

# Vietnam NewsBrief\*

*An update on Offshore allowance and Specific allowances in Vietnam*

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## Decision amending offshore allowance and meal allowances applicable to specific industries

The Government issued Decision 72/2008/QD-TTg on 30 May 2008.

Decision 72 applies to employees of State owned enterprises and regulates the permitted levels of Meal allowance and Offshore allowance.

**Meal allowance** - Decision 72 applies to employees working in select industries including shipping, oil and gas, aviation, mining, etc. The limits vary depending on an individual's role and now range from VND50,000 to VND150,000 per working day (previously VND32,000 to VND110,000). A provision has been included in Decision 72 stating that the MOLISA and the General Department of Taxation are responsible for adjusting the meal allowance limits if the price index of foodstuffs increases more than 10%.

**Offshore allowance** - the limit applied to the oil and gas industry for offshore allowance has been increased from VND110,000 to VND150,000 per day.

Despite being issued in relation to employees of State owned enterprises, and consistent with past practices, it can be expected that these limits will be used as a benchmark for amounts provided to employees of all employers. No distinction or mention is made in Decision 72 in relation to the application to Vietnamese and/or foreign individuals.

Decision 72 will be effective 15 days from when it is published in the Official Gazette.

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