

LEGAL AND TAX DIGEST

BANGLADESH

LAOS

MYANMAR

Legislative developments – September 2025



BANGLADESH

Taxation

S.R.O. No. 384-Law/2025/106/Customs dated 25 September 2025 issued by the Government of Bangladesh on "New Customs Facility for Exporters Without Bond Licenses"

The Government of Bangladesh has introduced a new benefit for exporters in certain industries who do not have a warehouse license. This new rule, detailed in S.R.O. No. 384-Law/2025/106/Customs, allows these businesses to import raw materials for export production without paying taxes upfront.

Instead of paying import duty, VAT, and other taxes in cash, eligible companies can now provide a bank guarantee for the same amount to the customs authorities. This helps businesses manage their cash flow better, since their money won't be tied up waiting for a tax refund.

This special facility is available for specific sectors, including:

- Ready-made garments
- Leather goods
- Furniture
- Plastics
- Electronics
- Food processing
- Light engineering
- Steel products

To use this benefit, a company must have a foreign purchase order and be a VAT-compliant manufacturer. After importing the materials, the company has nine months to produce and export the final goods. This deadline can be extended by three months if needed.

Once the export is successfully completed and proven to the authorities, the bank guarantee will be released. However, if the company fails to export within the given time, the government will cash the bank guarantee to collect the taxes.

Authors and Contacts



Habibullah Shakil
Legal Advisor
habibullah.shakil@vdb-loi.com



Osman Goni
Partner
osman.goni@vdb-loi.com

LAOS



Corporate

Decision No. 2025 issued by the Ministry of Industry and Commerce on 9 September 2025 on "Enterprise Capital Contributions"

This decision provides detailed guidelines for the implementation of provisions regarding investors' capital contributions under the Enterprise Law No. 33/NA dated 29 December 2022. It enters into effect on 24 October 2025.

The key highlights are summarized below.

Capital contribution deadline

Registered capital (in cash or in kind) must be fully contributed within one year of enterprise registration, unless other laws and regulations provide otherwise.

Cash contributions

- Local investors must transfer their cash contributions to the enterprise's bank account by the prescribed deadline.
- Non-resident foreign investors must transfer capital from overseas to the enterprise's bank account by the deadline and obtain approval from the Bank of the Lao PDR ("BOL") for the importation of capital.
- Resident foreign investors who use income earned in the Lao PDR, or profits in LAK or foreign currency must transfer their contributions to the enterprise's bank account. They must also provide supporting documents for the transactions from the bank account used for such transfers for the preceding three years and obtain approval from the BOL for the use of local or foreign-sourced capital.

In-kind contributions

In-kind contributions cannot exceed 50% of the registered capital unless otherwise permitted by Lao law. Contributors must transfer asset ownership to the enterprise. Foreign contributors must get approval from the BOL to import the capital.

Issuance of share certificates

Enterprises must issue share certificates in proportion to the paid-up capital within 30 days of contribution. Sole limited companies must provide proof of the cash transfer, asset ownership transfer, or BOL capital importation approval.

No capital contribution – sole limited companies and partnerships

If owners/partners fail to contribute capital by the deadline, the manager must notify the enterprise registration official of the Ministry of Industry and Commerce (the “Registrar”) to amend the enterprise registration certificate or dissolve the company/partnership within 60 days.

No capital contribution – limited and public companies

If a shareholder who is not a director fails to fully contribute their portion, the director or manager must notify the Registrar within 60 days after the deadline to decrease the capital, adjust the shareholding, change the shareholders/type of enterprise, or dissolve.

If a shareholder who is a director fails to fully contribute their portion, any shareholder or group of shareholders having paid-up capital that comprise a shareholding of at least 4% of total shares may issue a notarized confirmation letter of non-contribution and submit it to the Registrar to amend the enterprise registration certificate within 60 days after the deadline for contribution.

To remove a shareholder of a limited/public company who has not contributed any of their portion of subscribed capital, the director must submit a notarized confirmation letter to the Registrar to remove the non-contributing shareholder within 60 days after the deadline for contribution.

If all shareholders fail to contribute capital, the company must dissolve.

Penalties

First violation: All violating enterprises will be subject to a fine of LAK500,000 and disciplinary measures, and must sign a memorandum of commitment to comply within 60 days from the date of the memorandum (“60-day compliance memorandum”).

