Asia Legal Update

Second Quarter 2026
(Apr. - Jun.)

Promulgation of the Act Partially Amending the Foreign Exchange and Foreign Trade Act

On June 5, 2026, the "Act Partially Amending the Foreign Exchange and Foreign Trade Act" ("**Act**") was promulgated, to enhance the inward direct investment screening system. The primary contents of the Act are summarized below; item (v) became effective upon promulgation, while items (i)–(iv) will take effect within one year, by Cabinet Order.

(i) **Revision of the Definition of "Inward Direct Investment, etc." (Regulation of Indirect Investment)**

In principle, the Foreign Exchange and Foreign Trade Act requires a foreign investor to file a prior notification prior to making an "inward direct investment, etc." in a company that engages in designated business. Previously, this requirement covered only direct acquisitions of shares or voting rights, or consent to appointment of officers, but not indirect acquisitions via a foreign holding entity. To prevent circumvention, the Act now brings the following within the scope of "inward direct investment, etc.":

(a) Acquisition of voting rights in an overseas corporation, etc., that has made a certain level of investment in a Japanese company ("**Direct Holding Entity**"), where the acquisition results in the acquirer directly or indirectly holding 50% or more of the total voting rights of the relevant Direct Holding Entity.

(b) Exercises of voting rights relating to the appointment of an officer of a Direct Holding Entity or its parent company, etc., where the exercise results in the person (or a related person) constituting a new majority of the officers, etc., of the relevant entity.

(ii) **Development of Provisions Concerning Measures Relating to National Security, etc.**

Provisions relating to measures concerning national security, etc. ("**Risk Mitigation Measures**") have been developed, including:

(a) Risk Mitigation Measures (e.g., a commitment not to exercise shareholder rights under foreign government influence) must be described in the prior notification.

(b) Modifications to those measures may be filed during the prohibited period (waiting period).

(c) Changes to those measures must be filed after completion of the screening.

(d) Failure to implement measures described in a notification triggers an order to take measures.

(e) Non-compliant modifications/changes are subject to recommendations and orders, and further non-compliance will trigger an order to take measures.

(iii) **Revision of the Deemed Foreign Investor Provisions**

The categories of acts equivalent to inward direct investment, etc. or specified acquisitions carried out by a person other than a foreign investor on behalf of a non-resident, etc., without using the name of the relevant non-resident, etc., to which the provisions governing foreign investors apply by deeming that the relevant person (who is not a foreign investor) is a foreign investor have been revised. The following now are subject to these provisions: (a) acts carried out for the account of the relevant non-resident, etc., (b) acts carried out based on a contract, foreign laws and regulations, or other similar arrangements, and (c) acts carried out by a person who has a special relationship with a non-resident, etc. (with items (b) and (c) limited to those specified by Cabinet Order).

(iv) **Introduction of a Post-Investment Intervention System for Inward Direct Investment, etc., and Specified Acquisitions Not Subject to Prior Notification**

Provisions have been established stating that where inward direct investments, etc., and specified acquisitions are not subject to prior notification, but the relevant investments or acquisitions are likely to fall within the category of "posing a significant risk of impairing national security due to changes in the international situation or other circumstances in the future," a report may be requested when particularly necessary, and where it is found that the relevant investments and/or acquisitions do fall within the aforementioned category, a recommendation or order to dispose of shares or take other measures may be issued.

(v) **Consultation with the Prime Minister and Others**

If the Minister of Finance and the competent minister need to confirm whether a transaction relates to national security or to the post-investment intervention system, they must seek the opinions of the Prime Minister, the Minister for Foreign Affairs, and other relevant ministers. In order to establish a review structure for the consultation system under the Act, the establishment of a Japanese version of CFIUS is under consideration.

1. Amendments to the Trademark Law

On June 26, 2026, the Standing Committee of the National People's Congress adopted revisions to the *Trademark Law of the People's Republic of China* ("**Trademark Law**"), which will take effect on January 1, 2027. The 2026 revision comprehensively refines the existing trademark regime, with a particular focus on combating bad-faith registrations, optimizing trademark examination and review procedures, strengthening trademark use requirements, and regulating the trademark agency industry. Key updates include:

(i) **Reinforcing the Principle that Registration and Use Are Equally Important:** Trademark applications filed without a genuine intent to use, which manifestly exceed normal business needs, will not be registered. The Trademark Law also clarifies the administrative penalties applicable to bad-faith registrations, raising the cost of engaging in bad-faith trademark hoarding and squatting. In addition, "dynamic marks" are expressly included in the scope of registrable trademarks.

(ii) **Optimizing Trademark Examination and Review Procedures:** The opposition period has been shortened from three months to two months. In addition, where data messages can be presented in tangible form, through electronic data interchanges or by similar means, and retrieved for reference at any time, the messages are deemed to be in written form.

(iii) **Strengthening Post-Registration Use Requirements:** If a registered trademark is used in a manner that misleads the public, enforcement authorities may impose fines, and may revoke the trademark registration if the violation is not corrected within the prescribed period. Where trademarks that have not been used for three consecutive years without justifiable reasons for the failure to use, the trademark authority may initiate cancellation proceedings on its own initiative, in addition to cancelling relevant marks in response to cancellation applications.

(iv) **Improving Regulation of Trademark Agencies:** The Trademark Law introduces rules governing trademark agency practitioners, further specifies violations by trademark agencies and the corresponding penalties, and strengthens regulation of bad-faith trademark litigation.

2. Promulgation of State Council Provisions on Outbound Investment

On May 5, 2026, the State Council promulgated the *Provisions of the State Council on Outbound Investment* ("**Provisions**"), which became effective on July 1, 2026. The Provisions are the PRC's first administrative regulation specifically governing outbound investment activities, and are designed to improve the framework for outbound investment services, administration, and protection, and to promote the high-quality development of outbound investment. Key provisions include:

(i) **Scope and Basic Principles:** "Outbound investment" refers to activities through which persons or entities that are in China directly or indirectly obtain ownership, control, management rights, or other related interests in overseas enterprises or assets by contributing assets, rights, or interests, or by providing financing, guarantees, or other support. The Provisions adhere to the PRC's basic state policy of opening-up, implement a holistic approach to national security, and support outbound investment performed in accordance with market-oriented principles.

(ii) **Service and Administrative Requirements:** The Provisions require the State to enhance its comprehensive overseas support services system, and to provide enterprises with public services in areas like legal affairs, taxation, finance, logistics, intellectual property, and risk prevention and response. They also establish a tiered, category-based supervisory framework covering the entire investment life cycle, and require investors to complete approval or filing procedures, informational reporting, and cross-border fund registration in accordance with law, while introducing a security review mechanism for outbound investment. These arrangements are intended to balance facilitation of investment with effective risk prevention.

(iii) **Investor Protection:** The Provisions require investors to establish compliance and risk-management systems. Relevant authorities are required to strengthen monitoring, early warning mechanisms, and risk assessments relating to outbound investment. The Provisions also provide for protection of outbound investors and their overseas assets through international cooperation, investment agreements, and consular protection.

(iv) **Mechanisms for Responding to Investment Barriers and Discriminatory Measures:** Where a foreign country or region adopts investment restrictions or other measures that harm the lawful rights and interests of Chinese investors, the Chinese government may perform investigations and adopt corresponding countermeasures in accordance with law. Relevant Chinese authorities have stated that these measures are intended to safeguard the legitimate rights and interests of Chinese investors and China's overseas interests, constitute protective and defensive measures, and do not affect ordinary market transactions or enterprises' independent resolution of commercial disputes in accordance with applicable laws.

Plan to Establish Hong Kong International Commercial Court

On May 28, 2026, the Hong Kong Judiciary announced a plan to establish the Hong Kong International Commercial Court ("**HKICC**"), a specialized division of the Hong Kong High Court, to adjudicate complex, high-value international and cross-border commercial disputes.

Establishment of the HKICC is a response to increasing demand for a specialized judicial forum dedicated to addressing legal and factual complexities arising from the significant increase in international and cross-border commercial activities in recent years, and is expected to strengthen Hong Kong's standing as an international financial center and a leading international dispute resolution hub.

The resolution of these disputes requires specialized judicial expertise, as well as tailored court procedures and practices to enhance flexibility and efficiency. The HKICC is designed to meet these needs. For example, the bench of HKICC judges will include not only local judges with substantial experience in commercial law but also eminent senior judges or practitioners from other common law jurisdictions, who may also be invited to sit on an ad hoc basis in accordance with the existing legal framework. Where appropriate, assessors and experts also may be engaged to assist the judges in specialized areas.

