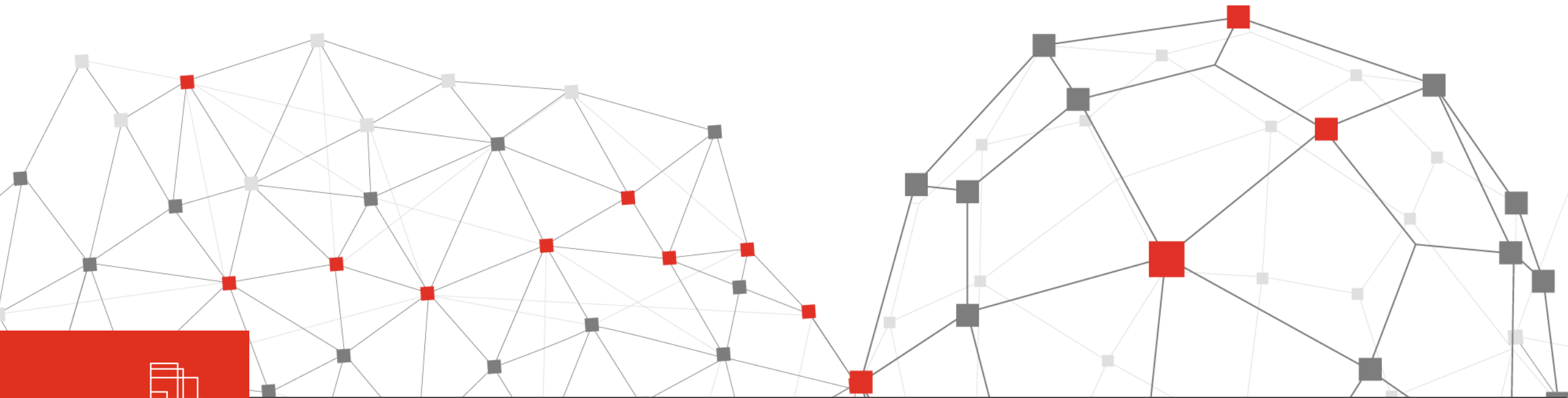


COVID-19

Prime Minister orders actions to mitigate harm from COVID-19 outbreak

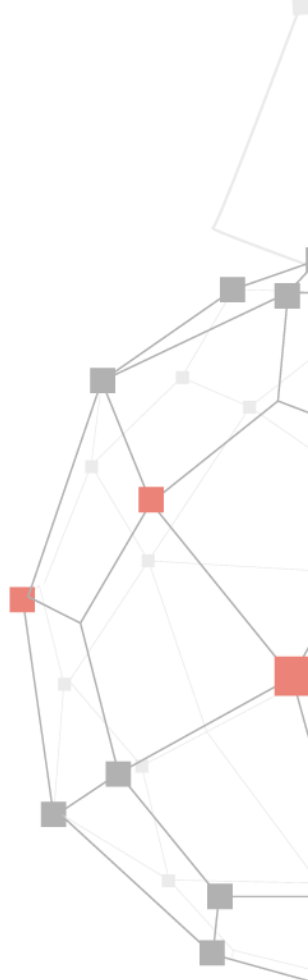


PwC Legal Vietnam NewsBrief

17 Mar 2020

At a glance...

The Vietnamese government has taken numerous precautionary measures in response to the COVID-19 outbreak. Recently, the Prime Minister has issued Directive 11 dated 4 March setting out measures to help address difficulties faced by businesses.



In details...

