

LEGAL DIGEST

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Legislative developments – May 2024



BANGLADESH



Banking and Finance

FEOD Circular No. 02 dated 20 May 2024 issued by the Foreign Exchange Operation Department of the Bangladesh Bank on “Remittances of Surplus Earnings and Submission of Monthly/Quarterly Statements by Foreign Airlines and Foreign Shipping Companies Operating in Bangladesh”

The circular addresses foreign exchange transactions and gives new instructions for foreign airlines and shipping companies. Foreign and non-IATA airlines now need to submit specific forms (Annexure-FA(I)) instead of certain appendices listed in the Guidelines for Foreign Exchange Transactions (“GFET”)-2018. Foreign shipping companies are required to submit different annexures (Annexure-FS(I), FS(II), FS(III), FS(IV)) instead of the previous GFET-2018 appendices. These companies can keep certain documents, such as airway bills and bills of lading, for later review rather than including them with their monthly or quarterly statements. Authorized dealer banks must collect declarations from the airlines and shipping companies or their agents and submit them along with the statements. The circular has retrospective effect from submission of the January 2024 monthly/quarterly statements.

FEPD Circular No. 09 dated 8 May 2024 issued by the Foreign Exchange Policy Department of the Bangladesh Bank on “Introduction of a Crawling Peg Exchange Rate System”

The Bangladesh Bank has implemented a crawling peg exchange rate system, which allows for adjustments within a specified range for a currency with a fixed exchange rate, for spot purchases and sales of US dollars. Effective immediately, a crawling peg mid-rate has been set at BDT117 per US\$1. Scheduled banks are now permitted to buy and sell US dollars freely around the crawling peg mid-rate with their customers and in interbank transactions.

BRPD Circular No. 11 dated 12 May 2024 issued by the Banking Regulation and Policy Department of the Bangladesh Bank on “Use of Alternative Dispute Resolution (“ADR”) to Accelerate Recovery of Defaulted Loans”

The Bangladesh Bank has directed all banks to use ADR mechanisms to recover a minimum of 1.0 percent of their respective non-performing loans by 30 June 2026.

The central bank emphasized the significance of the ADR mechanism in expediting the recovery of default loans and settling disputes outside of the court system. According to the law, parties involved in a case can choose an ADR resolution with court permission before a verdict or order is issued at any stage of the proceedings. With the consent of both the bank and the customer, experienced mediators, such as retired judges, former financial institution officers, lawyers, or any other qualified individuals with a proven track record, registered with the Bangladesh International Arbitration Centre ("**BIAC**") or a similar institution can conduct a mediation between the parties. If the mediation proves unsuccessful, both parties have the option to pursue arbitration. To facilitate this, banks can establish memoranda of understanding with organizations like BIAC and other arbitration centers.

Projects

*Request for Proposal for a Public-Private Partnership ("**PPP**") Project dated 7 May 2024 issued by the Public-Private Partnership Authority (PPPA) of Bangladesh to "**Design, Build, Finance, Operate, and Transfer the Naf Tourism Park at Teknaf, Cox's Bazar, Bangladesh**" Closing date: 7 August 2024*

The Bangladesh Economic Zones Authority (BEZA) is establishing a state-of-the-art tourism park in Teknaf Upazilla of Cox's Bazar District, which is known as the tourism city of Bangladesh. Spanning 280 acres, the park aims to leverage the region's potential as a tourism hub, offering attractive incentives and competitive packages through a PPP model. Interested entities, both domestic and international, are invited to submit proposals for the project based on a Design, Build, Finance, Operate, and Transfer basis. The park's strategic location along the Bay of Bengal, well-connected by air, rail, and road, presents opportunities for cruise ship services and connectivity to other tourism destinations. The request for proposal documents can be purchased for BDT50,000 or US\$500 either at a BEZA office or via its website. The deadline to purchase them is 8 June 2024 at 4:00 PM BST. The bid security is set at BDT100 million or US\$1 million.

CAMBODIA

Commerce

Decision No. 107 dated 3 May 2024 issued by the Ministry of Commerce on “Requirements and Procedures on Leniency under the Law on Competition”

This decision outlines the prerequisites and procedures for granting leniency to individuals implicated in an illicit horizontal agreement, as articulated in Article 7 of the Law on Competition. The Cambodia Competition Commission (“**CCC**”) may extend entitlements such as immunity or a reduction of fines and sanctions to those who voluntarily admit and submit evidence or information concerning their competition violations.