Along with arbitration and mediation, the HKICC will provide parties engaged in international and cross-border commerce with a comprehensive range of dispute resolution options. This offers distinct advantages in terms of judicial process, including transparency, authoritative judicial determinations, a structured appellate process, and the certainty of enforceable judgments, including recognition and enforcement in mainland China pursuant to relevant mutual arrangements.

The High Court Ordinance and the Rules of the High Court provide the necessary legal framework for establishment of the HKICC as a division of the High Court. A dedicated Practice Direction will be issued for the HKICC to establish the categories of cases within its jurisdiction, as well as detailed court procedures. These will include measures to streamline the litigation process, provide a more flexible regime for the handling of appeals, and ensure the timely disposal of cases and appeals, with reference to the best practices of other international commercial courts.

A floor of the Hong Kong High Court Building will be allocated for use by the HKICC. In line with international practices, and reflecting the international and cross-jurisdictional nature of cases, the HKICC will make extensive use of technology, including remote hearings, electronic filings, electronic bundles, and voice-to-text transcription, with a view to enhancing judicial efficiency.

The Hong Kong Judiciary aims to establish the HKICC within the coming year.

1. Promulgation of the Resource Circularity Promotion Act

The Resource Circularity Promotion Act ("**RCPA**"; previously known as the Resource Recycling Act) was proposed by the Executive Yuan on April 9, 2026, passed by the Legislative Yuan (the parliament of Taiwan), and promulgated by the President of Taiwan on June 17, 2026. To achieve "Resource Circularity and Zero Waste", the RCPA (along with the Waste Management Act, which was amended in parallel with the RCPA) was renamed and substantially amended. A brief explanation of the major new measures of the RCPA is as follows.

(i) **Restrictions on Manufacture, Import, Sale, or Use of Designated Items**

The primary competent authority (the Ministry of Environment, "**MOE**") may designate items or their packaging/containers as requiring excessive amounts of energy and resources or containing non-degradable or environmentally hazardous substances, and prohibit or restrict their manufacture, import, sale, and/or use (Art. 19). These restrictions apply to manufacturers, importers, and distributors of such items (Art. 19).

(ii) **Mandatory Compliance with Green Design Criteria**

The MOE may require products of certain categories or scale to comply with specific items of the Green Design Criteria. Such requirements include (a) using single-material, easily separable, dismantlable, or recyclable materials, (b) using a certain ratio or quantity of recycled granules/materials, (c) being easy to repair or upgrade, or having enhanced durability, (d) prohibiting or restricting the use of environmentally hazardous substances in such products, and (e) requiring on-site recycling at construction sites in order to reduce waste (Art. 13, Para. 1). Manufacturers and importers of designated products must, within the prescribed period, submit documentation to the MOE to certify their compliance with the Green Design Criteria (Art. 14, Para. 1) (this mandatory certification regime, together with the corresponding administrative fines, will take effect on June 17, 2028 (Art. 14, Art. 38, Para. 1)).

(iii) **Mandatory Disclosure of Information on Designated Items**

The MOE may designate items for which manufacturers, importers, and distributors must disclose the recycled granule/material content ratio and method of recycling and reuse, and include such information on the product's label (Art. 23).

2. Promulgation of Amendments to the Enforcement Rules of the Gender Equality in Employment Act

On April 8, 2026, the Ministry of Labor of Taiwan promulgated amendments to Articles 4-2 and 4-3 of the Enforcement Rules of the Gender Equality in Employment Act ("**Enforcement Rules**"). The amendments supplement the 2023 revision of the parent Gender Equality in Employment Act ("**GEEA**"), which substantially reformed the framework for preventing sexual harassment in the workplace.

(i) **Determination of "Responsible Person" (Art. 12, Para. 8, Item 2 of the GEEA)**

Under the GEEA, when the perpetrator of workplace sexual harassment constitutes a "responsible person" of the employer, the complaint may be filed with, and investigated by, the local competent authority, rather than being processed internally by the employer (Art. 12, Para. 8, Item 2). To clarify the scope of "responsible person," the newly added Article 4-2, Paragraph 3 of the Enforcement Rules provides that the local competent authority shall define a "responsible person" as either: (a) the chairperson of the board or (b) a person substantially equivalent thereto (i.e., who substantially performs the duties of a representative of the employer or substantially controls the personnel, finances, or business operations of the employer) who falls under any of the following categories: (a) a current or former director or supervisor, (b) a holder of 20% or more of the shares of the employer; (c) a person identified by the labor union, shareholders, business partners, or sexual harassment claimants as substantially equivalent to a representative (with supporting evidence); (d) a close relative of a representative (within the statutorily prescribed degrees); (e) a re-elected representative who has not yet completed registration; or (f) a person holding a particularly important position in the employer's organization and having ultimate decision-making authority.

(ii) **Clarification of Employer's "Knowledge" (Art. 13, Para. 2 of the GEEA) of Sexual Harassment**

The GEEA requires that upon becoming aware of sexual harassment in the workplace, employers must immediately implement corrective and remedial measures (Art. 13, Para. 2). The amended Article 4-3, Paragraph 1 of the Enforcement Rules expressly clarifies that an employer's "knowledge" is not limited to cases where the claimant has filed a formal complaint with the employer, meaning that knowledge obtained by other means (such as from media reports or via third parties) also is sufficient to trigger employers' statutory obligations.

1. Free Float Overhaul: New IDX Rules

The Indonesia Stock Exchange ("**IDX**") just issued new Decision No. Kep-00045/BEI/03-2026 on the listing of shares and equity-type securities ("**Rule I-A 2026**"), along with implementing Circular Letter No. SE-00004/BEI/03-2026, which improve listing requirements, in line with recommendations from global index providers. Rule I-A 2026 replaces previous Rule No. Kep-00101/BEI/12-2021.

Key highlights of the new regulations include:

(i) Rule I-A 2026 introduces stricter requirements for "Free Float Shares," which now must: (a) exclude shares owned by affiliates of the Controller, (b) be free from any transfer restrictions, and (c) be in scripless form and listed on the IDX.

(ii) Rule 1-A 2026 increases the minimum threshold for Free Float Shares at the initial listing stage, from at least 10% to at least 15% of the total listed shares, which must be maintained at the initial listing stage for at least one year after their effective listing date. In addition, the minimum threshold must be determined based on each Tbk's market capitalization, replacing the equity-based approach used in the previous regulatory regime.

(iii) Rule 1-A 2026 increases the minimum threshold of Free Float Shares that must be maintained by existing Tbks in order to remain listed on the IDX, from at least 7.5% to at least 15% of the total listed shares. Tbks must comply with the new minimum threshold; gradual increases in Free Float Shares must start in March 2027 and all Tbks must be fully compliant by March 2029.

(iv) The IDX has the authority to determine different minimum numbers of Free Float Shares and shareholding percentage thresholds for the total Free Float Shares of Tbks whose IPO proceeds are IDR 30 trillion and above.

2. Company Annual Reports and Mandatory Filings With MOL

Minister of Law ("**MOL**") Regulation No. 49 of 20251 ("**MOL Reg 49/2025**") requires all Indonesian limited liability companies ("**PTs**") to file (a) evidence of the general meeting of shareholders' ("**GMS**") approval of the PT's annual report, and (b) the PT's annual report with the MOL via the MOL's online system no later than 30 calendar days after the date of the notarial deed of the GMS.

When preparing and filing its annual report, a PT should note that different filing requirements apply depending on whether the PT is subject to a mandatory audit by a public accountant. As a matter of practice, the MOL's online system distinguishes between:

(i) PTs subject to mandatory audits by a public accountant, which includes (a) PT with assets and/or annual turnover of at least IDR 50 billion, and/or (b) PT that are required to undergo mandatory audits pursuant to applicable laws and regulations; and

(ii) PTs not subject to mandatory audits.

MOL Reg 49/2025 imposes specified administrative sanctions on those that fail to meet the filing requirement; sanctions may vary from written warnings to blocking of access to the MOL's online system. However, at a regulatory briefing held on May 25, 2026, during the early stage of implementation of the new changes, MOL officials explained that they would prioritize raising awareness rather than immediately blocking a PT's access to the MOL's online system.

