on resolving difficulties in the legal procedures for real estate projects in local areas
- (vi) Controlling public information on social media

Tax

*Circular No. 13/2023/TT-BTC dated 28 February 2023 issued by the Ministry of Finance providing “**Guidelines for the Implementation of Decree No. 49/2022/ND-CP dated 29 July 2022 and Amending Circular No. 80/2021/TT-BTC dated 29 September 2021 of the Ministry of Finance regarding Value Added Tax**”*

The circular states that the method to use to calculate the net price for value added tax on real estate transfers as well as EVN’s electricity generation is the one mentioned in Article 1.1 of Decree 49.

The circular also adjusts the wording of point a.4 of Article 28.2 of Circular 80 as below:

“With regard to conditional investment projects at the investment stage as prescribed in Article 1.3 of Decree 49: Submit copies of the licenses, certificates, or documents evidencing the verification and approval of the conditional business lines.”

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** Information included in this document does not represent legal advice. This document is not intended to represent a comprehensive list of all new laws and regulations issued or published in the relevant jurisdictions.*