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EABC MAKES MORE RECOMMENDATIONS TO BUSINESS COMMUNITY

Dr. Vu Tien Loc, President of the Vietnam Chamber of Commerce and Industry (VCCI), Chair of EABC 2020, presided over this meeting, and noted that the Covid-19 pandemic is raging through a second wave of contagion that hampers many economies around the world. To overcome these challenges, the EABC entered into the ASEAN+3 Senior Economic Officials Meeting (SEOM+3) on July 26, 2020, and sent important recommendations of the business community to governments in the region.

Accordingly, the EABC emphasized its support for the Regional Comprehensive Economic Partnership (RCEP); recommended governments to expand the ASEAN Plus Three Emergency Rice Reserve (APTERR) to include other agricultural products such as salt, sugar, flour and cooking oil; and merged the ASEAN+3 website with the East Asia Business Exchange (EABEX) to boost the awareness of public-private partnership for regional development.

The EABC also announced the release of an e-book on customs in East Asia. Currently, the council is making an e-book on East Asia investment, expected to be delivered in 2021.

The EABC submitted a report on recommendations at its meetings and dialogues with ASEAN+3 leaders in the framework of the ASEAN+3 Summit to be held in November 2020.

During the online meeting, Dr. Vu Tien Loc said that SEOM+3 acknowledged and appreciated the EABC's contributions and emphasized the high practicability of its recommendations in the current context. In the near future, on August 28, 2020, the EABC will host a meeting of the ASEAN+3 Economic Ministers (AEM+3) and will work together to make more recommendations for the business community of the region.

The EABC is also currently conducting a survey on the Business Outlook and the Digitalization Strategy in the

On August 18, business leaders representing 13 East Asian countries, consisting of 10 ASEAN countries including Vietnam, and three partner countries - China, Japan and South Korea, attended by video conference the 48th Meeting of the East Asia Business Council (EABC).

HUONG LY

new normal status, accompanied and supported by the Japan External Trade Organization (JETRO). The survey result will be included in the EABC report submitted to the ASEAN+3 governments.

EABC President Loc expressed his appreciation to working groups for their contributions in finding methods for and supporting digital transformation, fostering multilateral trade ties and supporting micro, small and medium enterprises (MSME). He said, MSME is the most vulnerable group but also a driving force for regional economic development. The MSME internationalization process is an important indicator of the success in East Asian regional

integration, promoting the digital transformation process, and enhancing the competitiveness of MSMEs in the region.

"In addition, during the Covid-19 pandemic, I call on all EABC member countries to share their experiences and governance models to help businesses overcome the crisis," said the EABC Chairman.

Regarding RCEP, the EABC hopes that, with strong recommendations from the EABC, procedures for the agreement signing will be accelerated this year.

With respect to EABEX, all EABC member countries were suggested to search for sponsors and investors to develop and generate income in the future, said Dr. Loc.

In 2020, VCCI will be hosting the ASEAN Business and Investment Summit (ASEAN BIS 2020) - the largest business event of the ASEAN region. ASEAN BIS 2020 will focus on innovation and sustainable development in the digital age. In addition, together with U.S. government agencies, VCCI will co-host the third Indo-Pacific Business Forum in Hanoi in the last week of October. Taking this opportunity, VCCI President Loc extended an invitation to EABC representatives to participate in and support these events.

According to the press release, the 49th EABC Meeting is expected to take place in November 2020. ■

VIETNAM - INDIA

Removing Barriers to Sustain Trade Ties

Vietnam and India need to capitalize on the framework of ASEAN-Oceania cooperation to promote digital economic development and application of information technology in the administrative system to strengthen connectivity, bilateral cooperation and regional integration of India - ASEAN - Oceania.

THU HUYEN

Data from Vietnam Customs shows that the two-way import and export turnover between Vietnam and India in the first six months of 2020 reached US\$4.2 billion, down more than 20% compared to US\$5.5 billion over the same period last year. However, trade started to grow again in June with an increase of 72% over May and nearly reached its normal level in 2019 of about US\$1 billion a month.

According to Vietnamese Ambassador to India Pham Sanh Chau, the slump in trade is due to the fact that in the early stages of the Covid-19 pandemic, countries applied strict lockdown and social distancing, resulting in interrupted and seriously affected trade flows. In India, the import and export turnover decreased by nearly 60% in April. The bilateral trade between Vietnam and India has also been affected.

In order to promote cooperation in the context of the unpredictable Covid-19 pandemic,

according to Mr. Chau, it is necessary to have the political determination of the two countries in particular and countries in the region in general in order to support businesses to solve difficulties and problems. In

(continued on P.7)

“ *As the global economy is still seriously affected by the Covid-19 pandemic, the Vietnam-India strategic partnership will still have room for special development in economic cooperation. Hopefully, the two governments will continue to create favorable conditions to support businesses of the two countries to increase exchanges, connections and cooperation to increase bilateral trades to US\$15-20 billion in the near future.* **”**

Dr. DOAN DUY KHUONG

VICE PRESIDENT OF VCCI



Vietnam exports many agricultural products and processed foods to India, especially catfish which is favored in this country

HARD TO BALANCE PUBLIC INVESTMENT FUND IN 2021

Making the public investment plan for the 2021-2025 period, carefully preparing the public investment plan for 2021 and speeding up public investment disbursement are all key to economic recovery in the new normal scenario. However, according to the Ministry of Planning and Investment, as the Covid-19 pandemic may still retain certain impacts in 2021, it will be more difficult to balance the fund for public investment. The ministry suggested localities select suitable and effective projects to ensure scheduled progress.

HA THU

Capital arrangement must be in line with disbursement progress, capacity

The Ministry of Planning and Investment required ministries, central and local agencies to clearly define goals and priorities in the 2021 public investment plan in accordance with Directive 20/CT-TTg, dated July 29, 2019, on medium-term public investment planning for the 2021-2025 period and investment capital sources in 2021.

Accordingly, the State capital arrangement for investment plans must be made in the given order of priority. Funding priority will be given to key national projects, key infrastructure development programs and projects that produce ripple effects on other fields, motivate socioeconomic development, draw more private funds and ensure harmonious development among localities and territories. The amount of capital allocated for each project must be consistent with its working progress and disbursement capacity in 2021.

Foreign capital arrangement must be consistent with contents of agreements and commitments to donors. Sufficient funds will be allocated for projects that will be concluded in 2021 under the foreign loan agreement and are not extended.

Furthermore, the allocation of State funds in 2021 must ensure that the State fund is sufficient for transitional projects and projects that will be completed in 2021 to promote investment efficiency. Projects that get the fund behind the given time in the 2016-2020 period and continue in the 2021-2025 period must have their funding allocation completed in 2021, and minimize cases of reporting to the Prime Minister and the People's Council that usually take more time from projects.

Particular priority is given to settling payment for completed items of projects scheduled for completion in the 2016-2020 medium-term public investment period, but transited to the 2021-2025 period.

The capital will be given to transitional projects to be completed after 2021 according to the registered progress, but this must be consistent with the funding timing specified in Clause 2, Article 52 of the Law on Public Investment (Group A projects cannot exceed six years, Group B projects cannot exceed four years and Group C projects cannot exceed three years).

After arranging sufficient capital for the above-mentioned tasks, the fund will be only

allocated to new construction projects characterized by inter-regional connectivity, urgent traffic connectivity, national defense and security, natural disaster prevention, landslide settlement, water security, climate change and projects under national target programs approved by the National Assembly.

Picking up suitable and effective projects

It is only about 2-5 months till the Government sends a report on the medium-term public investment plan of the 2021-2025 period to the National Assembly. However, according to forecasts by the Ministry of Planning and Investment, as the Covid-19 pandemic may last till 2021, it will be more difficult to balance the fund for public investment. The ministry suggested localities select suitable and effective projects to ensure the scheduled progress.

Local authorities need to actively allocate capital for good investment preparation, select projects that match the overall planning, produce inter-regional impacts, and boost rapid and sustainable socio-economic development.

Mr. Tran Duy Dong, Director of the Department of Local and Territorial Economy (Ministry of Planning and Investment), said that in August 2020 the Ministry of Planning and Investment is expected to host conferences on 2021-2025 medium-term plans integrated with the 2021 plan with localities. If necessary, it will work with major localities. Specific contents, recommendations and proposals of each locality will be discussed and shared at these conferences.

To speed up the disbursement of public investment planned for 2020 to lay the premise for 2021, the Ministry of Planning and Investment also proposed localities, in the last months of the year, actively complete investment procedures, speed up the delivery progress of added plans in 2016-2020 and plans in 2020, and effectively apply solutions and policies to disburse more public investment capital in the last months of the year.

In case the fund is transferred to other projects, localities are responsible for the accuracy of disbursement rates in their proposals for capital transfer. In case of transferring the fund to other projects, they are responsible for proposing capital arrangement for affected projects in the following years to complete those projects on schedule. ■



The new law on PPP is expected to promote infrastructure development in Vietnam, which is vital at this stage of the country's development

PPP LAW

FACILITATING PRIVATE INVESTMENT

The Law on Public-Private Partnership Investment (PPP Law) was passed by the 14th National Assembly of Vietnam at the 9th plenary session. The law consists of 11 chapters and 101 articles, regulating investing activity and private investment into important infrastructure sectors under the PPP mode.

HUONG GIANG

Urgent requirement

Vietnam has plenty of room for PPP projects to be successful, especially in important fields such as energy, transportation and infrastructure development. For the time being, PPP is very important and necessary because the investment demand is huge amid limited financing capabilities of the Government.

The PPP Law focuses on five essential areas of PPP investment: Traffic; power grid and power generation (except for hydroelectric generation and fields where the State holds monopoly in accordance with the Law on Electric Power); irrigation, tap water supply, drainage, wastewater and waste treatment; health, education - training; and information technology infrastructure.

Dr. Vu Tien Loc, President of the Vietnam Chamber of Commerce and Industry (VCCI), said that making the PPP Law is a very difficult job, but the law is necessary as it will give a boost to economic recovery after the Covid-19 pandemic. The PPP Law should be built in the spirit of equality, cooperation and efficiency optimization.

The upgrade of the PPP Decree to the

PPP Law is an important step to complete the legal framework for PPP in Vietnam. Coming to life, the law will solve current problems caused by regulatory overlaps, meet expectations of domestic and foreign investors, and unify and stabilize PPP-based investment. In particular, the PPP Law opens up many new opportunities to attract private funding into national infrastructure development in the coming time.

Breakthrough regulations

By investment scale, the PPP Law stipulates the minimum total investment for a PPP investment item at VND200 billion. For some projects in areas with difficult or extremely difficult socioeconomic conditions or in health, education and training fields, this value is VND100 billion.

By project classification and decision-making competence, the law stipulates project classification and decision-making competence are under the authority of the National Assembly, the Prime Minister, ministers, heads of central agencies, and Provincial People's Councils. The body that makes the investment decision shall decide on investment adjustment.



Guiding Decrees for PPP Law Enforcement

The Government has planned to issue three decrees to guide the enforcement of the PPP Law: Decree detailing and guiding implementation of a number of articles of the PPP Law (led by the Ministry of Planning and Investment), Decree detailing and guiding the implementation of a number of articles of the PPP Law regarding investor selection (led by the Ministry of Planning and Investment), and the decree on financial mechanism for public private partnership investment (led by the Ministry of Finance).

These decrees will be issued soon to guide the enforcement of the PPP Law and brought into force on January 1, 2021.

Regarding State capital in a PPP project, the law specifies the purpose of use and the method of State capital management in a PPP project. Where State funds are used to support infrastructure construction and site clearance, the share cannot exceed 50% of total investment value. The fund is managed and used in two modes: Split into sub-projects in a PPP project, or arranged to specific items according to the rate and value, progress and conditions specified in the contract.

Regarding investor selection, for the first time, investor selection is regulated in a legal document, aimed to ensure the consistency, integrity and continuity of a PPP project. At the same time, it helps narrow the current scope of investor appointment, specified in the Law on Tender of 2013.

As regards revenue sharing, the law stipulates that the revenue sharing mechanism is applicable to all PPP projects with a fixed rate of 50-50 for both parties and on the basis of periodic control of annual revenue. The sharing of reduced revenue is revised only when the actual revenue only reaches 75% of the revenue in the financial plan and is applied only when all measures to adjust prices, fees for public products, services or contract terms have been taken and the reduced revenue must be audited by the State Audit.

Regarding fund pooling, in addition to banks, a conventional funding channel, the PPP Law allows PPP project companies to issue corporate bonds to mobilize capital for their PPP projects.

Concerning the State audit for PPP projects, the law specifies the scope and content of State audit applied to PPP projects, including the management and use of public finance and public assets.

With reference to BT (build - transfer) projects, the PPP Law advocates stopping BT projects in the coming period. Accordingly, the transition of ongoing projects is specified in the law. Particularly, from August 15, 2020, BT projects that have not been approved for investment policy must be stopped. ■

(from P.4)

particular, the promotion of information technology application will effectively support development cooperation bilaterally and regionally.

“As the Covid-19 pandemic is strongly affecting trade flows and the global economy, India - ASEAN - Oceania need to promote trade liberalization and limit the application of tariff and non-tariff barriers,” Ambassador Pham Sanh Chau emphasized.

