



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

Legislative developments - June 2022

LAWS AND REGULATIONS

Trade & Commerce

Bangladesh National Parliamentary Amendment Bill No 11/2022, on “Bangladesh Oil, Gas and Mineral Corporation Ordinance 1985 (Draft 2022)” dated 5 June 2022

Aimed at promoting favorable exploration of oil, gas, and mineral resources in Bangladesh, the Bangladesh Oil, Gas and Mineral Corporation Bill 2022 was presented in parliament. This new bill will replace the Bangladesh Oil, Gas and Mineral Corporation Ordinance 1985, which has been declared void by the court.

According to the new bill, a corporation named “The Bangladesh Oil, Gas, and Mineral Corporation,” also referred to as Petro Bangla, will be responsible for carrying out the actions related to this bill. Petro Bangla will have perpetual succession and a common seal with power to acquire, hold, and dispose of property, both movable and immovable, and shall by the said name be able to sue and be sued.

Trade & Commerce

DOS Circular Letter No 22, on “Refinancing Scheme for the Ship-building Industry” dated 22 June 2022

In addition to the previous circular No 9, dated 26 May 2022, Bangladesh Bank published a new circular on 22 June 2022 relating to a refinancing scheme to upgrade and develop the ship-building industry. The Bangladesh Government has decided to contribute US\$21.584 million towards the aforesaid scheme. Rules for the refinancing scheme are as follows:

- Interested scheduled banks are required to execute a participation agreement with the Department of Site Supervision of Bangladesh Bank.
- The Board of Directors of the bank will decide on the disbursement of loans, after filing an application for the loans.
- By 30 June 2024, the application for refinancing of approved loans needs to be submitted to Bangladesh Bank.
- Subject to receipt of a refinance sanction from Bangladesh Bank, the bank will disburse the approved loan amount in favor of the customer.
- A refinancing facility will be provided under the said scheme subject to availability of funds. However, in the new initiative of the customer, a refinancing facility will be provided on a priority basis as against the financing provided by the scheduled bank.

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- Approved term loans cannot be disbursed at one time to ensure utilization of loan. In this case, loan disbursement has to be paid in a minimum of three installments. Note that the installment amount has to be determined based on the actual demand of the fund.
- In case of disbursement of a working capital loan under this scheme, the margin should be kept as per the bank's own loan policy. If it is necessary to renew the given working capital loan, subject to the approval of the Board, application for renewal should be made to the Department of Off-site Supervision at least 30 days before maturity.
- No refinancing facility will be provided under this scheme against the loan previously disbursed in favor of the customer. No other loan can be repaid or adjusted in any way by the loan taken from this scheme.
- If any export bill has expired against the exported ship of the export-oriented shipbuilding company, the institution will not be considered for refinancing under this scheme.
- In order to reduce the risk for the construction period, an amount at least equal to the value mentioned in the work order/export/sale contract of the ship under construction must be covered by insurance.

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LAWS AND REGULATIONS
Tax
<p><i>Instruction No. 10362 GDT of the General Department of Taxation (“GDT”) dated 17 May 2022 on “The Use of Exchange Rates for Taxpayers under the Self-Declaration Regime”</i></p> <p>This instruction addresses the exchange rates taxpayers under the self-declaration regime should be using effective from June 2022, as follows:</p> <ul style="list-style-type: none"> ▪ Daily official exchange rate for the issuance of invoices. ▪ Official exchange rate issued by the GDT on the 15th day of each month for the tax on salary calculation. ▪ Monthly official exchange rate issued by the GDT on the last day of the month for their monthly tax payments for certain transactions with non-resident taxpayers and those not registered in the self-declaration regime. ▪ Annual official exchange rate issued by the GDT on the last day of the year for their annual tax payment calculation. <p>The GDT will issue a notification on the daily official exchange rate on its website at https://www.tax.gov.kh. Any prior regulations on the use of exchange rates for taxpayers under the self-declaration regime are abrogated.</p>
<p><i>Instruction No. 10979 GDT issued by the GDT dated 25 May 2022 on “Interest Documentation for Loans among Related Parties”</i></p> <p>This instruction aims to set a reasonable basis for determining the interest rate on loan transactions among related parties. This instruction abrogates Instruction No. 4909 GDT dated 18 March 2019 on Interest Documentation for Loans among Related Parties.</p>
<p><i>Instruction No. 12093 GDT issued by the GDT dated 7 June 2022 on “Additional Instruction on the Implementation of Value Added Tax for Tangible Fixed Assets”</i></p> <p>This instruction provides additional instructions and supplements Instruction 15301 GDT dated 22 June 2020 on the Implementation of Value Added Tax (“VAT”) for the Sale of Tangible Fixed Assets for taxpayers in implementing their VAT obligations for tangible fixed assets that are no longer used in their business.</p>
Trade & Commerce
<p><i>Royal Kram No. NS/RKM/0622/006 by the King of the kingdom of Cambodia (“KC”) dated 08 June 2022, to promulgate to use the Law on “Safe Food”.</i></p>