Malaysia

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1. Entry Into Force of Licensing Regime Under the Consumer Credit Act 2025

On June 1, 2026, Part V of the Consumer Credit Act 2025 ("**CCA**") entered into force. With Part V's implementation, all provisions of the CCA are in operation. Broadly speaking, the CCA introduces a licensing and registration regime for persons engaging in specified credit businesses and credit service businesses in Malaysia. In particular:

(i) a person carrying on a credit business involving a credit consumer, such as (a) buy now pay later schemes, (b) leasing, and (c) factoring must be licensed with the Consumer Credit Commission ("**Commission**"); and

(ii) a person carrying on a credit service business involving a credit consumer, such as (a) debt collection, (b) impaired loan or financing acquisition, and (c) debt counseling and management, must be registered with the Commission.

Where a person is carrying on a credit business or credit service business that does not involve a credit consumer, the business operator is not required to obtain a license or registration under the CCA, but still must submit a declaration to the Commission.

The Commission also issued "Conduct Standards" and "Authorization Standards," both of which took effect immediately on June 5, 2026. Among other obligations, the Authorization Standards impose application requirements with respect to the licensing and registration of entities carrying on a credit business or credit service business, which include:

(i) **Organizational requirements:** An applicant intending to carry on a credit business or credit service business must be a company incorporated in Malaysia. An authorized entity must ensure that its business entity name and brand or trade name do not (a) create the impression that the entity offers a product or service beyond its authorized scope, or (b) contain any phrases that misrepresent or exaggerate the services offered.

(ii) **Minimum financial requirements:** An authorized entity must comply with the applicable financial threshold at all times.

Business Type		Minimum Financial Threshold
Credit Businesses (including their Islamic equivalents)	Buy now pay later scheme	Shareholders' funds or total equity of MYR 2,000,000
	Factoring	
	Leasing	
Credit Service Businesses	Impaired loan or financing acquisition	
	Debt collection	Either: (A) MYR 500,000 in shareholder funds or total equity, or (B) MYR 250,000 in shareholder funds or total equity and MYR 250,000 professional indemnity insurance
	Debt counseling and management	

(iii) **Organizational competence:** An applicant also must provide required details, including (a) the complete ownership structure of the entity, from immediate to ultimate shareholding, (b) profiles of its corporate and individual (direct and indirect) shareholders, (c) entity and organizational structures (i.e., board composition, corporate profile, profiles of key persons), and (d) its business plan for the next two years, including objectives, target market, product offerings, and strategies.

(iv) **Post-authorization obligations:** Authorized entities are subject to ongoing compliance obligations, including (a) periodic submissions to the Commission (i.e., annual audited financial statements, quarterly operational data, and monthly complaint data), (b) requirements to make notifications within 14 calendar days of specified events, and (c) the obligation to submit credit consumer data to a credit reporting agency within 12 months of the entity's authorization date. Prior approval from the Commission is required for certain matters, including changes in control, appointment of a chief executive, and addition of new credit business or credit service business types.

2. Issuance of Regulatory Codes Under the Online Safety Act 2025

On May 22, 2026, the Malaysian Communications and Multimedia Commission issued two new regulatory codes under the Online Safety Act 2025 ("**OSA**"): the Child Protection Code ("**CPC**") and the Risk Mitigation Code ("**RMC**"), both of which came into effect on June 1, 2026. These codes impose additional requirements on licensed application service providers and licensed content application service providers ("**Licensed Service Providers**") in line with their existing obligations under the OSA.

(i) **Child Protection Code (CPC):** The CPC sets forth the measures that Licensed Service Providers are required to implement pursuant to Section 18 of the OSA to ensure safe use of their services by child users. These include:

  (a) implementing effective age verification measures, to ensure that only users who are identified as being 16 years of age and above are permitted to register for the service and access any features of the service that are age-appropriate; and

  (b) making available privacy and safety settings that can ensure safe use of their services by child users; this includes ensuring privacy and safety settings for child users are age appropriate and/or set to the highest level by default.

(ii) **Risk Mitigation Code (RMC):** The RMC sets forth the measures that Licensed Service Providers are required to implement pursuant to Section 13 of the OSA to mitigate the risk of users being exposed to harmful content. These include:

  (a) conducting suitable and sufficient "harmful content risk assessments" of their services. When carrying out the assessment, the entity must have regard for the characteristics of their services, as set out in the RMC, including the demographics of users in Malaysia;

  (b) implementing proportionate and effective measures to mitigate the risk of users being exposed to harmful content, based on the findings of the harmful content risk assessment. These include (1) establishing systems, mechanisms and procedures, including related timelines for the reporting of harmful content, and (2) developing user-safety policies, community standards, community guidelines and/or terms of service, and ensuring that all of them are fairly and consistently implemented and enforced to mitigate the risk of users being exposed to harmful content.

Note that a Licensed Service Provider's failure to comply with the CPC or RMC may expose it to a penalty of up to MYR 10 million and/or other enforcement actions under the OSA.

1. Issuance of New Offshore Remittance Business Regulation

On April 28, 2026, the Central Bank of Myanmar ("**CBM**") issued a new offshore remittance regulation, as Notification No. 18/2026 ("**New Regulation**"), which replaces the regulatory framework previously established under Notification 21/2019 ("**Old Regulation**"). The New Regulation introduces enhanced regulatory compliance, governance, and other requirements for remittance service providers operating in Myanmar. Key changes include:

(i) Removal of Remittance Cap

The New Regulation removes the transaction cap, which previously limited remittances to USD 1,000 per transaction and USD 5,000 per person per month. Inward remittances from abroad now are subject to relevant restrictions imposed by the sending country, while outward remittances must comply with current CBM directives, as issued from time to time. Regardless of amount, all transaction records must be kept for a minimum of five years.

(ii) Changes to Remittance Business License Application Requirements

The New Regulation strengthens license application requirements and shareholder due diligence obligations. In particular, it removes the previous 10% shareholding threshold for criminal background screenings and requires mandatory submission of a clean criminal record for all shareholders, regardless of ownership percentages. The New Regulation also requires applicants to provide evidence that foreign partners, or representatives, hold valid licenses in their home countries.

(iii) AML/CFT Obligations

The New Regulation enhances the detailed, risk-based AML/CFT framework. License holders must establish formal AML/CFT policies and conduct documented risk assessments based on geography, customer categories, and payment methods, and updated risk assessments should be submitted to the management and board of directors on a quarterly basis.

2. Issuance of DICA Guidelines on Company Names

In 2026, the Directorate of Investment and Company Administration ("**DICA**") issued new Guidelines on Company Names ("**Guidelines**"), designed to clarify the assessment and approval of company names under the Myanmar Companies Law 2017. The objective is to enhance transparency, reduce registration delays, and prevent public confusion as to the identities or affiliation of businesses. DICA will reject company names that are identical or confusingly similar to existing registered company names (i.e., differ only in punctuation, spacing, or similar attributes, have similar pronunciation or meaning, merely rearrange the order of words, and/or add Group, Holdings, etc., to an existing name). The Guidelines provide examples of company names that may be regarded as confusingly similar, as well as concrete examples of terms that are restricted or prohibited.

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1. Streamlining of Procedure for Cancellation of BIR Registrations

On May 19, 2026, the Bureau of Internal Revenue ("**BIR**") issued Revenue Memorandum Circular No. 47-2026 ("**RMC No. 47-2026**"), which significantly simplifies the processes for closing a business and cancelling BIR registration.

Under previous rules, taxpayers applying for business closure generally were required to undergo a lengthy process, which often included a tax audit, before tax clearance could be issued. During the processing period, the taxpayer's registration remained active in the BIR system, which meant that tax filing obligations continued and penalties for non-filing could accrue even after business operations ceased.

RMC No. 47-2026 introduces several important changes. First, once a taxpayer submits the required documents, its registration will be tagged as "deregistered" in the BIR system. Thereafter, filing obligations and penalties for non-filing will no longer accrue while the closure application is being processed.

Second, small taxpayers whose gross sales for the preceding year do not exceed PHP 3 million or whose gross assets upon retirement do not exceed PHP 8 million no longer are subject to a mandatory tax audit as part of the closure process. As long as they have no outstanding liabilities or open cases, the BIR is required to issue their tax clearances within three working days after submission of all required documents and other items.

Finally, taxpayers now may submit closure applications electronically via the relevant Revenue District Office's official email address or the BIR's electronic registration facilities, reducing the need for in-person filings.

2. Guidelines for Scraping Publicly Available Personal Data

On April 13, 2026, the National Privacy Commission ("**NPC**") issued NPC Advisory No. 2026-01 ("**Advisory**"), which provides guidance on the scraping of publicly available personal data. The Advisory is particularly relevant to businesses that use publicly available data for analytics, marketing, artificial intelligence, recruitment, due diligence, compliance screening, and similar purposes.

