

# LEGAL AND TAX DIGEST

BANGLADESH

LAOS

MYANMAR

Legislative developments – April 2026



# BANGLADESH



## Banking and Finance

*Act No. 14 of 2026 dated 10 April 2026 issued by the National Parliament of Bangladesh on "**Amendment of the Registration Act, 1908**"*

The amendment to the Registration Act, 1908 introduces wide-ranging reforms to modernize Bangladesh's document registration system. It extends certain statutory deadlines, expands the legal framework for gift (heba) declarations across Muslim, Hindu, Christian, and Buddhist personal laws, and imposes stricter accountability on registration officials for errors in fees, duties, or taxes. The law also sets mandatory timelines for the disposition of registration applications and appeals to reduce delays. A key feature is the introduction of a legal basis for digital registration, enabling the electronic submission and registration of documents through approved government systems. Additionally, it requires all registration-related fees, taxes, duties, and service charges to be paid upfront at the time of presentation. The amendment repeals the earlier 2026 ordinances while validating actions taken under them, ensuring continuity of legal effect.

*S.R.O. No. 84-Act/2026/02/Customs dated 3 March 2026 issued by the Ministry of Finance on the "**Duty-Free Import of Electric Student Buses**"*

The Government of Bangladesh has issued an S.R.O. granting a temporary full exemption from customs duty, regulatory duty, VAT, supplementary duty, advance tax, and advance income tax on the import of new electric buses (H.S. Code 8702.40.00) designated for transporting students to educational institutions. The facility applies to both public and private educational institutions, as well as authorized transport operators affiliated with them. To qualify, the buses must comply with BRTA or exporting country standards, carry a minimum battery warranty of seven years or 300,000 km, and be distinctly marked as student transport vehicles, including yellow coloring, appropriate signage, CCTV/IP cameras, and GPS tracking systems. The S.R.O. strictly prohibits the use of such buses for commercial, rental, or ride-sharing purposes and mandates their registration as student transport vehicles. Furthermore, any transfer of ownership within five years requires prior approval from the National Board of Revenue and may trigger duty recovery if conditions are breached. Importers must submit applications with supporting documentation to the National Board of Revenue, and any violation may result in revocation of the exemption, recovery of duty with penalties, and future disqualification. The

notification has immediate effect and will remain valid until 30 June 2026, reflecting a policy push toward sustainable and safe student transportation.

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*FEPD-1 Circular Letter No. 04 dated 9 April 2026 issued by the Foreign Exchange Policy Department-1 of the Bangladesh Bank on "**Streamlining the Disposal of Inward Remittances and Enhancing Operational Efficiency**"*

The Bangladesh Bank has issued a directive extending the transition period for implementing the operational frameworks on cross-border inward remittance processing until 30 June 2026. During this extended period, all authorized dealers ("ADs") are instructed to continue ensuring the timely processing and crediting of inward remittance receipts in line with the requirements set out in the earlier circular. ADs are further required to disseminate these instructions among their respective branches and relevant stakeholders, reinforcing compliance across the banking network. This extension reflects the central bank's commitment to maintaining efficiency and continuity in remittance inflows while allowing institutions additional time to fully align their operational systems with the prescribed framework.

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# LAOS



## Banking and Finance

*Decision No. 251 dated 24 March 2026 issued by the Bank of the Lao PDR (“**BOL**”) on the “**Management of Opening Offshore Bank Accounts**”*

This decision sets out regulations for the management and monitoring of offshore bank accounts opened by Lao residents under the administration of the Foreign Currency Management Department of the BOL (“**FCMD**”). It replaces the provisions on the management of opening offshore bank accounts provided under Decision No. 454 dated 30 May 2019.

Some of the highlights are outlined below.

### **Who is eligible to open an offshore bank account?**

- Individuals who do not require prior approval from the BOL to open an offshore bank account, such as students, diplomats, government delegates, and Lao workers employed overseas (“**Exempt Persons**”).
- Individuals, legal entities, and organizations require prior approval from the BOL to open an offshore bank account to conduct the following activities (“**Approval-Required Persons**”):
  - Receipt and repayment of loans during the loan term
  - Receipt of funds from fundraising through a stock exchange listing
  - Support for foreign direct investment and investment in a stock exchange, and the establishment of branches or representative offices overseas
  - Support for the distribution of goods and services that require payment overseas, including for product displays and e-commerce purposes

### **Types of offshore bank accounts allowed**

The allowed offshore bank accounts are current accounts and savings accounts. Other types of bank accounts will be considered on a case-by-case basis by the FCMD.