In order to make it easier for businesses to circulate and trade goods during the Covid-19 period, India started issuing certificates of origin electronically when the pandemic broke out. This is unprecedented and has not been specified in the ASEAN-India free trade agreements. As Chair of ASEAN, Vietnam has worked together with India and ASEAN countries in this regard.

The Vietnamese Embassy and Trade Office in India have organized online booths to support Vietnamese businesses to promote their goods and services in six major fields, namely biotechnology, pharmaceuticals and medicine; agricultural products and related products; energy, renewable energy, electricity; supply chain and logistics; information technology and telecommunications equipment; the value chain of production, attracting about 200 stalls of businesses and diplomatic missions in India and other countries in the region.

The Vietnamese Embassy in India has supported to clear 58 pepper containers stuck near the border area of India and Nepal. The involved parties were had trouble in procedures and if there had been no joint efforts, it would have been impossible to solve.

Despite efforts in promoting digital economy and helping businesses trade goods more conveniently, according to Ambassador Pham Sanh Chau, connectivity among India - ASEAN - Oceania has remained low for the past six months. The multimedia connectivity projects between Northeast India, Myanmar and Thailand have yet to cross the Indian border, let alone expand to Cambodia, Laos and Vietnam.

Besides, the fact that India announced its withdrawal from the Regional Comprehensive Economic Partnership (RCEP) after seven years of negotiation is also a pity. As Chair of ASEAN 2020, Vietnam always welcomes and expects India to join this mechanism at an appropriate time. ASEAN and Vietnam always accompany India in removing difficulties and problems on free trade agreements.

In the coming time, according to Ambassador Chau, ASEAN-India and Vietnam-India ties should continue to strengthen economic integration, and promote the development of global value chains, cooperation in electricity, electronics, mobile phones, machinery and equipment, new and renewable energy; cooperation in agriculture, science and technology; cooperation in digital economic development and information technology. ■

OPENING ONLINE WAY FOR LONGAN EXPORT

Market expansion

Currently, the Covid-19 pandemic is developing complicatedly and many Vietnamese companies cannot introduce their products abroad as usual. Many foreign traders and importers cannot come to Vietnam to directly deal with Vietnamese longan growers either. Therefore, online marketing is a very suitable measure in the current context. The recent online introduction of longan among more than 70 enterprises and importers of agricultural products and more than 30 growers, cooperatives, and longan producers, connected to 100 domestic and foreign points, is considered a timely "rescue" measure for well-harvested cheap longan this year.

According to Deputy Minister of Industry and Trade Do Thang Hai, longan fruit has already been exported to many demanding markets in the world such as the United States, Australia, China, Singapore, Malaysia, Japan, Europe, and the Middle East. Thus, growers are confident of exporting the product to other selective markets. In addition, the quality of value-added products made from fresh Vietnamese longan fruit such as dried longan is also increasingly improved.

Right from the beginning of the longan season, the Ministry of Industry and Trade assigned the Vietnam Trade Promotion Agency (Vietrade) to integrate many longan product and supplier introduction activities into online trade promotion programs for agricultural and food products in some foreign markets

Mr. Le Quoc Doanh, Deputy Minister of Agriculture and Rural Development, said that Son La and Hung Yen provinces are currently the two largest longan growers in the north of Vietnam, accounting for about 30% of the country's longan acreage, both with "Song Ma longan" certification. Hung Yen longan was already granted geographical indication, registered for protection. Therefore, along with domestic consumption, the ministry is negotiating to remove technical barriers to bring the fruit to the broader world market.

Assessing export potential of Vietnamese longan products to the Chinese market, Mr. Hu Suo Jin, Counselor of the Embassy of China in Vietnam, said, Vietnam - China agricultural trade cooperation has grown

Online trade is becoming more and more effective for agricultural product exporters in Vietnam in the context of the Covid-19 pandemic, especially for seasonal fruits such as longan.

HUONG LY

in recent years but remained modest relative to China's trade in agricultural products with the world. Therefore, the Chinese market still has plenty of room for Vietnamese agricultural products, including longan, to increase exports to this market.

Importer requirements fulfilled

On the importer side, according to Mr. Moon Ki Bong, Chairman of ASEAN Business Center in South Korea, to successfully penetrate the South Korean market, longan fruit needs to be fresh, safe and hygienic. It should be treated with biotechnology to diversify product categories to meet diverse consumer needs.

Meeting standards such as clear traceability, quality, phytosanitary, and insect disinfection are important requirements. Deputy Minister Do Thang Hai proposed solutions to support localities and businesses: The Ministry of Industry and Trade will focus on consolidating and expanding target markets, especially trade

connections and supplier-importer connections, to bring more Vietnamese agricultural products to domestic and foreign distribution systems and establish strong consumption networks to foster large-scale production.

To support Vietnamese longan products to expand their market share in the international market, as a regulator of commodity circulation, the Ministry of Industry and Trade has actively coordinated with the Ministry of Agriculture and Rural Development and other branches and localities to apply various consistent solutions for market development. In particular, the Ministry of Industry and Trade pays special attention to trade exchange and supplier-importer connectivity, actively introduces Vietnamese agricultural products to different domestic and international distribution systems.

In the coming time, the Ministry of Industry and Trade will guide localities to apply high-quality longan cultivation models and meet export standards; instruct longan producers and processors to research and apply fruit preservation technology to maintain product quality longer and diversify longan product categories like canned fresh longan, dried longan and longan drinks to satisfy diverse consumer demands in foreign markets. ■



What opportunity for resort real estate to revive?

The impact from the pandemic is only an immediate difficulty, because the resort real estate in Vietnam still has wide room for growth and the demand of consumers is still great. When the pandemic is controlled, the real estate market for resort tourism products in Vietnam will continue to grow steadily. According to the latest report by the Ministry of Construction announced on August 4, in the second quarter, the number of licensed tourism and resort projects also increased over the previous quarter. Specifically, 12 projects including 70 tourist apartments, 1 condotel and 256 tourist villas were completed; 92 projects including 197 tourist villas, 6,300 tourist apartments and 46 condotels were licensed; 91 projects with 8,407 tourist villas and 19,878 tourist apartments were under construction.

Mr. Doan Van Binh, Vice President of Vietnam Real Estate Association, assessed that the real estate market in Vietnam in general and tourism real estate in particular still has room for very strong development, because of the national strategy of taking tourism as a key economic development. The prices are still low, which is another attraction to investors in addition to favorable conditions of nature, people and the economy of Vietnam. This is the factor that helps Vietnam's resort real estate enter a new growth cycle, which is expected to explode in the next 5 - 10 years.

According to Savills Hotels, Vietnam currently has 49 resort real estate projects in the 4 and 5-star segments in major resort destinations that are under construction and are expected to come into operation by the end of 2020, adding about 16,900 rooms to the resort market. Surveys show that 53% of these projects are still rushing to complete the final steps, the remaining 23 projects postpone completion till 2021. Of which, more than 60% are expected to be complete in the 1st and 2nd quarter of 2021.

Opportunities from new generation FTAs are a highlight to attract foreign investment into Vietnam in the coming time. Thereby, it will increase the demand of foreigners living and working in Vietnam with financial capacity, contributing to the growth and better liquidity of the resort real estate market.

Mr. Doan Van Binh said that open real estate mechanisms and policies for foreigners are reflected in the synchronous amendments of the law on land, real estate, and construction, tourism, credit, immigration. If applied soon, it will be an urgent solution to help the market recover quickly after the negative impacts of the Covid-19 pandemic. At the same time, this is also a long-term solution for Vietnam to become a resort destination for foreigners to invest in real estate, increasing their competitive advantage with other countries in the region. ■

Resort Real Estate Still Has Wide Room for Growth

The resurgence of the Covid-19 pandemic has upended the real estate market, just as it was getting back on track. All sales plans of the businesses and real estate floors have been almost reversed. In which, resort real estate is the most hard-hit segment.

NGUYEN MAI

Hibernation likely to last till 2021

According to CBRE's announcement, with the quarantine regulations due to the Covid-19 outbreak, Vietnam's tourism industry in the first six months of the year was seriously affected. International visitors to Vietnam in the second quarter are mainly foreign experts and technicians working on Vietnamese projects. In the first six months of 2020, Vietnam welcomed 3.74 million international tourists, down 55.8% compared to the same period last year.

Mr. Mauro Gasparotti, Director of Savills Hotels Asia-Pacific, said that the policy of closing borders and restricting flights caused the number of tourists, room capacity, booking rates, especially segments dependent on international arrivals, to decrease significantly. Pressure from low occupancy caused the average hotel price in Q1/2020 to decrease by 21% on average compared to Q1/2019. In June, when the pandemic was quieter, the number of domestic tourists increased, and resort real estate entered the recovery phase in the peak season. The occupancy of hotels and resorts improved well during the weekends. Demand for events in major cities was back.

However, in the end of July, the pandemic broke out again in Da Nang as a fatal blow to the entire resort real estate market nationwide. Hotels and resorts in Da Nang suffered the earliest impact from cancellation of bookings for August and September. Several hotels and resorts allowed customers to change booking dates in the hope of maintaining a source of guests. Even areas where the pandemic has not yet reappeared, such as Phu Quoc, Nha Trang, Binh Thuan and Phu Yen are also heavily affected. Almost all projects are being implemented in moderation. Resort business which has just gone through a difficult period, now continues to encounter the pandemic, so the loss of personnel and finance is inevitable.

According to experts, in the case of prolonged pandemic, even at the end of the year, the resort real estate market may continue to be affected by stronger preventive measures of the Government. The market will then have to hibernate possibly to 2021.

Supply of Industrial Real Estate Becomes Imperative

Although the real estate market in Vietnam is facing many difficulties, the impacts from investment attraction policies and the adoption of the Vietnam - EU Free Trade Agreement (EVFTA) have created confidence for industrial park real estate developers.



An increasing influx of foreign capital shifting to Vietnam prompts higher demand for industrial estate

According to statistics from the Ministry of Planning and Investment, up to now, the country has 336 industrial parks covering about 97,800 hectares. In which, 261 industrial parks are in operation and the remaining 75 parks are in the process of site clearance or construction phase. The occupancy rate across all operating industrial parks nationwide is 76%.

Since 2018, occupancy rates of industrial parks have increased sharply in the Southern key economic regions such as Binh Duong, Dong Nai, Long An and the Northern key economic regions such as Bac Ninh, Hung Yen, Hai Phong, Thai Nguyen and Bac Giang. Many localities are promoting the expansion of industrial parks.

Mr. Vo Tan Duc, Chairman of the People's Committee of Long Thanh district, Dong Nai province, said that the province has announced plans to build four new industrial parks to meet the rapidly increasing demand of investors.

"The new industrial parks will be built in Phuoc Binh, Tan Hiep and Binh An communes, covering over 900 hectares. In addition, another industrial park is asking for expansion from 130 hectares in 2018 to 500 hectares," Mr. Vo Tan Duc said.

According to experts, with a large number of manufacturers planning to leave China in 2021 and 2022, developers need to build more projects to accommodate these high value production investments. However, the biggest challenge now is to ensure supply of real estate in industrial parks in the near future.

"The main limitation of the market is the supply of industrial parks, so real estate developers need to make efforts to meet the market demand, but this process is slow, so in the coming time the demand for industrial real estate will become more urgent," Director of Savill Hanoi Matthew Powell said.

According to statistics from the Ministry of Construction, since the beginning of the second quarter of 2020, despite being negatively affected by the Covid-19 pandemic, the industrial property rental price index has still increased by 9% compared to 2019 and is the only segment that has experienced growth given in the worsening pandemic.

The amplitude of rental prices in industrial parks has also increased, the average rental price of the whole country is about US\$95/m²/rental cycle of 50 years. But in some provinces, such as Bac Ninh or Vinh Phuc, the average prices are at between US\$100 - 120. Some areas in Bac Ninh have average rental price of US\$130. ■

Maritime Bank Funds TNR Grand Palace Thai Binh Project

According to the cooperation agreement between the American Property Joint Stock Company and MSB Bank, the two sides will establish a comprehensive partnership to increase interests for customers when they access products of TNR Grand Palace Thai Binh Project. Accordingly, MSB is committed to providing best financial solutions to facilitate smooth investment progress of project development. At the same time, buyers of products at TNR Grand Palace Thai

Binh Project will also be provided preferential credit packages and fast and convenient procedures. Specifically, customers registering to buy products at TNR Grand Palace Thai Binh will be lent up to 70% of the asset value in 20 years by MSB Bank.

The TNR Grand Palace Thai Binh Project has a total of 222 products, including garden villas, shop villas, shophouses, and townhouses. The project has luxury smart landscapes and utilities. Privileged class amenities include customized smarthome equipment, lighting systems and intelligent temperature control. More specifically, it has green urban areas powered by solar energy and wind energy as required by customers. With the aim of optimizing the design and functionality of the smart green urban area, TNR Grand Palace Thai Binh is in harmony with landscaped facilities such as 3D walking streets, solar tree towers and Japanese utility garden.

According to financial experts, given that credit is tightened to real estate projects, it is difficult for a real



Customers will be lent up to 70% of property value in at most 20 years by Maritime Bank (MSB) when they buy products of TNR Grand Palace Thai Binh Project.

estate project to receive such a large credit support. Currently, banks tend to consider loans for well-invested, highly profitable real estate projects. Besides, investors must prove they have enough financial capacity to carry out their projects smoothly, ensure the scheduled progress and minimize risks.