A key clarification in the Advisory is that personal data remains protected under the Data Privacy Act ("**DPA**") even when it is publicly available online. The NPC emphasized that public availability does not constitute consent and does not permit unrestricted collection or use of personal data. However, the Advisory also does not require businesses to obtain consent in all cases. Instead, organizations that engage in data scraping must identify an appropriate lawful basis for processing the data under the DPA, which may be consent or another permitted basis recognized by law.

The Advisory also establishes key compliance requirements for organizations that engage in data scraping, which must:

(i) ensure they have a valid legal basis under the DPA for collecting and using the scraped personal data, such as the data subject's consent, compliance with a legal obligation (e.g., anti-money laundering or sanctions screening requirements), or the organization's legitimate interests (e.g., fraud prevention, due diligence, or compliance checks);

(ii) collect only personal data that is necessary for the relevant purpose;

(iii) provide appropriate privacy notices to data subjects;

(iv) implement adequate security measures to protect the data; and

(v) perform privacy impact assessments, particularly for large-scale scraping activities.

The Advisory is an important reminder that publicly available personal data cannot be treated as freely usable information. Organizations that rely on data scraping should review their data collection and processing practices to ensure compliance with the DPA and NPC regulations.

1. Changes to the Singapore Code on Takeovers and Mergers

On June 16, 2026, following the conclusion of a public consultation period that ran from May 5 to June 5, 2025, the Monetary Authority of Singapore ("**MAS**"), acting on the advice of the Securities Industry Council ("**SIC**"), announced and issued the revised Singapore Code on Take-overs and Mergers ("**Code**") which will take effect on July 16, 2026. The amendments to the Code are designed to protect the competitive process in takeover and merger transactions, improve the certainty and timeliness of schemes of arrangement, and enhance disclosures to investors and shareholders. The key changes include (but are not limited to):

(i) Deal protection measures: existing Rule 13 of the Code is enhanced to provide that the aggregated total of all break fees (where multiple break fees are agreed upon in connection with an offer) payable by an offeree company must be capped at no more than 1% of the total offer value. The offeree board and its financial advisor also are required to explain to the SIC why the break fee is in the best interests of the offeree company's shareholders.

(ii) Schemes of arrangement: a shareholder meeting to approve a scheme of arrangement must be convened within six (6) months of the initial announcement of the scheme. After shareholder approval is obtained, both the offeror and offeree company must immediately execute all necessary steps to make the scheme effective without delay.

(iii) Offeror statements: an offeror who issues a "no increase" or "no extension" statement may not make a subsequent offer that effectively increases or extends the bid, until the later of three (3) months after the original offer lapses or the conclusion of a competing offer's period. If an indicative offer price was disclosed prior to a firm offer announcement, the announced offer price must be no less than the indicated price. Where a potential offeror has not clarified its intentions to make an offer for the company for a prolonged period, the SIC may impose a 28-day deadline, within which a potential offeror must either announce a firm offer or confirm that it will not proceed.

(iv) Frustrating actions: an offeree company seeking shareholder approval of a proposed frustrating action (an action taken by an offeree board that could result in shareholders being denied an opportunity to consider an offer) must obtain and disclose independent advice on the proposed frustrating action. Where an asset sale competes with an offer for shares, the offeree company must disclose the quantified expected cash proceeds to be returned to shareholders from the asset sales (to be treated as a profit forecast under the Code).

Please refer to the links of the conclusions of the consultations on revision of the Code issued by the SIC and the latest revised Code, published on June 16, 2026.

2. Changes to Licensing Exemption Framework for Single Family Offices

On June 12, 2026, the MAS announced that a revised framework for Single Family Offices ("**SFOs**") will take effect on June 15, 2026. The revised framework introduces an automatic class exemption from licensing pursuant to the Securities and Futures (Licensing and Conduct of Business) (Amendment) Regulations 2026. Under the previous framework, SFOs had to consider whether their structures fell within an existing exemption or whether a case-by-case exemption from MAS was required. Under the revised framework, qualifying SFOs can rely on the class exemption, provided they satisfy the prescribed criteria and complete the notification process. The relevant conditions and requirements include (but are not limited to):

(i) An SFO must (a) be incorporated in Singapore, (b) open and maintain an account with an MAS-licensed bank, (C) ensure that the Singapore-incorporated fund vehicles for which it manages assets also open and maintain accounts with an MAS-licensed bank, and (d) engage in fund management only for, or on behalf of, permitted persons or entities, which include family members (including family trusts and corporations wholly owned by, and for the sole benefit of, the family), charitable organization(s) funded exclusively by the family, and/or key employees of the SFO, subject to the applicable 10% limit.

(ii) A new SFO must file a Notice of Commencement of Business with the MAS within 14 days of commencement of operations in Singapore. An existing SFO that commenced business in Singapore before June 15, 2026 and intends to continue operating must satisfy the conditions in the licensing exemption framework and file the notification by June 15, 2027. The notification requires certain information, including the amount of total assets managed by the SFO, the name(s) of the fund vehicle(s), and the name(s) of the Singapore banks with whom the SFO and its fund vehicle(s) have opened and maintained accounts. It must be accompanied by a declaration that SFO satisfies all applicable conditions and restrictions. After filing the notification, SFOs are required to file an annual return with MAS within four (4) months after the end of every financial year.

Details about the revised framework also are set out in the FAQs on Licensing Exemption Framework for SFOs issued by the MAS, available at https://www.mas.gov.sg/regulation/faqs/faqs-on-licensing-exemption-framework-for-single-family-offices.

1. Thailand Introduces Framework for Personal Data Protection Certification

On June 18, 2026, the Office of the Personal Data Protection Committee ("**PDPC**") published two notifications in the Royal Gazette, both of which took effect that same day, which establish a framework and procedures for issuance of a certification of personal data protection standards ("**PDPA Certificate**") under the Personal Data Protection Act B.E. 2562 (2019) ("**PDPA**"). The PDPA Certificate serves as evidence of an organization's compliance with the PDPA and is intended to encourage organizations to develop and strengthen their internal operational systems, implement the accountability principle, establish effective personal data governance practices, and facilitate the future development of certification systems for cross-border recognition.

The two notifications establish the assessment criteria for obtaining a PDPA Certificate, which consist of 4 categories, 10 focus areas, and 128 evaluation criteria covering: (i) Policy and Governance, (ii) Human Resource Development (HRD), (iii) Processes and Procedures, and (iv) Technology Security and Data Breach Responses. Depending on the assessment results, applicants may be granted either a PDPA Compliance Certificate or the higher-level PDPA Certificate, together with a certification mark. The notifications also establish application procedures for obtaining a PDPA Certificate; the certificates are available to public organizations and to private entities. The PDPC must complete the assessment process, including the required inspection, within 180 days of the date of submission of the application. Once issued, a PDPA Certificate is valid for 3 years from the date of issuance, unless it is amended or revoked by the PDPC.

2. Thailand Expands the Scope of Contract-Controlled Beauty Services

On May 21, 2026, the Royal Gazette published the Notification of the Contract Committee Re: Prescribing Beauty Service Business as a Contract-Controlled Business (No. 2) B.E. 2569 (2026) ("**Notification**"), which took effect on the following day. The Notification expands the definition of "beauty service business" by expressly including liposuction, plastic surgery, aesthetic procedures, and health rehabilitation services, while excluding medical treatment, the treatment of disease or injury, and certain other services, such as hairdressing, makeup, manicures, eyelash grooming, Thai massage, tattoo services, and other services of a similar nature. As a result, operators of newly included services are required to comply with the original notification issued in 2025, including the requirement to use the prescribed standard-form agreement for the provision of beauty services to consumers.

The Notification also revises the prescribed standard-form agreement by replacing the term "beauty service specialist," which previously was used to refer to physicians and employees providing beauty services, with the broader term "beauty service provider," thereby expanding the categories of persons eligible to provide beauty services.

3. BOI Relaxes Thai Employment Ratio for High-Technology Industries

On April 9, 2026, the Office of the Board of Investment ("**BOI**") issued Notification of the Office of the BOI No. Por. 4/2569 Re: Relaxation of the Criteria on Thai Employment Ratio for Industries Using High Technology, which relaxes the Thai employment ratio requirement for investment-promoted companies operating in high-technology industries. These include activities in the semiconductor and advanced electronics sector (e.g., printed circuit board (PCB) manufacturing and high-precision machinery). The Notification is designed to support projects that require foreign personnel with specialized expertise during transition periods, while ensuring the transfer of technology and know-how to Thai personnel over the medium to long term.

