

BUSINESS FORUM MAGAZINE

VIETNAM Business Forum

THE VIETNAM CHAMBER OF COMMERCE AND INDUSTRY - VCCI

VOL. 02, NO. 8 (1319), APR 20 - MAY 3, 2021
ISSN 1859-0632



**NEWLY-ELECTED LEADERS VOW UTMOST EFFORTS
TO MAKE VIETNAM STRONG AND PROSPEROUS COUNTRY**

More Reform, Policies Needed to Attract Investment and
Help Businesses Survive Post-Pandemic

Add: 8th Floor, VCCI Tower, No. 9 Dao Duy Anh, Hanoi

Tel: 84-24-3577 1365 **Fax:** 84-24- 3577 1563, 3577 2595, 3577 2629

E-mail: patent@vcci-ip.com; trademark@vcci-ip.com **Website:** www.vcci-ip.com

VCCI Intellectual Property Sole Member Company Limited (VCCI-IP CO., LTD.), belonging to Vietnam Chamber of Commerce and Industry, is specialized in Intellectual Property legal services. VCCI-IP was established in 1984 (right after the establishment of National Office of Intellectual Property of Vietnam (NOIP) in 1982), formerly as the Patent & Trademark Bureau of Vietnam Chamber of Commerce and Industry, to take the task authorized by the Government to exclusively represent for the registration and protection of intellectual property assets of foreign individuals/entities in Vietnam for years.

In the course of the economic renovation and global economic integration during nearly 40 years, VCCI - IP has been continuously developing and enhancing the professional manner with the firmly asserted position as one of the largest and most prestigious IP agencies in Vietnam. VCCI-IP has annually ranked among the Vietnam's best IP agencies by intellectual property magazines such as Managing IP Magazine and Asia IP Magazine.

At present, VCCI-IP has been cooperating with about 500 hundreds of international law firms, representing for more than 1000 domestic and foreign clients among which are leading industrial groups, multinational corporations such as Sony, Sharp, Panasonic, LG, Toshiba, GlaxoSmithKline, NTT Docomo, Sanyo, Hitachi, etc. VCCI - IP is also the membership of International Associations such as the International Association for the Protection of Intellectual Property (AIPPI), the International Trademark Association (INTA) and the Asian Patent Attorney Association (APAA), etc. With a strong team of more than 70 experienced and devoted lawyers, attorneys and technical experts in various fields, VCCI - IP always commits itself to bring the best services based on close and opportune coordination with clients in establishing and protecting effectively intellectual property rights in Vietnam and foreign countries.

VCCI-IP's areas of specialization include

- 1** Providing information of legal framework, economic and technical environment of Vietnam and foreign countries in relation to intellectual property for domestic and foreign individuals/enterprises;
- 2** Providing investigation and search services on prior art, freedom-to-operate, protection status, patentability and registrability of inventions, industrial designs, trademarks etc.,
- 3** Providing legal advices and representing for filing and prosecuting applications for inventions, industrial designs, trademarks, copyrights etc., of domestic and foreign individuals/enterprises;
- 4** Providing legal advices and representing for filing and prosecuting international application for inventions under PCT Treaty;
- 5** Providing legal advices and representing for filing and prosecuting international trademark applications under Madrid Protocol/Agreement and Community trademarks (CTM);
- 6** Providing legal advices and representing for settlement of appeals, disputes of IPRs;
- 7** Providing legal advices and representing for settlement of IPRs infringement and anti-counterfeits in Vietnam and foreign countries;
- 8** Providing legal services and representing for Recordal of license/assignment of IPRs and technology transfer;



VIETNAM BUSINESS FORUM
Published by VCCI

PHAM NGOC TUAN
EDITOR-IN-CHIEF

PHAM THE NAM
DEPUTY EDITOR-IN-CHIEF
In Charge of VIETNAM BUSINESS FORUM

BOARD OF ADVISORS

Dr. VU TIEN LOC

VCCI President & Chairman

Dr. DOAN DUY KHUONG

VCCI Vice President

PHAM NGAC

Former Ambassador to Five Nordic Countries

NGUYEN THI NGA

Chairwoman of Board of Directors, BRG Group

Designer: HOANG ANH

Sub-editor: STEVEN GROFF

HEAD OFFICE

4th Floor, 9 Dao Duy Anh St., Hanoi

Tel: (84-24) 35743985/35743063

Fax: (84-24) 35743985

Email: vbfhanoi@gmail.com; vbf@vcci.com.vn

Website: www.vccinews.com

SOUTHERN REP. OFFICE

171 Vo Thi Sau St., Dist.3, HCM City

Tel: (84-28) 39321099/39321700

Fax: (84-28) 39321701

NORTHERN REP. OFFICE

4th Floor, 208 De La Thanh St.,

Dong Da Dist., Hanoi

Tel: (84-24) 6275 4809

Fax: (84-24) 6275 4835

Chief Representative

NGO DOAN KHUYEN

JAPAN

2nd Floor, Hirkawacho-Koizumi Bldg.,

1-9-5, Hirakawacho, Chiyoda - ku,

Tokyo 102-0093

Tel: 81-3-5215-7040

Fax: 81-3-5215-1716

Chief Representative

AKI KOJIMA

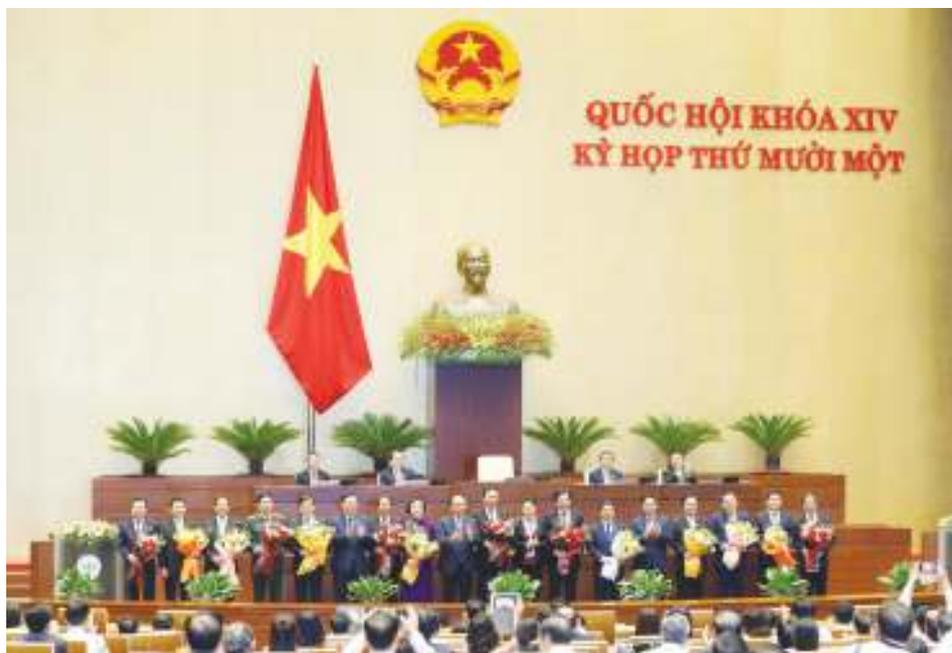


Available on **Vietnam Airlines**

Licence No.58/GP-BTTTT dated February 18, 2020

Printed by the Trade Union Printing Company

PRICE: VND25,000



CONTENTS

IN FOCUS

03 Newly-elected Leaders Vow Utmost Efforts to Make Vietnam Strong and Prosperous Country

06 Important Foundation for More Productive National Assembly

VCCI

08 VCCI: 58 Years Entirely Devoted to Enterprise Development

10 Impacts of Covid-19 Pandemic on Vietnamese Firms

12 Driving Reforms Critical to Economic Development

13 More Reform, Policies Needed to Attract Investment and Help Businesses Survive Post-Pandemic

14 Creating More Favorable Environment for Business Development

BUSINESS

15 How Can Businesses Utilize CPTPP?

16 Banks Boast Huge Earnings in Q1

17 How Much Do Banks Benefit from Circular 03?

18 Insurers: Focus on Technology Investment and Banking Cooperation

19 Optimistic Motivation for Stock Market

20 Charter of VNX Organization and Operation Adopted

20 Vietnam Stock Market to Be Upgraded to Emerging Market

22 Strong FDI Flows into Vietnam

27 What Is Leading to Land Fever?

28 Owning a House Remains Distant Dream for Low-wage Earners

29 Cheap 5G Smartphones Seem to Boom on Coverage Expansion

30 It Is Necessary to Reduce Output of Renewable Energy



ENTERPRISE

32 Long Thanh IZ Minimizing Cost, Optimizing Profit, Providing Best Support to Tenants

SUSTAINABLE DEVELOPMENT

34 Sustainable Market Development Strategy for Vietnamese Agricultural Products

36 VSS to Launch National Insurance Database





From left: National Assembly Chairman Vuong Dinh Hue, President Nguyen Xuan Phuc, General Secretary Nguyen Phu Trong, and Prime Minister Pham Minh Chinh in a group photo

NEWLY-ELECTED LEADERS VOW UTMOST EFFORTS TO MAKE VIETNAM STRONG AND PROSPEROUS COUNTRY

In their inaugural addresses to the National Assembly of Vietnam, President Nguyen Xuan Phuc and Prime Minister Pham Minh Chinh both pointed out advantages but also frankly looked at challenges faced by the Vietnamese economy in the coming time. Taking new office, both the President and the Prime Minister pledged to do their best and, at the same time, emphasized the coordination of concerned agencies and sectors to achieve the best outcomes.

