



LEGAL DIGEST: CAMBODIA, LAOS, MYANMAR, VIETNAM

legislative developments - June 2021

LAWS AND REGULATIONS
E-Commerce and transportation
<p><i>Prakas No. 100 PrK SK DCK dated 21 June 2021 “On conditions and procedure for issuing permits to operate in the digital technology system of transportation by land”.</i></p> <p>Prakas describe conditions and procedure for registration and issuance of permits to companies that provide services via digital technology system for land transportation (e.g. ride hailing) within the Kingdom of Cambodia. Prakas set the certification and permitting requirements, validity and conditions of permits revocation and describe the online filing system via the Ministry of Public Works and Transportation.</p>
Commerce
<p><i>Prakas No. 338 SHV PrK dated 3 June 2021 “On the Provisional Penalty Procedure on The Offends Under the Consumer Protection Law”.</i></p> <p>Prakas No. 338 provide for the penalty procedure in connection with the offenses stated in articles 41, 44, 45, 48 and 49 of the Consumer Protection Law (they include unfair acts regarding goods, misleading representations, unfair practices, “pyramid” schemes and others). The penalties are stated in the Consumer Protection Law of Cambodia.</p>
Investments
<p><i>Sub-decree No. 82 ANKr PrK dated 9 June 2021 “On the Organization and Functioning of the Inter-Ministerial Technical Committee Organizing Land Management and Usage Policy for the Development of Preah Sihanouk Province as a Model Multi-Purposes Special Economic Zone”.</i></p> <p>On 9 June 2021 the Royal Government of Cambodia (RGC) established an Inter-ministerial committee for the development of Preah</p>

Sihanouk Province as a Model Multi-purposes Special Economic Zone ("**Committee**").

This Committee has the responsibility to lead and coordinate strategic planning relating to the usage policy and land aspects in the Preah Sihanouk Special Economic Zone.

Employment

*Notification No. 029/21 dated 10 June 2021 "**on the Update of Employees' Address to the Competent Authority**".*

Ministry of Labor and Vocational Training informed all directors of factories, enterprises and employees on the need to provide an update about current residential addresses of the employees to the competent authority via online platform by 25 June 2021.

* * *

LAWS AND REGULATIONS

Pandemic-related procedures and restrictions

Notice No. 015 dated 19 June 2021 on **“Permission Conditions to Travel In and Out Vientiane Capital from 20 June to 4 July 2021”**.

The COVID-19 Taskforce Committee of Vientiane Capital issued Notice No. 015 specifying the conditions for local and foreign individuals, legal entities and organizations to travel in and out of Vientiane Capital from 20 June to 4 July 2021. The Notice stipulates groups of people who are allowed, not allowed and must apply for a permit to travel in and out of Vientiane Capital.

- I. Persons who can travel in and out of Vientiane Capital without a permit:
 - 1) Leader’s convoy #ambulances, fire trucks, COVID-19 Taskforce Committee #cars, cargo trucks, project trucks and trucks that transporting production equipment;
 - 2) Persons who have received two doses of COVID-19 vaccination;
 - 3) Persons who have been cured of COVID-19 with a certificate from a hospital.

- II. Persons who must obtain a permit before travel in and out of Vientiane Capital:
 - 1) Ambassadors, experts, officers of the international organizations;
 - 2) Government officials, national defense forces and security forces;
 - 3) Employees of private enterprise;
 - 4) Priests;
 - 5) Lao people and foreigners.

Persons who stay in areas with community transmission of COVID-19 (red zones) are prohibited to travel in and out of Vientiane Capital.

Notice No. 671/PMO dated 19 June 2021 on **“Reinforcement Measures on Containment, Prevention and Comprehensive Response to the COVID-19 Pandemic in the period of 20 June to 4 July 2021”**.

LAWS AND REGULATIONS
<p>The Prime Minister’s Office issued the Notice to require continued compliance with the reinforcement measures as provided in the Prime Minister’s Order No. 15/PM dated 21 April 2021, the Notice No. 595/PMO dated 4 June 2021 and other measures; and extended the lockdown for 15 more days from 20 June to 4 July 2021.</p>
<p><i>Order No. 3725 dated 26 June 2021 on “Using of the “LaoSuSu” services to prevent, control and solve the outbreak of COVID-19”.</i></p> <p>The COVID-19 Taskforce Committee of Vientiane Capital issued Order No. 3725 ordered all smartphone users to install the LaoKYC#App to access the “LaoSuSu” services on their mobile devices. All entrance and exit points at all locations require a QR code scan for check-in via their mobile devices.</p>
Official Fees and Service Charges
<p><i>Presidential Decree No. 002/P dated 17 July 2021 on “Official Fees and Service Charges”.</i></p> <p>The Lao government has adjusted the official rates and collection items to be in line with the changing circumstances of socio-economic development, and the President issued Presidential Decree No. 002/P on Official Fees and Services Charges to replace the Presidential Decree No. 003/P dated 26 December 2012. The Presidential Decree will be come into effect within 15 days of publication in the Lao Official Gazette.</p>
Invitations For Bids
<p><i>Invitation For Bid No. 1279 dated 16 June 2021 on “Procurement of Network Infrastructure and Security Equipment for the Government Financial Information System (GFIS)”.</i></p> <p>The Ministry of Finance issued Invitation For Bid No. 1279 to invite enterprises or companies who are interested in submitting bids between 21 June to 12 July 2021. The bids must be submitted before 15:30 pm on July 12, 2021. Such companies must have a telecommunications business license on the sale and installation of IT equipment in accordance with the laws of the Lao PDR and have</p>

