







# COVID-19 GOVERNMENT INITIATIVES & SUPPORT IN ASIA



A regional snapshot gathered from DFDL's COVID-19 resource hub


PART 1  
**BANKING & FINANCE**


JURISDICTION	GOVERNMENT INITIATIVES
<p style="text-align: center;"><b>BANGLADESH</b></p> 	<ul style="list-style-type: none"> <li>▪ <b>Moratorium imposed:</b> The Bangladesh Bank (BB) has recently issued separate circulars addressed to scheduled banks and non-banking financial institutions (“NBFI”) to address the economic disruptions due to Covid-19. Moratorium period is up to <b>30 September 2020</b></li> <li>▪ <b>Moratorium limitation on domestic loans:</b> The circulars of the BB are addressed only to Banks and NBFI’s licensed by BB. Accordingly borrowers having offshore liabilities with foreign lenders cannot avail the benefit of moratorium.</li> <li>▪ <b>Stimulus packages offered to selected sectors:</b> In order to limit the impact of the COVID-19 pandemic on the country’s economy, the government of Bangladesh has announced an initial stimulus package featuring:                     <ul style="list-style-type: none"> <li>(a) USD3.53 billion for the affected industries and service sector organization as working capital through commercial banks at the rate of 9% interest of which 4% interest will be borne by the respective organization and 4.5% interest will be borne by the government;</li> <li>(b) USD2.35 billion for the small and medium enterprises at the rate of 9% interest of which 4% interest will be borne the respective enterprises and remaining 5% interest will be borne by the government;</li> <li>(c) To facilitate export trade BB has increased the export development fund (EDF) to USD5 billion and the rate on EDF loans to authorized dealers (AD) by BB will be 1% pa and the ADs will charge interest to manufacturer-exporters at 2% pa until further instructions;</li> <li>(d) BB introduced a new credit facility of USD0.58 billion as pre-shipment credit reliance scheme at the rate of 7% interest;</li> <li>(e) The foreign owned /controlled companies operating in Bangladesh may access short term working capital loans for the tenure of one year extendable to another one year from their parent companies/shareholders abroad to meet actual needs for payment of 3 month wages and salary to its staffs; and</li> <li>(f) The BB has introduced a new credit facility of USD0.58 billion for the agricultural sector at the rate of 4% interest.</li> </ul> </li> </ul>
<p style="text-align: center;"><b>CAMBODIA</b></p> 	<ul style="list-style-type: none"> <li>▪ <b>No moratorium:</b> No announcement of any moratorium on debt repayments by borrowers in response to COVID-19 as of date.</li> <li>▪ <b>Support Response from National Bank of Cambodia (NBC):</b> The NBC issued a press release in order to provide more liquidity to Cambodian banks and financial institutions to help mitigate the impact of COVID 19 on Cambodia’s economy, which cover:                     <ul style="list-style-type: none"> <li>(a) Extension of the period for the banks and financial institutions to maintain the level of capital conservation buffer (CCB) at 50%;</li> <li>(b) Reduction of the minimum interest rate of the Liquidity-Providing Collateralized Operation (LPCO) by 0.5% for all maturities;</li> <li>(c) Reduction of the interest rate of the Negotiable Certificate of Deposit (NCD) denominated in Riel and USD at an appropriate level;</li> <li>(d) Reduction the Reserve Requirement Rate (RRR) from 8% for Riel and 12.5% for currency to 7% for both Riel and currency for a period of 6 months starting from April 2020; and</li> <li>(e) Reduction of the Liquidity Coverage Ratio (LCR) at an appropriate level as necessary.</li> </ul> </li> </ul>




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<p data-bbox="214 458 366 482"><b>CAMBODIA</b></p> 	<ul style="list-style-type: none"> <li data-bbox="537 187 2333 277"> <p>▪ <b>Further measures to support tourism &amp; aviation sectors:</b> The tax exemption that had been provided on the payment of all monthly taxes to hotels, guesthouses, restaurants and travel agents that are registered with the General Department of Taxation Cambodia (“<b>GDT</b>”) that have their business activities in Phnom Penh, Siem Reap, Preah Sihanouk, Kep, Kampot, Bavet and Poi Pet will be extended for a period of two (2) months from June 2020 to July 2020.</p> </li> <li data-bbox="537 315 2333 434"> <p>▪ <b>Revision of the conditions attached to the low-interest loans:</b> Low-interest loans have previously been made available through: (1) the Royal Government of Cambodia (“<b>RGC</b>”)’s USD 50 million special fund and extended via the Agriculture Rural Development Bank (“<b>ARDB</b>”); and (2) the USD 100 million special financing scheme to small and medium enterprises by the participating financial institutions. Some conditions attached to these loans have been revised, making them more favorable.</p> </li> <li data-bbox="537 472 2333 691"> <p>▪ <b>Measures to increase cash flow &amp; withholding tax rate reduction:</b> The Ministry and Economy and Finance (“<b>MEF</b>”) and the National Bank Cambodia will jointly consider the possibility of relaxing and adjusting certain conditions applicable to the banking sector in order to increase cash flow within the banking system:</p> <ul style="list-style-type: none"> <li data-bbox="614 551 2333 641">(a) The MEF will establish a USD 200 million credit guarantee fund to provide loan guarantees to ease the cash flow and working capital pressures of businesses in all sectors, which is expected to generate liquidity of at least USD2,000 million. The MEF will also provide additional financing of up to USD300 million to promote the growth in key sectors during and after the Covid-19 crisis.</li> <li data-bbox="614 662 2333 691">(b) For financial institutions obtaining financing whether domestically or offshore, the applicable withholding tax rate on interest payments will be revised.</li> </ul> </li> <li data-bbox="537 729 2333 819"> <p>▪ <b>Introduction of the it business registration platform:</b> To facilitate and promote business registration on-line, Phase 1 of the IT business registration platform will be introduced in early June 2020 which will make the registration process easier for those enterprises wishing to be registered in order to apply for loans under the RGC’s special financing scheme.</p> </li> </ul>
<p data-bbox="214 1100 366 1125"><b>INDONESIA</b></p> 	<ul style="list-style-type: none"> <li data-bbox="537 943 2333 1033"> <p>▪ <b>Moratorium on debt service:</b> The Indonesian Financial Services Authority has provided an extension of loan payment deadlines for micro, small and medium enterprises (“<b>MSMEs</b>”) for up to one year to help them cope with the economic impacts of the pandemic. The moratorium applies to business loans from both from banks and non-bank institutions alike for up to USD 619,118. MSMEs may also be approved for a temporary reduction of the interest rate.</p> </li> <li data-bbox="537 1072 2333 1133"> <p>▪ <b>Restriction on creditor demands:</b> Creditors have been prohibited by the Indonesian Financial Services Authority from demanding loan installments, especially through debt collection services and the police have been called on not to enforce such collections.</p> </li> <li data-bbox="537 1172 2333 1290"> <p>▪ <b>Debt quality assessment and restructuring requirements for debtors impacted by COVID-19 have been relaxed:</b> Banks now only assess the quality of a loan worth up to USD 594,282 based on a debtor’s timeliness in paying the loan’s principal and interest. Previously, the banks also assessed the debtor’s business prospects and financial condition. Banks are now also allowed to classify loans as 'good' despite declining quality due to the pandemic and to not categorize it as a non-performing loan.</p> </li> </ul>