Effort to address challenges

Before the opening of the 11th Session of the 14th National Assembly, General Secretary of the National Assembly Nguyen Hanh Phuc announced a partial change in the Working Agenda as the National Assembly elected the incumbent Prime Minister as State President for the first time. When the National Assembly passed the resolution to elect Mr. Nguyen Xuan Phuc President of Vietnam, he was still the incumbent Prime Minister because the resolution on dismissal of the Prime Minister was only effective when the National Assembly elected a new Prime Minister.

In his two speeches to the National Assembly in this session, Mr. Nguyen Xuan Phuc mentioned the “rushing and stormy journey” of the Vietnamese economy. Difficulties and challenges were caused by the Covid-19 pandemic, natural disasters, floods, and geopolitical upheavals. Although Vietnam may be accustomed to natural disasters and geopolitical upheavals, Covid-19 poses a completely new puzzle

On April 8, the National Assembly of Vietnam elected two Deputy Prime Ministers, ministers and other cabinet members.

According to the resolution, Secretary of the Party Central Committee and Inspector General of the Government Le Minh Khai, and Member of the Party Central Committee and Secretary of Hai Phong City Party Committee Le Van Thanh were approved by the National Assembly as Deputy Prime Ministers.

With this result, the Government currently has five Deputy Prime Ministers, namely Truong Hoa Binh, Pham Binh Minh, Vu Duc Dam, Le Minh Khai, and Le Van Thanh.





Newly-elected Prime Minister Pham Minh Chinh presents flowers to President Nguyen Xuan Phuc

To achieve this goal, he emphasized that the Government must focus on dealing with difficulties for all levels, sectors, localities, businesses and people; creating a more favorable environment and conditions for production and business development; actively preventing and taking effective measures to overcome negative impacts of natural disasters, climate change, environmental pollution and pandemics, especially Covid-19 pandemic.

Aspiration for a mighty Vietnam
In their new positions, both President Nguyen Xuan Phuc and Prime Minister Pham Minh Chinh pledged to do their best and foster coordination among agencies/departments to achieve the best performance. Their two speeches express their determination to build a rich and strong country.

“The aspiration for a mighty Vietnam by 2045 is not a godsend but it is a lofty goal for us today and our next generations to strive to win,” President Phuc said in his inaugural address.

Living in a country with many ethnic groups, Vietnamese people have the same heart to beat, the same home to live, a glorious history to keep and a glorious mission to do, President Phuc emphasized. The heroic chapters in Vietnamese history are written with the sweat and blood of many generations.

“We have a strong belief that: Upholding the heroic tradition, there will be many new chapters of history that will be extended with new feats on the course to a prosperous and powerful nation and people,” noted President Nguyen Xuan Phuc.

Despite obtaining many achievements as a result of joint cooperation and unanimity of the whole nation in recent years, President Phuc emphasized that, on the upcoming path, Vietnam will still encounter many opportunities and challenges.

“I always believe that, under the leadership of the Party, with the bravery and wisdom of the Vietnamese people, with the strength of great national solidarity, and the support of international friends, our country will definitely overcome challenges,” President Phuc stressed.

In the light of the nation's glorious history, especially in the past 75 years with 35 years of doi moi (reform), Prime Minister Chinh also expressed his confidence in a bright future. Furthermore, the Government and the Prime Minister are clearly aware of their responsibility to inherit and uphold achievements and results; and continue to renovate and make transformational and more effective changes in the coming time.

The new Prime Minister highlighted five main focuses of the Government in the coming time to further foster inclusive and consistent innovation under the light of the Party's Resolution of

On May 6, the National Assembly of Vietnam elected Madam Vo Thi Anh Xuan, Member of the Party Central Committee and Secretary of the An Giang Provincial Party Committee, as Vice President.

that could not be fully solved when he left office.

“New normal” that he repeated a lot during his past Prime Minister's term will still be a difficulty for the new Government in the coming time. Besides, “successfully achieving the dual goal of fighting the pandemic and revitalizing economic development is still a cross-cutting task”.

As one of the few economies that recorded positive growth in 2020, Vietnam could be totally proud of what it had achieved. As developed economies are moving toward herd immunity through vaccinations, Vietnam must strive to not be left behind with existing anti-pandemic methods.

Vietnam controlled the Covid-19 pandemic well but tourism remained stalled, causing a loss of 8% to the country's GDP. Small and micro businesses are struggling to survive because they are finding it very hard to access policy support. These obstacles cannot disappear in one day or two.

Not only being present at the inauguration of President Nguyen Xuan Phuc, newly elected Prime Minister Pham Minh Chinh also mentioned the Covid-19 pandemic in his first remarks on his new position. This is one of the biggest challenges to Vietnam at the moment. President Nguyen Xuan Phuc, however, said, “Difficulty is not something created to stop us but test our patience and willpower for better.”

Being ready to overcome all obstacles is also what PM Chinh clearly expressed in his speech to the National Assembly and voters across the country on the afternoon of April 5. One of the five key tasks of the Government in the coming time is “to effectively manage, mobilize and use all resources for national development; promote key strategic infrastructure development; speed up national digital transformation, develop the digital economy based on scientific and technological development.”



President Nguyen Xuan Phuc, Prime Minister Pham Minh Chinh and Chairman of the National Assembly Vuong Dinh Hue congratulate the newly-appointed government members

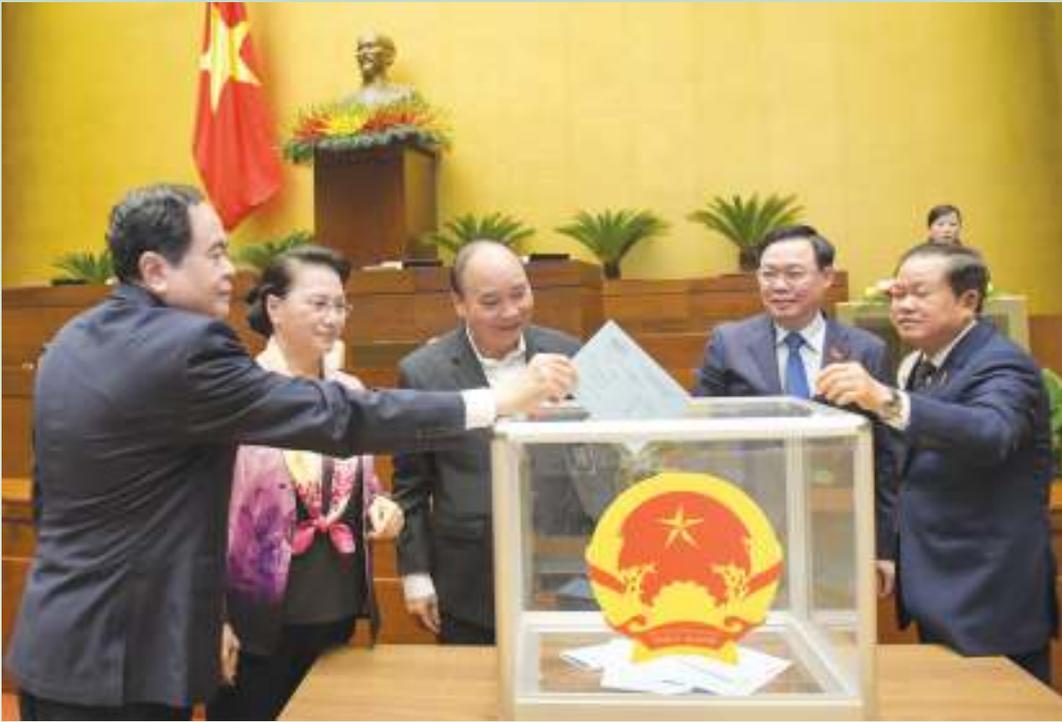
the 13th National Party Congress: Developing an action plan to specify the Resolution of the 13th Congress of the Party; continuing to promote the building of a socialist rule-of-law state of the people, by the people and for the people; managing, mobilizing and efficiently using all resources for national development; resolutely and persistently defending independence, sovereignty and territorial integrity; ensuring national defense, security, social order and safety and developing mechanisms, policies and conditions for the development of Vietnamese culture and people to become an important resource and driving force in socio-economic development.