American Property Joint Stock Company, the investor of TNR Grand Palace Thai Binh Project, is experienced in property investment as it has successfully invested in a series of projects like TNR GoldSeason at 47 Nguyen Tuan (Ha Noi) and a shophouse area in Cao

Bang City. With TNR Grand Palace Thai Binh, American Property Joint Stock Company has cooperated with TNR Holdings Vietnam, a member of TNG Holdings Vietnam Group, to build and develop a new smart urban area with diversified utilities that helps socioeconomic and service development of Thai Binh province.

Another reason why MSB Bank highly appreciates the potentially profitable investment of TNR Grand Palace Thai Binh is that it lies in a so-called diamond location and faces Vo Nguyen Giap Boulevard, the largest road in Thai Binh City.

Having synchronous infrastructure, beautifully landscaped facilities and lying on Ha Nam - Nam Dinh - Thai Binh - Hai Phong - Quang Ninh economic development axis, TNR Grand Palace Thai Binh is worthy of the expectations of investors and customers. ■

DB

Cheats and Tricks in Origin Fraud



As of April 2020, Vietnam had signed 16 free trade agreements (FTAs), including 12 effective agreements, one blueprint pact and three deals under negotiation. Notably, the EU - Vietnam Free Trade Agreement (EVFTA), effective from August 1, 2020, is expected to open up many opportunities to promote exports and attract investment for Vietnam. In addition to its benefits, origin fraudulence appears to be more rampant.

HIEN LE

Imported components assembled into Vietnamese goods

At a press conference on origin fraud inspections and investigations conducted by customs authorities, hosted by the General Department of Vietnam Customs (GDC) on July 6, 2020, Mr. Nguyen Tien Loc, Director of Post-Customs Clearance Inspection Bureau (GDC), said origin fraud is becoming increasingly sophisticated and particularly “hot” after the United States under the Donald Trump administration officially imposed extra duties (including safeguard duty, anti-dumping duty and export countervailing duty) on Chinese goods after the U.S.-China trade war was ignited. The extra duty on goods imported from China ranges from 7.5% to 285%, depending on item, leading to tariff differentials between Vietnamese goods and Chinese goods imported into the U.S. Among Chinese manufacturing sectors subject to additional tariffs, many Vietnamese exports to the U.S. surged in value, including electronics, garments, footwear,

bicycles, furniture, steel and solar panels.

After fiercely working with suspected companies, the customs sector examined, investigated and verified 76 cases and discovered 24 origin violations. Customs authorities confiscated 3,590 completely built bicycles, more than 4,000 bicycle parts and more than 12,000 kitchen cabinet components. Inspected commodities include bicycles, electric bicycles, solar panels and wooden furniture.

Regarding bicycles and electric bicycles, post-customs clearance inspection was conducted into four assemblers of electric bicycles and bicycles exported to the U.S. All four manufacturers were found violating origin rules.

Their acts of violation are importing separate components into Vietnam to assemble complete bicycles or electric bicycles. Imported components do not undergo any stage of manufacturing but undergo simple processing stages that do not change the nature of the goods (painting and labeling to become finished products. According to the Post-Customs Clearance Inspection Department, the above manufacturing processes are not officially recognized as “Vietnam origin” according to the code changing criteria and origin criteria (CTC - Change in chapter, CTSH - Change in tariff subheading) and LVC percentage criteria specified in Decree 31/2018/ND-CP and Circular 05/2018/TT-BCT dated April 3, 2018, of the Ministry of Industry and Trade.

As for solar cells, all five inspected companies were found in violation. According to the bureau, components are imported into Vietnam for assembling and carrying a “Made-in-Vietnam” label.

Different cheats and tricks

The above discoveries partly paint a picture of product origin cheating. To take advantage of tariff preferences that Vietnam enjoys in other signatory countries, many companies use “Vietnam origin” to get preferences applied to exported goods.

Being aware of origin fraud methods and tricks, GDC officials added customs inspectors to unearth various origin and label tricks and cheats by checking and managing customs procedures for imported and exported goods and carrying out anti-smuggling investigations and post-customs clearance inspections.

As for labeling and intellectual property infringement, imported products were already affixed with the “Made in Vietnam” label, or the label information, company address, website and warranty centers in Vietnam are displayed in Vietnamese language on the product and/or package for domestic consumption or for export.

In other cases, imported goods which are either labeled with origin in manufacturing countries, or not labelled, were replaced with the “Made in Vietnam” label when brought onto the domestic consumption market.

As for the origin of goods, both Vietnamese and FDI manufacturers import parts, semi-finished products and components for production, processing and assembly into finished products. However, products do not undergo processing and manufacturing stages but just through simple processing, production or assembly steps that do not meet origin criteria and rules.

The above cheats and tricks show that origin fraud and intellectual property infringement are very complicated. With new-generation FTAs that offer various attractive tariff preferences, faking Vietnam origin to get illegal gains is highly likely and we need more firm and consistent measures to respond to this reality. ■

Resolving Problems of Codes and Barcodes on Exports

In fulfilling customs procedures for exported goods, customs declarants are not required to present a written certification of the use of foreign barcodes granted by a competent agency. This is the latest guidance of the General Department of Vietnam Customs sent to local customs departments on the use of foreign codes and barcodes affixed to exported goods.

Specifically, with respect to affixed foreign barcodes on exported goods, the General Department of Vietnam Customs instructed that in performing customs procedures for exported goods, customs officers do not request customs declarants to present a written certification of the use of foreign barcodes and codes granted by a competent agency.

Customs declarants are responsible to the law for the use of foreign codes and barcodes on exported goods and packages of exported goods.

Regarding authorization of use of foreign codes, the proof granted by foreign competent authorities or authorization of use of foreign codes by foreign owners in one of the following forms: authorization document, authorization letter, outsourcing contract or electronic authorization letter or other forms of authorization internationally recognized, signed and sealed for certification by the exporter, the enterprise is responsible to the law for the documents provided.

Customs authorities do not impose penalties for administrative violations related to the use of foreign codes and barcodes on exported goods. In case they find that exporters do not have certification documents or authorizations for use of foreign codes and barcodes, they will send a written notice to this effect to the Directorate for Standards, Metrology and Quality for further handling.

These contents are specified in Official Letter 3776/TCHQ-GSQL, which will replace other official documents on regulations on use of foreign barcodes affixed to the exported goods, issued by the General Department of Customs.

HCM City Counteracts Origin Fraud amid Covid-19 Pandemic Prevention

The Ho Chi Minh City Steering Committee for Prevention of Smuggling, Trade Fraud and Counterfeiting (Steering Committee 389 of HCM City) issued a plan to fight origin fraud in Ho Chi Minh City in 2020, especially when the whole country is struggling to contain the Covid-19 pandemic.

Accordingly, Steering Committee 389 of HCM City required competent agencies and forces to intensify inspection and control and strictly punish entities taking advantage of the pandemic to stockpile and hoard goods, raise selling prices, make knockoffs or goods of unknown origin.

They need to grasp the situation, concentrate forces, means and measures to prevent smuggling, trade fraudulence and counterfeiting, with a particular focus on medical equipment, supplies and services in the fight against the Covid-19 pandemic in particular; and strictly handle violations of speculation, hoarding, pricing, quality, origin and counterfeiting.

Steering Committee 389 of HCM City will work intensively to control, fight and prevent avoidance of trade remedies, fraudulence, origin counterfeiting and infringement of

intellectual property.

The committee will launch communication activities to disseminate the fight against evasion of trade remedies, fraudulence, origin counterfeiting, infringement of intellectual property. It will also improve the capacity of anti-smuggling forces in the city.

Besides, it will strengthen inspections and supervisions to unearth and promptly prevent fraud, origin counterfeiting, and intellectual property infringement. In particular, it will step up probes into trading facilities with signs of potential origin counterfeiting and intellectual property infringement in order to prevent, detect and promptly handle violators.

With the above contents and measures, the Steering Committee 389 of HCM City required relevant agencies to assign an important task to control and fight evasion of trade remedies, fraudulence, origin counterfeiting, intellectual property infringement.

This work must be absolutely compliant with the law and facilitate trading activity and cannot obstruct normal, lawful production and business activity.

HCM City Customs Provides C/O Courses for European Businesses

The rules of origin in the EU - Vietnam Free Trade Agreement (EVFTA) will be trained and introduced in detail by the Ho Chi Minh City Customs Department for European businesses.

Mr. Nguyen Quoc Toan, Deputy Director of Import-Export Tax Department under the Chi Minh City Customs Department, said his agency coordinated with the European Chamber of Commerce in Vietnam (EuroCham) to organize two training courses to introduce rules of origin in the EU- Vietnam trade pact.

The department will open two training topics on electronic certificate of origin (C/O) and Rules of Origin on August 26, 2020, and on Harmonized System (HS Codes) on September 4, 2020.

The HCM City Customs Department and EuroCham have worked together to organize many training programs and dialogues with European businesses to inform and guide new policies and documents on tax and customs policies and procedures. **L.H**

Troubleshooting VAT on Medical Equipment

The Lang Son Customs Department requested the General Department of Customs to guide the application of the value-added tax (VAT) rate on medical equipment and raised opinions to the Health Ministry to specify a list of medical equipment to facilitate tax collection and payment.

The Lang Son Customs Department reported and requested the General Department of Customs to guide which medical equipment to impose 5% and 10% VAT. Currently, as the names of medical equipment and instruments are still generic, not specific, the Lang Son Customs Department suggested that the General Department of Customs consult with the Ministry of Health to make a list of medical equipment to facilitate tax collection and payment.

The department also reported to the General Department to request competent authorities to consider amending the VAT rate to match medical equipment with veterinary equipment on infusion cables and needles.

Huong Hau

Extra Development Boost to Supporting Industries

Developing supporting industries is an important solution to improve economic quality, avoid the middle-income trap, attract more FDI investment, promote technology transfer, and foster domestic SME development, thus enabling local enterprises to deeply enter global supply chains.

THU HA

Shortcomings

In the past time, Vietnam has been giving investment priority to supporting industries. Vietnamese supporting industry companies substantially increase in number, quality and competence to partly meet growing demands for industrial parts in the domestic market and reach vast global markets.

However, at present, Vietnam's supporting industries are still revealing shortcomings, limitations and new problems. The application of some preference and support policies is still problematic, inconsistent and unstable. Domestic industrial parts are still simple, with medium or low technology content, and low value share in the product value structure.

In addition, industrial manufacturing is still heavily reliant on imported inputs. The localization rate of industries remains low. Moreover, industrial parts producers in Vietnam remain weak in manufacturing capacity and technological prowess, incapable of meeting entry requirements of global production chains.

To deal with these shortcomings, the Government issued Resolution 115/NQ-CP on solutions to foster development of supporting industries. The resolution with

many new policies is expected to give a strong boost to supporting, processing and manufacturing industries.

According to the resolution, by 2025, Vietnamese companies will be able to make highly competitive industrial components, meet 45% of essential needs for domestic production and consumption, and account for about 11% of industrial production value. By that time, about 1,000 companies will be capable of supplying industrial components to assemblers and multinational corporations in Vietnam, with local companies accounting for about 30%.

Furthermore, by 2030, industrial components will meet 70% of domestic manufacturing demand, and account for about 14% of industrial production value. About 2,000 companies will be capable of supplying industrial components to assemblers and multinational corporations in Vietnam.

Seven groups of underlying solutions

To accomplish the above objectives, the resolution sets many groups of key solutions.

First, effectively and consistently building, completing and implementing mechanisms and policies on development of supporting industries, prioritizing development of processing and manufacturing industries to ensure favorable conditions for development of supporting industries.

Second, effectively arranging, ensuring and mobilizing resources to carry out policies on prioritized investment and development of supporting industries and processing and manufacturing industries.

With financial and credit solutions, further applying soft loan policies for enterprises engaged in supporting industries, processing and manufacturing industries.

In addition, it is



necessary to create opportunities for the formation and development of the domestic value chain by attracting effective investment and promoting business connections, linking Vietnamese enterprises with multinational corporations, increasing high domestic added value, product competitiveness and position of Vietnamese companies in the global value chain.

Moreover, it is important to expand domestic and foreign markets to facilitate the development of supporting industries and prioritize the development of processing and manufacturing industries.

In particular, to improve the capacity of supporting industry enterprises, it is essential to build and effectively operate regional and local technical assistance centers, giving priority to development of innovation, R&D, technology transfer, productivity improvement, product quality and competitiveness to provide opportunities for deep participation in global production chains.

Finally, it is necessary to boost intensive communications on supporting industries and processing and manufacturing industries to attract attention, and raise public awareness of the development of processing, manufacturing and supporting industries.

According to the Ministry of Industry and Trade, Resolution 115 is the foundation and premise for central and local agencies to study and propose specific policies to deal with persistent problems of Vietnam's industries in order to further foster the development of supporting industries in Vietnam in the coming time. Practical, strong and timely policies will promote the development of supporting industries, open up great opportunities for Vietnam to welcome major investment flows amid changing trends of global value chains, and renovate industrial development models.