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<p>The law has stipulated the framework and mechanism to manage and ensure the safety, quality sanitations and legality of food for all steps of food production chain to protect consumer. The main responsibility of the implementation of this law is with the Ministry of Commerce that has roles to coordinate and set up technical food provisions by cooperating with the relevant ministries or authorities.</p>
Investment
<p><i>Sub-Decree No. 120 ANK.BK by the Royal Government of the kingdom of Cambodia (“RGC”) dated 20 June 2022, on “preparing and functioning City-Provincial investment sub-committee”.</i></p> <p>The sub-committee is created to review and make decision the private investment and resolve the dispute related to the investment based in the City and Province.</p>
Real Estate
<p><i>Instruction No.1391 DNS/ASDP by the Ministry of Land Management, Urban and Construction (“MLMUC”) dated 06 June 2022, on “correcting the form for immovable registration which is the exclusive property type of any spouse who is widow by the death of a spouse and the correction to the form and other supporting documents from the word “Ghost to Inheritor” compliance with Cambodian Civil Code”.</i></p> <p>According to Cambodian Civil Code, the Ministry has decided to correct the form for immovable property registration of widow by death of a spouse.</p> <p><i>Prakas No. 096 DNS/B. K/N. K by the Ministry of Land Management, Urban and Construction (“MLMUC”) dated 22 June 2022, on “correcting the point 7 and 8 in the article 3 of the Prakas No. 013 DNS/B. K/N. K dated 20 January 2022 on modalities and context to provide the construction permit”.</i></p> <p>The Ministry has decided to correct the meaning of Point 7 and 8 in article 3 of the previous Prakas as below:</p> <ul style="list-style-type: none"> • New Point 7: Certification letter of cadastral information refers to the document provided by the General Department of Cadastral and Geography that reveal the head land and other information of the land such as type, legal situation, physical feature and encumbrance by following the document and land registration. • New Point 8: Certificate of land refers to the document provided by the General Department of Cadastral and Geography that reveal plot plan, area plan, ownership of land, land location, land size and border.

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Employment
<i>Joint Prakas No. 165/22 KB/BR.K.B.S.SK by the Ministry of Economy and Finance (“MEF”) and the Ministry of Labor and Vocational Training (“MLVT”) dated 28 June 2022, on “The Implementation of National Social Security Fund for pension for all person under the Labor Law”.</i>
The Parkas stipulated the date of the implementation of pension for all persons under the Labor Law from 1 July 2022 and onwards.
E-Commerce
<i>Notification No. 1885 P.N. CHNP by the Ministry of Commerce (“MOC”) dated 30 June 2022, on “Suspension to fine the request of E-commerce permit letter or license”.</i>
According to the notification, the Ministry informs that deferral of penalties for requesting the E-commerce permit letter or license will finish on 3 July 2022.

