

Further Government support proposed for businesses impacted by COVID-19

27 September 2021

At a glance...

Further to Resolution 68/NQ-CP, dated 1 July (please refer to our [previous NewsBrief](#) for further details on Resolution 68), the Government issued Resolution 105/NQ-CP on 9 September to provide additional measures to support businesses affected by the COVID-19 pandemic.

Under Resolution 105, many ministries and local authorities are instructed to implement more effective measures to fight the pandemic, and at the same time to create favourable conditions for businesses to recover, maintain and develop their production.

In detail...

Notably, there are some measures to reduce costs and improve cash flows for businesses, as well as to facilitate labour availability, such as:

- Ministry of Labour, War invalids and Social Affairs and Vietnam Social Security to consider:
 - Reducing social insurance premiums;
 - Waiving late payment interest incurred due to late payment of social insurance premiums during 2020 and 2021;
 - Relaxing conditions for issuance/extension of work permits for foreigners working in Vietnam; and
 - Allowing businesses to increase overtime working, but must not exceed the 300 hours/year cap.
- Ministry of Finance to consider:
 - Extending policies on deferral and reduction of taxes, fees, charges and land rents;
 - Implementing preferential tax policies for imported goods serving COVID-19 prevention and control;
 - Proposing plans for deferrals of payment of special sales tax on domestically manufactured/assembled automobiles until the end of 2021 to the Government/ Prime Minister; and
 - Reducing registration fees for domestically manufactured/assembled automobiles.
- Vietnam General Confederation of Labour to consider:
 - exempting trade union (TU) fees for TU members; and
 - reduction of TU contributions for businesses affected by the pandemic in 2021 and 2022.
- Ministry of Industry and Trade to reduce electricity bills/prices (phase 5) for users as regulated in Resolution 97/NQ-CP.
- Ministry of Culture, Sports and Tourism to consider reduction of business deposits for travel businesses by 80% until the end of 2023 and shortening the processing time for the refund of such deposits from 60 to 30 days.
- Ministry of Natural Resources and Environment to consider deferrals of payment of mineral mining rights.

In detail...

- The State Bank of Vietnam to:
 - encourage bankers to continue reducing interest rates on loans; and
 - extend the list of those entities/individuals that are eligible for bank support, and broaden scale of such support (e.g. rescheduling of debt repayments, extension of the term of bank loans, exemption/reduction of interest rates/bank fees).
- Ministry of Foreign Affairs to:
 - accelerate the negotiation and mutual recognition of the Vaccine Passport with partner countries/territories in order to open the economy when conditions permit; and
 - review the process for and facilitate the entry of foreign experts, investors and their families to Vietnam.
- Ministry of Health to:
 - effectively allocate vaccines and give priority to workers at enterprises in key economic zones, hi-tech parks and industrial parks;
 - consider accepting health insurance payments for remote medical examinations and treatment activities; and
 - harmonise the process of medical isolation across various provinces.
- All local authorities to:
 - bear part of the COVID-19 testing costs to reduce the burden on businesses; and
 - develop a plan to support local businesses to get their labour force back work.

Contact us

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