The highlighted below are the four types of leniencies and their eligibility criteria:

TYPE OF LENIENCY	ELIGIBILITY
Type 1: Immunity from fines and sanctions	<p>This type of leniency is when:</p> <ul style="list-style-type: none">▪ The applicant is the first to submit evidentiary documents and information to the CCC; and▪ There is sufficient basis for the CCC to:<ul style="list-style-type: none">▪ Initiate an examination when there is no pre-existing examination.▪ Advance an examination when there is already a pre-existing examination. <p>Those who exerted pressure on unwilling persons to engage in an unlawful horizontal agreement are not eligible for this leniency.</p>
Type 2: Reduction in fines and immunity from sanctions	<p>If an applicant does not fulfill the criteria under Type 1, they are still eligible for this type of leniency when:</p> <ul style="list-style-type: none">▪ The applicant submits evidentiary documents and information to the CCC; and▪ There is significant added value to the CCC examination per the CCC’s assessment. <p>The potential reduction is determined in accordance with the sequential ranking of the applicants:</p>

TYPE OF LENIENCY	ELIGIBILITY
	<ul style="list-style-type: none"> ▪ The 1st applicant will be granted a reduction in fines of between 40-50% and immunity from sanctions. ▪ The 2nd applicant will be granted a reduction in fines of between 30-40% and immunity from sanctions. ▪ Any subsequent applicants will be granted a reduction in fines of up to 30% and immunity from sanctions. <p>The CCC has discretion to determine the specific percentage for a reduction in fines by considering both the promptness of the application and added value.</p>
<p>Type 3: Immunity from fines and sanctions for natural persons who are current or former employees of those benefitting from immunity</p>	<p>Former and current employees of an applicant may also be entitled to the same immunity or reduction from fines and sanctions as the applicant if they cooperate with the CCC.</p>
<p>Type 4: Discretionary recommendation for reduction in fines and immunity from sanctions for current or former employees of those benefitting from a reduction in fines and immunity from sanctions</p>	<p>However, the CCC has the discretion to determine whether or not to grant this leniency.</p>

Requirements

- The applicant must submit the leniency application prior to the CCC rendering a decision on the preliminary examination by the investigating officer and submitting the case to the competent court.
- The applicant must submit a complete leniency application, with documents and information regarding their violation, along with an admission of their unlawful participation.
- The applicant, after receiving conditional leniency, must continue to maintain their compliance with the obligations until the CCC has rendered a decision on the preliminary examination and submits the case to the competent court.

The CCF serves as the implementing body and secretariat of the CCC, and is responsible for reviewing the application, evidentiary documents, and other assigned tasks.

Conditions

Upon receiving a complete leniency application, the CCC will grant conditional leniency and issue a notice to the applicant confirming:

- Conditional immunity or reduction from fines and sanctions.
- The conditions or requirements to be met by the applicant in order to obtain the final leniency.

Revocation and rejection

The CCC has the discretion to revoke conditional leniency if:

- The applicant fails to comply with any of the obligations of applicants with conditional leniency.
- The applicant acts in a dishonest manner or fails to cooperate promptly.

The CCC has the authority to reject the leniency application:

- If the alleged unlawful horizontal agreement falls outside the scope of the leniency scheme.
- If the applicant fails to rectify an incomplete application.
- For any other valid grounds as determined by the CCC.

LAOS



Accounting

*Notice No. 1241/CO dated 17 May 2024 issued by the Cabinet Office of the Ministry of Finance on the "**Use of Numerical Figures**"*

The purpose of this notice is to ensure the correct and consistent use of numerical figures in accounting records, accounting documents, and financial statement reports in accordance with Article 7 of the Accounting Law No. 46/NA dated 20 November 2023.

From the accounting year 2024 onwards, accounting records, accounting documents, and financial statement reports of implementing enterprise accounting entities using numerical figures in the accounts must use a comma (,) as the thousands, hundred thousands, millions, billions, and trillions separator symbol and a full stop (.) as the decimal separator symbol.

This notice is effective from the date of signature.

MYANMAR



Intellectual Property

*Notification No. 106/2024 dated 1 June 2024 issued by the State Administration Council on "**Specification of the Effective Date of the 2019 Patent Law**"*

As per Section 1(b) of the 2019 Patent Law, the State Administration Council specifies by this notification that the effective date of the 2019 Patent Law is 31 May 2024.

*Announcement No. 5/2024 dated 27 May 2024 issued by the Department of Intellectual Property on "**Registration of Marks**"*

Under this announcement, anyone wishing to have the intellectual property rights for a registered mark must register their mark in accordance with the 2019 Trademark Law despite anything to the contrary contained in any other existing laws.

Commerce

*Export and Import Bulletin No. 2/2024 dated 30 May 2024 issued by the Department of Trade ("DOT") on the "**List of Imported Goods Allowed to be Stored in Customs Bonded Warehouses without Import Licenses**"*

Under this bulletin, the DOT has significantly decreased the categories of imported goods that will be allowed to be stored in customs bonded warehouses without import licenses with effect from 7 June 2024. Below are the only four categories to be allowed:

- Medicines
- Various types of electric vehicles and related accessories
- Industrial raw materials and chemical raw materials
- Food raw materials

Under Export and Import Bulletin 16/2023 dated 21 December 2023, the DOT had allowed 14 categories of imported goods. After 7 June 2024, the DOT will no longer accept applications for the storage of the other categories of imported goods.