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<p style="text-align: center;"><b>INDONESIA</b></p> 	<ul style="list-style-type: none"> <li>▪ <b>Relaxation on credit cards holders:</b> Starting from 1 May, the following measures will be imposed: <ul style="list-style-type: none"> <li>(a) lowering maximum credit card interest rate, from 2.25% to 2%;</li> <li>(b) lowering the minimum credit card, from 10% to 5%, will be effective until 31 December 2020; and</li> <li>(c) lowering the late payment penalty, from 3% or maximum of IDR 150,000.00, to 1% or maximum of IDR 100,000.00, will be effective until 31 December 2020.</li> </ul> </li> </ul> <p>In addition to the above, the government support the credit bank issuers in extending the payment period for customers who have been financially impacted by COVID-19. The implementation mechanism will be subject to each issuer's discretion. This will be effective as of 1 May to 31 December 2020.</p>
<p style="text-align: center;"><b>LAO PDR</b></p> 	<p><b>The Bank of Lao PDR issues instructions on specific measures to be implemented by commercial banks and financial institutions:</b> In order to limit the impact of the COVID-19 pandemic on Lao individuals and business, the BOL, under Decision (No. 238/BOL, 26 March 2020), has instructed to postpone the repayment of principal and interest, reduce interest rates and fees charged to the customers as appropriate.</p> <p>Under the BOL decision, the commercial banks and financial institutions need to:</p> <ul style="list-style-type: none"> <li>(a) postpone the repayment of principal and interest;</li> <li>(b) reduce interest rates and fees based on the business operation of the debtors;</li> <li>(c) consider to provide new loans the debtors and people who are affected by COVID-19; and</li> <li>(d) restructure the loans for the affected debtors by changing the loan term or repayment of principal and interest based on the debtors' abilities to pay, including the suspension of principal and interest payment for one year or as agreed by the commercial banks and customers. The Decision does not specify the reduction of interest rates as such reduction discretion and determination still rests with the commercial banks and financial institutions.</li> </ul> <p><b>The Commercial Bank Supervision Department of the Bank of Lao PDR further issues an Instruction (No. 249/CBSD, 11 May 2020) on the implementation of the BOL Decision (No. 238/BOL, 26 March 2020) on credit policy to remedy impacts of the COVID-19 pandemic. Under this Instruction, the following credit policies will be implemented:</b> (i) debt restructuring by postponement of repayment of principal, interest; reduction of interest rate or fees and charges; exemption from penalty measures for debtors; (ii) provide new loan to support liquidity or to restore the production and business.</p> <p><b>The bank cannot provide a new loan to repay existing loan. The eligible customers who are affected by COVID-19 and entitled to credit policies include:</b> (i) individuals, legal entities who are the business owners or carry out business activities and such business activities are suspended wholly or partly due to the COVID-19 epidemic prevention measures; (ii) freelancers who cannot conduct their activities; and (iii) any persons who are indirectly affected by the COVID-19 epidemic prevention measures. For debt restructuring, the bank cannot combine interest due with the principal. The bank must combine interest due with interest to be payable by debtors under the debt restructuring contract to be entered into between the debtors and the bank and based on the actual capacity of payment of the debtors.</p>

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<p data-bbox="224 682 372 711"><b>MYANMAR</b></p> 	<p data-bbox="542 208 2339 297">The Myanmar government has come up with the COVID-19 Economic Relief Plan (“<b>CERP</b>”) on 27 April 2020 in order to mitigate the risks involved with the global COVID-19 pandemic and the current economic slowdown. The CERP encompasses 7 goals, 10 strategies, 36 action plans and 76 actions to cover a broad range of extraordinary fiscal measures.</p> <ul style="list-style-type: none"> <li data-bbox="542 334 2339 394">▪ <b>Moratorium on debt service:</b> Banks have been allowed to restructure and reschedule loans extended to micro, small and medium enterprises (MSMEs) that have regularly serviced the loans including the interest portion up to a maximum of three years.</li> <li data-bbox="542 431 2339 491">▪ <b>Cutting interest rates:</b> The Central Bank of Myanmar (CBM) slashed the annual interest rates by an additional 1.5 percent. The annual interest rate of the CBM stands at 7% effective May 1.</li> <li data-bbox="542 528 2339 773">▪ <b>Stimulus packages offered to select industries:</b> The Myanmar government has announced an initial stimulus package to reduce the impact of COVID-19 on the country’s economy featuring: <ul style="list-style-type: none"> <li data-bbox="619 619 2339 679">– USD 70 million (MMK 100 billion) fund for cut-make-package (CMP) in the garment and manufacturing industry and hotel and tourism businesses, as well as Myanmar owned small and medium-sized enterprises; and</li> <li data-bbox="619 716 2339 776">– 1 % Interest rate on 1 year loans provided by the fund with the rate and period to be reviewed later after the economic impact of the virus outbreak can be assessed;</li> </ul> </li> </ul> <p data-bbox="619 811 2339 871">The Myanmar government aims to increase the abovementioned fund from USD 70 million to USD 140 – 350 million (MMK 100 billion to MMK 200-500 billion) by the end of 2020.</p> <ul style="list-style-type: none"> <li data-bbox="542 908 2339 1202">▪ <b>Stimulus packages offered to other industries:</b> <ol style="list-style-type: none"> <li data-bbox="619 953 2339 1042">(a) Other than the beneficiaries in the abovementioned sectors, the Myanmar government will guarantee 50% of loans made by a bank to a Myanmar enterprise whose turnover is less than MMK 1 billion (USD 70 million) to be used as working capital. The guarantee would be provided on the pre-condition that all the employees of the enterprise as on 1 February 2020 would be maintained and if terminated such employees would be rehired;</li> <li data-bbox="619 1065 2339 1125">(b) To provide government guarantees to existing or new firms in selected high-growth sectors of the economy which have been impacted due to the COVID-19 pandemic; and</li> <li data-bbox="619 1148 2339 1208">(c) The government also intends to speed up the merger of the Myanma Economic Bank and the Myanmar Agricultural Development Bank and increase the existing commercial lending programs to the most economically affected townships before the end of 2020.</li> </ol> </li> <li data-bbox="542 1239 2339 1299">▪ <b>Reduction in deposit rates and stabilization of lending rates:</b> Starting from May 1, the minimum interest rate payable on savings, saving certificates and time deposit in banks in Myanmar will be reduced to 5%, while lending rates will not exceed 10% for collateralized loans and 14.5% for other unsecured loans.</li> </ul>

