

LEGAL DIGEST

BANGLADESH

CAMBODIA

LAOS

MYANMAR

VIETNAM

Legislative developments – January 2024





BANGLADESH

Banking and Finance

PSD Circular Letter No. 01 dated 18 January 2024 issued by the Payment System Department of the Bangladesh Bank on "Incorporating the Chinese Yuan in the BD-RTGS System"

The Bangladesh Bank is incorporating the Chinese Yuan ("CNY") into its real-time gross settlement ("RTGS") system. Presently, the RTGS system facilitates clearing and settlement in five foreign currencies—namely the US dollar, the British pound, the euro, the Canadian dollar, and the Japanese yen. Starting from 4 February 2024, the clearing and settlement processes for the CNY will also be integrated into the RTGS system.

BRPD Circular Letter No. 03 dated 25 January 2024 issued by the Banking Regulation and Policy Department of the Bangladesh Bank on "Opening Revenue Accounts for Project Financing by Respective Banks"

Under this circular, the Bangladesh Bank is directing financial institutions to establish revenue accounts in the name of funded projects to ensure effective loan repayment and proper monitoring. The impetus for this was that the Bangladesh Bank found that some borrowers were not depositing their project earnings or sales proceeds with their respective banks. This posed heightened risks for banks in terms of loan recovery, hindering proper loan monitoring.

Thus, banks are now mandated to open escrow or revenue accounts specifically designed to receive sales proceeds or project income, as outlined in the circular. In instances of syndicated financing, the lead bank will take charge of opening the account. The directive emphasizes the banks' responsibility to ensure the timely deposit of project income or sales proceeds. Additionally, where project income or sales proceeds exceed the outstanding loan amount, banks are permitted to open a revenue account, where borrowers can retain the surplus earnings.

Circular Letter No. 03 dated 30 January 2024 issued by the Department of Offsite Supervision of the Bangladesh Bank on "Financial and Regulatory Reporting of the Bangladesh Government Special Purpose Bond Held by Banking Institutions"

Until further instructions, the following procedure must be followed for financial and regulatory reporting of the Government of Bangladesh Special Purpose Bonds issued to various banking Institutions for subsidies on fertilizer and electricity:

- When calculating the minimum held-for-trading securities of the said Special Purpose Bond primary dealer bank, the total securities held by the bank will be excluded.
- The Special Purpose Bonds in question will not be included in the calculation to determine the maximum limit of the held-to-maturity portfolio of non-primary dealer banks.

CAMBODIA



Corporate Registration

Announcement dated 15 January 2024 issued by the Inter-Ministerial Working Group on "Implementation of Five Company Information Registration Functions on Business Registration in the CamDX System"

The scope of the CamDX system (the online business registration system) has been expanded to now allow for not only registration but also modification of company information, with the launching of five new functions on 15 January 2024 as follows:

1. Modification of the address details of a registered office
2. Modification of a company's articles of incorporation
3. Modification of a company's business activities
4. Maintenance and retrieval of the company's annual reports
5. Modification of a company's bank account information

The process can be done completely online, with no need for an on-site presence.

Taxation

Notification dated 4 January 2024 issued by the Ministry of Economy and Finance on "Continuation of Tax Exemption Principles, Additional Tax Relief, and Delay and Suspension of Tax Enforcement for the Real Estate Sector"

Pursuant to the decision of the Royal Government of Cambodia in the 19th Royal Government-Private Sector Forum, dated 13 November 2023, the Ministry of Economy and Finance ("MEF") is continuing the exemptions and relief for the real estate sector as specified below.

Stamp duty tax relief on the transfer of ownership or possessory rights of immovable property until 31 December 2024

- Continuation of the stamp duty tax **exemption** on the transfer of ownership or possessory rights of all types of Borey housing valued at less than or equal to US\$70,000.
- **Deduction of US\$70,000** from the stamp duty tax base for the purchase of all types of Borey housing.