Under the Notification, eligible companies may apply for a relaxation of the Thai employment ratio in order to employ additional foreign personnel at the operational, managerial, and executive levels for a period of up to 3 years from the date of approval. Once the application is granted, companies must maintain a total workforce comprised of no less than 30% Thai personnel during the first year, and 60% during the following 2 years, before reverting to the standard Thai employment ratio requirement. In addition, companies are required to provide training to Thai personnel based on the difference between the number of foreign personnel permitted under the relaxed ratio and the number permitted under the standard ratio, subject to a minimum training ratio of one Thai employee for each additional foreign position approved in connection with the company's application.

1. New Merger Filing Control/Competition Regulations

Recent regulatory developments under Resolution No. 66.18/2026/NQ-CP dated May 18, 2026 ("**Resolution 66.18**") and Decree No. 102/2026/ND-CP dated March 31, 2026 ("**Decree 102**") introduce notable changes to Vietnam's merger filing control regime, which focus on both filing thresholds and enforcement mechanisms.

(i) Effective July 1, 2026 through February 28, 2027, Resolution 66.18 doubles the thresholds for triggering mandatory economic concentration notifications (also known as "merger filing control"), which may reduce the number of transactions subject to these obligations. In particular, the total revenue and total asset thresholds are increased from VND 3,000 billion to VND 6,000 billion, and the transaction value threshold is raised from VND 1,000 billion to VND 2,000 billion, noting that the combined market share criterion (i.e., 20% or more of the relevant market share) remains. Though the lifetime of Resolution 66.18 is short, it is expected that current Government Decree 35/2020/ND-CP regulating the old thresholds will be amended soon to be consistent with these new thresholds.

(ii) Decree 102 introduced significant changes to the enforcement framework for merger control, which entered into effect on May 20, 2026. Notably, it empowered authorities to revoke merger filing clearance decisions obtained on the basis of misleading or inaccurate information. It also revised the penalty regime for failure to file economic concentration notifications and gun-jumping violations, in a shift from purely turnover-based fines (ranging from 1% to 5% of turnover in the relevant market) to fixed monetary penalty bands determined with reference to the violating party's total turnover and total assets in Vietnam, while retaining the statutory cap of 5% of turnover in the relevant market for failure to file economic concentration notifications and raising the statutory cap from 1% to 5% of turnover in the relevant market for gun-jumping violations.

2. New Regulations and Policies Governing Investment and Business Environment

Between March and June, Vietnam's government and politburo enacted a series of documents that are expected to have a substantial positive impact on Vietnam's investment and business landscape. In particular:

(i) On March 31, 2026, the government issued Decree No. 103/2026/ND-CP on overseas investment ("**Decree 103**"), which took effect on April 3, 2026. Decree 103 clarifies relevant regulations relating to the Law on Investment No. 143/2025/QH15, including without limitation those relating to: (a) projects for which it is not necessary to obtain a overseas investment registration certificate ("**OIRC**"), which include (without limitation), those with investment capital below VND 7 billion in non-conditional sectors (i.e., banking, securities, insurance, newspapers, radio, and television, and real estate), for which investors only need to declare information about the projects in the national investment information system and complete foreign-exchange registrations, and (b) projects that must obtain prior approval from the Prime Minister before granting or adjusting their OIRC, specifically, those with investment capital of VND 1,600 billion or more or those seeking special support policy, except for certain special cases.

(ii) On May 15, 2026, the government issued Resolution No. 66.17/2026/NQ-CP ("**Resolution 66.17**"), which reduced the list of conditional business lines in Appendix IV of the 2025 Law on Investment (from 198 to 142 business lines across various sectors) and shifted the management of the removed business lines to post-inspection. Resolution 66.17 is effective from July 1, 2026 until February 28, 2027 (except for certain provisions), pending the National Assembly's formal amendment of Appendix IV of the 2025 Law on Investment. Therefore, commercial operation of seaports, accounting services, gas trading, liquor trading, pipeline transport services, among others, no longer are conditional businesses.

(iii) On June 8, 2026, the Politburo issued Resolution No. 10-NQ/TW on the development of the foreign-invested economy ("**Resolution 10**"). Though not self-executing, Resolution 10 establishes a clear policy direction for future legislation and regulatory practices, notably including: (a) a shift from pure capital attraction to strategic investment, with emphasis on quality, efficiency, technology transfer, supply chain integration, and value creation, with the goal of moving beyond Vietnam's past manufacturing base, (b) a move from input-based incentives to performance-based support tied to a project's efficiency, reinforced by post-licensing supervision and clawbacks of incentives for unmet commitments, and (c) special investment procedures and superior incentives for strategic projects in priority sectors such as semiconductors, AI, and data centers.

New Restrictions on Goods Tied to Forced Labor

Joint Prakas No. 450 MEF on the Prohibition of Imports of Goods Produced with Forced Labor

On July 1, 2026, the Cambodian government, acting through the Ministry of Economy and Finance ("**MEF**"), the Ministry of Commerce ("**MOC**"), and the Ministry of Labor and Vocational Training ("**MLVT**") promulgated Joint Prakas No. 450 MEF ("**Prakas**"), establishing a legal framework designed to prevent the entry of goods connected to forced labor into Cambodia.

The Prakas establishes formalities, procedures, and measures to prohibit the importation of goods involving forced labor, with the goal of promoting responsible supply chains and enhancing competitiveness.

The Prakas prohibits goods connected to forced labor from entering the Cambodian market. The prohibition extends beyond import alone, and also applies to the use, circulation, and supply of those goods in Cambodia. As a result, businesses may face compliance risks not only at the border but throughout the commercial life cycles of affected products.

The Prakas applies to imported products that may be associated with forced labor. The regulation defines "forced labor" as any work or service performed involuntarily under the threat of punishment, consistent with the definition set out in Cambodian Labor Law. "Goods related to forced labor" include products mined, extracted, produced, or manufactured, in whole or in part, through the use of forced labor at any stage of the supply chain.

An inter-ministerial working group, consisting of representatives from the MEF, MOC, MLVT, and other relevant authorities, has been formed to implement and enforce the Prakas. The working group is authorized to inspect goods suspected of being linked to forced labor and to perform related investigations. It also may cooperate with foreign authorities and other relevant bodies where cross-border supply chains are involved.

Importers whose goods are subject to inspection must cooperate with the authorities and provide supporting documents within the prescribed timeframe. Failure to demonstrate compliance may result in enforcement actions and regulatory sanctions, including:

(i) Importers' Responsibilities During Investigations

Importers whose goods become subject to inspection must cooperate fully with the relevant authorities and provide supporting information within ten (10) working days of the date of the notification.

Supporting documentation may include:

- (a) Proof of the origin of the goods and the production location;
- (b) The name and details of the manufacturer or individuals involved in the supply chain;
- (c) Information on the production process, extraction, harvesting, processing, assembly, or other related activities;
- (d) Sale and purchase agreements, payment documents, ownership transfer documents, or other related documents; and
- (e) Compliance audit reports, compliance assessment reports, or other documents demonstrating the absence of forced labor involvement.

(ii) Enforcement Measures

Where the relevant authorities determine that goods are connected to forced labor, they may prohibit the importation, use, circulation, distribution, or supply of those goods in Cambodia. Additional regulatory measures may include:

- (a) Suspension of import and export activities;
- (b) Suspension of the issuance of certificates of origin; and
- (c) Other measures, in accordance with applicable laws and regulations.

Practical Considerations for Businesses

Businesses involved in international trade, including importers, manufacturers, distributors, and supply chain operators, should assess their existing procurement and compliance practices in light of the new requirements.

Particular attention should be given to supplier due diligence, supply chain mapping, and document retention. Companies should be prepared to demonstrate the origin of goods, the transparency of their supply chains, and the measures taken to mitigate forced labor risks. This is especially important for products sourced from jurisdictions, industries, or suppliers that may present elevated compliance risks.

1. Amendments to insolvency and bankruptcy framework

On May 22, 2026, the Ministry of Corporate Affairs notified the Insolvency and Bankruptcy Code (Amendment) Act, 2026, with the following key changes:

(i) **Creditor-initiated insolvency resolution process**: certain classes of financial creditors may initiate a resolution process for smaller corporate debtors without an initial filing before the National Company Law Tribunal. The process requires approval from financial creditors holding at least 51% of the debt by value and must conclude within 150 days (extendable by 45 days).

(ii) **Group and cross-border insolvency**: provisions introduced for insolvency of group entities and cross-border insolvency proceedings. Detailed rules will follow separately.