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Banking and Finance
<p><i>Notification No. 1623 dated 9 June 2022 of the Banking Operation Department of the Bank of Laos on “Issuance of Five Trillion Lao Kip in Saving Bonds”</i></p> <p>The Bank of Laos will issue saving bonds worth LAK5,000,000,000,000 (five trillion Kip) to individuals and legal entities residing in Laos, except for commercial banks and depository financial institutions in order to address inflation issues.</p> <p>The first portion of the LAK5 trillion bond will have a six-month maturity and a one-time non-transferable interest rate of 20% per year, according to the notification. The bond will be scripless, issued directly to bondholders, and will be available in mid-June.</p> <p>Commercial banks interested in representing the Bank of Laos in the bond issue will be paid 0.047 % of the bond's value as a bond payment fee.</p>
<p><i>Notification No. 199 dated 10 June 2022 of the Cabinet Office of the Bank of Laos on “Increased awareness of payments via AliPay and WeChat Pay in Laos”</i></p> <p>The Bank of Laos discovered that some individuals, legal entities, or organizations are now using AliPay and WeChat Pay payment channels to receive payments for its goods and services, such as shops, restaurants, hotels, and other services, including transferring money to AliPay or WeChat Pay wallets that are linked to a person's personal account in foreign countries, which is in violation of the laws of Laos. As a result, the Bank of Laos has issued the following alert to all citizens and merchants across the country to raise awareness when making payments with AliPay and WeChat Pay in Laos:</p> <ul style="list-style-type: none"> ▪ Shops, restaurants, hotels, and tourist attractions that accept AliPay and WeChat Pay payment must have a contract with a payment provider authorized by the Bank of Laos ▪ Avoid making payments or doing transactions by using AliPay or WeChat Pay that do not go via the channels of the payment service provider authorized by the Bank of Laos, because such payments are informal and do not have transaction information. Payment transactions that occur in foreign countries when a fraud or dispute emerges cannot be investigated and resolved in Laos, despite the fact that such payments will take place in Laos. <p>Below are the payment providers that authorized by the Bank of Laos:</p>



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1. Banque Pour Le Commerce Exterieur Lao Public (BCEL)
2. Joint Development Bank (JDB)
3. Bank of China Limited, Vientiane branch (BOC)
4. Industrial and Commercial Bank Of China Limited Vientiane Branch (ICBC)
5. MPS Company Limited

Notification No. 200/CO dated 13 June 2022 of the Cabinet Office of the Bank of Laos on “Selling the BOL Bills for the First Portion from 15 June 2022”

Bank of Laos (“**BOL**”) bills are available for purchase from 15 June 2022 onwards through approved representative banks across the country. The Bank of Laos has approved nine commercial banks to sell the bills, including:

1. Banque Pour Le Commerce Exterieur Lao Public (BCEL)
2. Lao Development Bank (LDB)
3. Agricultural Promotion Bank (APB)
4. Joint Development Bank (JDB)
5. Phongsavanh Bank Ltd (PSVB)
6. ST Bank Ltd (STB)
7. BIC Bank Lao Co., Ltd. (BIC)
8. Lao-Viet Bank Co., Ltd. (LVB)
9. Industrial and Commercial Bank Of China Limited Vientiane Branch (ICBC)

Bill-holders will receive a bill certificate as evidence of their subscriptions, as the BOL bills are not transferable and are provided in an electronic format. BOL bills have a six-month maturity and a 20% annual interest rate, with a minimum investment of LAK100,000 (one hundred thousand Kip) and a maximum investment of LAK2,000,000,000 (two billion Kip) for individuals and LAK10,000,000,000 (ten billion Kip) for legal businesses. The BOL bills are not allowed to be invested in by commercial banks or deposit-taking financial institutions.



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Decision No. 449/BOL dated 14 June 2022 of the Bank of Laos on “Foreign Currency Exchange Services by Commercial Banks and Representative Exchange Bureau”

According to the notification, commercial banks and representative exchange bureaus are allowed to sell foreign currency to individuals within the selling limit (LAK15 million per person per day), and customers must state a clear purpose for buying the foreign currency as well as provide a copy of their ID card, family book, or passport.

Currency exchange bureaus are only allowed to sell foreign currency to individuals; they are prohibited from selling to entities or organizations. The maximum limit for the sale of foreign currency cannot exceed the registered capital.