### **Application to open a new offshore bank account**

To open a new offshore bank account, an application with the following supporting documents must be submitted to the BOL:

- Enterprise registration certificate/investment license
- Business operation certificate (if any)

- Financial status certificate for the previous year
- Documentation evidencing the expected balance of the offshore bank account

The FCMD may request the following additional supporting documents on a case-by-case basis:

- Approval for offshore lending or borrowing issued by the FCMD
- Official acknowledgment issued by the Office of the Securities Management Committee regarding funds raised offshore through the offering of securities
- Approval for offshore investment issued by the relevant authorities, and approval from the authorities of the country of investment or the offshore joint venture agreement
- Approval for the establishment of overseas branches or representative offices
- Documentation relating to overseas product exhibitions or approval for conducting electronic commerce requiring offshore payment transactions

The approval process takes up to 10 working days from the date the FCMD receives a complete application. If the application is denied, the FCMD will notify the applicant in writing explaining the reason.

#### **Application to replace a current approval**

For accounts for which there is already an approval, a request can be made to the FCMD to consider issuing a new approval to replace the former version in the event of any significant change to the contents of the approval (such as a change in signatory), or if the approval is dirty, torn, or damaged.

#### **Official fees**

Official fees must be paid at the time the application is submitted to the FCMD, and are as follows:

- LAK1 million per application, per account for new accounts
- LAK500,000 to replace a previously issued approval

#### **Fund remittance to offshore bank accounts**

Anyone granted approval to open an offshore bank account may remit money in foreign currency out of the Lao PDR to the offshore bank account, provided that the amount does not exceed the limit specified in the approval. All remittances must be conducted through a single commercial bank, in accordance with the application and supporting documents required by that commercial bank.

#### **Prohibitions and penalties**

The decision specifies a number of prohibitions and their accompanying penalties. Generally, for the first minor violation, the offender will be subject to administrative guidance and a written warning. After that, monetary fines will apply as below.

*Exempt Persons are prohibited from:*

- Using offshore bank accounts in a manner inconsistent with the decision, which carries a penalty of LAK50 million.
- Failing to report account activity to the BOL upon request, which carries a penalty of LAK30 million.

*Approval-Required Persons are prohibited from:*

- Using offshore bank accounts in a manner inconsistent with the approval, which carries a penalty of LAK50 million.
- Depositing and/or remitting funds into an offshore bank account exceeding the amount specified in the approval, which carries a penalty of LAK10 million.
- Failing to report account activity to the BOL for more than three consecutive quarters, or reporting incorrect information, which carries a penalty of LAK30 million.
- Failing to close an offshore bank account and notify the BOL after the purpose for which the account was opened has been fulfilled, which carries a penalty of LAK30 million.

For both Exempt Persons and Approval-Required Persons, further repeat violations will be subject to a fine equal to twice the amount of the most recent penalty imposed.

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*Decision No. 310 dated 9 April 2026 issued by the BOL on “**Syndicated Loans**”*

This decision sets out the regulations and guidelines governing the provision of syndicated loan facilities and their arrangements by commercial banks with other commercial banks or financial institutions.

Some of the highlights are outlined below.

### **Roles in syndicated loan facility arrangements**

The decision defines the roles of the involved commercial banks and financial institutions in syndicated loan arrangements, as follows:

- **Lead bank:** This is the commercial bank that leads the syndicated loan arrangement, which is responsible for receiving, reviewing, and negotiating the borrower’s financing request, and for inviting other financial institutions to participate in the syndicate.
- **Agent bank (or correspondent bank):** This is the commercial bank appointed to administer the facility, including disbursing the loan, coordinating the execution of the loan agreement, and receiving principal, interest, and other charges from the borrower on behalf of the syndicate.
- **Security agent (or security bank):** This is the commercial bank appointed by the syndicate to act as the agent for holding and managing the security interests, including collateral and mortgages, on behalf of the lenders.

The lead bank may also assume the role of the agent bank or the security agent, and the agent bank may also act as the security agent, depending on the structure agreed among them.

### **Required usage of syndicated loan arrangements**

The decision requires commercial banks to arrange a syndicated loan facility to provide financing to a borrower where a borrower's loan request exceeds the lending limits prescribed under the Decision on the Scope of Lending by Commercial Banks No. 1062 dated 3 November 2025.