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<p data-bbox="224 662 372 686">MYANMAR</p> 	<ul style="list-style-type: none"> <li data-bbox="545 358 2339 829"> <p>▪ <b>Stimulus offered to Banks:</b> The following stimulus have been offered to banks by the CBM to allow the banks to cope up with the impact of economic slowdown:</p> <ul style="list-style-type: none"> <li data-bbox="621 436 2237 461">(a) The minimum reserve requirement for banks have been temporarily reduced from 5% to 3.5% of customers' deposit up to 30 September 2020;</li> <li data-bbox="621 482 2339 539">(b) Between 20 April 2020 to 30 September 2020, banks have been directed that while calculating liquidity ratios and treasury bonds with a term of one year or more shall be included at 90% as against the usual 50%;</li> <li data-bbox="621 561 2168 585">(c) Banks have been allowed flexibility regarding capital requirement, large exposure and non-performing loans for a period of up to 3 years;</li> <li data-bbox="621 606 2339 664">(d) The Myanmar government aims at establishing an Asset Management Company as soon as possible to set aside potential non-performing loans held by banks for 5-7 years and allow the banks to contribute towards credit growth; and</li> <li data-bbox="621 685 1939 709">(e) CBM to conduct credit auctions on an immediate basis to inject more liquidity into the banking and financial sector;</li> <li data-bbox="621 731 2339 825">(f) The Ministry of Planning, Finance and Industry (“<b>MOPFI</b>”) along with the CBM must temporarily reduce Treasury Bond or Bill auction sales before the end of 2020 and by the end of 2020, allow the CBM’s financing of the fiscal deficit to increase as necessary up to a suitable level consistent with a target growth in the money supply.</li> </ul> </li> <li data-bbox="545 865 2339 1051"> <p>▪ <b>Stimulus offered to Microfinance Institutions:</b></p> <ul style="list-style-type: none"> <li data-bbox="621 911 2339 1005">(a) The Microfinance Business Supervisory Committee <i>vide</i> Directive 2/2020 instructed Microfinance Institutions (“<b>MFIs</b>”) to negotiate with borrowers and not to collect interest and principal payments according to strict timeframes. The lending and collecting of loans by MFIs have temporarily been paused till 15 May 2020; and</li> <li data-bbox="621 1026 2104 1051">(b) As per the CERF, the Financial Regulatory Department under the MoPFI must ensure that MFIs have full access to low-cost funding.</li> </ul> </li> </ul> <p data-bbox="545 1086 2339 1143"><b>Increasing COVID-19 fund and contingency fund:</b> The government aims to increase the budget allocated for the Covid-19 Fund and Contingency Fund by cutting the budget to the other government entities to the extent possible.</p>

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<p data-bbox="224 682 361 708">THAILAND</p> 	<ul style="list-style-type: none"> <li data-bbox="545 182 2328 239">▪ <b>Moratorium on debt repayments:</b> The Thai Bankers' Association announced a 1 year moratorium for COVID-19 impacted borrowers as part of a relief package.</li> <li data-bbox="545 279 2328 337">▪ <b>Assistance from State-owned Financial Institutions:</b> State-owned financial institutions are agreeing to government requests for debt relief for struggling business operators.</li> <li data-bbox="545 376 2328 559">▪ <b>Financial Aid:</b> In April, the Thai Government announced a third economic stimulus package in the region of THB 1.9 trillion baht aiming to relieve COVID-19 impacts on Thai businesses by way of 3 emergency decrees. The first decree enables the transfer of THB 80-100 billion to the central budget for use as stimulus funds. The second will permit the Bank of Thailand to use up THB 900 billion baht to boost the economy. The third decree allows the Finance Ministry to borrow up to THB 1 trillion of which THB 600 billion will be used for cash handouts and public health and THB 400 billion will be spent on economic recovery measures (in addition, there will be another THB 80-100 billion available after reorganization of the budgets of government authorities). Commercial banks in Thailand will provide THB 123 billion of low-interest, no-fee loans to tourism-related businesses.</li> <li data-bbox="545 599 2328 719">▪ <b>Facility for mutual fund liquidity:</b> BOT has set up a special facility which will ease liquidity for mutual funds through commercial banks that purchase investment units of high-quality money market funds or daily fixed income funds impacted by the decreased market liquidity. These mutual funds will be able to use the underlying units as collateral for liquidity. The facility will remain open until the market condition returns to normal. BOT' s preliminary estimate of eligible mutual funds is approximately THB 1 trillion.</li> <li data-bbox="545 759 2328 879">▪ <b>Bank of Thailand lays out guidelines for minimum assistance:</b> BOT orders banks to suspend dividend payments. The Bank of Thailand Governor Veerathai Santiprabhob said that Covid-19 had caused widespread impacts on businesses and the general public. The Bank of Thailand has ordered commercial banks to draw up management plans for the next three years. The Bank of Thailand has ordered Thailand's commercial banks to freeze interim dividend payments to shareholders. And also suspend stock buybacks to preserve capital in an economy devastated by the Covid-19 pandemic.</li> <li data-bbox="545 919 2328 1159">▪ <b>Phase 2 of COVID-19 relief measures announced:</b> Debt relief measures announced on Friday include interest rate cuts of 2-4 percentage points for credit cards and personal loans. <ul style="list-style-type: none"> <li data-bbox="621 1011 2328 1068">– The maximum interest rate for credit cards will fall to 16% per year from 18%, while the rates for personal loans will be reduced to 24-25% from 28%, effective from Aug 1, the BoT said.</li> <li data-bbox="621 1108 2328 1159">– The new rates for revolving loans and installment loans will be 25%. Auto title loans will carry a maximum rate of 24%. The central bank also said credit lines could be raised for credit cards and personal loans for some good debtors from August to December.</li> </ul> </li> <li data-bbox="545 1199 2328 1319">▪ <b>Revised bond issuance program for 2020:</b> The BOT announces a revised bond issuance program for 2020 to ensure an appropriate level of bond supply amid the coronavirus outbreak. While auction days and frequency will remain as announced, the central bank will adjust the frequency of auction of three and six month bills, and fixed-coupon bonds. The ranges of maximum and minimum issue size per auction are expanded to 10 billion baht to 60 billion baht for all maturities of BOT, bills to allow greater flexibility to accommodate government funding plans and changes in investor demands.</li> </ul>