Last but not least, this resolution, together with the Prime Minister's decision on establishment of the Working Group on Foreign Investment Cooperation in June, is considered one of the Government's timely moves to capture the ongoing shift of investment flows. ■

Property Firms, Banks Lead Bond Offerings

The size of Vietnam's corporate bond market expanded by about 15.6% to VND791 trillion (US\$34 billion) in the first six months of 2020, equivalent to 12.9% of the country's gross domestic product (GDP). Property firms and banks are still the largest bond issuers in the market.

ANH MAI

Vietnam, along with China and Malaysia, is the best-performing corporate bond market in Asia. Currently, Vietnam's corporate bond market to the country's GDP is well ahead of Indonesia and the Philippines, but still quite far behind Thailand (23%), China and Singapore (33-35%), Malaysia (50.9%) and South Korea (80%), according to the Asian Development Bank (ADB).

Size of corporate bond issuances soar in H1, 2020

According to an analysis report on the corporate bond market in the first six months of 2020 by SSI Securities Corporation, bond issuances valued VND122.3 trillion (US\$5.3 billion) at par in the second quarter of 2020, up 69.7% year on year, bringing the total bond value to VND171.5 trillion in the first six months, up 61.3% from the value in the same period of 2019, far higher than the 37% growth in 2019. Of the total, only VND10 trillion (accounting for 5.8% of the total issue) of Masan Group was offered to the public, while 94.2% was privately placed in 826 rounds by 133 issuing companies.

Nonetheless, compared to other fundraising channels in Vietnam, the corporate bond channel is still quite modest in scale. The economy still relies heavily on bank credits, which valued VND8,480 trillion (US\$368 billion) as of June 30, 2020, equivalent to 138.5% of the GDP and 10.75 times higher than the corporate bond channel.

Real estate firms and banks remained the largest bond issuers in the market. Property companies took the lead with VND71.6 trillion (US\$3.1 billion), accounting for 41.8% of the total issued volume and representing a year-on-year growth of 57.5%. Banks were the second biggest issuers with a total issue value of VND47.3 trillion (US\$3 billion), accounting for 27.6% of the total and up 31.2% year on year. Energy and mineral companies sold VND10.5 trillion, accounting for 6.1% and rising by 5.3 times from a year ago. The rest offered by infrastructure development (1.6%), financial services companies (1.7%) and other businesses.

Notably, individual investors and commercial banks bought more on the primary market. SSI's data showed that, in the second quarter of 2020, individual investors bought VND13.3 trillion of corporate bonds on the primary market, 38% more than in the first quarter, bringing their total purchases to VND23 trillion (US\$1 billion) in the first six months of 2020, accounting for 13.4% of the total issue and equaling 79% of the total purchases of individual investors in the whole year of 2019. They bought VND14.54 trillion of bonds issued by real estate firms (accounting for 63%), VND5,325 billion of bank bonds (23%), VND1,726 billion of Masan Group bonds (7.5%), and the rest in other businesses.

Banks acquired a total of VND38.4 trillion (US\$1.65 billion) of corporate bonds from non-credit institutions on the primary market in the first six months of 2020, equivalent to 31% of the total issue (excluding bank bonds) of the whole market. Commercial lenders focused on issues offered by real estate and energy companies.

However, commercial banks might buy more corporate bonds because many deals only generically recorded buyers as domestic organizations. According to financial reports released by commercial banks, by the end of the first quarter of 2020, the total value of bonds issued by economic organizations held by 18 listed commercial banks was VND165.2 trillion

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PM Nguyen Xuan Phuc and other distinguished delegates at the launch ceremony of the National Reporting Platform, the Center for Information and Directions from the Government and Prime Minister

E-GOVERNMENT DEVELOPMENT FOR PEOPLE AND BUSINESSES

The opening ceremony of the National Reporting Platform, the Center for Information and Directions from the Government and Prime Minister, and the announcement of 1,000th online public service on the National Public Service Portal, took place recently in Hanoi.

QUYNH ANH

The operation of the National Reporting Platform and the Center for Information and Directions from the Government and Prime Minister is considered an important step of innovation and change from physical documents to electronic documents.

The Center for Information and Directions from the Government and Prime Minister is connected to operating centers, information reporting systems, national databases, information systems, and specialized databases of central and local agencies. The center has become a core element of the intelligent digital infrastructure. From this center, the Prime Minister and cabinet members can monitor and inspect activities within their jurisdiction. At the same time, digital data and visual images will help the Prime Minister and Government

officials to direct and administer day-to-day work.

The National Reporting Platform and the Public Service Portal for the management and administration of the Government are built, operated and developed by Vietnam Posts and Telecommunications Group (VNPT).

According to Minister and Chairman of the Government Office Mai Tien Dung, following typical e-government development events in the past time, this system is an important hallmark on the e-government construction and development roadmap, illustrates the resolution to reform the administration, promote information technology application to administration, gradually eliminate the paper document system, and adopt paperless administration.

Minister, Chairman Mai Tien Dung added that, after nearly a year of urgent construction, with joint efforts,

unanimity and close coordination of the Government Office, ministries, local agencies, international experts and information technology service providers, especially VNPT Group, the system has to date completed the first phase of operation.

To date, the reporting information systems of 30 ministries, agencies, localities and business corporations have been connected, and integrated information and data with the National Reporting Platform. At the same time, 101 out of 200 periodical reports and socioeconomic data reports were connected to and provided for the platform by ministries and agencies. Initially, it has seven information categories and 25 real-time online connections with various information for direction and administration for better work of the Government and the Prime Minister.

The system helps leaders make information, data-based decisions, allows monitoring and supervising of how ministries, branches and localities are performing on socioeconomic development goals assigned by the National Assembly and targets assigned by the Government.

In addition, the establishment of the Center for Information and Directions from the Government and Prime Minister with advanced equipment and technology, connected, integrated, and shared with the National Reporting Platform, will serve Prime Minister, Deputy Prime Ministers, and Government members to work with ministries, branches and localities, and perform direction and operation based on digital data, visual images, and interactions.

On this occasion, the Government Office announced the integration of three online public services that are of interest to people and businesses on the National Public Service Portal: No. 1000 public service: Declaring and paying registration fees and submitting car registration forms online; No. 999 public service: Registering adjustments to compulsory social insurance, health insurance, unemployment insurance and report on labor changes; and No. 998 public service: Paying compulsory social insurance, health insurance, unemployment insurance, occupational accident and occupational disease insurance.

After more than eight months of operation, the National Public Service Portal has connected with 18 ministries and central agencies, 63 provinces and cities and eight banks, payment intermediaries and e-wallet service providers; prepared to integrate and provide 1,000 online public services. To date, the portal has nearly 56.4 million visits, more than 220,000 registered accounts, over 14 million synchronized records, and over 260,000 settled records.

Online public services are proven to reduce total social cost for implementing public services by more than VND13 trillion (over US\$500 million) a year, of which the National Public Service Portal accounts for over VND6,700 billion. ■

HSBC Is First Foreign Bank to Issue Bonds in VN

HSBC Bank (Vietnam) Limited has issued VND600 billion (US\$25.7 million) worth of bonds, becoming the first foreign bank to do so in Vietnam.

The bonds have a coupon rate of 5.8% and a tenor of three years. The lender said the issuance was oversubscribed.

Tim Evans, General Director of HSBC Vietnam said that “On the 150th anniversary of the establishment of HSBC in Vietnam, this bond issuance affirms the bank’s long-term commitment to the country. We expect to play a pioneering role in the continuous development of Vietnam’s businesses and capital market. We plan to regularly issue bonds in the market, continuing the goal to be the leading international bank in Vietnam.”

According to Tim Evans, the proceeds in this issuance will be used by HSBC Vietnam to increase the bank’s working capital, diversify the dong capital sources in order to serve the sustainable business growth of the bank in the near future.

Its country head of global markets Ngo Dang Khoa said Vietnam is among the fastest-growing bond markets in Southeast Asia with issuances accounting for 9.01% of GDP in 2018 and 11.3 % last year.

But it is still small compared to 20-50% in other Asian countries like South Korea and Singapore, he said.

So the country needs to do more to encourage investors to buy bonds, and make its legal framework more comprehensive, he said.

Corporate bond issuances rose by 50% year-on-year in the first six months of the year to VND159 trillion (\$6.8 billion), according to the Hanoi Stock Exchange. Over 59% of it was by banks and property developers.

The government recently made moves to tighten bond issuances amid concerns that companies will not be able to repay their debts.

It issued a new decree limiting companies to two issuances a year and to a total value of five times their equity.

HSBC has a long history of supporting Vietnam’s capital market through its active participation in the market.

By October 2009, the bank mobilized VND8.412 trillion on the bond market in VN dong, including the bonds for the Vietnam Electricity Corporation (EVN), Vietnam Technological and Commercial Joint Stock Bank (Techcombank), and Commercial Joint Stock Bank for Investment and Development of Vietnam (BIDV).

In May 2013, HSBC was the co-book-building bank and main manager for the international bond issuance transaction of Commercial Joint Stock Bank for Industry and Trade of Vietnam (VietinBank) worth US\$250 million.

In 2014, HSBC was the book-keeping bank and in charge of offering Vietnamese government bonds in the successful issuance of 10-year international bonds in US dollar with a total value of US\$1 billion.

VGP

Strong Performers in Steel Industry despite Raging Pandemic



Hoa Sen Group is the best performer in the first quarter of 2020

In the first half of 2020, most businesses and industries are hard hit by the Covid-19 pandemic. The steel industry is one of the most affected industries as many projects are being delayed, or even stopped, by social distancing and other factors.

Many steelmakers report year-on-year profit growth

Within listed steelmakers, Hoa Phat Group (HPG) and Hoa Sen Group (HSG) were among a few growing businesses in the reviewed period.

Some companies saw a profit decline from a year-ago period, including Nam Kim Steel (NKG), Vietnam Steel Corporation (TVN), SMC, Vietnam Italy Steel (VIS), Thai Nguyen Steel (TIS), Thong Nhat Flat Steel (TNS) or Vietnam Germany Steel Pipe (VGS). However, many reported losses, like Pomina Steel (POM), Tien Len Steel (TLH) and Dana Y Steel (DNY).

Among profit-making steelmakers in the second quarter of 2020, Vietnam Italy Steel remarkably made a profit after eight straight quarters of loss, trimming its loss to VND16 billion in the first half of the year, much lower than the net loss of nearly VND66 billion a year ago. Its total accumulated loss was VND561 billion as of June 30, 2020. Currently, Viet Italy Steel has a share premium of VND123 billion, an investment and development fund of more than

VND173 billion and the owner's equity of nearly VND9 billion.

Notably, Pomina Steel Corporation (POM) posted a loss of more than VND88 billion in the second quarter, the 6th consecutive quarter it ran a loss, bringing its accrued loss to nearly VND166 billion. In the first half of 2020, the steelmaker suffered a loss of VND144 billion.

Q1 versus Q2 performance

By growth performance in the first quarter of 2020, Hoa Sen Group was the best performer, growing by nearly 500%. In fact, the March quarter is the second quarter of its financial year when the steelmaker reported a profit of more than VND53 billion, while it posted an after-tax profit of more than VND318 billion in this quarter.

The second best performer by profit growth was Hoa Phat Group (HPG), which made a net profit of VND2,755 billion in the second quarter, plus VND1,810 billion in the March quarter, totaling VND5,060 billion in the first half on net revenue of VND39,654 billion. HPG announced completing 46% of its

annual revenue plan and 56.2% of profit plan.

Other profit-growing companies in the first quarter included SMC, Tisco and Thong Nhat Flat Steel Joint Stock Company (TNS). TNS changed from loss making in the first quarter to profit making in the second quarter, although the earnings were less than VND2 billion. Dana Y Steel Joint Stock Company (DNY) saw a loss of VND38.7 billion, down VND18 billion from the first quarter.

The rest witnessed lower second-quarter profit than first-quarter earnings.

Pomina Steel posted a loss of more than VND88 billion, compared to a VND35.7 billion loss in the first quarter. VnSteel saw a 19% decline in profit, from VND77.6 billion to VND63 billion between the two quarters. ■

Despite the Covid-19 epidemic, some steelmakers still reaped strong profit growth, with some posting nearly double growth from a year ago.

AIR CARRIERS SUFFER SERIOUS CASH FLOW DEPLETION

The Vietnam Aviation Business Association (VABA) recently sent a rescue petition to Prime Minister Nguyen Xuan Phuc for emergency assistance as all air carriers have fallen into a serious cash flow depletion.

The association said the recurrence of the Covid-19 pandemic caused airlines to lose the opportunity to serve the summer tourism peak in 2020.

The International Civil Aviation Organization (ICAO) forecast that the world aviation industry could recover to the 2019 level by 2024 and Vietnamese airlines would lose over US\$4 billion this year.

Although airlines have managed to minimize their damage by cutting total costs by 50-70%, negotiating with partners to reschedule debt and reduce interest rates, selling aircraft, transferring property and reducing employee salary, cash flows are still running out.

The Vietnam Aviation Business Association asked the Prime Minister to facilitate airlines to borrow a preferential credit package of VND25-27 trillion (US\$1.1-1.2 billion) for a period of 3-4 years, and allow long-term air service exemption and reduction until the end of 2021.

VABA also proposed the Prime Minister direct the Ministry of Transport and the Airport Corporation of Vietnam (ACV) to reduce airport service charges under the jurisdiction of ACV by 50%.