Second violation: All enterprises are subject to a 60-day compliance memorandum along with a fine—LAK1 million for sole limited companies and LAK5 million for partnerships and limited/public companies.

If the 60-day compliance memorandum is not fulfilled, the enterprise’s registration certificate will be suspended. To remove the suspension, the capital must be fully contributed and a request made to the Registrar to amend the enterprise’s registration certificate, or else the enterprise must dissolve.

ENERGY

*Decree No. 559 issued by the Government of the Lao PDR dated 9 September 2025 on “**Petroleum Businesses**”*

This decree replaces the previous version issued in 2017 and provides amendments and requirements for the establishment and operation of petroleum businesses in the country. It takes effect on 29 October 2025.

Some of the key changes are outlined below.

Further clarification on petrol refineries

The 2017 decree defines the scope of petroleum-related businesses to include import and export, petroleum production, refining, distribution, retail operations, transportation, and fuel service stations. However, that decree did not provide detailed regulations governing petroleum refining and production activities. It only stipulated that relevant government authorities, such as the Ministry of Industry and Commerce and the Ministry of Energy and Mines, will conduct research and develop policies relating to petroleum production and refining.

This decree now includes petrol refineries as a permitted petroleum business with the following details and requirements for establishment:

- The refinery must be established under a duly registered company.
- The company must have a minimum registered capital of LAK150 billion.
- The company must demonstrate a clear source of raw materials and established distribution markets, supported by documents such as sale and purchase agreements.
- The refinery must be equipped with a management, monitoring, and verification system to record and control the importation and distribution of petroleum products.
- The Ministry of Industry and Commerce will conduct an inspection to verify that the refinery has been properly constructed prior to issuing a factory operation permit. The permit is valid for a period of three years and may be renewed upon expiration.

Increase in the required registered capital for certain businesses

The decree increases the registered capital for the following petroleum businesses:

- Petroleum import-export: Increased from LAK150 billion to LAK300 billion.
- Petroleum depots: Increased from LAK2 billion to LAK3 billion.

Type of inspection

The decree amends the inspection proceeding, removing the advance notification by the Ministry of Industry and Commerce, resulting in three types of inspections for petroleum businesses, as follows:

- **Regular inspection:** A planned inspection conducted at least twice a year on specified dates.
- **Unannounced inspection:** Conducted without prior notice when the authority deems it necessary and urgent.
- **Sudden inspection:** Carried out without any notification to prevent serious damage.

Intellectual Property

Decision No. 2135 issued by the Ministry of Industry and Commerce on 19 September 2025 on "Patents and Petty Patents"

This decision replaces the previous version issued in 2023 and provides further guidelines on patent- and petty-patent-related provisions of the Law on Intellectual Property No. 50/NA dated 30 November 2023. This decision enters into effect on 3 November 2025.

Some of the key changes are outlined below.

- **Patent and petty patent search (Article 7):** An individual, enterprise, or organization may submit a search request for patents or petty patents to the Department of Intellectual Property of the Ministry of Industry and Commerce (the “DIP”) prior to filing a registration application. The DIP will provide the search result within 10 days from the date of receiving the request. Alternatively, applicants may conduct the search themselves through the DIP’s official gazette. The search results serve solely as reference materials for the preliminary examination of patent or petty patent applications and do not constitute legal confirmations or evidence under the law.
- **Summary of invention and utility innovation (Article 15):** This article now provides that, for inventions or utility innovations that originate directly or predominantly from genetic resources, traditional knowledge, or expressions of local culture, applicants are required to disclose or identify the sources and the relevant local communities or tribes.
- **Correction period for application error (Article 18):** The decision extends the timeframe from 15 working days to 60 days for applicants to submit supporting documents or amend their applications upon receiving a notification from the DIP to rectify any errors or non-compliance with registration requirements.
- **Statutory opposition period (Article 30):** The decision extends the period during which third parties may file a request to the DIP for cancellation or revocation of a patent or petty patent from within five years after the registration date to the entire term of the registration.
- **Applicant representative changes (Article 38):** The decision removes the option for licensed lawyers to act independently as the representative of a foreign applicant, specifying instead that only agent companies—including law firms—providing intellectual property registration services and registered with the DIP may act on their behalf.