## JURISDICTION

## GOVERNMENT INITIATIVES

THE PHILIPPINES<sup>1</sup>

- The Department of Finance issued the implementing rules and regulations (“IRR”) on the 30-day grace period provided under the Bayanihan Act. The IRR covers all lenders, including but not limited to banks, quasi-banks, non-stock savings and loan associations, credit card issuers, pawnshops, and other credit granting financial institutions under the supervision of the Bangko Sentral ng Pilipinas (“BSP”), Securities and Exchange Commission, and Cooperative Development Authority, public or private, including the Government Service Insurance System, Social Security System, and Pag-ibig Fund. Under the IRR, all covered institutions shall implement a thirty (30)-day grace period for all loans with principal and/or interests falling due within 17 March 2020 to 31 May 2020. Lending institutions shall grant additional thirty (30)-day grace periods without imposing interest on interest, penalties, fees, and other charges until the new due date falls on or after 01 June 2020. Accrued interest for the grace period is payable on a staggered basis over the remaining life of the loan.
- The BSP subsequently issued Memorandum No. M-2020-045 which announced that the 30-day mandatory grace period shall no longer apply effective 01 June 2020 for all BSP Supervised Financial Institutions (“BSFIs”). The termination of the grant of the 30-day grace period is premised on the lifting of restrictions on economic activities in majority provinces and cities in the country. Further, the Securities and Exchange Commission (“SEC”), through its Notice dated 17 June 2020, informed the financing companies, lending companies, and microfinance NGOs of the cessation of the mandatory grace period starting 01 June 2020.
- Independent of the Bayanihan Act, the BSP has encouraged BSFIs to provide financial relief to their retail customers, corporate clients and employees affected by the outbreak of the COVID-2019. The BSP also issued Memorandum No. M-2020-008 where it offered BSFIs various financial and regulatory relief packages to capacitate them in granting relief to their customers/borrowers. Among the reliefs offered by the BSP is: *“Moratorium, without penalty, on monthly payments due to the Bangko Sentral, for a period of six (6) months from 8 March 2020, the date of declaration of the President of the state of public health emergency under Presidential Proclamation No. 922, for BSFIs with ongoing rehabilitation upon filing of application for extension/rescheduling with the Department of Loans and Credit.”*
- The SEC also exhorted the lending entities under its supervision to provide some relief to their borrowers. Under a Notice dated 23 March 2020, the SEC urged the lenders under its supervision to *“to adopt measures that will help ease their borrowers’ financial burden”* such as, but not limited to:
  - lowering of interest rates;
  - waiver or reduction of penalties, charges and other fees;
  - loan term extension;
  - suspension of collection;
  - payment holiday; and
  - debt consolidation.
- Note that the BSP and SEC actions above are NOT mandatory but are mere reminders or appeals to their respective supervised entities of such entities’ ability to ameliorate the burdens of their customers/clients.

<sup>1</sup> Prepared by DFDL’s collaborating firm in the Philippines, [Ocampo & Suralvo Law Offices](#).

JURISDICTION	GOVERNMENT INITIATIVES
<p data-bbox="226 701 359 726">VIETNAM</p> 	<ul style="list-style-type: none"> <li data-bbox="545 375 2328 464"> <p>▪ <b>Restructuring debt service &amp; cutting of interest rates:</b> The State Bank of Vietnam issued Circular No. 01/2020/TT-NHNN dated 13 March 2020 (“<b>Circular 01</b>”) on instructing credit institutions and branches of foreign banks to restructure loan repayment schedules, waive and reduce interest rates and maintain debt classifications to support the customers who are affected by the Covid-19 epidemic, including:</p> <ul style="list-style-type: none"> <li data-bbox="621 486 2328 796">(a) <u>Debt repayment restructuring:</u> Circular 01 stipulates that debts subject to rescheduling are the outstanding amounts of principal and/or interest that fully satisfy the following conditions: (i) arising from lending activities, financial leasing; (ii) the obligation to repay the principals and/or interest arising between 23 January 2020 and the following day after 03 months from the date the Prime Minister announces the end of the Covid-19 epidemic; (iii) customers who are unable to pay the debts and/or interest in due time because of decreases in revenues and incomes caused by the impacts of Covid-19 epidemic. The debt mentioned above shall be rescheduled in following conditions: (i) the unpaid debt is undue or up to 10 days overdue according to loan/finance lease agreements; (ii) the debt is overdue (except for the cases mentioned in condition (i)) during the period from 23 January 2020 to the 16<sup>th</sup> day from the effective date of this Circular 01, which is 13 March 2020. The credit institutions and the branches of foreign banks shall be responsible for providing specific guidance on the criteria to determine the outstanding debts of customers affected by Covid-19 epidemic; and must follow rules as: (i) the debt violate regulations of law shall not be rescheduled, (ii) the debt shall not be deferred for more than 12 months from the initial repayment deadline according to the loan/finance lease agreements.</li> <li data-bbox="621 819 2328 972">(b) <u>The waiver and reduction of interest and fees:</u> the credit institutions and the foreign banks branches will decide on waiving and reducing their interest and fees according to their internal regulations for the outstanding loans arising from credit extension operations (except for activities of buying and investing in corporate bonds), with the obligation to repay the principals and/or interest being due between 23 January 2020 and the following day after 03 months from the date the Prime Minister of Vietnam announces the end of the Covid-19 epidemic, and customers who are unable to pay their debts and/or interest in due time because of declines in revenues and incomes caused by the impacts of Covid-19 epidemic.</li> <li data-bbox="621 995 2328 1176">(c) <u>On maintaining the debt classifications:</u> the credit institutions and the foreign bank branches are entitled to maintain the classified debt groups in accordance with the provisions of the State Bank of Vietnam at the closest time to 23 January 2020 with regard to the debt balances subject to loan repayment rescheduling, interest &amp; fee waiver and reduction; also, they are requested to conduct debt classifications, set up risk provisions in line with the restructured terms in accordance with the legal provisions on debt classification, setting up and using risk provisions in order to address risks in the operations of the credit institutions and the foreign bank branches; however the adjustment principles shall not be applied to the debt groups with higher risk levels.</li> </ul> </li> </ul>

# PART 2 EMPLOYMENT & LABOUR




**BANGLADESH**

- A new health guideline has been introduced by the Bangladesh government for the safety of factory workers considering the widespread COVID-19 pandemic. Also, committees has been formed in every district of the country to monitor all industries and factories to ensure the compliance of the new guideline.
- Factory owners are required to have their own medical teams to control the spread of COVID 19 and monitor the health issues of the workers.
- TK. 5,000 crore incentive package for export oriented industries for paying salaries and allowances to their employees.
- RMG factory owners has been requested not to terminate workers on redundancy ground.
- The minimum wage has been declared for employees working in plastic and re-rolling mills sectors.