Besides, the association requested the Prime Minister to report to the Standing Committee of the National Assembly for a 70% reduction, or at least 50%, of environmental protection tax on flying fuels till the end of 2021.

In the first six months of 2020, Vietnam Airlines achieved revenue of VND24,934 billion (over US\$1 billion), equal to half in the same period of 2019, and suffered a loss of VND6,542 billion, compared to a net profit of VND1,785.7 billion a year ago.

Bamboo Airways is said to incur a loss of more than VND1,500 billion in the first quarter of 2020 due to the impact of the Covid-19 pandemic.

Vietjet made revenue of VND9,194 billion in the first six months, down 54%, and a net loss of VND2,112 billion. ■



Efforts to Fulfil Tasks and Targets amid Complicated Covid-19 Pandemic



The campaign calling on people to participate in social insurance and health insurance

Given the context of the complicated Covid-19 pandemic, the Vietnam Social Security (VSS) has obtained significant achievements by actively applying solutions, promptly following executive instructions of the Government and the Prime Minister, launching tasks and solutions to ensure interests of beneficiaries and tackling difficulties for local enterprises to operate effectively and ensure social security.

More participants in voluntary social insurance

By the end of July 2020, the total value of interest-bearing social insurance debts (from one month or more) was about VND20,682 billion (US\$850 million), accounting for 5.1% of the total receivables. 1,519 companies with 130,794 workers were approved to delay the payment of VND475 billion of pension and death funds because of the Covid-19 pandemic. Participant development has been significantly

affected by the Covid-19 pandemic. Policyholders of social insurance totaled about 15,271 million, accounting for about 31% of the workforce, including 14,534 million holders of compulsory social insurance (down 655,000 compared to 2019, reaching 90.6% of the plan), 737,000 holders of voluntary social insurance (up 163,000 compared to 2019, reaching 61.4% of the plan), 12.725 million holders of unemployment insurance (accounting for about 25.8% of the workforce, reaching 88.5% of the plan), and 85.915 million policyholders of health insurance (reaching 97.6% of the plan, 88.8% of the population.)

Policyholders of compulsory social insurance, health insurance and unemployment insurance declined from the end of 2019 because of the pandemic impacts. With innovative and appropriate communication solutions, the number of people buying voluntary social insurance continued to increase. This is a bright spot in participant development of the social security in recent years.

Convenient insurance policy settlement

As of July 31, 2020, the social security handled 70,878 records concerning monthly pension and social insurance benefits and

served 539,118 people getting one-time benefits (including 475,577 people quitting jobs and getting one-time social insurance benefits), 5,393,768 people taking sickness, maternity, convalescence and rehabilitation benefits, and 580,634 people taking unemployment insurance benefits (including 572,813 people getting unemployment insurance benefits and 7,821 people enjoying vocational training support); and settled payment for medical examination and treatment for 92,490 million insured inpatients and outpatients.

Insured patients are tested for Covid-19 in case of suspicion, using medical support funding against Covid-19 pandemic. Outpatients are provided with drugs for their chronic diseases and long-term treatment in the time of Covid-19 pandemic to ensure social distancing. VSS coordinated with post offices to pay April and May pensions and social insurance every two months instead of on a monthly basis and directed high-risk localities to pay pension and social insurance benefits of August and September 2020 in a similar manner to ensure safety for beneficiaries.

Consistent, diverse communication forms

VSS has effectively launched the media campaign called "The social security industry joins hands with the country to prevent and fight the Covid-19 pandemic". The social security sector has coordinated with news and press agencies to strongly communicate, promptly warn and prevent impersonation of social insurance agencies to solicit buying social insurance certificates during the time of the Covid-19 pandemic. It has also cooperated with Vietnam Post Corporation to effectively launch two movements to engage people across the country to buy voluntary social insurance and household health insurance to increase policyholders of voluntary social insurance and household health insurance in recent years.

Extensive inspections

By July 2020, the social security conducted inspections and examinations into 3,465 units (specialized inspection of 1,478 units, general inspection into 1,796 units, and interagency inspection into 191

units) and discovered 3,651 workers subject to mandatory social insurance, unemployment insurance and health insurance but not given those benefits, worth VND31,534.2, and 11,563 workers given insufficient amount of VND53,806.6 million of those benefits. The amount of debt paid by employers was VND487,578 million (VND112,231.9 million was paid during the inspection period). VSS issued 108 decisions on sanctions to administrative violations, fining VND7,576.6 million (VND4,897.3 million was collected, or 64.6% of the total fine).

Accelerating administrative procedure reform, IT application

Administrative procedure reform has continued to be drastically and consistently carried out by the Vietnam Social Security in line with the Government's requirements. VSS has seriously and effectively reviewed and simplified administrative procedures within its jurisdiction to provide services on the National Public Service Portal according to the roadmap and objectives specified in the Prime Minister's Decision 274/QĐ-TTg. It has provided 722 accounts to affiliated units and local social security agencies to receive and settle complaints and recommendations from organizations and individuals about administrative procedures on the National Public Service Portal; deployed technical solutions to connect, integrate and provide online public services for businesses and people on the National Public Service Portal. As of now, 13 public services have been provided on this portal. In addition, three more public services have been integrated and provided to support businesses and people troubled by the Covid-19 pandemic under the Government's Resolution 42/NQ-CP.

Tasks in the remaining time of 2020

VSS will focus on implementing some fundamentals tasks and solutions as follows:

First, effectively carrying out tasks as assigned in the Government's Resolution 125/NQ-CP on the action program for implementation of Resolution 28-NQ/TW on social insurance policy reform; the Government's Resolution 01/NQ-CP on major tasks and solutions to implement socioeconomic development plans and state budget estimates for 2020; and the Government's Resolution 02/NQ-CP on solutions for better business environment and stronger national competitiveness in 2020.

Second, working closely with relevant ministries and agencies to complete policies and laws on social insurance, health insurance and unemployment insurance.

Third, effectively executing the Government's Resolution 102/NQ-CP dated August 3, 2018, on assignment of development targets for social insurance policyholders, the Prime Minister's Directive 34/CT-TTg dated December 26, 2016, on strengthening solutions to development of social security beneficiaries; developing solutions to implement local health insurance coverage targets under the Prime Minister's Decision 1167/QĐ-TTg dated June 28, 2016.

Fourth, implementing tasks and solutions to support businesses and people troubled by the Covid-19 pandemic as directed by the Government; formulating and implementing management plans and scenarios (monthly, quarterly, and annual) to achieve VSS's targets, tasks and plans in 2020; concentrating resources to successfully organize the 5th VSS



People are interested in social insurance policies

Patriotism Emulation Congress in the 2020-2025 period.

Fifth, coordinating with relevant agencies, mass organizations, civil social agencies, and news and press agencies to upgrade communication contents and forms of policies and laws on social insurance and health insurance characteristically suitable for each group of beneficiaries and regions, with a focus placed on buyers of voluntary social insurance and household health insurance.

Sixth, regularly inspecting, supervising and urging provincial/municipal social security agencies to carry out working plans and estimate revenues and expenditures and develop policyholders of social insurance, unemployment insurance and health insurance in 2020; strengthening inspection, interagency inspection, specialized inspection, irregular inspection into enterprises bearing outstanding debts, having signs of abusing and profiteering social insurance, unemployment insurance and health insurance; promptly handling and proposing settlement of law violations on social insurance, unemployment insurance and health insurance.

Seventh, coordinating with the Post Office to closely manage beneficiaries, upgrade service and payment modes at public service agencies; promoting noncash payment as guided by the Government; strictly managing payment of short-term social insurance, one-off benefits and unemployment insurance benefits; fostering and actively controlling medical costs covered by health insurance agencies, ensuring correct implementation of fiscal estimates assigned by the Government in 2020.

Eighth, further reforming administrative procedures, effectively deploying C2B multimedia interaction system; expanding delivery of online public services of Level 3 and Level 4, integrating interconnection to provide public services within the VSS jurisdiction on the National Public Service Portal; promoting electronic transactions; managing and using electronic documents across social security agencies.

Ninth, completing the national database on insurance according to the Prime Minister's Decision 714/QĐ-TTg dated May 22, 2015; completing infrastructure, centralized database system and professional software; updating and completing household data, issuing social insurance codes to policyholders; perfecting rules on software management and use; enhancing training to improve management skills, use professional software for employees of the social security sector. ■

LOW TOUCH ECONOMY

A Way forward in Post-Pandemic World

While the race for a vaccine is accelerating across the world, a recent Imperial College London report forecast that the current crisis may last up to two years before a vaccine or herd immunity can be achieved, making strict social distancing measures likely to continue into the foreseeable future.

A 'low touch economy' would encourage and require limited close-contact interactions and social gatherings during this time, and into the future.

Senior lecturers from RMIT's School of Business & Management Dr. Pham Cong Hiep and Dr. Nguyen Hoang Thuan said that while the virus has been relatively well controlled in Vietnam, recent new in-community cases have again raised the need for preventive social distancing measures.

Continued social distancing measures may have a significant impact on Vietnam's current economic structure, and people's social and purchasing behaviors in the years to come, according to Dr. Hiep.

"The pandemic is changing how we work, eat, shop, exercise, and spend our free time in ways that we have never expected before," Dr. Hiep said. "Individuals and organizations should prepare for a low touch economy now, as new ways of life and new business practices emerge."

Dr. Thuan added that converting to a low touch economy would ensure Vietnam would be following the global trend, which the country cannot afford to stay out of: "We need to get ready for any future outbreaks and a low touch economy is the way forward. One of the key preparations is to understand the types of economic activities that would be most affected and what business processes have the potential to become more low touch."



"The pandemic is changing how we work, eat, shop, exercise, and spend our free time in ways that we have never expected before," said Dr. Pham Cong Hiep, a senior lecturer from RMIT's School of Business & Management. He said this as academics from RMIT University have proposed a 'low touch economy' for Vietnam as a strategic response to Covid-19.

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Low touch economy framework

The team at RMIT proposes a low touch classification framework to categorize business activities in terms of how many people need to gather at one time, and what level of close-contact interaction needs to take place.

Low touch businesses require no mass gatherings or many close-contact interactions with customers. This type of business has been doing well during the Covid-19 pandemic, with online shopping, education and entertainment, and cashless payments experiencing unprecedented growth both overseas and in Vietnam.

"Low touch businesses can employ new digital technologies to deliver innovative care to customers while keeping everyone as safe as possible," Dr. Hiep said.

In contrast, high touch businesses can require mass gatherings and high close-contact interactions, like the tourism and hospitality industry, conferences, and traditional office structures.

"Strict social distancing policies and travel restrictions may lead to severe consequences for high touch businesses if they do not introduce more low touch activities," Dr. Thuan said.

Dr. Hiep added that digital transformation across multiple industries "has never been more pressing to ensure a smooth transition from high touch to low touch, or even touchless,

business models.”

“Touchless business models provide highly digital interactions and personalized services without the need to rely on close contact with customers.”

Vietnam’s moves toward a low touch economy

In response to Covid-19, Vietnamese businesses and government agencies have initiated many activities that aim to reduce high touch points in the economy this year.

Dr. Thuan applauded the nation’s ‘Cashless Day’ on 16 June as one such initiative, a joint project delivered by the State Bank of Vietnam, the National Payment Corporation of Vietnam (NAPAS), and the Vietnam E-commerce Association.

The pandemic also accelerated the government’s plans to provide selected online public services on multiple platforms (including phones) and online processing for most government documents by 2030.

A recent Mobile Marketing Association survey found that digital services have also experienced growth as many customers utilized online services for the first time during the pandemic.

“Consumer changes toward online interactions would spur businesses to invest more in digitizing their core processes,” Dr. Thuan said. “Many local organizations now view digitization as a key to sustained growth.”

Meanwhile, Dr. Hiep emphasized the need for local sourcing and diversification of supply chain sources to ensure fewer disruptions in critical supply chains and less reliance on overseas suppliers.

“In terms of office workers, local organizations should adopt flexible working arrangements, including working from home structures, that provide guidelines, suitable equipment and training to ensure effective blending between office-based and home-based alternatives,” he said. ■

Large-scale, Targeted Responses Needed to Address Youth Employment Crisis

Prioritizing youth employment and maximizing youth productivity in the Covid-19 recovery process will improve Asia and the Pacific’s future prospects for inclusive and sustainable growth, demographic transition and social stability.

The report—a collaborative effort between the International Labor Organization and ADB—finds that the employment prospects of the region’s 660 million young people are severely challenged. They will be hit harder than adults and risk bearing higher longer-term economic and social costs. The report urges governments to engage with young people in policy and social dialogue and to adopt urgent, large-scale, and targeted interventions. These need to focus on labor market policies such as youth-targeted wage subsidies and public employment programs, and measures to mitigate disruptions to education and training.

Young people’s employment prospects in Asia and the Pacific are severely challenged as a result of the Covid-19 pandemic. Youth will be hit harder than adults in the immediate crisis and also will bear higher longer-term economic and social costs. Before the pandemic, young people were already facing challenges in the labor market. These are worsened by the Covid-19 crisis, and its multiple effects threaten to create a “lockdown generation” that will feel the weight of this crisis for a long time.

Nearly half of young workers in the region are employed in the four sectors hit hardest by the crisis. This is one of the reasons that young people face greater labor market disruption and job loss than adults due to Covid-19. And it is compounded by forced suspension of education and training, which will affect youth’s transitions to and within labor markets and could result in “scarring effects”, as seen in previous crises.