“I am deeply aware that the Government and its activities have a very important position and role in the cause of national construction and development; firmly protect independence, sovereignty, unity, and territorial integrity of the Fatherland, for the goal of a rich people, a strong country, democracy, justice and civilization,” Prime Minister Pham Minh Chinh emphasized. ■

12 ministers/ministerial-level positions approved by the National Assembly:

- *Mr. Phan Van Giang, Member of Politburo (13th term), Chief of Staff of the Vietnam People’s Army, and Deputy Defense Minister, was named Defense Minister.*
- *Mr. Bui Thanh Son, Member of the Party Central Committee, Deputy Foreign Minister, was named Foreign Minister.*
- *Ms. Pham Thi Thanh Tra, Member of the Party Central Committee, Deputy Minister of Home Affairs, Deputy Head of the Central Organizing Committee, was appointed Minister of Home Affairs.*
- *Mr. Le Minh Hoan, Member of the Party Central Committee, Deputy Minister of Agriculture and Rural Development, was appointed Minister of Agriculture and Rural Development.*
- *Mr. Nguyen Thanh Nghi, Member of the Party Central Committee, Deputy Minister of Construction, was appointed Construction Minister.*
- *Mr. Nguyen Van Hung, Member of the Party Central Committee, Deputy Minister of Culture, Sports and Tourism, was appointed Minister of Culture, Sports and Tourism.*
- *Mr. Hau A Lenh, Member of the Party Central Committee, Vice Chairman cum General Secretary of the Central Committee of the Vietnamese Fatherland Front, was appointed Minister, Chairman of the Committee for Ethnic Minorities.*
- *Mr. Tran Van Son, Member of the Party Central Committee, Standing Deputy Chairman of the Government Office, was appointed a Minister, Chairman of the Government Office.*
- *Mr. Ho Duc Phoc, Member of the Party Central Committee, former State Auditor General, was named Minister of Finance.*
- *Mr. Nguyen Kim Son, member of the Party Central Committee, President of Vietnam National University of Hanoi, was appointed Minister of Education and Training.*
- *Mr. Nguyen Hong Dien, Member of the Party Central Committee, Deputy Head of the Central Propaganda and Education Bureau, was appointed Minister of Industry and Trade.*
- *Mr. Doan Hong Phong, Member of the Party Central Committee, Secretary of Nam Dinh Provincial Party Committee, was appointed Inspector General of the Government.*

Important Foundation for More



The leaders, former leaders of the Party and State vote for the new National Assembly Vice Chairmen

The eleventh session of the 14th National Assembly (NA) successfully concluded in Hanoi on April 8 after 12 working days in a spirit of high responsibility and active contribution.

This session of the National Assembly took place during the time when the entire Party, people and army began to focus on implementing the Resolution of the 13th National Party Congress, while at the same time urgently and thoroughly preparing for the upcoming elections of deputies to the 15th NA and all-level People's Councils for the 2021-2026 tenure. The 11th session took place with many important contents. The NA assessed the achievements, the results achieved, and clearly pointed out the shortcomings and limitations in the fields of legislature, executive, judiciary, and other aspects of work.

In his closing address, NA Chairman Vuong Dinh Hue said that after 12 days of urgent, serious, and responsible working, the legislature completed all of its agenda, making the 11th sitting a success. The NA comprehensively summarized the performance of State agencies in the 2016-2021 tenure and decided upon

prescribed, recording important achievements and leaving many outstanding marks on national construction and development.

The people and voters nationwide acknowledged that the NA and its agencies raised the spirit of solidarity and sense of responsibility and introduced strong innovations to achieve comprehensive results in all working fields, creating an important foundation for the next legislature to continue to reform operational methods and improve the quality and efficiency of activities.

NA Chairman Hue said that in implementing the personnel arrangement plan after the 13th National Party Congress, the NA during this session considered and decided to relieve, elect, and approve a number of positions in the State apparatus, ensuring democracy and compliance with the law and achieving a very high consensus. In front of the national flag, the NA, and voters nationwide, the new NA Chairman, State President, and Prime Minister

personnel tasks and other important matters.

The legislature spent a lot of time discussing and evaluating working reports from the NA, the State President, the Government, NA bodies, the Supreme People's Court, the Supreme People's Procuracy, and the State Audit Office, he said.

The NA agreed that, in this term, despite the difficulties and complexities, under the leadership of the Party and with the consent and support of the people, State agencies did their best to fully perform their functions, tasks, and powers as

Productive National Assembly



Overview of the 12th session of the 14th National Assembly

took their oaths of office, vowing absolute loyalty to the Fatherland, the people, and the Constitution, and to work tirelessly to accomplish all of their assigned tasks.

The legislature also listened to a report on preparations for the elections of deputies to the 15th NA and People's Councils at all levels for the 2021-2026 tenure, scheduled for May 23, and passed the revised Law on Drug Prevention and Control, the last bill adopted by this legislature.

On behalf of the NA, Chairman Hue expressed his deepest and most sincere gratitude to the entire Party, State, Government, and people nationwide, as well as international friends, for their valuable support and assistance, helping the legislature fulfil all its assigned tasks during the 14th tenure.

"The 14th tenure is wrapping up and this is also a time to prepare for the continuation of the responsibilities and traditions of the NA," the NA leader said.

"We believe that the valuable achievements and lessons learned from the glorious 75-year journey will create solid foundations for the NA of the 15th tenure and following tenures to continue on its path, serving as the highest representative body of the people and the highest organ of State power in Vietnam," he stressed.

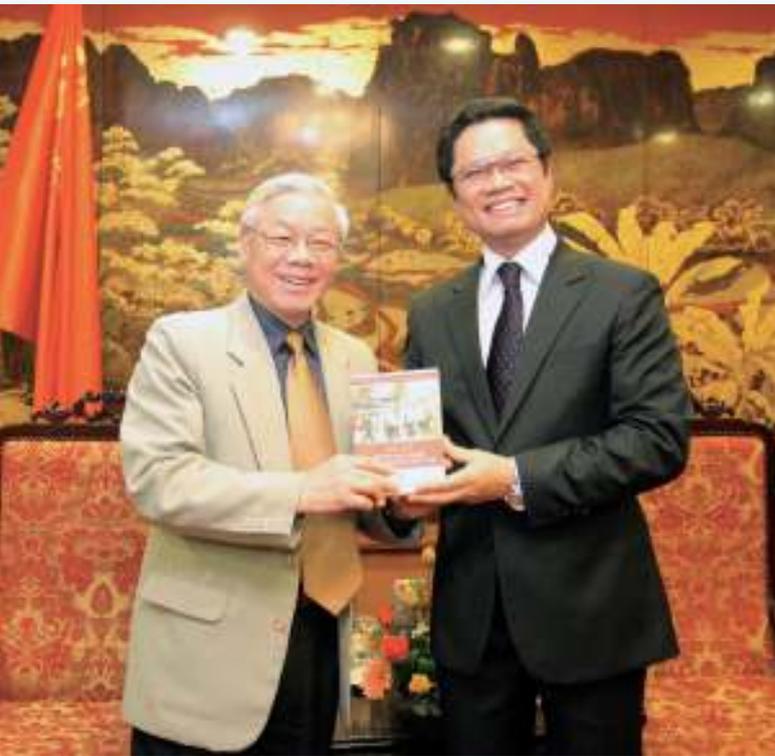
At the closing session, with 436 votes in favor out of 437 deputies present, or 90.83% of all lawmakers, the National Assembly passed a resolution on the 2016-2021 working plans of the NA, State President, Government, NA bodies, Supreme People's Court, Supreme People's Procuracy, and State Audit Office. ■

During the 11th session, Mr. Vuong Dinh Hue, Politburo member and Secretary of the Hanoi Party Committee, was elected as Chairman of the National Assembly and the National Election Council. Vietnam Fatherland Front Central Committee President Tran Thanh Man, Chairman of the National Assembly's Finance-Budget Committee Nguyen Duc Hai and Secretary of Khanh Hoa Provincial Party Committee Nguyen Khac Dinh were elected as NA Vice Chairmen.