**INDONESIA**

- Implementation of safety and health management system at workplaces.
- Work arrangement in the form of rotation, shifts, rosters or work-from-home (if needed) to implement physical distancing effectively.
- Salary arrangement for those affected.
- Leave of absence terms of agreement.
- Redundancy is allowed when inevitable.


**CAMBODIA**

- Work suspension or business shutdown due to force majeure resulting from the Covid-19 pandemic, up to three months, or due to economic reasons up to two months (extendable).
- Suspension of payment to the NSSF during suspension period.
- Government subsidy for garment and tourism employees during approved suspension.
- Seniority payments for 2020 for all sectors is delayed to 2021.


**LAO PDR**

- Exemption of personal income tax (**PIT**) for salaries of LAK 5 million or below for all employees (whether public or private). For salaries above LAK 5 million, exemption of **PIT** on the first LAK 5 million.
- Three month deferment of payment of social security contribution for affected businesses.



## MYANMAR

- Three month deferment of payment from March 2021 for monthly social security contributions for both employers and employees.
- Extension of healthcare benefits for unemployed social security benefits members from 6 months to 1 year as from the date of unemployment.
- Extension of medicine and travel benefits from 6 months to 1 year as from the date of unemployment.
- Implementation of labor-intensive community infrastructure projects for those employees who have been laid off, or returning migrants.
- Financial support to pregnant employees during the lockdown period and up to 28 weeks (payment of up to 60% of the salary).
- Financial support (of up to 40% of the employee's salary) to employees insured with the Social Security Board and deprived from work as a result of closure of their company due to Covid-19.
- An insured employee who has a confirmed case of Covid-19 is entitled to 14 days of medical leaves, medical treatment and cash benefits in accordance with the Social Security Law.



## THE PHILIPPINES<sup>1</sup>

- Alternative work arrangements (including reduction of workhours/workdays, worker rotation, forced leave, work-from-home, transfer or reassignment, partial closure of business) may be adopted.
- Upon agreement with the employees, temporary adjustment of wage and wage-related benefits for a period not exceeding six (6) months.
- One-time financial assistance of PHP5,000 to employees of private establishments affected by the flexible work arrangements or temporary closure.
- Wage subsidy of up to two (2) months for affected and eligible employees of small businesses.
- One-time financial assistance of USD200 to displaced Overseas Filipino Workers.
- Extension of the payment of social security contributions to 01 June 2020 (for those due in February, March, and April), and three-month moratorium on short-term loan payments due in February, March, and April 2020 for member-borrowers.
- Extension of Pag-IBIG fund contributions for the months of March to May to 30 June 2020 and three-month moratorium to its member-borrowers in Luzon and the National Capital Region with payments due from 16 March to 15 June 2020.
- Philippine Health Insurance contributions for the months of February to April may be paid without interest until 22 June 2020.

<sup>1</sup> Prepared by DFDL's collaborating firm in the Philippines, [Ocampo & Suralva Law Offices](#).



## THAILAND

Compensation of employees insured under the Social Security Fund for unemployment, work suspension or business shutdown due to force majeure resulting from the Covid-19 pandemic, up to 90 days, effective from 1 March 2020 to 31 August 2020.



## VIETNAM

- Financial support to employees who do not receive wage from their employer for at least 1 month and employees ineligible to unemployment benefits.
- Grant of loans without collateral to employers facing financial difficulties while having paid at least 50% of termination payment to dismissed employees.
- Extension of deadline for mandatory social security contribution and trade union fee to 30 June 2020.
- Salary entitlement in the event of suspension of work (whose amount shall be agreed upon between the parties but shall not be lower than the regional minimum salary stipulated by the Government of Vietnam) for employees subject to mandatory medical isolation.



The background of the slide is a grayscale photograph of a construction site. It features a complex network of steel beams and scaffolding. Two workers, wearing hard hats and safety gear, are silhouetted against the bright sky as they stand on a platform within the structure. The overall scene is industrial and captures the early stages of building construction.

# PART 3 REAL ESTATE & CONSTRUCTION

QUESTIONS	GOVERNMENT RESPONSES
<p><b>1. Has the government instituted any limitations or closure of public or private spaces?</b></p>	<p>The government has issued number of circulars for the closure of public and private spaces while declaring the entirety of Bangladesh at risk of COVID-19 spread-out. Further, to prevent the spread-out, government has provided certain directions to the citizens including the followings:</p> <ul style="list-style-type: none"> <li>▪ The government has divided the country into three zones: a) red, b) yellow and c) green to control the infection and death rates from COVID 19. In areas which are severely affected and with high death cases has been marked as red zone. General holidays has been declared in these areas, and all activities in the red zone will be conducted in a limited way.</li> <li>▪ The government has constituted a quick response team to provide overall collaboration to the COVID 19 affected officers/officials of the public administration.</li> <li>▪ The government has take initiative to give an secure treatments to the affected government employees. In this regards the Government has converted the Government Employee’s Hospital Fulbaria, Dhaka as a dedicated hospital for providing an secure treatment of Government employee’s affected by the COVID 19.</li> <li>▪ Previously, the COVID 19 infection test has been done free of cost, but now the Government has fixed an amount of fees conducting test.</li> </ul> <p>The government has extended special public holidays till 16 April 2020 which is not the same as general holidays. During this period only limited business activity is permitted pursuant to certain limited exemptions.</p>
<p><b>2. Are there any specific exemptions for construction activities?</b></p>	<p>No, there is no specific exemption for construction activities.</p>
<p><b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b></p>	<p>While there has been some governmental discussions on suspension of the right to terminate employees by way of “Retrenchment”, there are, as of the date of this publication, no new laws or regulations relating to labour contracts during construction project shut down.</p>
<p><b>4. How are constructions costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b></p>	<p>In Bangladesh, there is no direct statutory basis of the doctrine of force majeure under the laws of Bangladesh. It depends on the respective terms of the contract of parties' agreement.</p>
<p><b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b></p>	<p>No, there is no direction from the government in this regard yet as of the date of this publication.</p>
<p><b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b></p>	<p>Yes, based upon local news reports, it appears that certain mega infrastructure projects including Padma bridge project, Dhaka metro rail project, Karnaphulli tunnel project, among others, are contemplating delay in completing the projects within the projected timeline. Also, in the proposed budget for 2020-21 fiscal year, the government has squeezed the budget to cope with the coronavirus impact. Similarly, small and medium scale infrastructure projects are also likely to be delayed as a result of the Covid-19 holidays. However, in the budget declaration for the financial year 2020 - 2021, the government has declared.</p>



QUESTIONS	GOVERNMENT RESPONSES
1. Has the government instituted any limitations or closure of public or private spaces?	There have been no closures of public spaces. Certain business and other activities have been halted, including schools, casino operations, cinemas and beer gardens.
2. Are there any specific exemptions for construction activities?	No, there is no specific exemption for construction activities and no specific regulations have been issued relating to this sector.
3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?	There have been no such recent rule changes.
4. How are construction costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)	It will depend on the construction contract that has been signed between the parties.
5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?	No specific measures or regulations have been issued relating to the payment of the rent for the commercial or residential sector.
6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?	Some projects have been delayed as most of the materials and equipment used in the construction sector are imported from abroad.