Youth unemployment rates in the region are rising quickly. Projections through the end of 2020 in 13 countries



show sizable jumps, with youth unemployment rates doubling the 2019 rate in some cases.

To address the youth employment crisis, governments in the region urgently need to adopt large-scale and targeted responses, centered on comprehensive labor market policies including wage subsidies and public employment programs, and minimizing the impacts on young students of disrupting their education and training. Effective Covid-19 mitigation measures will ensure that the poorest and most vulnerable youth are reached and that young people are meaningfully engaged in policy and social dialogue.

Prioritizing youth employment and maximizing youth productivity in the Covid-19 recovery process will improve Asia and the Pacific’s future prospects for inclusive and sustainable growth, demographic transition and social stability. When young people feel empowered to earn a living through fulfilling work, and their energy, creativity and talents are nurtured, they can take up their roles as active, engaged citizens. This contributes to a positive cycle of economic growth, investment and social justice.

Q.C

Vinh Phuc Upholding Cultural, Spiritual Values in Industrial Parks

Currently, a majority of workers in Vinh Phuc industrial parks, especially those living in rented accommodations, face hard difficulties both materially and spiritually. Therefore, Vinh Phuc province has focused investment in building cultural and welfare facilities in industrial parks to gradually improve their cultural and spiritual life with the aim of boosting business performance and labor productivity of tenants, improving the investment environment and supporting businesses to achieve stronger development.

In the past time, the Vinh Phuc Labor Confederation has actively advised the Provincial Party Committee and the Provincial People's Committee to adopt programs and projects to build large-scale welfare facilities for workers, including affordable accommodations for workers and low-income earners, public kindergartens for workers' children in Khai Quang Industrial Park and a worker

Alongside investing in infrastructure development in industrial parks, Vinh Phuc province has put a premium on construction of cultural and welfare facilities there to create a safe working environment and meet the living and working needs of local workers.

TRAN NGOC

cultural house in Khai Quang Industrial Park with a total cost of nearly VND50 billion. Furthermore, the confederation has actively coordinated with competent agencies to advise the Provincial Party Committee and the Provincial People's Committee to help it invest VND310 billion to build Trade Union Institutions Zone in Ba Hien commune (Binh Xuyen district) as approved by the Prime Minister. At the same time, it has continued to consult the provincial government to ratify the construction of five worker cultural houses in Binh Xuyen, Lap Thach, Vinh Tuong and Tam Duong districts and Phuc Yen City in 2017-2020.

In August 2015, the 2,500-square meter worker cultural house based in Khai Quang Industrial Park (Vinh Yen) was put into operation with one multipurpose cultural house (including three badminton courts, a table-tennis table, a volleyball court and the working office) and a mini football field of 1,000 square meters. Currently, the facility is a center of entertaining, cultural, and sports events for workers and union members in the industrial park. It is a place to organize conferences, workshops, legal consultations and dialogues with workers to enrich their spiritual and cultural life, build a strong, harmonious corporate culture and stable and progressive labor relations, shape a powerful workforce, vigorous cultural lifestyle and professional working and enhance productivity, quality and efficiency.

The Standing Committee of the Vinh Phuc Labor Confederation has actively coordinated with relevant local agencies to review and propose expanding the Worker Cultural House in Khai Quang Industrial Park by 1.2 ha to create a green space which is blended with entertainment services for workers and upgrade toilets, lighting systems, yard grounds, drainage ditch of mini football field, house painting, and roof restoration.

At the same time, infrastructure investors of the industrial parks are recommended to reserve land funds to build amusement parks, entertainment facilities, welfare works, and cultural institutions; engage more social resources to invest and build cultural institutions, welfare works to better take care of cultural and spiritual life for workers in industrial parks. ■



Industrial parks take very good care of cultural and spiritual life of workers

Vinh Phuc IPs Attract 14 FDI Projects in Jan-Jul

According to the Vinh Phuc Industrial Park Authority, in July 2020, it licensed four foreign direct investment (FDI) projects, with a total investment capital of US\$14.8 million; and adjusted capital for five projects, including four FDI projects with a total additional investment capital of US\$22.2 million and one domestic direct investment (DDI) project, with a total additional investment capital of VND8.5 billion.

NGUYET THAM

In the first seven months of 2020, industrial parks in Vinh Phuc province attracted 14 new FDI projects and increased investment capital for 25 projects with a total registered capital of US\$138.83 million.

Up to now, the number of valid projects in Vinh Phuc IPs is 367, including 62 DDI projects with a total investment capital of VND14,877.15 billion and 305 FDI projects with a total investment capital of US\$4,207.57 million. In which, there are 309 active projects, accounting for 84.2% of the total number of projects; 22 projects which are in the process of construction and installation of factory machinery and equipment; 31 newly licensed projects that are conducting the procedures of implementation, compensation and ground clearance; 5 FDI projects that are undergoing procedures to terminate their operations.

In July 2020, the authority advised and proposed the People's Committee of Vinh Phuc province on the adjustment and supplementation of the planning for development of IPs to 2020; proposed the Ministry of Planning and Investment appraise and submit to the Prime Minister for approval of the investment policy of the project on technical infrastructure development of Song Lo I IP; worked on the proposal document for investment policy in Song Lo II IP; coordinated in reviewing land fund and proposed a list of IPs in Vinh Phuc province for the period 2021-2025, with a vision to 2030; urged investors to clear the ground, to deploy projects of Binh Xuyen IP and Son Loi IP.

It is expected that in August 2020, the authority will license two or three FDI projects with a total registered investment capital of about US\$15-20 million and one DDI project with a registered investment capital of about VND60 billion. It will continue assisting enterprises in implementing projects, directing the infrastructure developers to accelerate the construction of IPs according to the progress approved by the Provincial People's Committee. ■



Increased Administration of Licensed Projects

The Vinh Phuc Industrial Parks Authority has paid special attention to the inspection and supervision of licensed projects to promptly detect and handle emerging difficulties, as well as investor violations in the course of project implementation.

NGUYEN THAM



From a 50-ha industrial park approved by the Government in 1998, Vinh Phuc province now has 18 industrial parks covering a total area of 5,228 ha. Internal and external technical infrastructure systems have been increasingly upgraded. Local industrial parks house 306 projects, including 262 foreign direct investment (FDI) projects and 44 domestic direct investment (DDI) projects.

Exercising the mandate of administering investment projects in Vinh Phuc industrial parks, improving the environment and attracting investment flows, the Vinh Phuc Industrial Parks Authority has always attached great importance to close inspection, management and supervision of licensed projects like integrating, reviewing and classifying projects to monitor and revoke incapable projects to spare the land for other projects. In 2016 - 2020, the Industrial Parks Authority has revoked 24 projects, including 20 FDI projects with US\$119.84 million of registered capital and four DDI projects with over VND3,639 billion (US\$155 million). In the first six months of 2020, the authority carried out procedures to terminate operation of a US\$250,000 FDI project because the investor was unable to continue the project due to difficulty in the output market.

In addition, the authority has carried out 12

inspections on compliance with investment, land, construction labor and employment laws into 221 tenants in industrial parks and promptly reminded violators to have settlement plans, avoid violations, and ensure operational stability and performance. At the same time, it has proactively worked with relevant authorities to inform tenants of labor laws; requested tenants to strictly comply with labor laws and ensure employee policies.

In the first six months of 2020, the authority issued/reissued 478 work permits; approved foreigner employment for 169 enterprises; received 14 labor regulations, 98 payroll scales, 19 collective bargaining agreements and six overtime work requests. Moreover, it has coordinated with law enforcement forces and relevant agencies to take measures to protect industrial parks, ensure security, prevent crime, and facilitate tenants to engage in lawful production and business activities.

FDI projects target to increase their second-half revenue by 5% over the first half of this year, pay over VND1,338 billion of taxes to the State budget, and employ about 2,000 more workers. DDI projects are expected to have revenue growth of 30% and tax growth of 39% over the first 6 months of 2020. In the coming time, the Vinh Phuc Industrial Parks Authority will further boost communications with enterprises to know their hardships for timely resolution. ■

Actively Preventing Covid-19 Pandemic in New Context

Tenants in industrial parks in Vinh Phuc province have put a strong focus on preventing and controlling Covid-19 pandemic to continue their stable manufacturing activity.

LE NAM

The Vinh Phuc Industrial Parks Authority asked enterprises to report persons with any connection to pandemic zones from July 1 to now, and reactivate the universal pandemic prevention system. Accordingly, they must take serious and regular measures to keep the contagion at bay like spraying antiseptics, establishing body temperature checkpoints, providing and requesting all employees and customers to wear facemasks at work and disinfect hands before entering factories and leaving the workplace; review, classify and isolate people at risk of infection and people returning from pandemic areas as guided by health authorities. At the same time, they continue to accelerate communications to inform their employees of the pandemic nature and development to have best preventive measures for themselves, their families and community.

Sharing about actionable measures to prevent and control the Covid-19 pandemic in the new context at Thang Long Industrial Park, Mr. Nguyen Minh Duc, Director of Thang Long Vinh Phuc Industrial Park Co., Ltd, said, "From valuable experience learned from the first outbreak, the company has figured out preventive measures like preparing preventive plans and programs, preparing antimicrobial masks, and measuring body temperature to prevent the contagion of the Covid-19 pandemic in the new context. In particular, the company has actively upgraded its information technology system, and provided LAN-connected laptops for work from home for employees who do not have to be present at the workplace. For employees who have to be present, the company has planned to restrict mobility and provide beds, rooms and necessities for workers to limit unnecessary movement and contact."

Based in Khai Quang Industrial Park, Vina Korea Co., Ltd has two employees travelling to Da Nang City in early July.

Following instructions of the Government, Vinh Phuc province and health authorities, these employees are required to stay at home for isolation. To prevent the pandemic in the new normal, the company has informed employees of preventive measures and applied specific measures to eating, drinking and travelling for separate production lines.

Like many other businesses, Young



Tenants in industrial parks tighten preventive measures amidst the raging pandemic

Poong Electronics Vina Co., Ltd (Binh Xuyen II Industrial Park) is seriously preventing the Covid-19 pandemic. As the pandemic outbreak is emerging in some localities, the company has thoroughly informed all workers of pandemic prevention measures in the new situation; requested three employees who visited Da Nang City with their families from July 1 to July 28 to make medical declaration, home isolation and daily health reports via Zalo to the HR Department. In particular, Young Poong Electronics has also built a detailed scenario to readily respond, localize and isolate divisions, employees, and production lines with infections.

The timely direction of the Vinh Phuc Provincial People's Committee and the serious participation of enterprises in the fight against the Covid-19 pandemic in the new normal are motivating the company's employees to believe in a better prospect and work harder. ■

Fostering Electricity Infrastructure Development in Industrial Parks

A 110-kV transformer station was recently inaugurated in Khai Quang Industrial Park, Vinh Yen City, Vinh Phuc Province. This is a particularly important project that ensures energy security, meets energy demand for socioeconomic development and attracts investment flows into Vinh Phuc province. This is the 9th transformer station in Vinh Phuc. They together generate a total output of 1,002 MVA. The new facility has helped ease the overloading operation of 110-kV Vinh Yen transformer station and 110-kV Thien Ke transformer station, improve power quality and reliability for tenants in Khai Quang, Ba Thien I, Ba Thien 2, Binh Xuyen 2 industrial parks and other consumers in Vinh Yen City and Binh Xuyen district.

For industrial parks in mountainous districts, Vinh Phuc PC has ensured a steady power supply for Lap Thach, Song Lo, Tam Dao and Tam Duong districts. Regarding the medium-voltage grid, since the beginning of the year, Vinh Phuc PC has energized 10 22-kV and 35-kV lines, built 87 new transformer distribution substations, converted and increased capacity of 115 transformers, and upgraded and installed 128 km of 400-voltage new transmission lines.



Developing power grid infrastructure and ensuring stable power supply are important factors to attract investment funds and develop industries. Vinh Phuc Power Company (Vinh Phuc PC) has focused on building a synchronous grid system and carried out various grid repair and upgrade plans in industrial parks to gradually modernize electricity infrastructure to meet an increasing demand of enterprises for production expansion.

NGUYEN LOAN

All power supply projects are in stable and full operation. The power loss has decreased from 4.8% in 2015 to 2.7% at present. Power supply reliability has increased, and outage and blackout indicators have fallen year after year.

In addition to grid infrastructure investment, Vinh Phuc PC pays special attention to grid management and operation to avoid overload-caused supply interruption, especially in high-demand places like industrial parks. The company is currently applying new technological equipment to grid management and operation.

In the coming time, Vinh Phuc PC will continue to work closely with related units to remove difficulties in project implementation, particularly important projects like 110-kV Tam Dao transformer station and a 63-MVA 110-kV transformer station in Khai Quang Industrial Park, expected to be completed by the end of 2020. The company will speed up other 110-kV transformer stations like Yen Lac, Phuc Yen II, Song Lo and Ba Thien to ensure power supply for Khai Quang, Binh Xuyen II, Ba Thien II, Tam Duong II and Song Lo I industrial parks, and establish a modern synchronous electrical network to attract investment fund and develop industries in Vinh Phuc province. ■

Active in Fire and Explosion Prevention

Industrial parks store many flammable commodities and materials like electronic components, fabrics, plastic, rubber, paper, wood and foam. When these materials catch fire, without timely and proper prevention, the fire will quickly sweep through typically spacious warehouses and factories. Therefore, to ensure fire safety in industrial parks and tenants in particular, the Vinh Phuc Industrial Parks Authority has worked closely with competent authorities to strengthen fire and explosion prevention. At the same time, tenants in industrial parks have actively raised awareness of fire and explosion prevention across their factories to ensure assets and human lives.