To apply for the above relief, the conditions as stated in the Instruction Implementing the Royal Government's Decision on Tax Facilitation Measures to Mitigate the Impacts on the Hotel, Guesthouse, and Real Estate Sectors No. 002 dated 25 February 2020 of the Ministry of Economy and Finance as follows must be met:

- a. The first is that actual stamp duty tax must have been imposed during the relief period of 25 February 2020 to 31 December 2024 on the acquisition of ownership or possessory rights of immovable property.
- b. The acquisition must be from housing development companies registered with the Ministry of Economy and Finance or the Provincial Department of Economy and Finance and that hold a real estate business license.
- c. Housing development companies must create a sales-purchase contract based on market price. If necessary, the General Department of Taxation may inspect companies that reduce purchase prices, potentially impacting tax revenue. Taxpayers must include the original copy of the sales-purchase contract with their application for stamp duty tax on the transfer of ownership or possessory rights of immovable property.

Immovable property tax

Administrative penalties (additional tax and interest) for immovable property will be waived through 30 June 2024. Therefore owners or final beneficiaries that have immovable property (with or without an ownership certificate) that has not been registered and for which property tax has not been declared are allowed to register their property and pay the tax due starting from the year of occupancy or granting of final benefit during that time without having to pay any fines or penalties. From 1 July 2024 onwards, the tax will be implemented based on the laws and regulations in force, with the corresponding administrative penalties applied.

Unused land tax

Unused land tax is suspended until 31 December 2024, allowing owners, occupants, or beneficiaries to declare the tax without obligation. The Ministry of Economy and Finance will issue regulations minimizing conditions for tax exemption from 2025 onwards. Land that exceeds five hectares may be exempted from unused land tax in accordance with the following conditions:

- Agricultural land that is being cultivated, with the approval of the land assessment committee or subcommittee for unused-land
- Land serving the economic activities of natural or legal entities and registered with the tax administration
- Land with or without construction under a lease agreement
- Land owned by the Royal Government or governmental institutions
- Economic land concessions leased from the State
- Land leased to a legal entity for various economic activities
- Land located in special economic zones serving agricultural, industrial, and service activities
- Land registered as an asset of an enterprise in education, administration, or vocational training

All of the above exemptions, relief, and suspensions of taxes are NOT retroactive, including for administrative penalties (additional taxes and interest), that have already been paid.

LAOS



Mining

*Decree No. 373/G dated 1 December 2023 issued by the Prime Minister of the Lao PDR on "**Fines and Other Measures for Violators of Mineral Laws and Regulations**"*

The decree, which applies to both domestic and foreign individuals, legal entities, and organizations that violate mineral laws and regulations in the Lao PDR, determines the severity of fines and other measures for those who do so.

In addition to monetary penalties, the appropriate authorities will impose various sanctions on violators, including education, the seizure of tools and equipment used in mining activities, and the suspension or revocation of mining business operation licenses.

The decree was published in the Lao Official Gazette on 11 January 2024 and enters into effect on 1 April 2024.

Notarization

*Instruction No. 1786/MOJ dated 28 December 2023 issued by the Minister of Justice on "**Implementation of the Amended Notary Law**"*

The purpose of this instruction is to implement and further clarify the provisions under the Amended Law on Notary No. 24/NA dated 29 December 2022.

The main change is the introduction of online submission; there are only minor changes to the other procedures.

The instruction also specifies the required documentation and application process to notarize each type of agreement or contract.

MYANMAR



Intellectual Property Rights

Notification No. 67/2023 dated 29 September 2023 issued by the Ministry of Commerce on the "Rules for Industrial Design Registration"

The notification entered into force on 31 October 2023 and was published in Official Gazette Vol. 77(1) dated 5 January 2024. It specifies the Rules for Industrial Design Registration under the Industrial Design Law (2019), covering the following:

- Required information and documents for the registration process
- Process to obtain the priority rights
- Industrial design registration application review process
- Application resubmission and withdrawal process
- Application objection process
- Industrial design registration and the keeping of the register
- Industrial design right waiver
- Registration certificate renewal
- Procedure to record the transfer or licensing of registered industrial design rights
- Revocation of the licensing of registered industrial design rights
- Invalidation of the registration of an industrial design