QUESTIONS	GOVERNMENT RESPONSES
<p><b>1. Has the government instituted any limitations or closure of public or private spaces?</b></p>	<p>The initial government order required nationwide social distancing and closure of non-essential facilities and government offices from 1 April until 3 May 2020. On 1 May 2020 the Prime Minister’s Office issued a further order (No. 524/PMO) easing some restrictions, allowing businesses and projects to operate as normal, subject to ongoing compliance with social distancing and other measures. Additional regulations have been issued in May and June which have continued to ease the limitations on activities in public/private spaces.</p>
<p><b>2. Are there any specific exemptions for construction activities?</b></p>	<p>Construction activities may continue provided that management of such facilities ensure and apply the required measures to prevent and control the pandemic required by the directives of the relevant sector and the COVID Task Force.</p>
<p><b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b></p>	<p>Although the regulation is not specific to the construction industry it provides guidance as to salary reduction, suspension of activities, workforce reduction and OHS requirements.</p>
<p><b>4. How are construction costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b></p>	<p>No specific instruction or guidance from the Government as part of Covid-19 response measures. A force majeure event may excuse performance if (i) the event falls within the definition of force majeure under the Contract and Tort Law and (ii) as provided for under the terms of the contract.</p>
<p><b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b></p>	<p>No, there is no direction from the government in this regard yet as of the date of this publication.</p>
<p><b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b></p>	<p>While construction activities could continue, the requirements for social distancing may have affected the scope and type of works that can be completed in accordance with governmental requirements. As in most jurisdictions, the sectors most affected were, and continue to be, the retail leasing and the hospitality sector, which were not exempted from provisional closure orders.</p>



QUESTIONS	GOVERNMENT RESPONSES
<p><b>1. Has the government instituted any limitations or closure of public or private spaces?</b></p>	<p>The Ministry of Health and Sport (“<b>MOHS</b>”) Order No.38 requires residents living in the certain townships to stay at home with restrictions on the number of people permitted to leave the home, restrictions on reasons for leaving, and requirements to wear masks when outside.</p> <p>All other townships not explicitly mentioned in MOHS Order No. 38 have been notified by the relevant Ward Administrator to comply with the conditions set out in MOHS Order 38. This restriction will be effective up to 31 July 2020.</p> <p>In response to the COVID-19 crisis, and the Ministry of Labour, Immigration and Population’s (“<b>MOLIP</b>”) issued an announcement on 19 April 2020, mandating that all factories and establishments in Myanmar be shut down unless their operations met the guidelines and specifications issued by the MOHS to prevent the spread of the COVID-19 disease.</p>
<p><b>2. Are there any specific exemptions for construction activities?</b></p>	<p>Construction workplaces not subject to closure under MOHS Order No. 38, places certain obligations on the owner to comply with announcements, orders and notifications issued by MOHS, MOLIP and other relevant authorities for the prevention and control of Covid-19 crisis.</p>
<p><b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b></p>	<p>No specific rules or instructions from the Government as part of COVID-19 response measures.</p>
<p><b>4. How are construction costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b></p>	<p>No specific instruction or guidance from the Government as part of COVID-19 response measures. This can be carried out under the terms and conditions of the contracts and subject to mutual agreement between the contracting parties.</p>
<p><b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b></p>	<p>No specific instruction or guidance from the Government as part of COVID-19 response measures. This can be carried out subject to mutual agreement between the contracting parties.</p>
<p><b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b></p>	<p>YCDC, the authority which grants construction permit and other related approvals was closed in April and May. Now, YCDC reopen to accept and review applications for construction permits, conveyances and other matters. Due to lots of applications, the working place of YCDC is moved to the Myanmar convention center which has bigger area and space in the alternative days (i.e on every Monday, Tuesday and Friday). However, on every Tuesday and Thursday, YCDC is working as usual at their own offices but not open to the public. During Covid-19, while construction activities may continue, the requirements with regard to social distancing will affect the scope and types of work that can be completed in accordance with governmental requirements.</p>



QUESTIONS	GOVERNMENT RESPONSES
<b>1. Has the government instituted any limitations or closure of public or private spaces?</b>	The government canceled the lockdown enabling nationwide the offering of services, including, community malls, fitness centers, department stores, convention centers, and entertainment centers under certain restrictions.
<b>2. Are there any specific exemptions for construction activities?</b>	There are no specific exemptions for construction activities.
<b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b>	<p>(i) Ministerial Regulations Re: Benefits &amp; Compensation for Unemployment due to Force Majeure Arising from the Epidemic of Dangerous Communicable Disease under the Communicable Disease Law B.E. 2563 (A.D. 2020) grants benefits payable to the employees.</p> <p>The regulation defines Force Majeure to mean “danger which arises from epidemic of COVID 19 or other dangerous communicable diseases under the communicable disease law, which affect the public, and in an amount up to the level which the insured persons (employees) are unable to work, or the employer is unable to operate the business in a usual manner.”</p> <p>The entitlement is available for the period of 1 March 2020 – 31 August 2020, or within any period to be further prescribed by the Minister of Labor under the approval of the cabinet.</p> <p>(ii) Ministerial Regulation on Criteria and Rates for Compensatory Benefits in the Event of Unemployment Amidst the Economic Crisis B.E. 2563 (2020) entitles the insured employees to receive compensation under certain conditions. The entitlement is available for the period of 1 March 2020 – 28 February 2022.</p> <p>(iii) The Ministry of Labor has issued a notification forbidding employers from locking out employees and forbidding employees from striking during the period of emergency situation, in accordance with the 2005 Emergency Decree on Public Administration in Emergency Situations. The notification has been in effect from 8 May 2020 onwards.</p>
<b>4. How are construction costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b>	<p>No specific instruction or guidance from the government as part of Covid-19 response measures.</p> <p>A force majeure event may excuse performance (i.e. payment of construction costs) if (i) the event falls within the definition of force majeure under section 8 of the Civil and Commercial Code (ii) the performance of obligations is unable to be performed due to such force majeure or (ii) as provided for under the terms of the contract.</p>
<b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b>	Not applicable.
<b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b>	Not applicable.