Inspections showed that tenants basically comply with fire prevention regulations like making mandatory fire prevention management and monitoring documents, issuing regulations on fire safety compatible with their characteristic nature, quality and activity, and widely informing their employees of this issue. Companies have established and maintained grassroots fire prevention teams; communicated on fire prevention skills for grassroots firefighting teams and all employees; and invested in equipment and means of fire protection to meet fire safety requirements.

For example, Vina Korea Co., Ltd based in Khai Quang Industrial Park, places high importance on fire prevention in addition to its focus on fostering manufacturing activity and

Aware of the importance of fire prevention and rescue, tenants in Vinh Phuc industrial parks have actively coordinated with relevant agencies of all levels and branches to build and practice fire prevention plans for their employees.

NGUYET THAM

taking good care of employees' livelihoods. Besides establishing the Fire Prevention Committee and grassroots fire prevention teams which are ready to respond to any fire incident, every day, occupational safety officers regularly check fire and explosion prevention in workshops and warehouses. They immediately remind those infringing on fire protection regulations like smoking in the factory, placing commodities close to walls or roofs that block fire extinguishers, fire hydrants and safety exits. Before leaving the workplace, factory guards and electricians check fire and explosion status, electrical network and disconnect all circuit breakers. Flashlights, exit lights, fire extinguishers, fire hydrants, fire alarms and smoke sensors are checked monthly and at random to fix any safety failure and replace mal-functional ones. In addition, the company provides fire prevention skills to new workers before starting to work. It sticks and hangs fire protection pictures at entrances, conducts regular inspections and directly communicates on fire prevention to employees. It builds mass fire prevention movements and runs grassroots firefighting teams.

In the coming time, the Vinh Phuc Industrial Parks Authority will further urge infrastructure investors of industrial parks to establish full-time grassroots firefighting teams, actively allocate funds and equipment and means for firefighting, and ensure best response to any fire and explosion incident. It will

maintain obligatory fire safety inspections to quickly detect and eliminate fire and explosion risks. At the same time, it will apply fire prevention measures like arranging goods and materials in a safe distance and strictly managing the use of fire and heat sources. Fire protection equipment meets requirements on type and quantity. The company regularly inspects and maintains fire protection equipment on site. ■

(from P.15)

(US\$7 billion), an increase of VND37.2 trillion from the end of 2019. The biggest buyers were Techcombank and VPBank.

Besides, securities companies took a more active part in the corporate bond market. 84% of corporate bond issues in the first six months of 2020 were advised by securities companies. Techcombank Securities (TCBS) still held the largest market share (23.8%), slightly lower than in 2019 (24.4%). SSI and MBS replaced VPB and VND among the Big 3 securities companies in the corporate bond market.

Heating in Q3 and easing in Q4, 2020

The development of the bond market in general and the corporate bond market in particular is indispensable to balance and improve the quality of Vietnam's financial markets. However, the overheated growth has posed many potential risks to market sustainability. Since the beginning of the year, the Ministry of Finance continuously delivered warnings to the market and consulted market makers. And on July 9, 2020, the Prime Minister officially issued Decree 81/2020/ND-CP on amendments and supplements to Decree 163/2018/ND-CP, effective from September 1, 2020.

Decree 81 places higher requirements on private placement for issuers and intermediaries, but it does not have new regulation for

investors. When the Law on Securities 2019 comes into effect on January 1, 2021, private equity placements will only be distributed to professional investors. At that time, the Ministry of Finance will consider removing regulations in Decree 81.

In preparation for the introduction of Decree 81, the Ministry of Finance consulted market makers many times since the beginning of the year. The sharp increase in bond issuances in the second quarter of 2020 was partly an acceleration before issuance conditions would be tightened.

Therefore, according to SSI Securities Corporation, in July-August 2020, companies will strongly increase bond issues before Decree 81 officially takes effect. After September 1, 2020, private placements will drop sharply, most companies will have to adopt public offerings then. In addition, the State Bank of Vietnam is stretching the roadmap to reduce the ratio of using short-term funds for medium to long-term loans, the credit channel through commercial banks will again become a primary funding channel for businesses, especially real estate businesses.

Notably, SSI forecasts that the difference between bond coupons and deposit interest rates will continue to widen along with the expanding corporate bond market boosted by the strong growth in size since early 2019 and the increased participation of banks and securities companies, which will make the secondary corporate bond market more active in the remaining months of 2020. ■

Well-invested Infrastructure Draws Funds for Industrial Development

Lap Thach district has planned three industrial parks covering 839.3 ha, including Lap Thach I (over 129 ha), Lap Thach II (111 ha) and Thai Hoa - Lien Son - Lien Hoa (nearly 600 ha). Defining that industrial development is a key task, Lap Thach has actively coordinated with relevant departments and agencies to gradually invest in building synchronous technical infrastructure to attract investment and develop industries.

DUC ANH

Aware of its potential and advantages in industrial development, Lap Thach has invested in building many big traffic works such as Hoa Son Road, Provincial Road 305, Provincial Road 306, a road from Van Quan commune to Phu Hau Bridge, an upgraded section on Provincial Road 306 from Bi La Bridge to Lap Thach Town, and a road from Provincial Road 307 to Van Truc Lake. Up to now, 100% of district roads, 100% of commune main roads, 59.5% of main infield roads, and 94% of inter-village roads are hardened. In particular, the opening of the intersection of Noi Bai - Lao Cai Expressway at Van Quan commune and the 24m road from Bi La Bridge to Lap Thach Town is a big advantage for the district to connect and invest in technical infrastructure construction and socioeconomic development.

In addition, communications, energy grid, public lighting, water supply, waste collection and treatment systems in the district are increasingly developed. Many infrastructure projects have been carried out, including green spaces and lighting systems across the district; the concentrated waste treatment area in Lap Thach Town, industrial waste and solid waste treatment areas in Dong Chu and

Thanh Cong villages in Xuan Hoa commune, and Ngo Gia Tu Flower Garden to improve life quality and enhance the environment. Furthermore, Lap Thach district currently has 369 power transformer stations with a total capacity of 127.52 VA, over 329 km of medium voltage lines and nearly 762 km of low voltage lines to supply safe, continuous power for people and enterprises.

With its synchronous technical infrastructure, abundant labor force and spacious land area, Lap Thach district has attracted many investors like HopLun Co., Ltd (Vietnam), Amane Investment Joint Stock Company, Hoa An Import Export Joint Stock Company, and Dong Bu Vietnam Education Equipment Co., Ltd. The district is also considering a number of investment projects. For example, Vina-CPK Co., Ltd is conducting infrastructure construction investment research of Lap Thach I Industrial Park and Lap Thach II Industrial Park on a total area of 400 ha. The infrastructure construction investment and operation of the 148.6-ha Thai Hoa - Lien Son - Lien Hoa Industrial Park (Phase 1) is being planned by Amane Investment Joint Stock Company.

In the coming time, Lap Thach will improve its technical infrastructure system for industrial, handicraft, tourism and service development in line with the local socioeconomic development plan of Lap Thach district, the master plan of Vinh Phuc province and the sectoral development plan; and continue investing and upgrading roads and lighting systems. The district will speed up site clearance, solve difficulties and problems, promptly settle proposals from enterprises, publish administrative procedures, and reduce the time for handling administrative procedures for businesses, organizations and citizens. Last but not least, Lap Thach district will increase domestic and foreign investment, improve business environment, and give priority to environmentally friendly high-tech investment projects. ■



Easing Accommodation Requirements of Workers

Vinh Phuc province currently has eight industrial parks in operation, creating more than 92,000 jobs. To provide accommodations for employees, in recent years, Vinh Phuc province has requested functional departments and industries to speed up planning and spend nearly 158 hectares for social housing. The province prioritizes housing investment for workers in some areas in Binh Xuyen and Lap Thach districts.

NGUYET THAM

With preferential mechanisms and policies in attracting investment, many businesses have come to learn and implement many social housing development projects in the province such as: The residential project for low income earners in Khai Quang ward invested by Bao Quan Investment and Construction Joint Stock Company; and the accommodation project for workers in Ba Hien commune invested by Vinh Yen Investment and Development Joint Stock Company.

Recently, the social housing project in Rung Cuong hamlet, Thien Ke commune, Binh Xuyen district, invested by Kehin Joint Stock Company has been approved by Vinh Phuc Provincial People's Committee for investment policy. The project has a total investment

of more than VND1,658 billion, covering nearly 11 hectares. The investor will build two eleven-story apartment buildings (about 60m²/unit), three nine-story apartment buildings (about 70m²/unit), with a total of 993 apartments. In addition, the investor will also build 324 semi-detached houses; 99 shophouses; a three-story kindergarten for 500 children with an area of nearly 6,000 m²; a three-story primary school with an area of more than 2,000 m²; a three-story medical facility; a two-story cultural house for sports, cultural events with an area of about 790 m².

The project will contribute to creating housing supply to meet urgent needs of workers in the key industrial development area of Vinh Phuc province and in line with orientation in planning.

The project is expected to be completed in 2024. With a modern investment in the technical infrastructure system and architecture, once completed, the project will address housing needs for more than 3,800 workers and low-income earners working in industrial parks in Vinh Phuc, contributing to promoting investment attraction and socio-economic development of the province. ■



Low income earners have a chance to buy affordable houses from the project developed by Kehin Company

HAESUNG VINA CO., LTD

Business Aligned with Environmental Protection

Haesung Vina Co., Ltd, based in Khai Quang Industrial Park, manufactures cameras, components for smartphone cameras, precision optical instruments, and action cameras with a total yearly output of about 136 million products. Haesung Vina constantly improves technology, invests in modern production lines and equipment, reduces cost, mitigates environmental pollution risks, enhances the working environment for workers and raises product quality.

THANH LOAN

To reduce production costs and create a professional, healthy and friendly working environment, the company is applying the 3D5S process (3D = Directing - Discussing - Delegating; 5S = Sort - Set in order - Shine - Standardize - Sustain). The factory system meets all standards concerning clean room and personal protective equipment for workers. The company has built a wastewater treatment system and regularly cleans the warehouse.

In addition, the company has constructed storage tanks, installed pumping systems to reuse wastewater treated by the RO filtration system in other activities such as watering plants, cleaning warehouses and the toilets, thus cutting costs and protecting the environment as well.

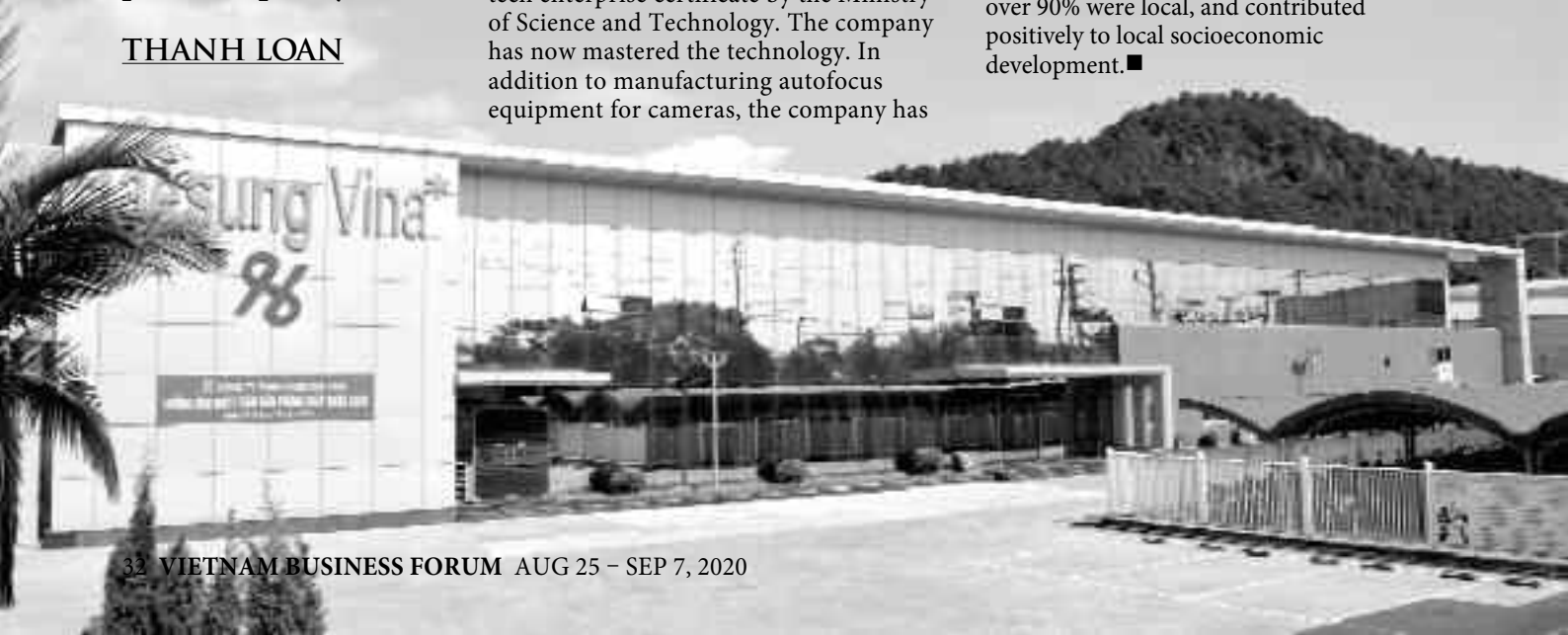
To improve research and application capacity of new production technologies, right in the beginning, the company established a Product Research and Development Department (R&D) staffed by highly qualified experts and engineers, coordinated with the Hanoi University of Technology to establish a R&D center on optoelectronics to transfer optics and optoelectronic technology and train highly qualified human resources.