Mr. Bui Van Cuong, Member of the Party Central Committee and member of the NA Standing Committee, was selected as General Secretary of the NA.

Mr. Nguyen Dac Vinh, Mr. Le Quang Huy, and Mr. Vu Hai Ha will chair their NA Committees for Culture, Education, Youth, Adolescents and Children; Science-technology and Environment; and External Relations, respectively.

58 YEARS ENTIRELY DEVOTED TO ENTERPRISE DEVELOPMENT



VCCI President Vu Tien Loc (right) presents the book "Uncle Ho and Enterprises and Entrepreneurs" to General Secretary Nguyen Phu Trong

Over nearly 60 years of development, Vietnam Chamber of Commerce and Industry (VCCI) has experienced a very tough journey. Having gone through twists and turns, VCCI has made great contributions to economic development, business development and entrepreneur development in Vietnam.

QUYNH CHI

On April 29, 1960, the Standing Committee of the Government Council decided to establish the Chamber of Commerce of the Democratic Republic of Vietnam. After nearly three years of preparation, on March 14, 1963, the first Congress of the Chamber of Commerce was held in Hanoi and brought together 93 first member organizations, mainly importers and exporters. The Congress approved the Charter and elected the Board of Trustees to run the daily affairs of the Chamber. The Congress outcome and its Charter were ratified by the Government Council in Decision 58-CP dated April 27, 1963, signed by late Prime Minister Pham Van Dong. And April 27, 1963 entered the history of the economy and business community as the founding date of the Vietnam Chamber of Commerce and Industry (VCCI).

The most important task that VCCI has always focused on is to become a national agency advising the Party and the State on economic and business development, a representative standing up to protect business community interests and harness support for them, while it continues to perfect market institutions and deeply integrate into the global economy.

In addition, VCCI has brought together a large number of businesses and industry associations (both directly and indirectly) representing nearly 800,000 businesses in the country. VCCI has also established close cooperation with nearly 200 international partners to support businesses to reach the global market. VCCI is an active member of the International Chamber of Commerce (ICC), World Chambers of Commerce Federation (WCF), the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI), ASEAN Chambers of Commerce and Industry (ASEAN CCI) and world and regional employer federations.

VCCI has been at the forefront of researching and disseminating Ho Chi Minh's thoughts on enterprises and entrepreneurs; proposed the Prime Minister to adopt October 13 as Vietnam Entrepreneurs Day; launched the message "Entrepreneurs - Peacetime warriors" to stimulate and promote the entrepreneurial spirit in society, and honored and awarded the "Thanh Giong Cup", "Golden Rose Cup", "Corporate Sustainability Index (CSI) Award" and other prestigious awards for outstanding Vietnamese entrepreneurs. VCCI has also dedicated the "For the cause of business development" medal to honor individuals and organizations with recognized contributions to this cause.

VCCI, in the last 16 years, has worked on the Provincial Competitiveness Index (PCI) and consulted localities to improve this index. This gauge has created emulation movements among localities and improved the quality of economic governance and reforms.



VCCI President Vu Tien Loc and outstanding businessmen across the country in a group photo at Ho Chi Minh Mausoleum

Furthermore, VCCI has published annual reports and other periodic reports on business insights and promptly proposed solutions and policies to the Government. VCCI has also chaired and co-chaired many large and reputable economic and business policy dialogues and forums in Vietnam such as Prime Minister's Meeting with Enterprises (in collaboration with the Government Office and the Ministry of Planning and Investment), National Conference on Sustainable Development (in collaboration with the Government Office), and Vietnam Business Forum - VBF (in collaboration with Government agencies, IFC, WB and domestic and foreign business associations). Many major international entrepreneur forums have also been successfully organized by VCCI, such as APEC Business Summits 2006 and 2017, Vietnam Business Summit, EU - ASEAN Business Summit, GMS Business Summit, Global Women Summit, ABAC, ASEAN BIS and ASEAN BAC Meetings, as well as business forums with other countries attended by world-renowned CEOs, and heads of state and government around the world.

Igniting the flame of business startups, fostering training and supporting business development, VCCI launched the "National Startup Program" and built a SME and startup support center network in the country. The Start and Improve your Business (SIYB) training program, implemented by VCCI in collaboration with the International Labor Organization (ILO), has been implemented in most provinces and cities nationwide in the last two decades, marking the earliest, largest SME support program of international standard in Vietnam.

Notably, during the sixth term (2015-2020), VCCI successfully and comprehensively completed objectives,

directions and tasks of the sixth Congress, including researching, integrating practices, gathering business opinions and feedback to help lawmaking and policymaking aimed for a better business environment. VCCI has accelerated political advocacy, business gathering and association; business and entrepreneur training and development; employer representation; trade and investment promotion, and business support and protection in the market and in the integration process; sustainable development business support and corporate social responsibility. In the past term, VCCI has completed a 30% workload increase as compared to the previous term and achieved an average growth rate of 10% per year.

In its seventh tenure (2021-2026), VCCI will further advise the Party and State on accelerating institutional reform, improving investment and business environment, and lifting Vietnam's ease of doing business to ASEAN-3 by 2025. As for business support, VCCI targets to play a great role in increasing the total number of enterprises to 1.5 million by 2025.

VCCI President, Dr. Vu Tien Loc assessed that the economy and business community are entering a new stage of development in the post-Covid-19 pandemic where restructuring requirements for a modern, innovative, tolerant and sustainable structure becomes a vital issue. Continuing the tradition of solidarity, dynamism and creativity, VCCI - the great home to enterprises and entrepreneurs - will definitely advance restructuring and innovation to become a modern and responsible Chamber of Commerce and Industry, and an influential agency for the business community and businesspeople. VCCI will strive to successfully fulfill all tasks assigned by the Party, the State and the business community. ■

IMPACTS OF COVID-19 PANDEMIC ON VIETNAMESE FIRMS

The business community plays an important role in Vietnam's economic development and is also an important actor to deal with global problems, including the Covid-19 pandemic. Recently, the Vietnam Chamber of Commerce and Industry (VCCI), in collaboration with the World Bank in Vietnam (WB) and with the resource support of the Australian Government, and the participation of 10,197 businesses across the country, conducted a survey on specific perspectives of Covid-19's effects and ways that businesses chose to respond.

Dr. VU TIEN LOC

VCCI CHAIRMAN & PRESIDENT



The survey showed that 2020 was a tough year when nearly 90% of businesses were severely affected by the pandemic, with many consequences such as reduced accessibility to customers, imbalanced cash flow, and disrupted supply chains. Many businesses laid off their employees, halted operations or even went bankrupt. The hardest hit were mostly micro and small businesses which were set up for less than three years.

The year witnessed a record number of corporate bankruptcies, surpassing 100,000, but also marked the resilience of the business community to overcome difficult circumstances. Resilience is becoming core competitiveness of the Vietnamese economy and business community. Enterprises have also awakened and realized many things through the pandemic. They have to rethink their strategies, restructure, retrain their labor force, pay more attention to the domestic market, build supporting industries and supporting chains, and diversify consumer markets and supply chains. Initiatives in response to Covid-19 have been implemented by businesses. Digital transformation has also been carried out step by step. These invaluable lessons and experiences have come from Covid-19.

Facing these results, in addition to active initiatives of

the business community, the backing and support from the government with support policies and companionship in the context of Covid-19 are most appreciated by enterprises. Its actions include fiscal policy aimed to extend the deadline for tax payment and land rent among others and loosen credit policy followed by banks. Zero-interest loan to companies for salary payment was hard to access in practice but the business community still highly appreciated its actions. 75% of businesses thought that the government's supporting policies are helpful.

From governmental support policies and practices, in recent years, the business community also proposed, in addition to immediate solutions introduced by the Government, central and local authorities, steps such as tax exemption and reduction, tax extension, tax payment extension, interest rate reduction, and cost reduction, need to pay attention to longer-term solutions. For example, the Government needs to increase public investment, complete infrastructure, and launch necessary stimulus packages in the course of economic recovery.

Enterprises also believe that long-term macro-economic policies essentially involve developing the domestic market and fostering connectivity between domestic enterprises and consumers to form Vietnamese

supply chains. More importantly, most suggested improving the legal system and removing bottlenecks in administrative procedures for a better business environment.