QUESTIONS	GOVERNMENT RESPONSES
<p><b>1. Has the government instituted any limitations or closure of public or private spaces?</b></p>	<p>The government initially placed the island of Luzon (where Metro Manila is located) under enhanced community quarantine from 17 March 2020 to 12 April 2020 (“<b>ECQ Period</b>”). The ECQ Period was subsequently extended until 30 April 2020. The period was further extended by the government in high-risk administrative regions, provinces, or areas across the country until 15 May 2020. Thereafter, Metro Manila was placed under modified enhanced community quarantine (“<b>MECQ</b>”) from 16 May 2020 to 31 May 2020 and general community quarantine (“<b>GCQ</b>”) starting on 01 June 2020 until 15 July 2020.</p> <p>During the ECQ and MECQ periods, strict home quarantine shall be observed in all households and only one person is authorized to leave the residence, and the movement of all residents shall be limited to accessing essential goods and services, and for work in permitted offices or establishment but with strict compliance to skeleton-workforce arrangements and strict social distancing.</p> <p>During the GCQ period, the movement of the people shall be limited to accessing essential goods and services, and for work in the offices or industries permitted to operate. Persons below 21 years old, 60 years old and above, and those with other health risks are required to remain in their residence except when indispensable.</p>
<p><b>2. Are there any specific exemptions for construction activities?</b></p>	<p>For areas under ECQ, the following construction projects are allowed to operate through a skeleton workforce: (a) essential projects, whether public or private, such as but not limited to quarantine and isolation facilities, (b) facilities for the health sector, (c) facilities for construction personnel who perform emergency works, flood control, and other disaster risk reduction and rehabilitation works, (d) sewerage projects, water service facilities project and digital works, (e) priority public infrastructure projects; and (f) priority private infrastructure projects (i.e. refers to food production agriculture, fishery, energy, housing, communication, water utilities, manufacturing, and BPOs).</p> <p>For areas under MECQ, the DPWH allowed the operations of other essential and priority projects in addition to the above enumerated constructions projects; provided, however, the small-scale projects, which are intended for private and personal use, shall not be allowed. For areas under GCQ, all constructions projects are allowed subject to DPWH safety guidelines and PEZA Construction Safety Guidelines for developers and locators within the PEZA zones.</p>
<p><b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b></p>	<p>No specific instruction or guidance from the Government regarding construction projects. General rules apply. Liability for labor contracts in case of temporary or permanent closures of construction projects continue to be governed by the Labor Code.</p>
<p><b>4. How are constructions costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b></p>	<p>No specific instruction or guidance from the Government as part of Covid-19 response measures. A force majeure event may excuse performance if (i) the event is provided for under the terms of the contract or (ii) the event is considered a fortuitous event under Philippine law (i.e. the cause is (i) unforeseeable or unavoidable; (ii) independent of the human will; (iii) renders it impossible for the obligor to fulfill his obligation in any manner; and (iv) the result of the injury to the creditor and such cause is not aggravated or participated in by the obligor.</p>

<sup>1</sup> Prepared by DFDL’s collaborating firm in the Philippines, [Ocampo & Suralvo Law Offices](#).



QUESTIONS	GOVERNMENT RESPONSES
<p><b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b></p>	<p>Rental fees and charges from 15 March 2020 to 14 April 2020 are waived for retail stores and establishments located inside malls in the National Capital Region and businesses offering leisure and entertainment which were not allowed to operate during the ECQ.</p> <p>A minimum of 30-day grace period is granted for payments, falling due during the ECQ, MECQ and GCQ period, on residential rents and commercial rents of Micro, Small, and Medium Enterprises and sectors not permitted to operate during the said periods. The grant of the thirty (30)-day grace period shall commence from the last due date or from the lifting of the ECQ, MECQ, and GCQ, whichever is longer, without incurring interests, penalties, fees and charges. The cumulative amount of residential and commercial rents that fall due within the ECQ, MECQ, and GCQ shall be equally amortized in six (6) months following the end of the 30-day minimum grace period, without interest, penalties, fees and other charges, which amount shall be added to the current monthly rent due.</p> <p>No eviction for failure to pay the residential or commercial rents due may be enforced until the lifting of the grace period.</p>
<p><b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b></p>	<p>The community quarantine weakens the real estate sector in the Philippines. Construction activities are suspended, restricted, or limited during the implementation of the community quarantine. Further, leasing activities and residential sales remain slow. As in most jurisdictions, the retail and the hospitality sector were the most affected by the quarantine.</p>

<sup>1</sup> Prepared by DFDL's collaborating firm in the Philippines, [Ocampo & Suralvo Law Offices](#).



QUESTIONS	GOVERNMENT RESPONSES
<p><b>1. Has the government instituted any limitations or closure of public or private spaces?</b></p>	<p>The government of Vietnam did not extend the required period for implementing social distancing measures and closure of non-essential facilities under the Directive No. 16/CT-TTg. The State also agreed to reopen manufacturing and service facilities throughout the country, including karaoke and night club services.</p> <p>National flights are in now normal operation whilst international flight routes are considered to reconnect with several strict epidemic control measures.</p>
<p><b>2. Are there any specific exemptions for construction activities?</b></p>	<p>Given the above expiry of required period for implementing social distancing measures and closure of non-essential facilities, we found no further general restriction for construction activities in relation to Covid 19.</p>
<p><b>3. Are there any recent rule changes governing liability for labor contracts during construction project shutdowns (if applicable)?</b></p>	<p>Facilities affected by Covid-19 and required to suspend operations can furlough employees subject to furlough wages being agreed by the employer and employee but not less than the minimum area wage stipulated by the Government (Article 98.3 of the Labor Code).</p>
<p><b>4. How are construction costs allocated in the event of a force majeure event? (i.e. construction costs absorbed by the contractor or the owner)</b></p>	<p>No specific instruction or guidance from the Government as part of Covid-19 response measures. A force majeure event may excuse performance if (i) the event falls within the definition of force majeure under the 2015 Civil Code, the Law on Construction and other relevant regulations or (ii) as provided for under the terms of the contract.</p>
<p><b>5. Do any measures address obligations relating to real property rent or excuse of performance (i.e. right to delay rent payments, right to waiver of rent)?</b></p>	<p>No specific instruction or guidance from the Government as part of Covid-19 response measures.</p>
<p><b>6. Are there any specific circumstances arising from Covid-19 affecting the real estate sector?</b></p>	<p>While construction activities may continue, the requirements for social distancing will affect the scope and type of works that can be completed in accordance with governmental requirements. As in most jurisdictions, the sectors most affected are the retail leasing and the hospitality sectors, which are not exempted from provisional closure orders.</p>