*Export and Import Bulletin No. 3/2024 dated 30 May 2024 issued by the DOT on “**Action to be taken against Importers whose Goods Arrive at the Ports or Airports prior to the Receipt of Import Licenses or Permits**”*

With effect from 1 July 2024, the DOT will take action against importers whose imported goods arrive at ports or airports before the importers have received an import license and/or permit issued by the Ministry of Commerce.

Taxation

*Notification No. 42/2024 dated 30 May 2024 issued by the Ministry of Planning and Finance on the “**Reduction of Customs Duty Rates on Imported Items for Domestically Assembled Semi-Knocked-Down (“SKD”) and Completely-Knocked-Down (“CKD”) Vehicles**”*

Starting from 1 June 2024, the Ministry of Planning and Finance has reduced customs duty rates applicable to imported items for the domestic assembly of SKD and CKD vehicles under a permit issued by the Myanmar Investment Commission as below:

No.	Type of Vehicle	Customs Tariff Rate 2022 (%)		Reduced Customs Tariff Rate (%)	
		SKD	CKD	SKD	CKD
1	Passenger vehicles with 2,000 ccs and below	7.5	5	5	3
2	Passenger vehicles with 2,001 ccs and above	7.5	5	5	3
3	Three-wheeled motorcycles (passenger)	7.5	5	3	1.5
4	Three-wheeled motorcycles (cargo)	7.5	5	3	3
5	Buses	7.5	5	3	3
6	Trucks	7.5	5	3	3
7	Motorcycles	3	3	1.5	1.5

This notification is in force from 1 June 2024 until 31 May 2025.

VIETNAM



BANKING and FINANCE

Decree No. 52/2024/ND-CP dated 15 May 2024 issued by the Government of Vietnam on the "Regulations For Cashless Payments"

This decree takes effect on 1 July 2024 and replaces Decree No. 101/2012/ND-CP. It introduces significant improvements to Vietnam's non-cash payment landscape, establishing a more comprehensive and user-friendly framework for non-cash payments in Vietnam, promoting transparency and security in financial transactions. The State Bank remains responsible for overseeing and managing these activities.

Below is a breakdown of the key changes:

- **Clearer definitions:** The decree provides a more precise definition of electronic money, including the different forms used for prepayment activities.
- **Simplified international payments:** International payments and systems are clearly defined, along with regulations for international financial switching services and cross-border service provision.
- **Enhanced payment account management:** The decree revises and expands regulations on opening, using, authorizing, blocking, closing, and managing balance of payment accounts.
- **Streamlined public service payments:** Businesses providing public services, such as banks, credit unions, microfinance institutions, and postal service providers, can now offer payment options that don't require customers to have individual accounts. This section of the decree outlines the approval process from the State Bank.
- **Increased combating of illegal activities:** The decree introduces a few additional clauses that explicitly prohibit unauthorized intermediary payment services, violations related to operating licenses, and the use of payment services for illegal purposes.

ENERGY

*Notice 232/TB-VPCP dated 20 May 2024 issued by the Government Office of Vietnam regarding the conclusion of Deputy Prime Minister Tran Hong Ha on “**Developing and Promulgating a Decree Regulating a Direct Electricity Trading Mechanism Between Renewable Energy Generation Units and Large Electricity Customers**”*

The notice promulgates the conclusions of Deputy Prime Minister Tran Hong Ha on the development and promulgation of a decree stipulating the direct electricity trading mechanism between renewable energy generators and large-scale electricity customers (“**DPPA**”).

The DPPA decree will focus on prioritizing the development of renewable energy instead of fossil energy, and at the same time research to expand the scope to biomass power and waste power. However, to ensure effectiveness and transparency, the DPPA decree needs to clarify a number of important issues, specifically the following:

- **Subjects of application:** Clearly define eligible buyers and sellers, including minimum electricity consumption requirements for large customers.
- **DPPA policy:** Ensure an open, market-driven approach with clear trading forms, responsibilities for all parties, and government oversight.
- **Procedures:** Simplify administrative processes to encourage business participation.
- **Electricity pricing:** Consider flexible pricing reflecting market value and incentivizing renewable energy use.
- **Infrastructure:** Synchronize grid development with renewable energy transmission needs.
- **For direct connections contract:** Define electricity planning, allow market-based negotiations, and avoid rigid contracts.
- **For national grid usage contract:**
 - Clarify roles for government, Vietnam Electricity, and the National Electricity System Dispatch Center.
 - Publicly disclose transmission service costs, infrastructure fees, and loss charges.
 - Expand the definition of “*large customer*” to include service providers.
 - Define renewable energy sources (wind, biomass, battery storage).
 - Ensure the DPPA decree complements existing regulations on rooftop solar power.

The Ministry of Industry and Trade is tasked with completing the draft DPPA decree and submitting it to the government in May 2024.

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** 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.*