Without a doubt, if tax and fee solutions and credit and fiscal access are limited due to budget limitations, more easily implemented administrative procedure reform solutions, which have been stepped up in recent years, desperately need to be accelerated. Enterprises emphasized the importance of reforming administrative procedures, enhancing law enforcement to create a favorable business environment, facilitating sustainable business recovery in response to the global contagion of Covid-19 pandemic. And that is the most basic foundation for business recovery and development.

In fact, enforcement is always the weakest stage. Improving enforcement capacity should therefore be a priority. To do so, central and local authorities need to strengthen information and communication on support policies to help enterprises access support packages.

As for enacted policies, authorities need to know how they are implemented, especially shortcomings in the course of enactment to adjust or recommend timely adjustments and appropriate support for businesses in each industry and field and in each period, with a focus on businesses active in industries severely damaged by the Covid-19 pandemic. It is necessary to pay more attention to small and micro enterprises because of their limited resilience.

In addition, it is important to make policies to develop supporting industries and services to reduce dependence on external sources, and decrease long-lasting offshore outsourcing, while creating more added value to lift the position of global supply chains, generating more opportunities to benefit from FTAs that require high levels of domestic/intra-block origin. The Covid-19 pandemic is giving Vietnam an opportunity to do that as major partner countries such as Japan, the United States, the European Union (EU) and Australia are looking for a place to move part of their supply chains out of their major production bases. With a number of new-generation FTAs such as the Comprehensive and Progressive

Agreement for Trans-Pacific Partnership (CPTPP) and the EU - Vietnam Free Trade Agreement (EVFTA), Vietnam has more opportunities to be chosen, if the Government has clear policies and objectives to encourage and facilitate Vietnamese businesses and attract investment fund from the above partners to prioritized industries and fields.

At the same time, the Government should have policies to create more favorable policies for Vietnamese private enterprises to survive and develop after the Covid-19 pandemic, especially in innovation and personnel training for new competition.

On the other hand, relevant ministries and branches need to study and propose to the Government and the Prime Minister to issue policy support packages for businesses to recover and expand business investment for the new period of 2021-2025.

Finally, it is necessary to spread and scale up good models and practices in response to the Covid-19 pandemic. For their parts, central and local authorities need to effectively carry out business support policies. Business associations need to share how to effectively respond to Covid-19 from businesses that have already existed and developed in the difficult context of the Covid-19 pandemic, especially lessons learned about selecting markets, partners, business relations and investment for core business to enhance resilience to shocks.

Through a very tough time to live through, enterprises and entrepreneurs are real heroes in the country's economic development. VCCI is always ready to reflect their voice and protect their interests and will continue to recommend policy initiatives to support business sustainability and recovery in the pandemic era. ■





Honoring top performers in the 2019 PCI rankings

DRIVING REFORMS CRITICAL TO ECONOMIC DEVELOPMENT

The PCI report, announced annually for 16 years, reflects what the business community feels about the business environment in Vietnam, and assesses and ranks the ease of doing business and economic governance quality in Vietnamese provinces and cities.

The PCI report 2020 not only conveys the voice of the business community about the domestic business environment in 2016-2020 period but also positions the appeal of Vietnam in the eyes of investors and reflects expectations of the business community on the government's reform efforts in the next five years.

This year, the report also analyzes in detail the impacts of the Covid-19 pandemic on Vietnamese businesses, aiming to provide necessary input for government agencies and development assistance organizations to launch practical actions to realize the dual goal of preventing the pandemic and boosting socio-economic recovery and development as set out by the Government.

In particular, for the first time, the PCI report provides insightful analysis and assessments on business motivation for investment in green technology and environment-friendly business - a megatrend adopted by the Party and Government to raise the quality of investment fund for Vietnam's future sustainable development.

Over the past years, PCI reports conveyed important messages from the business community to authorities at all levels in Vietnam for better governance strategy, better administrative procedure reform and ease of doing business. A

On April 15, 2021 in Hanoi, the Vietnam Chamber of Commerce and Industry (VCCI) cooperates with the United States Agency for International Development (USAID) to announce a report on the Provincial Competitiveness Index (PCI) 2020.

ANH MAI

lot of improvement was seen in Vietnam in the past time. Little cared for at first, administration reform has now become the most important task in most localities. From a handful in number and a modest position, private enterprises have grown rapidly, about to reach one million officially registered. The private sector has been facilitated and encouraged for development by the Party and the State. From a low ranking in the world, Vietnam's business environment has been increasingly improved, aiming to be among Top 4 ASEAN in terms of ease of doing business. PCI has significantly contributed to this important transformation in Vietnam.

The biggest improvement PCI has made over the years is encouraging businesses to say what they are thinking about, creating a channel to communicate their difficulties to relevant authorities. Local governments now have sufficient information and quantitative evidence to work out their own reform programs. Capitalizing on PCI reports, they can make evidence-based and quantitative policies. PCI reports have generated many reform models and successful lessons which have been scaled

up nationwide. Business Café - a semiformal business dialogue between enterprises and authorities initiated by Dong Thap province - has now been deployed in more than 40 provinces and cities across the country. The Department and District Competitiveness Index (DDCI), a district-level PCI pioneered by Quang Ninh province, has now been applied by nearly 50 other provinces and cities. All aim at listening to the voice of business and then figuring out solutions to real-world barriers that are hindering business development. ■

More Reform, Policies Needed to Attract Investment and Help Businesses Survive Post-Pandemic



“Authorities at all levels will develop and implement policies to support the creation of more favorable conditions for businesses to survive the post-Covid-19 pandemic period,” recommended Mr. **Bradley Bessire**, USAID/Vietnam Acting Mission Director, when asked about the impact of the pandemic on businesses reflected in the PCI report 2020. **Lan Anh** reports.

How do you evaluate this year’s report and how is the impact of the Covid-19 pandemic on Vietnamese businesses reflected in the report?

As noted in the Provincial Competitiveness Index (PCI) 2020 report, the Covid-19 pandemic has had a serious impact on businesses in Vietnam, with 87% of surveyed firms significantly affected. The Covid-19 pandemic has made it difficult for businesses to retain customers, employ workers, and has disrupted supply chains, resulting in additional costs for businesses.

2021 is anticipated to remain a tough year for businesses. We would like to recommend and hope that authorities at all levels will develop and implement policies to support the creation of more favorable conditions for businesses to survive the post-Covid-19 period, especially in the area of innovation, and training for higher quality human resources, to be ready for more aggressive competition.

In your opinion, how has the private business community benefited from the report’s insights over the years?

We can see that the Provincial Competitiveness Index has been a highly effective reform initiative in Vietnam. To date, more than 150,000 domestic and foreign-invested firms have participated in PCI surveys since the inauguration of the survey. Annual PCI reports are an outlet conveying the collective voice of firms, big and small, to governments at all levels on areas that are important to business development, even sensitive areas such as informal charges and transparency.

From insights and recommendations from the annual PCI reports, provincial governments have taken reforms seriously and simplified administrative procedures in order to help enterprises save time and money.

Do you think the report supports provinces to attract investments?

The Provincial Competitiveness Index reports have become a useful tool for local governments to help evaluate the quality of economic governance in order to improve the business environment and promote investment into the province. The information and recommendations given in the report help provincial governments evaluate the obstacles reported by enterprises and make appropriate reforms to respond to businesses’ needs and attract investment.

Besides PCI, what are other areas of cooperation between USAID and VCCI to elevate the voice of the private sector to support Vietnam’s reforms?

Vietnam Chamber of Commerce and Industry (or VCCI) and USAID have been partners for nearly two decades. USAID appreciates VCCI’s leadership in enhancing the voice of the private sector in engagement with policymakers to drive reforms critical to economic development in Vietnam. Since 2019, USAID and VCCI have worked together to channel feedback from the private sector into the promulgation of the Public-Private Partnership (PPP) law, regulatory framework, and implementation of the National PPP Committee established by the Prime Minister and operated by VCCI. USAID looks forward to working with VCCI to raise its capacity to develop the Provincial Competitiveness Index’s sustainability and expand the opportunity for Public-Private Partnerships to deliver much-needed investment into Vietnam’s public infrastructure base.

Thank you very much!

Creating More Favorable Environment for Business Development



The best-performing provinces and cities of the Provincial Competitiveness Index (PCI) are showing strong changes in administrative system reform and creating a favorable environment for business development.

GIANG TU

The survey showed that the quality of economic governance in best PCI performers has improved over time. In particular, the most obvious progress is demonstrated in the dynamic and creative level of the provincial government. The business environment is more equal, enterprises have more advantages to access information and legal institutions, while unofficial cost burdens ease and administrative reform produces positive results.