Notification No. 70/2023 dated 23 October 2023 issued by the Ministry of Commerce on the "Rules for Copyright Registration"

The notification entered into force on 31 October 2023 and was published in the Official Gazette Vol. 77(1) dated 5 January 2024. It specifies the Rules for Copyright Registration under the Copyright Law (2019), covering the following:

- Copyright registration application submission and withdrawal process
- Copyright registration and the keeping of the register
- Registration and revocation of the transfer of economic rights
- Revocation of the registration of a copyright
- Appointment of an agent for registration

Notification Nos. 961, 962, 963, 964, 965, 973 dated 27 October 2023 issued by the Supreme Court of the Union of Myanmar on the "Jurisdiction of the Courts over Copyright Cases"

These notifications entered into force on 31 October 2023 and were published in the Official Gazette Vol. 77(4) dated 26 January 2024. They confer original, appellate, or revisional jurisdiction on certain courts over different matters relating to copyright ownership.

Notification Nos. 955, 956, 957, 958, 959, 960 dated 27 October 2023 issued by the Supreme Court of the Union of Myanmar on the "Jurisdiction of the Courts over Industrial Design Cases"

These notifications entered into force on 31 October 2023 and were published in the Official Gazette Vol. 77(4) dated 26 January 2024. They confer original, appellate, or revisional jurisdiction on certain courts over different matters relating to industrial design rights.

Environmental Protection

Notification No. 74/2023 dated 7 June 2023 issued by the Ministry of Natural Resources and Environmental Conservation on the "Procedure for the Transboundary Movement of Hazardous and Other Wastes under the Basel Convention"

The notification was published in Official Gazette Vol. 77(2) dated 12 January 2024. It specifies the procedure for the movement of hazardous and other wastes through Myanmar as a state of transit, measures to control the illegal transboundary movement of hazardous and other wastes, the procedure for the movement of the waste to or from non-contracting states, and requires exporters or importers of hazardous and other waste to:

- Seek the necessary permission for the transboundary movement of the waste.
- Ensure that the waste is properly packaged.
- Comply with the applicable laws of the state of export or the state of import.

Insolvency

Notification No. 1185/2023 dated 20 December 2023 issued by the Supreme Court of the Union of Myanmar on the "Procedure for Adjudication of Cases Filed for Winding Up Companies under the Insolvency Law"

The notification was published in Official Gazette Vol. 77(2) dated 12 January 2024 and Vol. 77(4) dated 26 January 2024. It provides the procedure for the adjudication of cases filed for the winding up of registered companies, micro-, small-, and medium-sized enterprises, partnerships, overseas corporations, and associations in Myanmar, covering the following:

- Who can apply for the winding up of an entity
- How a summons is served under the Code of Civil Procedure
- When the written argument must be submitted

- How the final hearing is conducted
- How and when a liquidator is appointed
- How an application for insolvency order is submitted

VIETNAM



Energy

Letter No.644/TTr-BCT ("Letter 644") dated 26 January 2024 issued by the Ministry of Industry and Trade ("MOIT") on the "Proposal for the Issuance of the Implementation Plan for the National Power Development Master Plan VIII for the Period 2021-2030, with a Vision to 2050"

Some key highlights of the Letter 644 implementation plan include the following.

The implementation plan will be done in two phases:

- The **first phase** will primarily cover the list of significant and high-priority power source and grid projects (see below for the list) along with the wind power, small hydropower, biomass power, waste-to-energy projects that meet the guidelines and the types of power sources that need to be developed.
- After being evaluated and re-proposed by the appropriate authority, the **second phase** will cover approval of the wind power, small hydropower, biomass power, waste-to-energy projects that did not fulfill the requirements to be included in the first phase.

The implementation plan covers:

- Forecast of electricity demand;
- Investment plan for the power sector;
- Land use requirements;
- Solutions and resources needed to carry out the implementation plan.