Only commercial banks are allowed to sell foreign currency to entities and organizations. However, commercial banks should prioritize those who will need to use foreign currency in the following sectors: fuel, medicine, and important and needed products as determined in Article 10 of the Law on Foreign Exchange Management for the below:

1. To pay for products that are imported from foreign countries
2. To pay for import-export transportation, insurance, and other relevant service fees
3. To repay foreign loans
4. To provide assistance and support to foreign countries as recommended by the BOL
5. To remit profits and dividends, capital, interest received and other service charges of foreign investors, and the wages/salaries of foreigners to their home country or a third country
6. For capital investments in foreign countries
7. For overseas education, tourism, visits, and medical treatment
8. To comply with other relevant regulations as determined by the BOL

This decision is effective from the signature date and replaces Decision No. 109/BOL dated 1 February 2019.

Employment

Notification No. 829/PMO dated 13 June 2022, issued by the Prime Minister’s Office on “Increase the National Statutory Minimum Wage”

The Lao government has decided to increase the national statutory minimum wage from LAK1,100,000 to LAK1,300,000. As announced by the Prime Minister’s Office under Notification No. 829/PMO dated 13 June 2022, the increase will take place in two phases: in the first phase, the



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minimum wage will increase to LAK1,200,000 effective from 1 August 2022, and in the next phase, effective from 1 May 2023, it will increase to LAK1,300,000.

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Central Bank of Myanmar									
<p><i>Letter No. PaSa-4/ (F.E-1/1)/2022 (709) dated 2 June 2022 issued by the Central Bank of Myanmar regarding “Permission to logistics service companies to hold specific amounts of foreign currency”</i></p> <p>On 2 June 2022, the Ministry of Transport and Communications issued letter no. PaSa-4/(F.E-1/1)/2020 (709) (“Letter”) to implement a circular from the Foreign Exchange Supervisory Committee (“FESC”).</p> <p>The Letter states that the FESC shall now permit logistics service companies to retain specific amounts of foreign currency in their foreign currency bank accounts in Myanmar. Any foreign currency in excess of such amounts shall be converted to Myanmar Kyat.</p> <p>The operational sector of such companies and the amounts they will be allowed to retain are shown in the table below:</p> <table border="1"> <thead> <tr> <th>Company sector</th> <th>Foreign currency equivalent of</th> </tr> </thead> <tbody> <tr> <td>Freight forwarding (member of Myanmar International Freight Forwarders Association)</td> <td>US\$300,000 per month</td> </tr> <tr> <td>Mercantile marine development (member of Myanmar Mercantile Marine Development Association)</td> <td>US\$2,000,000 per month</td> </tr> <tr> <td>International air freight forwarding and ground services</td> <td>US\$100,000 per month</td> </tr> </tbody> </table>		Company sector	Foreign currency equivalent of	Freight forwarding (member of Myanmar International Freight Forwarders Association)	US\$300,000 per month	Mercantile marine development (member of Myanmar Mercantile Marine Development Association)	US\$2,000,000 per month	International air freight forwarding and ground services	US\$100,000 per month
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<p><i>Letter No. FE 1/540 of 2022 dated 16 June 2022 issued by the Central Bank of Myanmar on “The development regarding the implementation of Notification 12/2022 dated 3 April 2022 issued by the Central Bank of Myanmar”</i></p>									



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The Central Bank of Myanmar (“**CBM**”) published letter no. FE – 1/540 of 2022 on 16 June 2022 (“**Letter**”) setting out the decisions taken by CBM at a meeting with representatives from authorized foreign exchange dealer banks in Myanmar (“**AD Banks**”) with regard to introducing certain relaxations to the restrictions imposed on foreign currency related matters under Notification 12/2022 dated 3 April 2022 (“**Notification 12**”).

The Letter among other things clarifies which companies shall be exempted from the requirements under Notification 12.

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Business and Foreign Investment

Circular No. 06/2022/TT-BKHDT dated 10 May 2022 by the Ministry of Planning and Investment on “guidance on Decree No. 80/2021/ND-CP elaborating the Law on Assistance for Small and Medium Enterprises (SMEs)”

According to the Circular, authorities and organizations that assist start-ups that are SMEs according to regulations in Articles 4 and 5 of Circular No. 06/2022/TT-BKHDT and some specific regulations as follows:

- Students of SMEs shall be assisted in participating in advanced trainings in Vietnam and foreign countries under clause 5 Article 22 of Decree No. 80/2021/ND-CP, including tuition fees, materials, meals, accommodation, transportation (including airfares).
- SMEs shall be assisted in maintaining accounts on e-commerce platforms as prescribed in clause 6 Article 22 of Decree No. 80/2021/ND-CP, including:

+ For Vietnamese e-commerce platforms: payment fees, fixed fees and service fees that sellers must pay to e-commerce platforms;

+ For international e-commerce platforms: costs for sellers' accounts, costs for introduction and order fulfillment, warehousing, barcode registration, etc.