Some key actions required by the Prime Minister in Directive 11 include:

- the State Bank of Vietnam to ensure bankers simplify administrative procedures, shorten the time for loan approvals, increase accessibility to bank loans, reschedule debt repayments, consider interest rate exemption/reduction and reduce bank fees.
- the Ministry of Finance (MOF) to consider a decree on deferral of the deadline for payments of taxes and land rental fees, applicable to those affected by the Covid-19 outbreak. Moreover, the MOF must also urgently arrange for a National Assembly's resolution to increase the level of personal and dependent relief so that Personal Income Tax can be reduced, and apply certain Corporate Income Tax policies to support enterprises (especially small and medium-sized ones) which are facing difficulties.
- Vietnam Social Security agencies to postpone collection of social insurance premiums until June or December 2020 without charging late payment interest.
- Vietnam General Confederation of Labour to reschedule the timing of trade union fee contributions.
- the Ministry of Transport to reform administrative procedures and reduce logistics costs for maritime, aviation, road, inland waterways, railway usage; to review and implement legislation on price/fee/charge/expense discounts in the aviation industry.
- all local authorities, within their competence to reduce charges and fees for those affected by the Covid-19 outbreak, and not increase prices in the first and second quarters of 2020 for goods that are inputs for manufacturing where the prices are managed/fixed by the government.
- the Tax and Customs authorities to simplify administrative procedures.
- the Ministry of Industry and Trade (MOIT) to ensure the supply of raw materials for manufacturing/business; to organise production/distribution/circulation/supply of goods to meet consumer demands; to consolidate the domestic market and support retail trading activities. Moreover, MOIT must also take measures to boost exports, improve the effectiveness of trade promotion, diversify and find new import and export markets and actively exploit opportunities under FTAs.
- MOIT to coordinate with MOF to facilitate customs clearance, and address difficulties faced by importers and exporters.
- the Ministry of Labour, War Invalids and Social Affairs to draw up plans to support labour training and/or support employees who are laid off due to the Covid-19 outbreak; to find solutions for managing foreign employees working throughout Vietnam, especially those coming from or moving through epidemic regions; and to make plans to support enterprises to find alternative employee resources in case of a lack of foreign experts.

Further regulations will be issued by the government and ministries pursuant to Directive 11, which could have a direct impact on your business. We will highlight these as and when they are issued.

Contact us

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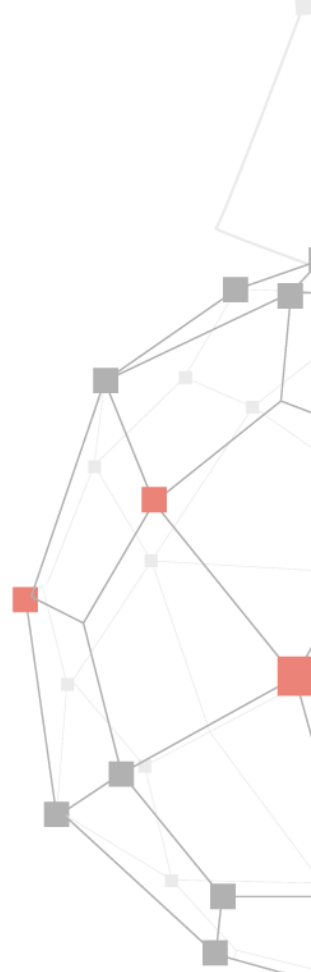
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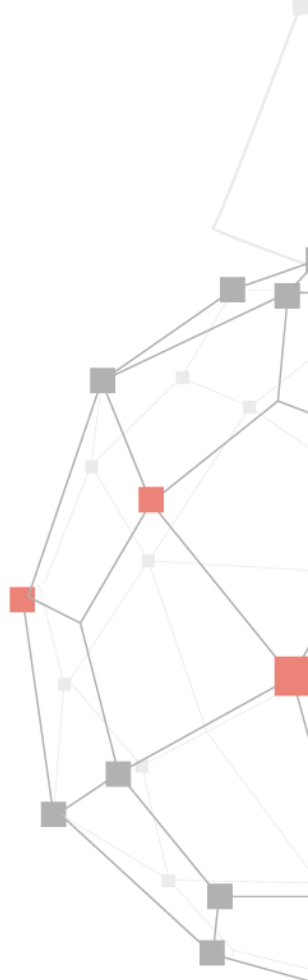


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