# PART 4 TAXATION

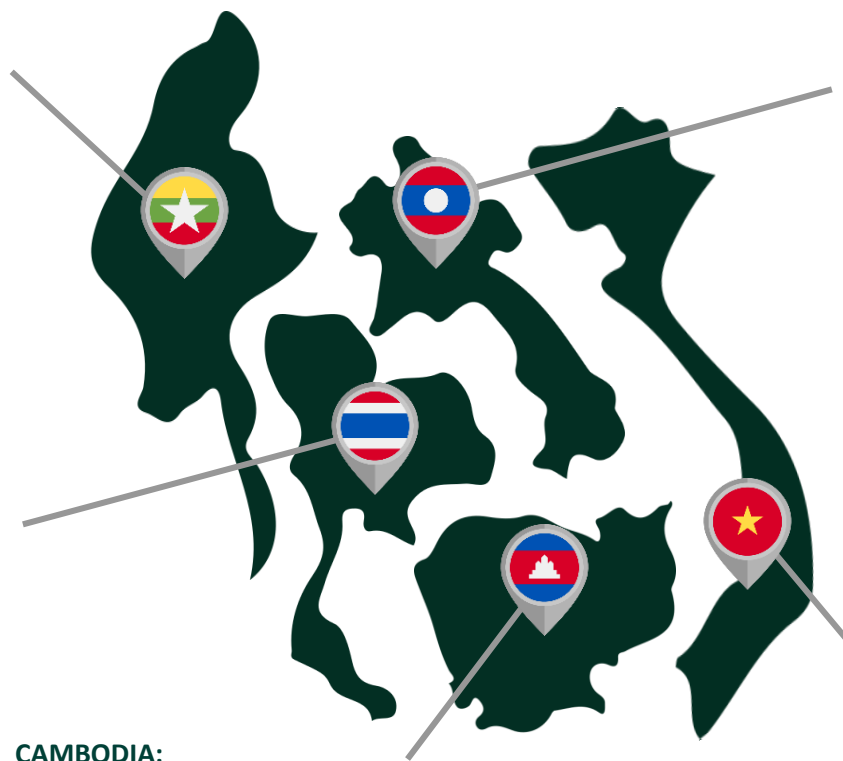


**MYANMAR:***(As at June 2020)*

- Removal of 2% Advance Income Tax on exports.
- Extension of tax payments until 30 September to prioritized industries.
- Social security relief as provided by the Ministry of Labor, Immigration, and Population
- A 10% non-refundable tax credit and additional 25% deduction for the incremental wages and salaries.
- A 10% non-refundable tax credit and additional 25% depreciation for the incremental investment on capital equipment.

**THAILAND:**

- Withholding tax imposed on payments by a company or juristic partnership (excluding charitable foundations and associations) on certain taxable income from 1 April 2020 to 30 September 2020 will be reduced from 3% to 1.5%, with an additional subsequent reduction from 3% to 2% for the period from 1 October 2020 to 31 December 2021. *(As at April 2020)*
- The relief on withholding tax is provided that the payments be made via the Thai Revenue Department's "e-Withholding" tax system. *(As at April 2020)*
- SMEs cost salary deduction. *(As at Mar 2020)*
- SME interest expense deduction. *(As at Mar 2020)*
- Fast VAT refunds for "Good Exporters". *(As at Mar 2020)*
- Additional SSF Investment deduction for personal income tax. *(As at Mar 2020)*
- Personal income tax filing extension (PND.90/91). *(As at Mar 2020)*
- Tax relief for donations via the Revenue Department's e-Donation system during 5 March 2020 to 5 March 2021. *(As at Mar 2020)*
- Corporate income tax filing extension (PND.50/51). *(As at Mar 2020)*

**CAMBODIA:***(As at June 2020)*

- Additional tax relief provided for business sectors such as Airline, Hospitality and Tourism sectors, from March to July.
- Suspension of the National Social Security Fund (NSSF) during the business suspension for the garment tourism sector.
- Exemption from the renewal fees for tourism licenses of all types for 2021.
- Tax relief for manufacturing sectors who may be affected by the outbreak of COVID-19 and the partial suspension of EBA tariffs on certain exported goods from Cambodia.
- Seniority payments for 2020 for all sectors delayed to 2021.
- Withholding tax rate on interest payments for new loans entered into by Cambodian banks and financial institutions reduced to 5% for 2020 and 10% for 2021.
- Withholding tax rate on interest payments for existing loans for banks and financial institutions reduced to 10% for 2020.

**THE LAO PDR:**

- Three month exemption from personal income tax, income tax income tax for micro enterprises, import duties, taxes and other fees on the import of all goods for use in the preparation for prevention of COVID-19. *(As at 3 April 2020)*
- Three month deferment of payment of social security contribution for affected businesses. *(As at 3 April 2020)*
- Postponement of the payment of taxes businesses in the tourism sector for three months starting from April 2020. *(As at 3 April 2020)*
- Postponement for the filing date of the financial statements for 2019 to 29 May 2020. *(As at 22 April 2020)*
- Extension of the payment of road fees from to 31 June 2020. *(As at 3 April 2020)*
- Exemption from penalties for late filings and payments of taxes excluding VAT deductions and VAT refunds. *(As at 27 April 2020)*
- Payment made by companies for penalties prior to the notification, shall not be entitled to the exemption. *(As at 27 April 2020)*

**VIETNAM:***(As at April 2020)*

- The Vietnamese Prime Minister approved Decree 41/2020/ND-CP on 8 April 2020 allowing the deferral of value added tax, corporate income tax, personal income tax and land rental fee payments.
- Eligible taxpayers include enterprises, individuals and household businesses affected by the COVID-19 pandemic in some areas, including certain specific industries in manufacturing, construction and service sectors, small and micro enterprises, supporting industry product manufacturing, and credit institutions and branches of foreign banks providing support to their clients impacted by COVID-19.
- The deferrals of tax payments are generally five months from the regulatory deadlines for the tax periods from March to June 2020, depending on each type of tax. Eligible taxpayers must self-assess their eligibility and notify the local tax authorities to avail of the tax deferrals no later than 30 July 2020.

# KEY CONTACTS



Should you wish to understand in more detail the impact of these initiatives and support efforts, and how it affects your business, please contact the following representatives below.



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