LAWS AND REGULATIONS

a tax payment certificate for fiscal year 2020.

*Invitation For Bid No. 1278 dated 16 June 2021 on “**Procurement of Network Equipment and Monitoring, Security Management System of the Ministry of Finance**”.*#

The Ministry of Finance issued Invitation For Bid No. 1278 to invite enterprises or companies who are interested in submitting bids between 17 June to 7 July 2021. The bids must be submitted before 15:30 pm on July 7, 2021. Such companies must have a telecommunications business license on the sale and installation of IT equipment in accordance with the laws of the Lao PDR and have a tax payment certificate for fiscal year 2020.

*Invitation For Bid No. 1155 dated 2 June 2021 on “**Bidding for the Companies to Develop a Taxpayer Identification Number System for Individuals through the Application (PTIN)**”.*

The Ministry of Finance issued Invitation For Bid No. 1155 to invite information system development companies in the Lao PDR who are interested in submitting bids to develop a taxpayer identification number system for individuals through the application (PTIN), which the bidding was closed on 18 June 2021.

* * *

Laws and Regulations
Investment
<p>Reformation of Management Committees of Special Economic Zones – structure and members of management committees of various special economic zones were published (published in Government Gazette, dated 18 June 2021).</p>
Banking & Finance
<p>Letter No. Nga Ka Sa/ Ka Ka-6 (297/2021) dated 7 June 2021 of the Financial Regulatory Department (“FRD”) on “the Operation Procedure on Approval of the Extension of Stay Permit and Re-retry Visa of Foreigners Working in Microfinance Institutions”.</p> <p>FRD letter regulates the extension of stay permits and re-entry visa applications for foreigners who are working in microfinance institutions in Myanmar. The letter specifies that foreigners shall apply the extension two weeks in advance. The Letter describes the documents that must be included with the application.</p>
<p>Letter No. Ma Ba Ba/ Na Pa Ta/ FSI/ (105/2021) dated 16 June 2021 by the Central Bank of Myanmar (“CBM”) on “Informing to All Banks to Use Digital Payment Systems to Facilitate Cash Management”.</p> <p>The letter provides guidance on the performance of various banking operations and also urges the broader use of digital payment mechanisms.</p>
<p>Preliminary draft on “Guidelines of Business Continuity Planning for Financial Institutions (CBM-NET BCP) by the CBM”.</p> <p>BCP guidelines contain details for maintaining the economic activity in disaster areas (as they are defined in the guidance), preventing widespread payment and settlement disorder and reducing managerial risks of financial institutions.</p>
Pandemic related procedures and restrictions
<p>Announcement of the Supreme Court of Myanmar (“SCM”) to visitors</p> <p>SCM announcement requires visitors to SCM from regions other than the Naypyitaw Union Territory shall have an RPT test negative result taken within</p>

legislative developments - June 2021



MYANMAR

prior 72 hours. For visitors coming from Naypyitaw Union Territory, recommendation letter from township administration officer shall be taken.