Under that decision, the lending limits are defined with reference to Tier 1 Capital, whereby (i) credit exposure to a single borrower must not exceed 25%; (ii) aggregate exposure to a group of related borrowers must not exceed 50%; and (iii) total exposure to major borrowers must not exceed 500% of Tier 1 Capital.

### **Currency used in syndicated loan arrangements**

The decision allows syndicated loans to be provided in either Lao Kip or foreign currency, depending on the borrower's request and the lender's consideration, provided that any extension of foreign currency loans complies with the applicable laws and regulations on foreign currency management.

### **Process of forming a syndicate of credit providers**

The process to form a syndicate of credit providers is as follows:

- Create a term sheet outlining the key facility terms agreed in principle by the lead bank and the borrower, which should include the following:
  - The borrower's general information and financial position
  - Details of the security provider(s) (if any)
  - Facility amount, tenor, interest rate, and applicable fees
  - Type and structure of the security
  - Repayment and prepayment terms
  - Overview of the project, including market analysis and projected cash flow
  - Key risks and proposed mitigation measures
  - Conditions precedent to the initial disbursement
  - Borrower's obligations and restrictions (covenants)
  - Events of default
  - Project approvals and relevant environmental assessments/approvals (if any)
  - Any other terms, as may be required
- After completing the term sheet, the lead bank issues invitations to other potential credit providers to join in the syndicated loan arrangement. The invited credit providers are provided with the term sheet and may request additional information, advice from the lead bank, or conduct their own due diligence on the borrower.
- After receiving confirmation from the participating credit providers to join the syndicated loan arrangement, the lead bank convenes a meeting with all participating credit providers to discuss and agree on matters relating to the forming of the syndicated loan arrangement, including the project valuation method, valuation fees, appointment of the

project assessor, and appointment of the agent bank and security agent. The lead bank may also request another participating bank to assume the role of lead bank in its place.

- Once a syndicate is formed, the members must enter into a syndicated loan agreement containing, at a minimum, the following:
  - Details of the lenders, borrower, and security provider (mortgagor)
  - Definitions and interpretations
  - Background and purpose of the financing/project
  - Key credit terms, including loan amount, interest rate, currency, maturity date, repayment structure for principal and interest, and applicable charges
  - The proportion of each lender's participation and the funding schedule
  - Payment and collection arrangements
  - Financial and non-financial covenants
  - Type of security, and provisions for its management and enforcement in the event of default
  - The rights and obligations of the lead bank, agent bank, security agent, and participating lenders
  - Risk allocation and dispute resolution mechanisms
  - Monitoring and reporting requirements, both prior to and following disbursement

### **Approvals required to participate in syndicated loan arrangements**

Foreign financial institutions participating in syndicated loan facilities in the Lao PDR must obtain approval from the Bank Supervision Department of the BOL ("**BSD**"), with the domestic lead bank submitting the application and supporting documents on their behalf. In such cases, the borrower is not required to obtain separate approval from the BOL for offshore borrowing.

The BSD will review the application within 30 days of receipt of a complete submission and, if the application is rejected, will notify the applicant in writing, stating the reasons for such rejection.

Similarly, commercial banks in the Lao PDR must obtain prior approval from the BSD before participating in syndicated loan facilities abroad.

## Labor

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*Decree No. 12 issued by the Government of the Lao PDR on 5 February 2026 on "**Local Employees Working with International Organizations in the Lao PDR**"*

This decree, which entered into effect on 23 March 2026 and was published in the Lao Official Gazette website on 30 March 2026, sets out regulations and guidance on the recruitment and registration of local employees working with international organizations in the Lao PDR. It replaces the previous version dated 1 November 2010. Key highlights are provided below.

## **Local employees working with international organizations**

The decree specifies that the term “local employees working with international organizations” refers to Lao citizens, or foreigners who are permitted to permanently reside in the Lao PDR (provided that the government of the foreigner’s home country acknowledges their employment in the Lao PDR), who work for international organizations, including embassies and consulates, United Nations organizations, regional organizations, foreign government organizations, international non-governmental organizations, and other related entities operating in the Lao PDR.

### **Local employee recruitment**

The recruitment of local employees by international organizations can be done in two main ways:

- By directly recruiting them.
- By requesting the Local Employee Management Organization under the central or provincial foreign affairs authority (“**Foreign Affairs Authority**”) to conduct the recruitment on their behalf. Upon completion of the selection process, the Foreign Affairs Authority will formally notify the organization of the selected candidates who have been accepted for employment.