- SMEs shall be assisted in participating in international startup competitions as prescribed in clause 6 Article 22 of Decree No. 80/2021/ND-CP, including participation fees and charges; meals, accommodation in host countries; transportation (including airfares); etc.

Circular No. 06/2022/TT-BKHDT comes into force from 25 June 2022 and annuls Circular No. 05/2019/TT-BKHDT dated 29 March 2019 and Circular No. 06/2019/TT-BKHDT dated 29 March 2019.



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Industrial Zone

Decree No. 35/2022/ND-CP dated 28 May 2022 by the Government ***“on management of industrial zones and economic areas”***

According to the Decree, 05 requirements for conversion from an industrial zone to an urban service area include:

- The conversion must be suitable for provincial planning and urban planning in the areas of provinces or central-affiliated cities;
- The industrial zone must be located in the area of an inner city of a special urban area, class-I central-affiliated urban area or class-I provincial urban area;
- The operational period started from the day on which the industrial zone is established to the day of consideration of conversion is 15 years or a half of the operational time limit of the industrial zone;
- The conversion must be agreed by investors who invest in development and business of industrial zone’s infrastructures and more than 2/3 of enterprises in the industrial zone prepare for the conversion. Except for the following cases:
 - + Investment projects have expired as prescribed in law on investment;
 - + Investment projects are ineligible for land sublease extension according to laws on land and civil;
 - + Investment projects causing serious environmental pollution are subject to relocation under the regulations of the law on environmental protection;
- The conversion brings about effects in terms of economy - society and environment.

Decree No. 35/2022/ND-CP comes into force from 15 July 2022 and replaces Decree No. 82/2018/ND-CP.

Employment and Pension

Decree No. 38/2022/ND-CP dated 12 June 2022 by the Government on ***“statutory minimum wages paid to employees working under employment”***



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contracts applied from 01 July 2022”

Below are monthly and hourly minimum wages in 4 regions as follows:

- Monthly minimum wages:

- + Region I: 4.680.000 VND per month.
- + Region II: 4.160.000 VND per month.
- + Region III: 3.640.000 VND per month.
- + Region IV: 3.250.000 VND per month.

(Increased by 6% compared to the current minimum wages).

- Hourly minimum wages:

- + Region I: 22.500 VND per hour;
- + Region II: 20.000 VND per hour;
- + Region III: 17.500 VND per hour;
- + Region IV: 15.600 VND per hour;

Import and Export Policy

Circular No. 09/2022/TT-BCT dated 1 June 2022 by the Ministry of Industry and Trade “amending Circular No. 40/2015/TT-BCT on implementing Rules of origin under the Viet Nam-Korea Free Trade Agreement (VKFTA)”

According to this Circular, the Product specific rules (HS 2017) promulgated replace Product specific rules (prescribed in Appendix II) issued together with Circular No. 40/2015/TT-BCT dated November 18, 2015.

Product specific rules prescribed in the Appendix issued together with Circular No. 09/2022/TT- BCT have been formulated on the basis of the



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Harmonized system (HS 2017).

Product specific rules prescribed in the Appendix issued together with Circular No. 40/2015/TT-BCT have been formulated on the basis of the Harmonized system (HS 2012).

In case there is any difference between descriptions of this Appendix and descriptions of legal documents of the Harmonized system developed by the World Customs Organization (WCO), prescriptions of the Harmonized system of the WCO shall be applied.

The specific rule, or specific set of rules, that applies to a particular heading or subheading is set out immediately adjacent to the heading or subheading.

Where a product is subject to alternative product specific rules, it shall be sufficient to comply with one of the rules.