Appreciating the positive, dynamic and creative changes of provinces and cities with best PCI performances, VCCI President Vu Tien Loc said that in the past years, PCI has been like an ever-flying bird that persistently conveys the message of improving governance quality and creating a more favorable business environment. The competition among localities for better PCI scores and rankings will help create jobs, generate budgets, sharpen the competitive edge and enhance national prosperity.

Securing the first-place position in three consecutive years and a Top 5 position for seven consecutive years in terms of economic governance in the country, Mr. Nguyen Van Thang, Former Chairman the People's Committee of Quang Ninh province, emphasized that the scientific and methodical deployment of PCI initiatives has helped provincial leaders identify bottlenecks in economic governance and choose appropriate solutions to reform economic management.

Quang Ninh always determines that raising the PCI Index is a central, regular and continuous task. On that basis, the province has constantly endeavored to facilitate local enterprises to do business and invest in the province, maintain and improve their competitiveness. To follow up and support businesses effectively, Quang Ninh constantly reforms administrative procedures, searches and actively establishes many channels and many different ways to listen to aspirations of enterprises, build friendly and intimate relations between authorities at all levels with investors and enterprises, while effectively speeding up localized investment promotion by supporting and accompanying existing businesses with many practical solutions.

Those innovative, creative, consistent and effective efforts have significantly boosted economic development of Quang Ninh province whose GRDP growth always leads the country, reaching 12.01% in 2019 (a double-digit growth for four consecutive years);

total budget revenue reached VND46,641 billion, of which domestic revenue was VND34,625 billion. GRDP per capita reached US\$6,135 a year. The poverty rate was just 0.52%.

Dong Thap province has been in the Top 5 group for 12 straight years. Chairman of the Dong Thap Provincial People's Committee Nguyen Van Duong said that for many years, Dong Thap has considered improving the investment business environment and supporting business development as a key task of governance. In the light of business support and companionship, the province has persistently changed its approach to establish an enabling government that effectively supports enterprises and makes them feel assured in doing business in the province. As a result of the effort and consensus of the whole province, businesses have helped Dong Thap province's PCI to stand in the Top 5 of the country for 12 years in a row and be the best performer in the region for years. Particularly, during this time, the province stood in the Top 3 for five years in a row.

Currently, the province has adopted the process of receiving and processing investment and business administrative procedures and returning results in the single-window mechanism where all actions are done within a day. The province continued to create many communication channels with the business community such as telephone, email, social networks like Zalo and Facebook, and Coffee Business Talks. In addition, the province has applied new models like settling administrative procedures at home, returning the results of settlement of administrative procedures by post, and combining online public services at the single-window division with grassroots post offices. The average settlement time for a new business registration application is 1.27 days and for a change in business registration is 1.22 days. 100% of records are settled in time.

PCI rankings confirmed the province's determination to improve the business environment and effectively enhance competitiveness and strengthen belief and satisfaction of the business community and investors in the administration. Hopefully, from what they achieved in improving competitiveness, provinces and cities will continue to boost economic governance, coordinate with each other to share good practices and spread economic experience, and polish their name and image as a favorable, secure and attractive investment and business destinations by facilitating business growth and development. ■

How Can Businesses Utilize CPTPP?

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which came into force for Vietnam on January 14, 2019, has produced positive effects after two years. What matters now is how businesses can maximize the effect of CPTPP.

GIANG TU

The report released by the WTO and Integration Center (VCCI) showed that, after two years of CPTPP enforcement, Vietnam's export value to CPTPP countries expanded well. In 2019, the export value to six CPTPP countries reached US\$34.3 billion, up 8.1%.

In 2020, although the Covid-19 pandemic was complicated, Vietnam's exports to six CPTPP countries grew as much as that in 2019, reaching US\$34 billion, up 12.02%. Two emerging markets in the picture of Vietnam's exports to CPTPP were Canada and Mexico.

Specifically, Vietnam's exports to Canada in 2020 were valued at nearly US\$4.4 billion, an increase of 12% - much higher than the country's export growth (7%). Machinery, equipment, tools and parts accounted for over 62%.

Mexico is Vietnam's third-largest trading partner in Latin America. In recent years, the two-way trade increased by an average of 14.6% a year and Vietnam's export growth averaged 18.8% a year.

In the context that almost all CPTPP partners have reduced imports, Vietnam still achieved this growth, showing that CPTPP is creating initial impacts, more or less positive.

However, comparing the common ground, benefits from CPTPP are still modest. The export growth to CPTPP markets was 7.2%, lower than the 8.4% growth of exports to the world in the same period.

Ms. Nguyen Cam Trang, Deputy Director of the Import and Export Department under the Ministry of Industry and Trade, Vietnam's export market share in CPTPP partner countries was largely

low, specifically, Japan (3.1%), Australia (1.9%), New Zealand (1.6%), Mexico (1.3%), Canada (1.1%) and Singapore (1%).

Dr. Vu Tien Loc, President of the Vietnam Chamber of Commerce and Industry (VCCI), said that many businesses think that the inferiority of their own competitiveness to competitors will hinder the realization of opportunities expected from the CPTPP and other future agreements. The next is market volatility and uncertainty. The third group of obstacles is related to factors from the perspective of authorities such as lack of information about commitments, delays, lack of flexibility as well as other limitations in enforcing CPTPP. The final is some technical reasons such as rules of origin and FTA commitments that are detrimental to businesses.

Regarding the level of CPTPP awareness among enterprises, 69% of businesses reported to have heard about knowledge, higher than all other FTAs, and 25% had certain knowledge. However, just one out of every 20 companies knows clearly about CPTPP business-related commitments.

To prepare for the distant future where CPTPP and FTAs can be an effective aid, up to three quarters of respondents said they had planned to adjust their business to take advantage of these agreements. The first was changing to consolidate and improve business competitiveness. Then, they carefully weighed up the use of direct market opportunities from the CPTPP and other FTAs. Ultimately, there were plans to be prepared for distant opportunities.

Mr. Phan Huu Minh, Vice President and General Secretary of Thai Nguyen Business Association, said that, joining CPTPP, in addition to advantages, it is necessary to standardize and follow general regulations on origin. Companies should streamline production and build up the capacity to ensure output and quality.

Dr. Vu Tien Loc said, business support programs and activities should focus on enhancing product competitiveness, boosting trade promotion at the national level in a systematic manner, especially in new markets, updating market information and linking supply and demand sides.

Last but not least, it is essential for businesses to more actively explore opportunities and realize CPTPP benefits. At the same time, improving competitiveness, starting from investing in product competitiveness, is not only a regular job but also a key for businesses to seize opportunities from the integration process. ■

Vietnam's fishery export is expected to surge thanks to the CPTPP

Banks Boast Huge Earnings in Q1



HDBank also announced its first quarter profit at over VND2,000 billion, a year-on-year growth of 67%

Top profit makers

According to a recent update, SSI reported that State-owned commercial banks are likely to achieve more spectacular profit growth in the first quarter than the industry median when they had to increase provisions for troubled assets. SSI estimated that VietinBank's profit reached VND7,500 billion (up 152% year-on-year).

At the investor meeting, Mr. Le Duc Tho, Chairman of VietinBank's Board of Directors, said that the bank's profit was estimated at VND7,000-8,000 billion in the first quarter of 2021, twice as much as the same period in the two latest years. Notably, the bank did not record the prepayment fee for life insurance policies with Manulife, but the profit remained enormous as above.

In its documents submitted to the Annual General Meeting of Shareholders, VietinBank still left the 2021 profit open, only indicating that it will ensure business performance and follow Covid-19 development. Meanwhile, SSI forecasts that pre-tax profit in 2021 and 2022 will reach VND21.6 trillion and VND 25.9 trillion, respectively, thanks to the shift of retail channels and reduced bad debt burden.

Mr. Nghiem Xuan Thanh, Chairman of the Board of Directors of Vietcombank, said, in the first quarter of this year, Vietcombank achieved a profit of about VND7,000 billion, up 34% year on year and equal to 28% of the target set for the whole year. (VND25,200 billion).

Vietcombank's credit growth grew by 3.7%, much higher than the rate of more than 2% of the banking sector and also

Many large banks in Vietnam recently announced their business performance in the first quarter of 2021 with very high-profit growth.

higher than the growth rate of other state-owned commercial banks (Agribank, BIDV and VietinBank). This was also its highest credit growth in the first quarter in many years.

Thus, it seems that VietinBank has temporarily surpassed Vietcombank to become the biggest profit maker in the first quarter of this year. Of course, the final figure was stated after the financial statements.