Below are the significant and high-priority power projects that were selected using the standards and explanations provided in Decision No. 500/QĐ-TTg, as provided in Appendix III of Letter 644:

- LNG thermal power with a total capacity of 22,400MW (Table 1);
- Coal-fired thermal power with a total capacity of 30,127MW (Table 2);
- Co-generation, residual heat utilization, blast furnace gas, and byproducts with a total capacity of 2,700MW (Table 4);
- Domestic gas-fired thermal power with a total capacity of 14,930MW (Table 5);
- Hydropower with a total capacity of 29,346MW, including medium and large projects (Table 6);
- Tidal hydropower with a total capacity of 2,400MW (Table 7).

Circular 19/2023/TT-BCT dated 1 November 2023 issued by the MOIT on "Methods for the Determination of the Solar Power and Wind Power Generation Pricing Frameworks"

Circular 19/2023/TT-BCT takes effect from 19 December 2023.

Power generation pricing framework principles

The power generation price bracket is a range of values from a minimum value of VND o/kWh to the maximum value that will be established and issued annually, which will be applicable for:

- Ground-mounted solar power plants;
- Floating solar power plants;
- Onshore wind power plants;
- Nearshore wind power plants;
- Offshore wind power plants.

At the end of each year, the MOIT will approve a "standard" solar power plant and a standard wind power plant to develop the power generation price framework for the following year. The price bracket of these two standard plants is the maximum value applicable to power plants of each respective type, which will be determined according to the methods detailed in Circular 19.

In addition, for ground-mounted and floating solar power plants, the pricing bracket applicable must be established on the basis of the average radiant intensity of Vietnam's Northern, Central, and Southern regions.

Vietnam Electricity will bear the responsibility to either handle all determination itself or to delegate a committee to choose the standard power plants, calculate the power generation pricing bracket, and submit a package of required documents to the related authorities for approval before November every year.

Real Estate

Law No. 29/2023/QH15 dated 28 November 2023 on "Real Estate Business" issued by the Vietnam National Assembly.

The 15th National Assembly of Vietnam voted and ratified the Amended Laws on Real Estate Business ("**Amended LREB**") at its 6th meeting in November 2023. This legislation takes effect from 1 January 2025.

Noteworthy revisions are set out below.

1. Certain foreign-invested enterprises will be treated the same as wholly domestic-owned enterprises.

Foreign-invested enterprises under the Amended LREB may be allowed to register and conduct real estate business like local enterprises, provided they are not subject to the restrictions and procedures under the Law on Investment applicable to foreign investors.

They may be permitted to engage in an assortment of real estate projects, including:

- Selling, leasing, and subleasing land-use rights after having invested in and completed the required technical infrastructure;
- Purchasing construction works for sale, lease, or lease-purchase;

- Purchasing land-use rights with completed infrastructure in a real estate project for sale or lease;
- Leasing land-use rights that have been equipped with the required technical infrastructure in a real estate project for subleasing.

2. Buyers of residential properties still in the construction phase can opt to disregard bank guarantees.

Before selling or leasing for purchase a house that is still under construction, developers of residential real estate must obtain a financial guarantee from a licensed commercial bank. The option fee and other amounts due to the client under the terms of the signed purchase or lease-purchase agreement and the financial guarantee will be returned by the guarantor if the developer does not deliver the house on time.

This condition may be waived by the buyer at their discretion under the Amended LREB. This gives customers the freedom to decide if the extra security layer justifies the guarantee's increased cost, which developers frequently pass along to customers.

3. A reduced ceiling on pre-collection fees for future real estate hire-purchases.

Regardless of the project, the Amended LREB establishes a lower ceiling on pre-collections of hire-purchases of future property. Currently, only hire-purchases of future residential property are subject to the 50% contract price cap. Once the Amended LREB enters into force, developers of all kinds of future real estate will be permitted to pre-collect only up to 50% of the hire-purchase contract value prior to handover.

4. Capped deposits for future property hire-purchases and offers for sale.

For the first time, the Amended LREB caps deposit payments for sales and hire-purchases of future real estate at 5% of the contract amount. Notably, the 30% first-time pre-collection level includes this 5%.

* * *

** 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.*