(iii) **Resolution plans**: multiple and asset-specific resolution plans are permitted for a single corporate debtor. In certain circumstances, the insolvency resolution process may also restart once before liquidation with the approval of 66% of the committee of creditors.

(iv) **Liquidation reforms**: the liquidation period is capped at 180 days, with an extension of 90 days. The committee of creditors is empowered to supervise the liquidation process, including the appointment and replacement of the liquidator. The amended distribution waterfall limits secured claims to the value of relinquished security.

(v) **Avoidance of transactions**: the look-back period for pursuing avoidance applications is calculated from the insolvency initiation date. Creditors may pursue avoidance applications if the resolution professional or liquidator fails to do so.

2. Central Rules under the four labor codes notified

On May 8, 2026, the Ministry of Labor and Employment notified the Industrial Relations (Central) Rules, 2026, the Code on Wages (Central) Rules, 2026, and the Code on Social Security (Central) Rules, 2026, followed by the Occupational Safety, Health and Working Conditions (Central) Rules, 2026 on May 9, 2026 (together, "**Central Rules**"), each coming into force on the date of publication. The Central Rules operationalize the four labor codes brought into effect on 21 November 2025. Key provisions include the manner of fixing wages, maximum working hours, biannual revisions of the variable dearness allowance, mandatory appointment letters, annual free health check-ups for employees, constitution of grievance redressal committees, recognition of negotiating unions and negotiating councils, adoption of standing orders, extension of social security benefits to unorganized workers. State governments will notify their own rules under the codes for the implementation.

3. Model Standing Orders, 2026 implemented

On May 8, 2026, the Ministry of Labor and Employment issued the Model Standing Orders, 2026 under the Industrial Relations Code, 2020, superseding the Industrial Employment (Standing Orders) Central Rules, 1946, and extending the standing orders framework to the services sector in addition to the mining and manufacturing sectors. Key features include:

(i) parity of wages, hours of work and statutory benefits for fixed-term employees, including eligibility for gratuity after one year of continuous service;

(ii) mandatory issuance of identity badges, maintenance of service cards, and recognition of electronic and biometric attendance systems;

(iii) prescribed procedures for shift working, shift changes, transfers, leave, termination and disciplinary action for misconduct;

(iv) publication of working hours, wage rates and holidays.

1. Bangladesh Labour (Amendment) Act, 2026

On April 10, 2026, the Bangladesh Labour (Amendment) Act, 2026 ("**Labour Act**") was published in the Bangladesh Gazette, converting the Bangladesh Labour (Amendment) Ordinance, 2025, into law.

Key points under the Labour Act include:

(i) Extension of labour protections: The Labour Act now enables self-employed workers and digital labour workers to participate in the formation of trade unions and in collective bargaining processes. Accident compensation rights and union rights are now extended to seafarers, domestic workers, and agricultural workers.

(ii) Workplace complaint committees made mandatory: The Labour Act mandates the establishment of complaint committees comprising five (5) members to receive and investigate complaints relating to violence, harassment, and sexual harassment. Each committee must be chaired by a woman and comprise a majority of women.

(iii) Reduction of service period for claiming layoff compensation: Workers registered in an establishment's workers' register are now entitled to full layoff compensation after completing at least three (3) months of service, replacing the previous one-year continuous service requirement.

2. Whistleblower Protection Framework for Market-related Misconduct

On May 24, 2026, the Bangladesh Securities and Exchange Commission ("**BSEC**") published the Bangladesh Securities and Exchange Commission [Disclosure of Information Related to Capital Market and Protection of Whistleblowers] Rules, 2026 ("**Whistleblower Rules**") in the Bangladesh Gazette. The Whistleblower Rules establish a framework for reporting capital market-related misconduct to the BSEC, including insider trading, fraudulent activity, and market manipulation. Protections for whistleblowers in relation to such disclosures are also introduced, including protection of whistleblowers' identities and safeguards against adverse action.

3. Personal Data Protection Act, 2026

On April 10, 2026, the Personal Data Protection Act, 2026 ("**Data Protection Act**") was published in the Bangladesh Gazette. The Data Protection Act recognises personal data as belonging to the relevant individual and provides for consent-based processing, while imposing obligations on data fiduciaries and processors. The Data Protection Act applies to processing in Bangladesh and to certain offshore processing activities, including processing connected with the provision of goods or services to data subjects located in Bangladesh or the monitoring or profiling of such data subjects.

Trade Dispute Resolution Rules, 2026: TDRC Framework Now Operational

On April 2, 2026, Ministry of Commerce SRO 552(I) / 2026, which establishes the procedural framework for the Trade Dispute Resolution Commission ("**TDRC**") under the Trade Dispute Resolution Act, 2022, entered into force.
The relevant rules apply to domestic and cross-border trade disputes involving exporters, importers, foreign investors, and businesses that are parties to commercial contracts governed by Pakistani law or relevant trade agreements, where the value of the claim is not less than USD 5,000. The new framework creates an alternative route for remedies, aside from existing court proceedings, in eligible commercial trade disputes.

Key features include:

(i) The ability to file complaints through TDRC facilitation desks at Pakistan's diplomatic missions abroad, which should make the process more accessible to overseas parties.

(ii) A structured integration of arbitration, mediation, and conciliation mechanisms, aligned with UNCITRAL standards and supported by defined procedural and timeline-based steps culminating in a final determination.

[2] We hereby thank the Kabraji & Talibuddin, a Pakistani law firm, for their support in preparation of this article.

1. Inland Revenue (Amendment) Act No. 11 of 2026

On June 3, 2026, the Inland Revenue (Amendment) Act No. 11 of 2026 (**"IRA Amendment Act"**) came into operation. The IRA Amendment Act introduces reforms designed to broaden the tax base, enhance tax compliance, and provide targeted investment relief. The key changes include:

(i) Companies incorporated or registered in Sri Lanka must register with the Commissioner General of Inland Revenue within 30 days after the date of incorporation or registration.

(ii) Taxpayer Identification Number verification is now required for several key transactions, including opening bank accounts, land registration, transfers of shares in Sri Lankan companies, and obtaining credit cards.

(iii) A 100% enhanced capital allowance is available for new undertakings involving qualifying capital expenditures on depreciable assets (excluding intangible assets) in excess of USD 250,000 but not exceeding USD 3 million. Additionally, eligibility for enhanced capital allowances for the expansion of an existing undertaking now is contingent on the Board of Investment of Sri Lanka specifically approving the relevant expansion.

(iv) The scope of withholding tax on service fees has been expanded to cover a wider range of professions and service providers, including IT specialists, advisors, translators, writers, and other individuals.

(v) Capital gains tax rates have been increased for certain categories of taxpayers, including individuals, partnerships, trusts, unit trusts, mutual funds, and NGOs.

2. Imports and Exports (Control) Regulation No. 06 of 2026

On June 19, 2026, the Imports and Exports (Control) Regulation No. 06 of 2026 came into force, to amend Special Import Licence and Payment Regulation No. 1 of 2011. The new regulation introduces a registration requirement for importers that intend to make advance payments for imported goods. An importer seeking to make an advance payment to an overseas supplier first must register with Sri Lanka Customs as an eligible importer. Licensed commercial banks are required to verify the importer's registration status before processing advance payments overseas.

[3] We hereby thank Ms Ushara Ratnayake from the D. L. & F. De Saram, a Sri Lankan law firm, for her support in preparation of this article.

Introduction of Digital Service Tax and Corporate Compliance Amnesty Measures

Effective July 17, 2026, the Government of Nepal enacted the Finance Act, 2083 (2026) to introduce Digital Service Tax (DST) regime and corporate compliance amnesty measures.

(i) Section 23 of the Finance Act 2083 mandates a non-resident person to pay a 2% Digital Service Tax (DST) on (a) the value of electronic services provided to local users, and (b) the value of data collected from local users and subsequently sold. The tax does not apply to transactions with annual turnover of up to NPR 3 million or to sales made through a digital interface to local business users for business purposes. Non-resident service providers need to submit prescribed returns and pay the applicable tax within three months after the end of each fiscal year. Failure to comply may result in a fee equal to 0.1% of annual turnover, interest at 15% per annum on unpaid tax, and a penalty equal to 50% of any underreported or concealed tax amount.

(ii) Section 48 introduces a compliance relief measure for companies registered under the Companies Act, 2063 (2006). Companies that have failed to submit statutory filings, renew registrations, or pay taxes, fees, charges, interest, or penalties may be eligible for a waiver of outstanding liabilities, provided that they satisfy the prescribed filing and payment requirements by October 17, 2026.