On a full-year outlook, Vietcombank still has many advantages, including credit growth limit assigned to Vietcombank by the State Bank at 10.5%, the highest in the Big4 group. In addition, Vietcombank is still the largest source of cheap money in the system and ranked first in the bad debt coverage ratio (380%).

Exponential growth

Some big private lenders such as MB, ACB and HDBank reported first-quarter business results with record profits.

MB's consolidated profit was estimated at over VND4,570 billion, 2.1 times higher than the same period in 2020. Bad debt ratio dropped sharply from 1.46% at the beginning of the year to 1.14%. NPL coverage was still as high as nearly 150%. In 2021, the bank sets a profit target of about VND13,200 billion.

At the Annual General Meeting of Shareholders held on April 6, ACB said its first quarter profit was estimated at VND3,105 billion, up more than 61%. The bank sets a profit target of VND10,602 billion this year, up 10% from last year.

HDBank also announced its first quarter profit at over VND2,000 billion, a year-on-year growth of 67%. Its separate profit was more than VND1,810 billion, nearly doubling that in the first quarter of 2020. HDBank's credit balance increased by about 5.2% in the quarter.

Mid-range banks such as SeABank and MSB also posted multifold profit growth rates. According to SeABank, its pretax profit reached VND698.3 billion in the first quarter of this year, 2.3 times higher than the same period. As of March 31, its total assets valued VND184,302 billion, an increase of 24% over the same period last year. Outstanding loans increased by 14.3% year on year to VND111,050 billion.

MSB estimated its first-quarter deposits to amount at VND92,000 billion, up 11% since the beginning of the year. Its outstanding loans approximated the level approved by the State Bank, up over 9%. Its estimated quarterly profit was VND1,200 billion, 4 times higher than a year ago. Its capital adequacy ratio (CAR) was at 9.9% and the bad debt was controlled below 2%. ■

How Much Do Banks Benefit from Circular 03?

The State Bank of Vietnam recently issued Circular 03/2021/TT-NHNN amending and supplementing a number of articles of Circular 01/2020/TT-NHNN on credit institutions and foreign bank branches rescheduling terms of debt repayment and rate and fee reduction and exemption in order to support customers affected by Covid-19 pandemic. This is considered good news for both businesses and banks.

Clearing obstacles

In Circular 01 of 2020, the State Bank only allowed restructuring for debts carrying obligations arising from January 23, 2020 until the third month after the Prime Minister announced the end of the pandemic.

According to experts, this troubled credit institutions to figure out eligible debts for restructuring, track and record in accounting when the chosen date may not coincide with the bank's accounting period.

To overcome this setback, in the new Circular 03, the central bank added more conditions to enable credit institutions and foreign bank branches to restructure their remaining due debts.

Specifically, credit institutions are allowed to reschedule repayment terms of loans with repayment obligations from January 23, 2020 to the end of 2021.

In addition, the regulators keep unchanged the time for restructuring the repayment term; that cannot exceed 12 months from the date on which credit institutions start restructuring. The debt payment rescheduling will be implemented until December 31, 2021.

Another difficulty solved by Circular 03 is to avoid the "profit" shock for banks.

Currently, outstanding loans with rescheduled repayment terms will be assigned to the previously classified debt group as the new classification may pose more risks than the regulatory level. However, at the end of the restructuring period, banks must use a large amount of money for provisions, likely resulting in a considerable shrinkage of profit.

To avoid this end, instead of letting banks set aside funds for hedging, the regulators launched a 3-year specific roadmap and forced commercial banks to comply.

Specifically, the amount of additional hedging funds is the difference between the hedging funds set aside for all outstanding loans in case of no debt restructuring and the hedging funds of loans restructured for customers affected by the Covid-19 pandemic. The rate must reach at least 30% of additional provisions by December 31, 2021, which will be raised to 60% and 100% at the end of 2022 and 2023, respectively.

Businesses and banks are happy

In a recent report, VnDirect Securities Corporation said, Circular 03 will enable businesses to recover their performance and reduce provisioning pressures on commercial banks.

For enterprises, the addition of conditions for loan restructuring will help them borrow more funds for business while their so-called bad debts will be extended the repayment term, thus helping alleviate their financial expense pressure in the post-Covid-19 recovery period.

In the perspective of commercial banks, this amendment will have more positive effects, both in the short and long term.

In particular, banks' restructured loan portfolios may increase slightly in 2021 on widening restructured loans. However, the impact on asset yields of banks is negligible.

In fact, since the end of 2020, many banks have stopped expanding their restructured loan portfolios on concern about the timing of Circular 01 (only allowing loans with repayment obligations arising from January 23, 2020 to the third month when the Prime Minister announces the end of the pandemic).

The State Bank's data also showed this. By mid-November 2020, credit institutions rescheduled repayment terms for outstanding loans of over VND341.8 trillion, not much higher than VND 321 trillion announced in mid-September.

Besides, VnDirect acknowledged that the addition of regulations on gradual provisioning in three years will ease costs for banks, especially in 2021.

"Circular 01 only stipulates that credit institutions will have to classify and make provisions according to the rescheduled time, which means that they will have to make normal provisions when the debt restructuring period ends. This will place huge pressure on provisioning expenses for commercial banks with large restructured loans (e.g. BIDV and VPBank) when loans reach the maturity of extended terms in 2021 as roadmap, said VnDirect.

However, with the rescheduled provisioning roadmap, banks' hedging expenses will not increase too sharply in 2021, thereby giving banks room for retained earnings to support capital adequacy and increase loans for businesses. ■



Focus on Technology Investment and Banking Cooperation

Although the economy was heavily affected by the Covid-19 pandemic, insurers in Vietnam actively introduced solutions such as promoting technology investment and expanding distribution channels, so the insurance industry still had decent growth. According to data from the Ministry of Finance, in the first two months of 2021, the total assets of Vietnamese insurers totaled VND582,385 billion, representing year-on-year growth of 24.1%.

QUYNH ANH

Quick adaptation to new situations

A number of new insurers recently boosted business cooperation with banks, showing that the market potential is still very large. For example, VietinBank and Manulife signed an agreement on a 16-year exclusive partnership to distribute life insurance. ACB shook hands with Sun Life Vietnam to distribute life insurance products exclusively for a period of 15 years.

Vietnam is home to 70 insurers, including 31 non-life insurers, 18 life insurers, two reinsurers and 19 insurance brokers. There is also a branch of a foreign non-life insurance business.

The industry's total assets were estimated at VND582,385 billion in the first two months of 2021, up 24.10% year on year, including VND100,215 billion of non-life insurers and VND 422,060 billion of life insurers.

Insurers invested VND470,893 billion back to the economy, 22.85% more than a year ago, of which non-life insurers accounted for VND24,203 billion and life insurers accounted for VND345,786 billion.

Data from insurance authorities showed that, in 2020, the revenue of the insurance market grew more and insurers worked safely and efficiently. In addition, their financial capacity, governance and risk management capabilities constantly improved.

Insurers satisfactorily resolved insurance benefits for policyholders, making insurance trusted as a safe financial shield against all risks. In 2020, insurers paid insurance benefits of VND48,223 billion, including VND23,108 billion by non-life insurers and VND25,115 billion by life insurers.



Hanwha Life Vietnam has a customer service network stretching across the country

Faced with recent difficulties, insurers have been very actively adapting their business to the new situation. They have actively reviewed and reduced costs to improve operational efficiency, supplement charter capital to strengthen financial capacity and expand distribution channels, especially insurance sales through banks and online insurance distribution.

On the other hand, they have increased investments in information technology and digital transformation to enhance service quality and customer experience, such as online insurance settlement program (Eclaim), electronic hospital guarantee cards, online insurance consultation via Chatbot, AI-based healthcare application, information technology application in remote sales training and consultation, and comprehensive digital ecosystem for sales teams and customers.

In addition, insurers have launched health insurance and healthcare products with a variety of benefits such as cancer, hospitalization, surgery, medical examination and treatment insurance with coverage in Vietnam and across the globe to meet the rising healthcare needs of the insured.

By adapting to the new situation, besides strong financial capacity, extensive network system and continuous launch of reasonable products, insurers are hoping for revenue and market share to grow further in 2021.

Professionalized insurance distribution channels

To further spur steady insurance market development in 2021, it is necessary to study, complete and submit the

Optimistic Motivation for Stock Market

Macro-economic stability, over 80% of listed companies in 2020 being profitable, good containment of Covid-19 pandemic and the introduction of many new policies will further motivate Vietnam's stock market to grow stronger in the coming time.