The Circular No. 09/2022/TT-BCT comes into force from 01 August 2022.

Circular No. 10/2022/TT-BCT dated 01 June 2022 by the Ministry of Industry and Trade “amending the Circular on implementing rules of origin of products under the ASEAN Trade in Goods Agreement (ATIGA), including regulations on deadlines for issuance of C/O old form D”

According to the Circular, the C/O Form D as prescribed in Appendix II issued together with Circular No. 19/2020/TT-BCT (old form) shall be issued until the end of 31 October 2022.

This C/O Form D have been permitted by a Vietnam customs authority within the period prescribed in Article 15 of Appendix I issued together with Circular No. 19/2020/TT-BCT.

The General Department of Customs of Vietnam had previously promulgated Official Dispatch No. 1683/TCHQ-GSQL dated 12 May 2022 on deadlines for conversion to C/O new Form D.

According to the Official Dispatch, guidelines for C/O Form D (including C/O transferred through the national single window system (electronic



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C/O) and physical C/O) are prescribed specifically as follows:

- For C/O issued within the transitory period from 01 May 2022 to the end of 31 October 2022, the customs authority shall permit both C/O old Form D and C/O new Form D.
- For C/O Form D issued from 01 November 2022, the customs authority shall only permit C/O new Form D.

Circular No. 10/2022/TT-BCT comes into force from 16 July 2022.

Telecommunications

Circular No. 2/2022/TT-BTTTT dated 16 May 2022 by the Ministry of Information and Communication on “list of potentially unsafe products and goods under authority of Ministry of Information and Communications of Vietnam”

According to this Circular, products and goods subject to certification and declaration of conformity specified in the list of short-range radio transmitters and transceivers include:

- DECT cordless telephone equipment (subscriber extension type) (currently, these products and goods are not prescribed in Circular No. 01/2021/TT-BTTTT);
- Non-specific short-range radio transmitters and transceivers;
- Radio equipment operating in the 2,4 GHz band and using spread spectrum modulation techniques, and having an equivalent isotropically radiated power of at least 60 mW;
- Radio equipment operating in the 5 GHz band and using spread spectrum modulation techniques, and having an equivalent isotropically radiated power of at least 60 mW;
- Radar equipment used in road or railway transport and traffic;
- Equipment intended for radio alarm and detection;
- Remote control device;
- Radio Frequency Identification (RFID) equipment;
- Non-stop electronic toll collection system applying RFID;
- Cordless audio devices;



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<ul style="list-style-type: none"> ▪ Ultra-Wide Band (UWB) communications device. <p>The Circular No. 2/2022/TT-BTTTT comes into force from 01 July 2022.</p>
Tax and Accounting
<p><i>Decree No. 34/2022/ND-CP dated 28 May 2022 on “deferral of value-added tax (VAT), corporate income tax (CIT), personal income tax (PIT) and land rents in 2022”</i></p> <p>According to this Decree, enterprises, organizations, households, household businesses and individuals in Vietnam carrying out manufacture and doing business in the lines of business as prescribed in Article 3 of Decree No. 34/2022/ND-CP are eligible for tax deferral in 2022. To be specific:</p> <ul style="list-style-type: none"> ▪ Manufacture lines: <ul style="list-style-type: none"> + Agriculture, forestry and aquaculture; + Food production, processing; textile; garments; manufacture of leather and related products; + Manufacture of electronic products, computers and optical products; manufacture of motor vehicles and other motorized vehicles; manufacture of furniture; + Construction; + Drainage and wastewater treatment, etc. ▪ Business lines: <ul style="list-style-type: none"> + Transport, warehousing; accommodation, food and beverage services; education and training; healthcare and social assistance; real estate business; + Employment-related services; operation of travel agencies, tourism business, auxiliary services relevant to tour organization and advertising; + Audio and video broadcasting; computer programming, consulting services and other computer-related activities; information service



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activities, etc.

In addition, deferral policies are also applied to enterprises, organizations, households, household businesses and individuals manufacturing prioritized ancillary products or key mechanical products and small enterprises and micro-enterprises in Vietnam according to regulations.

Decree No. 34/2022/ND-CP is effective from 28 May 2022 to the end of 31 December 2022.