1. UAE Competition Law - Implementing Regulations and Prescribed Fees

The UAE Cabinet issued (i) Decision 59 of 2026 on the Implementing Regulation of Federal Decree-Law 36 of 2023 on the Regulation of Competition ("**Implementing Regulations**") on April 20, 2026; and (ii) Decision 105 of 2026 ("**Cabinet Decision**"), prescribing the fees for various services under the Implementing Regulations on June 12, 2026. The Implementing Regulations and the Cabinet Decision will come into force on July 30, 2026 and July 29, 2026, respectively. The key provisions of the Implementing Regulations and the Cabinet Decision are set out below:

(i) The UAE Ministry of Economy and Tourism ("**Ministry**") must be notified for an Economic Concentration[4] where the participating undertakings' combined annual sales in the relevant UAE market exceeds AED 300 million during the last fiscal year, or their combined market share exceeds 40% of the total transactions in the relevant market during the last fiscal year. Parties to an economic concentration are required to submit an application for approval in the prescribed form together with supporting documentation, including constitutional documents, commercial licenses, the underlying transaction documents, audited financial statements for the preceding three fiscal years, shareholder information and a report on the economic aspects of the economic concentration, including an assessment of its competitive effects.

(ii) The Ministry must conduct a preliminary review of the application and supporting documents within ten working days (extendable by a further ten working days) and may request additional information where the filing is incomplete. Following completion of the formal review, the authorities conduct a substantive assessment of the economic concentration, including its impact on market concentration, barriers to entry, consumer interests, prices and the potential creation or strengthening of a dominant position.

(iii) Interested parties affected by the Economic Concentration may submit views, information and supporting documents within fifteen working days following publication of the basic information relating to the Economic Concentration on the Ministry's website. Interested parties must prove that they are affected by the transaction and that their submissions are relevant to the assessment process.

(iv) The Implementing Regulations provide detailed criteria for determining whether an undertaking holds a "Dominant Position" or engages in "Predatory Pricing". In assessing whether an undertaking has the ability to influence the relevant market (which may establish a Dominant Position even if the statutory market share threshold is not met), factors such as technological leadership, financial strength, market power, barriers to entry, customer and supplier relationships and the undertaking's ability to act independently of competitive constraints may be considered. Predatory pricing may be assessed by reference to average variable cost, marginal cost and average total cost, with recognised objective justifications including promotional offers, stock clearance, price matching etc.

(v) The Cabinet Decision prescribes the following service fees: AED 5,000 each for applications seeking exemptions from the provisions relating to restrictive agreements, dominant position, economic dependency and excessively low pricing (predatory pricing); an amount equal to 0.02% of the combined annual sales value of the undertakings participating in an Economic Concentration (capped at AED 150,000) for concentration clearance applications; AED 1,500 for objections to an economic concentration; and AED 500 for grievances against decisions under the Competition Law (refundable if the grievance is accepted).

2. Ministerial Decision Concerning Wage Protection System

The UAE Ministry of Human Resources & Emiratisation ("**MoHRE**") issued Ministerial Decision 340 of 2026 Concerning the Wage Protection System (the "**2026 Decision**") on May 12, 2026, which came into force on June 1, 2026. The 2026 Decision repeals Ministerial Decision 598 of 2022. The key provisions of the 2026 Decision are set out below:

(i) The 2026 Decision designates the first day of each Gregorian month ("**Due Date**") as the unified due date for payment of employees' wages in private sector establishments in respect of the preceding month. Any payment made after such date will be treated as delayed wage payment.

(ii) Subject to the exclusions specified in Article 4 of the 2026 Decision, all private-sector establishments registered with the MoHRE are required to pay employee wages through the Wage Protection System or any other payment system approved by MoHRE and must submit the documents and date required by MoHRE to evidence payment.

(iii) An establishment is deemed compliant with its wage payment obligations for the purposes of the Wage Protection System where it transfers at least 85% of the total wages due to its employees by the Due Date. Likewise, an employee is considered to have received his or her wages if at least 85% of the wages due are paid, provided any shortfall results from lawful deductions or withholdings, without prejudice to the employee's right to claim any unpaid amounts.

(iv) An establishment may delegate payment to a third party but remains responsible for payment on the Due Date.

(v) The 2026 Decision introduces a gradual enforcement framework for delayed wage payments. Non-compliant establishments may (a) receive non-compliance notices from the second day following the Due Date; (b) face suspension of issuance of new work permits from the fifth day following the Due Date; (c) be subject to administrative fines and reclassification into the third category where there is a repeated violation within a six-month period, from the eleventh day following the Due Date; (d) be subject, where the prescribed thresholds are met, to automatic registration of individual or collective labor disputes and suspension of work permit issuance from the sixteenth day following the Due Date; and (e) be subject, where the prescribed thresholds are met, to precautionary attachment procedures, travel bans on responsible persons and, in the case of certain repeat violations or establishments meeting prescribed employee thresholds, referral to the Public Prosecution from the twenty-first day following the Due Date.

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4 Any act resulting in complete or partial transfer (merger or acquisition) of the ownership or usufruct rights of property, rights, equity, shares or obligations of an undertaking to another, empowering the Undertaking or a group of undertakings to directly or indirectly control another undertaking or group of undertakings.

1. New Phase of Saudization

Between February and April 2026, the Ministry of Human Resources and Social Development ("**MHRSD**") of the Kingdom of Saudi Arabia ("**KSA**") issued a series of decisions aimed at localizing more than 340,000 additional jobs for locals in the private sector in the KSA. These decisions have implications for the manner in which a company's Saudization percentage is calculated. Key highlights are:

(i) **Higher Saudization ratios**: The Saudization ratios for various professions and sectors, including marketing and sales, dental practices, procurement, engineering, accounting and finance, and administration have increased.

(ii) **100% Saudization of administrative support roles**: The MHRSD has announced a 100% Saudization requirement for a defined list of administrative support roles in the private sector. Employers are prohibited from hiring non-Saudi nationals, even indirectly (for example, through staffing agencies or third party providers), in these sectors. The restriction entered into force on April 5, 2026 for certain roles, for example, secretaries, executive secretaries, security guards, translators, interpreters, and human resources clerks. The restriction takes effect on October 4, 2026 for other designated roles, such as administrative assistants, recruitment managers, employee relations managers, and public relations managers.

(iii) **Salary thresholds**: For a Saudi employee to count toward a company's Saudization percentage, his or her minimum monthly salary must be at least SAR 4,000 (USD 1,061), an increase from the previous level (SAR 3,000 (USD 796)). Higher thresholds have been established for specific professions. For example, engineering roles must pay at least SAR 8,000 (USD 2,123) per month, and marketing roles must pay at least SAR 5,500 (USD 1,459). A Saudi employee who does not meet the minimum salary threshold is counted at a reduced rate (e.g., 0.5) or may not be counted at all.

(iv) **Mandatory electronic documentation of employment contracts**: Starting April 15, 2026, the employment contract of Saudi employees must be documented electronically and authenticated on the 'Qiwa' platform for the employee to count toward a company's Saudization percentage.

(v) **Classification of employers based on Saudization percentage**: Employers are categorized in colored tiers based on their Saudization ratios. The yellow tier has been removed, and employers previously in the yellow tier were moved to the red tier, which may cause issues with visa processing and work permit renewals. The revised framework classifies employers as Red, Low Green, Medium Green, High Green and Platinum tier; revised localization thresholds apply to each category and industry sector. Companies should monitor both occupation-specific localization requirements and their overall Nitaqat classifications.

2. Regulatory Framework for Four Special Economic Zones

The KSA government has approved regulations governing the following four special economic zones ("**SEZs**"):

(i) **Jazan**: focused on food processing, mining, downstream manufacturing, port infrastructure, with the added advantage of regional proximity to Africa.

(ii) **Ras Al-Khair**: focused on maritime and mining industries.

(iii) **King Abdullah Economic City**: focused on advanced manufacturing, logistics, and the automotive sector.

(iv) **The Cloud Computing and Information Technology Zone**: based in Riyadh, and focused on data storage, processing and digital services for global technology companies operating locally.

The regulations entered into force in April 2026, and provide guidance to investors with regard to incentives, eligibility requirements, licensing procedures, establishment procedures and requirements, tax and customs frameworks, workforce nationalization requirements, fines, and the powers of relevant authorities. While the regulations governing the SEZs follow similar structures, specific requirements differ by SEZ. Investors may wish to assess whether their sectors align with a specific SEZ, the potential benefits of operating within an SEZ, and whether the available incentives are commercially attractive.

