



SOME POLICIES TO ASSIST EMPLOYEES AND EMPLOYERS IN COPING WITH THE COVID-19 PANDEMIC

In light of the complicated situation of the COVID-19 pandemic which has had a great impact on production, trading and people's lives, on 01 July 2021, the Government issued Resolution 68/NQ-CP ("**Resolution 68**") on a number of policies to support employees and employers facing difficulties due to the COVID-19 pandemic. These policies are aimed to revive production and trading, minimize negative impacts of the pandemic, stabilize production and trading, and ensure basic living standards and safety for employees. Resolution 68 provides for specific policies as follows:

❖ For employers

- *To be exempted from payment of labour accident and occupational disease insurance premiums until the end of 30 June 2022:* Employers are entitled to a contribution rate of 0% the salary fund as a basis for paying social insurance (SI) premiums into the labour accident and occupational disease insurance fund for 12 months (from 01 July 2021 to the end of 30 June 2022). Employers will use all such exempted amounts to support employees in the fight against the COVID-19 pandemic.
- *To suspend contribution into the pension and death gratuity fund:* Employers who have fully paid social insurance premiums or are suspending contributions into the pension and death gratuity fund until the end of April 2021 and who are affected by the COVID-19 pandemic, resulting in a reduction of at least 15% of the employees participating in SI as compared to that in April 2021 (including employees who stop working, whose labor contracts are being suspended, and who are on unpaid leave), employees and employers are entitled to temporarily suspend contributions into the pension and death gratuity fund for 6 months from the time of filing applications. For those that have been entitled to payment suspension, if eligible, they will still be entitled to payment suspension but the duration must not exceed 12 months.
- *To be assisted in providing training to employees with a maximum level of VND1,500,000/month for 6 months:* Employers are provided with financial supports for training, retraining and improving professional skills from the Unemployment Insurance Fund with the maximum level of VND1,500,000/employee/month and the maximum period is 6 months.
- *Enterprises are entitled to take out loans at 0% interest rate to pay out-of-work salaries but need to provide a security measure:* Employers can take out loans from the Bank for Social Policies at 0% interest rate and do not have to provide a security measure

in order to pay out-of-work salaries to employees who participate in compulsory SI and have to stop working for 15 consecutive days or more during the period from 01/5/2021 to the end of 31/3/2022. The maximum loan amount equal to the regional minimum wage for the number of employees, the time of payment of out-of-work salaries is no more than 3 months, and the loan term is less than 12 months.

- *Be entitled to take out loans at 0% interest rate to pay wages to revive production but need to provide security measures:* Employers who must temporarily suspend operations at the request of competent state agencies to prevent and control COVID-19 in the period from 01/5/2021 to the end of 31/3/2022 when returning to production and business, and employers who operates in the fields of transport, aviation, tourism, accommodation services and sending Vietnamese employees to work abroad under contracts from 01 May 2021 to the end of 31 March 2022, can take out loans from the Bank for Social Policies at 0% interest rate and do not have to provide security measures, in order to pay wages to employees working under labor contracts and participating in compulsory SI. The maximum loan amount is equal to the regional minimum wage for the number of employees who are working under labor contracts, with the actual payment period of up to 3 months. The loan term is less than 12 months.
- *Employees are entitled to receive support in cash when suspending labor contracts or taking unpaid leave:* Employees whose labor contracts are suspended or who take unpaid leave during the term of labor contract from 15 consecutive days or more, from 01/5/2021 to the end of 31/12/2021, and who are participating in compulsory SI, will receive a one-time support amount of VND 1,855,000/month for those whose jobs are suspended from 15 days to less than 1 month; VND3,710,000/person for employees whose contracts are suspended for 1 month or more.
- *Employees are entitled to receive support in cash when their jobs are suspended:* Employees who work under labor contracts, are suspended from work and are subject to medical isolation or in locked-down areas for 14 days or more during the period from 01/5/2021 to the end of 31/12/2021, and are participating in compulsory SI at the time right before they stop working, will receive a one-time support of VND 1,000,000/person.
- *Employees are entitled to receive support in cash if they are not eligible for unemployment benefits upon termination of their labor contracts* because enterprises have to stop operating at the request of competent state agencies to prevent and control the COVID-19 epidemic from 01 May 2021 to the end of 31 December 2021, and if they are participating in compulsory SI but are not eligible for unemployment benefits, they will be entitled to a one-time support of VND 3,710,000/person.

❖ **For employees**

Pregnant employees falling into the above cases will receive an additional support of VND 1,000,000/person; employees who are raising children or taking care of children under 6 years old will receive an additional support of VND 1,000,000/child under 6 years old and this support is provided to only 1 person, either the mother or the father.

- *Self-employed employers and some special subjects are also entitled to support in cash:* dependent on specific conditions and the local budget, provinces and cities will develop criteria, identify subjects and determine the levels of support, but the support level is not lower than VND 1,500,000/person/time or VND

50,000/person/day based on the actual number of days of suspension as required by the authority.

❖ **Other subjects entitled to support**

Resolution 68 also provides a policy to support the subjects who are affected by the Covid-19 pandemic, including business households with business and tax registration, art directors, actors and painters holding professional title Class IV, and tour guides who have been granted cards for tour guiding practice.

In addition, Resolution 68 also provides food support for children, and people who are F0 and F1 under isolated treatment as required by state authorities.



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