For recruitment done by the Foreign Affairs Authority, if any supporting documents are in a foreign language, they must be translated into Lao and certified by the applicable Notary Office.

### **Local employees’ salaries**

A local employee’s salary is determined by mutual agreement with the international organization, but must not be lower than the minimum wage prescribed under the applicable Lao laws and regulations.

Local employees are also required to obtain their own taxpayer identification number from the relevant tax authority for their personal income tax declaration.

### **Local employee registration**

Within 15 days after the employment contract is signed, the international organization must apply, with all supporting documents, for registration of the local employee with the Foreign Affairs Authority.

The employment contract type, terms, duration, cancellation, termination, and extension must comply with the applicable laws and regulations of the Lao PDR.

### **Registration timeline**

For local employees working in Vientiane Capital, registration must be made with the central Foreign Affairs Authority. For local employees working in other provinces, registration must be made with the relevant provincial Foreign Affairs Authority.

Review of the local employee registration application and issuance of employee identification cards by the central Foreign Affairs Authority takes up to 15 days from receipt of a complete application.

Registration at the provincial Foreign Affairs Authority takes up to five working days from the date of receipt of a complete application and formal request letter. Once the registration is completed, the provincial Foreign Affairs Authority will forward the request letter and documents supporting the registration to the central Foreign Affairs Authority within five working days. The central Foreign Affairs Authority will then issue the employee identification card within 10 working days from the date it receives the request letter.

### **Validity of employee identification cards**

Employee identification cards are valid for one year and are renewable. Applications for renewal must be submitted within 30 days prior to the expiration date.

### **Required reporting to the Foreign Affairs Authority**

- **Recruitment:** The number of employees, salary or wage amount, and work location must be reported to the Foreign Affairs Authority within 15 days from the date of signing the employment contract.
- **Annual report:** The total number of employees and the utilization of such employees must be reported to the Foreign Affairs Authority on an annual basis or upon its request.
- **Relocation:** Relocation of local employees between provinces for assignments longer than three months must be reported to the Foreign Affairs Authority within 10 days of the relocation date.
- **Termination, expiration, and extension:** Any termination, expiration, or extension of the employment contract of the local employee must be reported to the Foreign Affairs Authority within 15 days from the date thereof.

### **Prohibitions for international organizations**

- Recruiting local employees in violation of this decree and other applicable laws and regulations.
- Engaging in, facilitating, or acting as an intermediary in any form of corruption.
- Using forced local labor in any form.
- Relocating local employees without notifying the Foreign Affairs Authority.
- Committing any other acts that violate the applicable laws and regulations of the Lao PDR.

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# MYANMAR



## Banking

*Notification No. 18/2026 dated 28 April 2026 issued by the Central Bank of Myanmar (the "CBM") on "Remittance Business Regulations"*

The CBM's new Remittance Business Regulations revoke the previous Remittance Business Regulations issued under Notification No. 21/2019 dated 15 November 2019. The new regulations impose stricter requirements on remittance business licensees and anyone wishing to apply for a remittance business license in Myanmar. We highlight below some of the notable changes:

- When applying for a remittance business license, applicants must submit:
  - Clean criminal records of all of the company's shareholders. Previously, clean criminal records were only required for shareholders contributing 10% or more of the capital.
  - Documentation proving that the foreign company, agent, or branch with which the remittance business will be operated has already obtained a license to operate a remittance business in the relevant country.
- The maximum number of operational bank accounts remittance business licensees can open in each country is two.
- Remittance business licensees must conduct, through an authorized dealer bank, daily settlement of inward and outward remittances between their domestic bank account and their offshore bank account or their branch's or agent's offshore bank account.
- Remittance business licensees must keep records of all remittance transactions for at least five years.
- Remittance business licensees must appoint a professional accountant in public practice ("**PAPP**") to prepare financial statements for each financial year in accordance with International Financial Reporting Standards. Moreover, they must also ensure that a PAPP is appointed as an external auditor to audit the financial statements. The audited financial report must be submitted to the CBM within three months after the end of each financial year.
- Remittance business licensees must comply with the Anti-Money Laundering Law and the Counter Terrorism Law as well as monitor and ensure that their agents and branches comply with them as well.

- The initial remittance business license fee has increased from MMK1 million to MMK3 million. The annual renewal fee has also increased, from MMK100,000 to MMK300,000.

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