Generally, companies licensed to carry out activities in the SEZs are exempt from the application of the KSA Companies Law, Commercial Register Law, and Trade Names Law, and are instead subject to the company regime established under the relevant SEZ regulatory framework.The framework also permits the use of English, in addition to Arabic, for correspondence, notifications, accounting records, and financial statements, although Arabic translations may be required by authorities upon request. The regulations also contemplate tailored workforce requirements within the SEZs. Localization ratios, employee mobility rules, and circumstances in which non-Saudi employees may perform work outside the relevant SEZ will be determined by the Economic Cities and Special Zones Authority and the relevant authorities, in coordination with the MHRSD.

1. Expansion of Private-Sector Bribery Offenses

On June 29, 2026, Royal Decree No. 66 of 2026 amending the Omani Penal Code came into force in Oman (“**Decree**”). The Decree introduced new private-sector bribery Offenses under Articles 222 bis to 222 bis 4 of the Penal Code.

The new Offenses apply to private-sector companies and establishments, as well as public international organizations headquartered in Oman. An employer, board member or employee may be subject to imprisonment of 1 to 3 years and a fine of at least the value of the benefit given or promised if he or she requests, accepts or receives a benefit, or a promise of a benefit, for himself/herself or a third party, in return for performing a task assigned to him or her[5], or refraining from performing a task that he or she is obliged to refrain from performing. Where the act or omission is contrary to the duties of the relevant position, the penalty is increased to imprisonment of 3 to 5 years and a fine of at least the same amount. The Decree also criminalises unsuccessful bribe offers, which may result in imprisonment of 3 months to 1 year. In principle, the briber and the agent or intermediary are subject to the same penalty as the bribee. However, reporting or confessing to the Offense before its discovery may exempt the briber or agent/intermediary from punishment, and a confession after discovery may be treated as a mitigating factor.

Before the amendment, Article 146 of the Omani Labor Law penalized workers who requested or received benefits without the employer’s knowledge or consent. That provision has now been repealed, and the relevant Offenses have been incorporated into the Penal Code. A key change is that the scope of potentially liable persons has been expanded beyond workers to include employers, board members, bribers and agents/intermediaries. Companies doing business in Oman should review their approval and record-keeping procedures for gifts and entertainment, commissions, rebates and third-party payments, and should also establish procedures for investigating whistleblowing reports and assessing whether to report matters to the authorities.

2. New Real Estate Register Law

On May 18, 2026, Oman’s new Real Estate Register Law came into force under Royal Decree No. 56 of 2026 (“**New Law**”). The New Law replaces the 1998 real estate registration regime and expressly recognises paper and electronic real estate registers, folios, related documents and title deeds. It also gives electronic records and documents the same legal evidentiary effect as official paper documents.

Under the New Law, legal acts creating, confirming, transferring or extinguishing ownership, usufruct rights, security rights or other rights in rem over real estate or real estate units must be registered with the Real Estate Register Secretariat, including final judgments issued by Omani courts. Unregistered acts only create personal obligations between the parties and do not have in rem effect[6]. Registered rights and legal acts are effective against third parties. The New Law also establishes a Preliminary Real Estate Register for off-plan sales, allowing preliminary registration of ownership of real estate units and related legal acts. Such preliminary registration has the same legal effect as registration in the ordinary Real Estate Register.

While the New Law strengthens the digitalization of registration procedures and the publicity of real estate rights, the ability of foreign individuals or foreign companies to acquire real estate remains subject to other applicable laws. Companies involved in real estate acquisitions, usufructs, security interests, off-plan developments or real estate transfers in M&A transactions should clarify the registration steps required at closing and confirm the rights, attachments, disposal restrictions and litigation annotations recorded in the relevant real estate folio.

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5 However, Article 222 bis 1 also applies even if the relevant act does not fall within the duties of the relevant person.

6 Article 901 of the Omani Civil Code provides that ownership and other rights in rem over immovable property are not transferred between the parties or against third parties unless registered in accordance with the relevant special laws. Accordingly, unlike Japanese real estate registration, which is generally a perfection requirement against third parties, Omani registration is regarded as both a constitutive requirement for the transfer of rights in rem and a perfection requirement against third parties. However, even under Omani law, personal obligations between the parties, such as compensation for failure to perform an obligation to transfer ownership under Article 902 of the Omani Civil Code, may still arise. The New Law does not appear to give registration public faith in the sense of protecting a bona fide acquirer relying on the register against the true rights holder.

1. Key Developments in Turkish Competition Law

Recent developments in Turkish competition law include a revision of the merger control guidelines and decisions of the Turkish Competition Board on gun-jumping in M&A transactions, reflecting a trend in the competition authority refining its analytical methodology and strengthening its enforcement stance.

(i) **Revision of the merger control guidelines**
Following the amendment of Communiqué No. 2010/4 dated 11 February 2026, the Board revised the four guidelines governing merger notification review. The TRY 250 million threshold for technology undertakings as targets, which previously was assessed with reference to aggregate turnover, now is limited to turnover from specified sectors (digital platforms, software, fintech, biotechnology, pharmaceuticals, agrochemicals and health-tech), and the three-year rule aggregating turnover across prior transactions between the same parties or in the same relevant market was clarified to extend to joint venture formations.

(ii) **Two contrasting Board decisions on gun-jumping**
Two recent Board decisions illustrate the standard for gun-jumping violations. In Tekfen/Can Kültür (April 2025), an interim voting restriction clause, pursuant to which the selling Berker family agreed to vote in line with buyer Can Group's wishes at pre-closing shareholders' meetings, was found to have effected a de facto transfer of control before clearance, resulting in a fine of 0.1% of Can Group's 2024 Turkish turnover. By contrast, in Dgpays/Provision,[8] for which the reasoning in the decision was published on March 16, 2026, the Board found that information sharing for investor reporting and coordination under an existing cooperation agreement were mere preparatory steps, with no evidence that Dgpays substituted itself for Provision's independent decision-making, and imposed no fine. Both decisions confirm that mere coordinated conduct is not itself determinative; the test is whether the acquirer obtained decisive influence over the target's strategic conduct.

2. Istanbul Commercial Court Disclosed Use of AI in Enforcement Judgment

The Istanbul 14th Commercial Court expressly disclosed, in the reasoning of its judgment dated April 30, 2026, that it had used AI as an auxiliary technical tool in preparing the reasoned judgment. The case concerned a claim by a Netherlands-domiciled consulting firm against an Istanbul-based Turkish joint-stock company for unpaid consulting fees relating to an eye clinic the defendant intended to open in the Netherlands; having obtained a final judgment from the Amsterdam courts, the claimant sought recognition and enforcement (exequatur) of that judgment in Turkey. The Istanbul court dismissed the defendant's objections, including as to the absence of reciprocity between Turkey and the Netherlands, and granted enforcement under MÖHUK.
The court used AI for three limited purposes: reviewing foreign legal sources, verifying foreign court decisions, and translating legal texts into Turkish, as an auxiliary tool to assist the judge, rather than as a mechanism to replace the judge or resolve the dispute. The court expressly disclosed this use and the specific purposes for which AI had been employed, signaling that AI use is not an unbounded freedom but must operate within defined procedural and ethical constraints. It assessed its AI use against the framework established by the Turkish Public Officials Ethics Board Decision dated 10 September 2024 (Decision No. 2024/108), confirming adherence to principles including transparency, accountability, impartiality, output verification, confidentiality and data protection, and oversight, and emphasized that AI-generated output cannot be adopted directly and without scrutiny. The judgment makes clear that legal interpretation, the evaluation of evidence, the formation of judicial conviction, and the delivery of the final decision remain the exclusive and non-delegable duty of the judge.
The judgment illustrates that AI use in judicial proceedings may be permissible under Turkish law provided it is circumscribed by defined procedural and ethical principles, and sets a precedent for proactive judicial disclosure of AI use, underscoring that AI-assisted drafting does not diminish accountability standards.

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[7] This newsletter is prepared based on publications by Paksoy, a major Turkish law firm, dated May 21, 2026 (*Turkish Competition Law Newsletter - Issue 2026/2*) and June 23, 2026 (*Turkish courts and artificial intelligence - Part I: Istanbul commercial court expressly discloses use of AI in drafting reasoned judgment*).

[8] The target company, Provision, had entered into a business cooperation agreement with the acquirer, Dgpays, prior to the proposed transaction.

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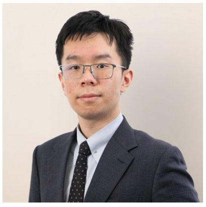

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