Official Dispatch No. 2054/TCHQ-GSQL dated 03 June 2022 by the General Department of Customs on “using e-invoices for exports”

According to the Official Dispatch, regulations on invoices contained in a customs dossier of exports include:

According to international practice, Article 24 of the Law on Customs and point b clause 1 Article 16 of Circular No. 38/2015/TT-BTC and clause 5 Article 1 of Circular No. 39/2018/TT-BTC.

The customs dossier of exports shall consist of commercial invoices or equivalent documents in case the buyer has to pay the seller;

Additional issuance of VAT e-invoices is not required in export procedures.

E-invoicing time for exports is prescribed as same as regulations of Decree No. 123/2020/ND-CP.

According to points b and c clause 3 Article 13 of Decree No. 123/2020/ND-CP, the bases for issuance of VAT e-invoices for exports include:

- + After the customs authority confirms that the goods have been exported in reality in case of export entrustment;
- + After completing export procedures in case exporters declare and pay VAT by following credit-invoice methods including export processors.

Thus, the VAT invoices for exports shall be issued after completing export customs procedures by exporters.



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Official Dispatch No. 1873/TCT-TTKT dated 1 June 2022 by the General Department of Taxation “on strengthening the review and examination to detect taxpayers prone to commit acts related to invoices and prevention of tax refund fraud”

According to the Official Dispatch, the General Department of Taxation requires tax authorities at all levels to:

Comprehensively carry out measures such as implementation, dissemination, organization, consolidation, evaluation and exchange of experiences in signs and acts of violation in invoice management including issuance, use, purchase and sale of illegal invoices.

Organize review and evaluation to classify enterprises prone to commit acts related to invoices through suspected signs.

Some signs and acts of violation specified in the Appendix of Official Dispatch No. 1873/TCT-TTKT dated 01 June 2022 include:

- + An enterprise which has high revenue and input and output VAT but does not incur tax, has negative VAT for many tax periods;
- + An enterprise which does not have fixed assets or has extremely low fixed asset value;
- + An enterprise which has suspicious bank transactions (same-day deposit and withdrawal);
- + An enterprise whose employees are not commensurate with its size and lines of operation;
- + An individual acts as legal representative who has established and managed numerous enterprises, etc



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Banking and Finance

Circular No. 03/2022/TT-NHNN dated 20 May 2022 by the State Bank of Vietnam “elaborating Decree No. 31/2022/ND-CP on interest subsidies for enterprise, cooperative and household business loans”

According to the Circular, a commercial bank may choose to provide interest subsidies to its borrowers using one of the following methods:

- Direct deduction of the subsidized loan interest from the loan interest payable by the borrower.
- Collection of the entire loan interest in a loan period and reimbursement of the subsidized loan interest on the same day.

In case loan interest in the loan period is collected after working hours of the commercial bank, the subsidized loan interest may be reimbursed on the next day.

Circular No. 03/2022/TT-NHNN of the State Bank of Vietnam comes into force from 20 May 2022.

Decision No. 689/QĐ-TTg dated 08 June 2022 by the Prime Minister approving Project “Restructuring of the system of credit institutions in association with settlement of bad debts in the period of 2021-2025”

According to the Decision, credit institutions (CIs) in Vietnam must have measures to maintain their charter capital by 2025 as follows:

- For operating CIs (excluding commercial banks (CBs), financial companies (FCs) and finance leasing companies (FLCs)) that are weak/under special control/undergoing restructuring plans approved by competent authorities):

+ For CBs:

Groups of CBs in Vietnam that have financial potential, competitive capacity and large scale: minimum charter capital is VND 15.000 billion;



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Groups of CBs in Vietnam that have financial potential, competitive capacity, small and medium scale and foreign investment: minimum charter capital is VND 5.000 billion;

+ For FCs: minimum charter capital is VND 750 billion;

+ For FLCs: minimum charter capital is VND 450 billion.

- For CBs, FCs and FLCs that are weak/ under special control/undergoing restructuring plans approved by competent authorities: capital raising plans must be approved by competent authorities.

Decision No. 689/QD-TTg comes into force from the day on which it is signed.

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