* * *



LAWS AND REGULATIONS
Environment
<p><i>The Decree No.54/2021/ND-CP dated May 21, 2021, regulating “the preliminary environmental impact assessment (EIA)”</i></p> <p>According to this document, projects subject to the requirement for preparation of EIA reports need to have EIA reports in the following cases:</p> <ul style="list-style-type: none"> - Public investment projects (except urgent ones, those belonging in the national target program, constituent projects of projects in which decisions on policies for investment, investment preparation and planning objectives have been approved by competent authorities); - Public – private partnership investment projects; - Investment projects in which policies for investment are approved in accordance with laws on investment; - Investment projects eligible to obtain investment registration certificates, except as investment registration certificates are granted upon the investor's request.
Energy
<p><i>The Resolution No. 55/NQ-CP dated June 2, 2021, regarding “the plan for the 3rd reduction in electricity prices and bills due to Covid-19 impacts”.</i></p> <p>According to this Resolution, the Government agrees to the third support plan for reduction in electricity prices and bills for Covid-19-stricken users that is proposed by the Ministry of Industry and Trade.</p> <p>Concurrently, the Ministry of Industry and Trade will preside over and cooperate with the Ministry of Finance and relevant authorities in implementing the plan according to statutory processes, procedures and laws, ensuring stringency, correct beneficiaries and avoidance of racketeering on the state’s support policy.</p> <p>Previously, in the Resolution No. 180/NQ-CP dated December 17, 2020, the Government agreed to the 2nd reduction in electricity prices and bills for multiple beneficiaries impacted by Covid-19.</p>
Tax and Customs
<p><i>The Decree No. 53/2021/ND-CP dated 21 May 2021 regarding “Preferential Export Duty and Specially Preferential Import Duty Schedules of Vietnam for implementation of UKVFTA during the period of 2021-2022.”</i></p>



LAWS AND REGULATIONS

The Decree No. 53/2021 encloses:

- Preferential Export Duty Schedule for implementation of UKVFTA (Appendix I), including:

Commodity codes, description and preferential export duty rates applied to specific commodity codes in phases for export to the United Kingdom of Great Britain and Northern Ireland;

- Specially Preferential Import Duty Schedule for implementation of UKVFTA (Appendix II), including:

Commodity codes, description and specially preferential import duty rates applied to specific commodity codes in phases for import into Vietnam from the following territories:

+ United Kingdom of Great Britain and Northern Ireland;

+ Socialist Republic of Vietnam (applicable to goods imported from non-tariff zones into local markets).

The Decree No. 57/2021/ND-CP dated 4 June 2021, regulating ***“amendments to point g of clause 2 of Article 20 in the Decree No. 218/2013/ND-CP regarding corporate income tax incentives (CIT) for supporting product production projects.”***

According to this document, more enterprises will be entitled to CIT incentives when the following conditions are met:

- Having (new and expanded) investment projects for manufacturing of products on the list of supporting products prioritized for development, implemented before January 1, 2015.

- Satisfying the conditions imposed on projects for manufacturing of supporting products according to the 2014 Law on amendments to tax laws.

- Obtaining certificates of fulfillment of conditions for supporting product manufacturing incentives.

The Government previously promulgated the Decree No. 12/2015/ND-CP, amending the Decree No. 218/2013/ND-CP, but did not provide the transitional clause governing supporting product manufacturing projects licensed and operated before January 1, 2015.

The Circular No. 43/2021/TT-BTC prescribing “amendments and supplements to clause 11 of Article 10 in Circular No. 219/2013/TT-BTC, providing instructions about implementation of the Law on VAT.”

According to this document, medical equipment and accessories will be subject to 5% VAT if they have one of the following prescribed documents:

- Import permit;

- Certificate of marketing authorization;



LAWS AND REGULATIONS

- Note of acknowledgement of standard announcement documents required by legislative regulations on health;
- According to the List of medical supplies and equipment falling under the specialized management of the Ministry of Health, they are coded according to the List of Vietnam's exports and imports under the Circular No. 14/2018/TT-BYT and other documents on supplements and amendments (if any).

(Currently, the Circular No. 219/2013 prescribes that, in order to be entitled to 5% VAT, other specialized medical supplies and equipment must receive certification from the Ministry of Health).

Transfer pricing

The Circular No. 45/2021/TT-BTC dated June 18, 2021, "providing guidance on execution of the Advance Pricing Agreement (APA) mechanism used in the tax administration of enterprises involved in related-party transactions."

This document defines transactions to which the APA mechanism is applied as follows:

- Transactions to which the APA mechanism is applied are related-party transactions specified in Clause 2, Article 1 of the Government's Decree No. 132/2020/ND-CP.

(Currently, transactions eligible for the APA mechanism are business transactions between related parties, except for business transactions related to goods and services requiring price stabilization within the scope of the State's regulations on prices).

- Transactions to which the APA mechanism is applied must fully satisfy the following conditions:

+ Actual transactions arise in the taxpayer's production and business activities and will continue to take place during the period of application of APA.

+ Transactions have any basis for determination of the nature of transaction deciding tax liability, and any basis for analysis, comparison and selection of independent comparables according to the provisions of Articles 6 and 7 of Decree No. 132/2020, based on information and data in compliance with the provisions of Point b, Clause 6, Article 42 of the Law on Tax Administration.

+ Transactions are not involved in tax disputes or complaints.

+ Transactions are made in a transparent manner, not for the purpose of tax evasion, avoidance, abuse or misuse of Tax Agreements.

legislative developments - June 2021

VIETNAM



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