Authors and Contacts



Khammanh Vathanaphone

Legal Associate

khammanh.vathanaphone@vdb-loi.com



Sornpheth Douangdy

Senior Counsel

sornpheth.douangdy@vdb-loi.com

MYANMAR



Commerce

Export and Import Bulletin No. 5/2025 dated 2 September 2025 issued by the Department of Trade (the "DOT") under the Ministry of Commerce on "Revised Standard Operating Procedures for Container Shipping via the Yangon-Kawthaung-Ranong Trade Route"

In 2024, the DOT adopted standard operating procedures (the "SOPs") to facilitate container shipping via the Yangon-Kawthaung-Ranong trade route. They cover the different authorities' processes, i.e. export and import licensing by the DOT; customs clearance by the Customs Department; export and import examination process by the Border Trade OSS Team; port activities by the Myanma Port Authority; and immigration clearance of the crews.

To facilitate the transshipment of containerized cargos transported via the Yangon-Kawthaung-Ranong trade route at the Yangon Port, the DOT has revised the SOPs to specify that the Myanma Port Authority's SOPs under Notification No. 1/2025 dated 8 February 2025 on the transshipment of containerized cargos at Yangon Port and the procedures under the Customs Department's Order No. 1/2022 dated 8 December 2022 concerning the transshipment, reshipment, retention and re-exportation of goods apply to these transshipments.

Corporate Compliance

Directive No. 106/2025 dated 1 September 2025 issued by the Directorate of Investment and Company Administration (the "DICA") on "Compliance with the Directives and Announcements issued by the Registrar"

The DICA issued a reminder that all entities incorporated under the Myanmar Companies Law must comply with it, its associated regulations, and all orders, directives, and procedures issued by the Registrar for the following matters:

- Annual return filings
- Share transfers
- Changes of directors
- The additional specific provisions to which public companies are subject

Subsequent actions may be taken by the Registrar against entities and their officers for any non-compliance with existing laws applicable to their business activities. This may include restrictions on the officers' participation in other companies.

Intellectual Property

Notification No.107/2025 dated 11 September 2025 issued by the Ministry of Finance and Revenue on the "Customs Recordation Rules For the Protection of Copyrights"

These rules are issued in accordance with the Copyright Law that was enacted on 24 May 2019 and came into effect on 31 October 2023. They address the application process for: (i) the recordation of copyrighted materials with the Customs Department, and (ii) suspension orders issued by the Director General of the Customs Department for the purpose of controlling the importation of materials into Myanmar that infringe copyright or related rights, and the free circulation of such goods into the channels of commerce.

(i) Recordation with the Customs Department

A copyright holder may submit an application for recordation of its copyrighted materials to the Customs Department. The validity of the recordation is two years from the date of approval of the application.

(ii) Suspension order issued by the Customs Department

A copyright holder may, regardless of whether or not its copyrighted materials have been recorded with the Customs Department, apply for a suspension order to control the importation of materials into Myanmar that infringe their copyright or related rights, and the free circulation of such goods into the channels of commerce.

A security deposit must be made by the applicant to the Customs Department. If the applicant fails to pay the security deposit within 15 days from being notified of the approval of the application for the suspension order, the application will be rejected. Once the security deposit is paid, the suspension order will be issued.

The Customs Department may unilaterally issue a suspension order if there is sufficient evidence that the imported materials infringe a copyright. The copyright holder and importer will be notified of the suspension order and the copyright holder must pay the specified security deposit to the Customs Department within 15 days from notification of the suspension order. If the copyright holder fails to do so, the infringing materials will be returned to the importer with a restriction on their distribution or sale in Myanmar after the importer has paid all taxes and duties applicable to those materials.

The suspension order will be put before the Intellectual Property Court. If it decides the materials infringe the copyright, the security deposit will be refunded to the applicant after the importer has paid the Customs Department for the costs of storage, destruction, and disposal of the materials. If the importer fails to pay the costs, the Customs Department will recover the costs by filing a case

with the court. Subject to the decision of the court, the costs will be deducted from the security deposit and the remaining amount refunded to the copyright holder.

If the Intellectual Property Court decides that the materials do not infringe on the copyright, the applicant must pay damages to the importer for wrongful suspension and detention of the materials in an amount determined by the court. In this case, the security deposit will be refunded to the applicant after payment of the damages to the importer and submission to the Customs Department of evidence that the damages were paid.

Authors and Contacts



Nu Htet Htet Lwin

Translation Manager
nuhtethtet.lwin@vdb-loi.com



Aye Myat Thu

Partner
ayemyat.thu@vdb-loi.com

* * *

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