With its achievements, on April 27, 2017, the company was granted a high-tech enterprise certificate by the Ministry of Science and Technology. The company has now mastered the technology. In addition to manufacturing autofocus equipment for cameras, the company has

successfully improved different types of cameras, and can manufacture various highly applicable products such as camera modules for automobiles, flycam cameras, and optical cameras used in the medical field. Not only improving equipment, the firm has also searched for environmentally friendly input materials and recycled materials for extra use.

The company consumes about 57 million kWh of electricity a year. To reduce energy costs and assess current energy consumption, Haesung Vina has cooperated with Bach Khoa Energy Audit Company to audit energy consumption to find unreasonable consumption points, adjust and replace equipment like replacing fluorescent bulbs with led bulbs, installing inverters for air compressor systems, building operational processes and periodically maintaining machinery to reduce operating costs and greenhouse gas emissions, and improve energy efficiency. Especially, its research has revealed its potential use of solar energy. The firm has worked out a plan to install and test the solar panel system for production.

With its consistent solutions for cleaner production development, Haesung Vina reduces production costs, minimizes environmental pollution, and improves production efficiency. In 2019, the firm made revenue of US\$357.6 million, employed more than 4000 workers, of which over 90% were local, and contributed positively to local socioeconomic development. ■



SAMJIN LND VINA CO., LTD

Taking Good Care of Employees

Wholly South Korea-invested SamJin LND Vina, established in 2016 and officially put into operation in November 2017,

manufactures phone charger housing cases, computer charger housing cases and electronic components. At present, the company has 320 employees, paid nearly VND11 million a month on average.

Right in the beginning, the Management Board decided to set up a trade union to promptly grasp employees' thoughts and aspirations and share difficulties in work and in life with them to secure them to work for the company. The company fully applies mandatory employment policies such as health insurance, social insurance, maternity leave, shift meal and many other allowances for employees. On public holidays or their birthdays, the Trade Union Executive Committee presents gifts to employees to motivate and encourage their enthusiastic working spirit, promptly visits and encourages them when they are hospitalized for a long time, and presents gifts to their children on children's days.

With the viewpoint that the workplace is a second home, right from the stage of factory design and construction, the company determined that environmental sanitation and labor safety means protecting the health of workers who are directly engaged in manufacturing the company's products and improving productivity and operational performance. The company has invested in building an automatic fire prevention system, equipping workers with labor protection equipment, constructing synchronous modern technical infrastructure, and establishing grassroots fire prevention teams. At the same time, it regularly informs and practices using common fire-fighting equipment and



Together with the focus on investment in modern equipment and machinery to make quality products, SamJin LND Vina Co., Ltd based in Ba Thien II Industrial Park, has always paid attention to taking care of the spiritual and material life of all employees in the past time.

NGO BINH

protective equipment; and trains occupational safety and health to improve self-awareness spirit and responsibility in fire prevention and occupational safety across the company.

To provide safe and nutritious meals for employees, the company signed a contract with Food Vina Co., Ltd of South Korea. Every day, the company has employees check food safety and hygiene and occupational hygiene, and regularly discusses these issues with food catering service

providers to improve meal quality and safety issues.

Before the complicated development of the Covid-19 pandemic, despite many difficulties in business operations, SamJin LND Vina has adopted plans and solutions to combat the pandemic and maintain business operations. When orders from customers declined because of Covid-19, the company applied rotational leave to ensure sustained income for employees. At the same time, the company sent the list of 40 disadvantaged workers affected by the Covid-19 pandemic to the Trade Union of Vinh Phuc province's industrial parks to get support for them.

In the coming time, SamJin LND Vina will host more sports events; actively respond to major holidays and celebratory events of the country, Vinh Phuc province and the Trade Union; and play with football, badminton and volleyball teams. Besides, the company will introduce more favorable regimes and policies for workers, build more factories, expand markets and business operations, and create more jobs for local workers.

The attention of the Management Board and the Trade Union to employees' material and spiritual life has strengthened the solidarity and sustainability of SamJin LND Vina. ■

Tourism Industry Seeking Wayouts

After three months of inactivity owing to the Covid-19 pandemic, the Vietnamese tourism industry had just restarted when the second pandemic outbreak emerged in Da Nang, resulting in renewed dormancy of tourism and travel activity across the country. How to respond to existing difficulties and how to recover and develop after the pandemic are matters of concern of authorities and travel businesses.

GIANG TU



Back into dilemma

The tourism industry, that had just restarted after a long period of social distancing, was stunned again when the Covid-19 pandemic reappeared. On July 25, the first infection case in the community was confirmed in Da Nang City after 99 straight days of no community infection. The contagion spread to some other localities and led many tourists to cancel their tours not only to pandemic areas but also to non-pandemic places.

Many localities across the country quickly announced the closure of many tourist attractions and suspended entertainment services to ensure safety for tourists and residents. Some do not organize tours, send people to or receive people from infected areas, while requiring public employees not to go to pandemic areas or to other provinces.

The Lao Cai Tourism Department said that after the confirmation of new Covid-19 infections in Da Nang, the local tourism sector started to be affected. Up to 80-90% of tourists cancelled their tour bookings scheduled from July to September.

According to data from the Vietnam National Administration of Tourism (VNAT), up to 95-100% of tourists cancelled their tours in July and August, the two peak months of domestic tourism. Airlines, hotels and tourism service providers have experienced a very difficult period and slid into another crisis right after going out of it.

According to tour operators, air carriers currently only allow rescheduling deposit use, not refund it. This is a great pressure because the deposit value is significant, especially when they already suffered a huge loss during the first Covid-19 outbreak, and tourists claimed refunds for tours postponed or annulled. Airlines allow 180 days of delay but tourists do

not want to travel any longer.

Huynh Phan Phuong Hoang, Deputy General Director of Vietravel Company, said, the pandemic forced many businesses to cut staff or apply unpaid leave to employees waiting for tourism recovery. During the first outbreak, the Government issued support policies for laid-off workers. However, tourism workers did not have access to support packages. Some had to find other jobs to make their living. Therefore, when tourism activity is restored, businesses will not have enough experienced personnel to restart their operations if they cannot keep their important staff.

VNAT General Director Nguyen Trung Khanh emphasized that businesses are the core force of the tourism industry. Travel, accommodation, transportation and service providers are closely interrelated. If any link in this chain is weakened or broken, it will greatly affect the overall operation of the tourism industry. Solutions are needed to overcome current problems, as well as to achieve post-pandemic recovery.

How to solve difficulty?

Right after an outbreak, the government and businesses supporting, associating and sharing with each other is vital to overcome difficulties. At the heart of the new pandemic hub, Mr. Cao The Dung, Chairman of the Da Nang Tourism





Association, said that, during the outbreak, the mobility pressure is huge. Every day, from 30,000 to 40,000 visitors leave Da Nang. This is considered an immediate response to ensure safety for visitors and prevent the contagion. Besides, the association is coordinating with businesses and hotels to deal with tour postponements and cancellations to ensure customer interests.

Sharing this point of view, Mr. Vo Anh Tai, Deputy General Director of Saigontourist, also proposed the Vietnam National Administration of Tourism to study and develop a legal framework to ensure safety for customers in case of infections, while easing heavy pressures on businesses. Currently, businesses are all damaged and local authorities have delivered support but the reality is very difficult. Airlines also need to have more flexible policies for force majeure cases rather than apply rigid regulations that distress travel companies.

Mr. Vu The Binh, Vice Chairman of the Vietnam Tourism Association, said it is necessary to have immediate concrete solutions to support businesses, especially small and medium-sized enterprises (SMEs), to escape the crisis caused by the pandemic.

The engagement of service providers is necessitated to remove difficulties for businesses. In addition, it is also necessary to inform customers to share hardships with businesses by postponing or preserving travel packages to be used again, when the pandemic ends. In the meantime, businesses also need to make a clear commitment to assure customers or convert into service vouchers for use in safe destinations or when the pandemic ends.

In addition, they need government support like access to soft loans. They are advised to join together to make a list of borrowers and send it to the Government and the State Bank of Vietnam (SBV) for loan approval.

They also need to assist each other and have support from tourists. Financially viable companies can consider refunding financially troubled ones in the service supply chain. ■



Mr. LAI DUY MINH

CEO OF TST TOURIST SERVICE & TRADING CORPORATION

The Covid-19 pandemic distressed travel firms. The decline in tourist arrivals also caused tourist support services such as accommodation, food and drinking, entertainment and shopping to slide into difficulty. TST Tourist proposed tax relief and financial support for tourism human resources because 80 - 90% of tour guides are laid off. In addition, it is difficult for tour operators to reimburse booking deposits to customers and airlines and service providers are expected to apply specific service discounts to make customers who cancelled tours feel comfortable for new travelling after the contagion is under control.

Ms. TRAN THI NGUYEN

SALES DIRECTOR OF SUN GROUP

This is the second time the tourism industry has faced Covid-19 and also the second time we sit down to discuss solutions and go through the most difficult time together. I propose VNAT and other agencies make the second national tourism stimulus program, assist localities to attract tourists, work out support policies aimed to help tourism businesses to launch stimulus in other countries in the world, transfer national promotion programs engaged by the Ministry of Culture, Sports and Tourism. The night-time economy is encouraged for service development.

Ms. LE THUY HA

SALES DIRECTOR OF FLAMINGO GROUP

Flamingo has launched quick policies to promptly assure customers. We have separate villas for guests to relax and entertain themselves in safety, suitable for families and small events. We have worked with travel and service companies to ensure one-year booking reservation for customers with unchanged service value. We must learn how to cope with hardships caused by the pandemic and how to get support to overcome hardships faced by the tourism industry in general and hospitality industry in particular. To do this, the top priority is human resources. We proposed reducing electricity bills and land rents to help hotels and housing facilities maintain stable human resources and maintain the environmental landscape to serve customers after the pandemic ends.



Kieu Bridge Adorns Natural Beauty of Tra Su Melaleuca Forest

It is impossible to not admire the creative and unique works by An Giang Tourism Joint Stock Company (An Giang Tourimex) since it officially started renovating the ecological campus in the Tra Su tourist site.

Among dozens of invested items, Kieu Bridge is considered a "pen stroke", rustic but extremely impressive, adorning the splendid natural scenery of Tra Su melaleuca forest.

DUY ANH

Adorned with special creative and intelligent works of art, Tra Su - sleeping princess - has been confidently undertaking the mission of welcoming visitors from all regions to visit. And once again, Tra Su continues to receive another typical project with a creative design, adding to the forest an artistic stroke symbolizing the prosperity of the area.

If anyone wishes to explore the simplicity, rustic and closeness of the Mekong River region, Tra Su tourist area will be a place to bring him/her a cultural slice with the images of bamboo bridges and wooden bridges associated with the daily life of people in the old Western countryside.

Such bridges have a typical cultural value in the history of development in the Southwestern region. Due to the above reasons, the investor has specially used the images and rustic materials close to that culture, meticulously designed and constructed to preserve these cherished values into the landscape of the forest. The most recent famous work is the longest bamboo bridge in Vietnam, and the investor is continuing to build a wooden bridge over the canal from the entrance to the other side of the melaleuca forest campus.

Instead of waiting for their turn to be able to take the boat ride across the shore to the campus, with the construction of the bridge to the other side will help visitors save their waiting time, extending more time to experience

and enjoy nature on their own.

With a sophisticated design, the image of the longest bamboo bridge in Vietnam is stylized with a "welcome" version and a modern breath, the bridge welcomes tourists from all over the world, lying on the banks of the canal across the forest, creating a sacred bond of love between people and wild nature, and tightening the symbiotic relationship between visitors, investors and this tropical melaleuca museum. The work will quickly create an impressive highlight for everyone coming to experience the ecotourism destination right from the moment they step into the gate.

Kieu Bridge means the prosperous development of An Giang province, symbolizing the celebration of the recent event that Long Xuyen city of the province was recognized by the Prime Minister as a class I city.

In the near future, when this wooden bridge is completed, this will earn Tra Su tourist area a new record of "the most beautiful wooden bridge in the melaleuca forest in Vietnam". This will be the basis for the melaleuca paradise to continue to reach another record in the near future - the ecotourism destination with the most records in Vietnam.

The picture of An Giang with the key economic sector of tourism will become more brilliant, with the enthusiastic and determined contributions from strategic investors, typically An Giang Tourimex, through their efforts to make this clean industry rise high and grow well. ■