HUONG LY

Most listed companies are profitable

Ms. Ta Thanh Binh, Market Development Department, State Securities Commission of Vietnam (SSC), said, up to 82% of the listed companies were profitable in 2020 (according to unaudited financial statements of the fourth quarter of 2020). This rate was similar to pre-Covid-19 rates, specifically the fourth quarter of 2019. As Vietnam rose to occupy the largest share among MSCI's frontier markets after Kuwait was upgraded to an emerging market, Vietnam's stock market was expected to attract investment in frontier investment funds.

On April 1, 2021, the VN-Index staged unexpectedly strong growth of 24.66 points, closing the day at 1,216.1 - an all-time high. The liquidity reached more than VND22 trillion (nearly US\$1 billion). Cash flows kept being pumped into the local bourse. On April 7, the gauge set a new all-time high of 1,242.38 points, making it one of the best performers in Asia.

Mr. Le Duc Khanh, Director of Investment Development, VPS Securities Joint Stock Company, said that Vietnam's stock market will thrive in 2021 because the GDP growth will be still positive and import-export activity will increase. FDI still picked up in the first quarter of 2021, the Purchasing Managers' Index (PMI) reversed to the upside. Many agencies believed that Vietnam's stock market will recover strongly this year despite the third Covid-19 pandemic outbreak of Covid-19 in the third wave.

Although foreign investors also continuously divested in the stock market, as much as VND10,800 billion sold by foreign investors was absorbed by domestic investors, he said. Fresh cash flows are being brought in by new investors and previously abandoned investors. According to data, the liquidity on three exchanges is about VND20,000 billion a day, which is likely to rise further.

He advised that, given macro recovery, funds will tend to invest in finance, construction, materials, port, oil and gas industries, and it is best for investors to give priority to stocks in the VN30 bluechip basket. Stock indexes will rise

to new highs and stocks that catch attention will be defensive stocks and value stocks.

New products

In 2021, the SSC is expected to introduce new trading products on the stock market such as 10-year government bond futures contracts. In addition, new index futures, covered warrants and green bonds will also be studied. The SSC will also digitize financial assets on the stock market and apply new financial technologies.

The clearing and settlement system built on the central counterparty clearing (CCP) model and integrated with the new information technology system, expected to be put into operation by the end of 2021, will change the market structure and ensure security and stability.

The Securities Law 2019, three decrees and 11 guiding circulars that took effect in early 2021 will create a standardized legal corridor for development of a more quality, public and transparent market, according to international practices.

In addition, the establishment of the Vietnam Stock Exchange will help create a centralized stock market, provide favorable conditions for market supervision and development, and raise the position of the Vietnamese stock market.

Matters of concern

Former Chairman of SSC Vu Bang said that there will be some disadvantages for the stock market by the end of this year, including rising interest rates and reverse exchange rates.

"If the stock market rises strongly and interest rates are revised up internationally, this will give a weak point to the stock market. The current global debt has increased significantly, and this is also a volatile factor that needs to be noted," he said.

As regards external factors, Ms. Ta Thanh Binh is concerned that U.S.-China trade war tensions potentially pose policy risks to the global economy and Vietnam's stock market in particular. This requires the demand of the market, especially the purchasing power of domestic investors, to be large enough to keep the growth momentum of the stock market alive.

According to Ms. Binh, trading order congestion will be completely settled in 2021 to ensure a smooth, orderly and stable market operation, and protect the rights and interests of investors. Some key solutions that will support Vietnam's stock market in 2021 in the coming time include focusing on law and policy enforcement, enhancing policy effects, submitting the stock market development strategy in 2021-2030 to the Prime Minister for promulgation to shape goals and solutions on the long-term development roadmap of the stock market and capital market, and further restructuring securities companies, fund management companies and other entities. ■

revised insurance law and related legal documents to the National Assembly approval, said Mr. Ngo Viet Trung, Deputy Director of the Insurance Supervision and Administration Department under the Ministry of Finance.

In addition, it is important to enhance information transparency of insurance companies; develop and professionalize insurance distribution channels to keep pace with the progress of the Fourth Industrial Revolution; consolidate the effectiveness of State management,

inspection, supervision and administrative sanctions.

In addition, it is necessary to focus on developing and improving personnel quality; strengthen the role of professional associations as lead bodies to bridge insurers as well as relevant agencies to effectively implement insurance policies and strengthen connectivity with social insurance and commercial health insurance, establish information technology system and technical infrastructure, and build a database for the insurance market, he added. ■

Charter of VNX Organization and Operation Adopted

The Ministry of Finance recently issued Decision 757/QD-BTC on promulgating the Charter on Organization and Operation of the Vietnam Stock Exchange (VNX).

VNX is a one-member limited liability company wholly owned by the government and is governed by the Law on Securities, the Law on Enterprises, the Law on Management and Use of State Capital invested in production and business in enterprises, relevant legal provisions and this charter.

VNX has a legal status, corporate seal, bank accounts in Vietnamese dong and foreign currencies opened at domestic commercial banks and the State Treasury. VNX will adopt the independent accounting regime.

The legal representative of VNX is its general director or a person assigned by the owner's representative agency to be the general director or the person assigned to be in charge of execution.

VNX will hold 100% of the registered capital of the Hanoi Stock Exchange (HNX) and the Hochiminh Stock Exchange (HSX).

VNX and its subsidiaries are established to run the securities trading market in accordance with the law on securities; ensure the progress of securities trading at the Stock Exchanges in a public, fair, orderly, secure and effective manner; and protect legitimate rights and interests of stock investors.

VNX's registered charter is VND3 trillion, according to the Prime Minister's Decision 37/2020/QD-TTg dated December 23, 2020 on the establishment, organization and operation of the Vietnam Stock Exchange.

VNX will take over the investment capital in its wholly-owned subsidiaries to organize the stock market in accordance with the Law on Securities, Decision 37/2020/QD-TTg and this Charter. It will invest in projects and companies engaged in securities and the equity market, invest in other economic entities to develop information technology infrastructure and develop securities services within its jurisdiction for the development of the Vietnamese stock market upon the receipt of approval of relevant authorities.

Any change to VNX's registered capital is made in line with the law. VNX's working capital includes equity, mobilized capital and other lawful capital sources.

As for its wholly-owned subsidiary companies, VNX has the right to decide on establishment, registered starting capital, objectives, duties and lines of business after consulting its superior; and to adjust registered capital in the course of operation, reorganization, ownership transformation, dissolution and bankruptcy of subsidiary companies after consulting the superior.

VNX also develops and issues regulations on stock listing, stock trading, information disclosure, VNX members, and other professional regulations involved in organization and operation of the stock market; issue trading supervision criteria; and approve and cancel VNX membership. ■

Vietnam Stock Market to Be Upgraded to Emerging Market

Stock market rating agencies, typically MSCI and FTSE Russel, still assigned Vietnam as a frontier market, on a waitlist for being upgraded to an emerging market. According to experts, the upgrade of Vietnam's stock market is not only the task and an effort of the regulators, but a main driving force for public companies.

THU HA

The upgrading not only creates an inclusive and sustainable change in perspectives of economic opening and foreign exchange market, but also the quality of public companies, investor professionalism and market transparency.

Vietnam is still a frontier market

Despite being affected by the Covid-19 pandemic, the stock market has staged a robust uptrend since mid-2020. The stock market is still an important medium and long-term fundraising channel for the economy. Entering the new decade with many expectations, both businesses and investors are seeing great opportunities for market progress.

However, according to Ms. Ta Thanh Binh, Director of Market Development Department, the State Securities

Commission of Vietnam (SSC), currently among market rating agencies, typically MSCI and FTSE Russel, still listed Vietnam as a frontier market. FTSE Russell continued to keep Vietnam on the waiting list for upgrading from a frontier market to an emerging market.

According to FTSE Russell rating criteria (updated in September 2020), Vietnam's stock market met seven out of nine upgrading criteria. Given MSCI criteria, Vietnam still has seven out of 17 criteria that need improvement. Also, in its June 2020 report, the criteria that Vietnam needed to improve included foreign ownership cap in conditional fields; the stock market significantly affected by foreign ownership room; equal foreign investment rights with respect to English information and ownership room; foreign exchange market liberalization; account opening registration requires VSD approval; market regulations and information streams in English; and non-overdraft and non-advance cash clearing payment.

Dr. Can Van Luc said the big challenge to market upgrading and foreign investment attraction into Vietnam's stock market in the coming time is enhancing market transparency, professionalism, corporate governance of companies and market regulator capabilities. In particular, it is necessary to improve management capacity to monitor system risks, improve technology and data systems, and overcome order congestion on HOSE as occurred in the past time.

Motivations from public companies

As regards solutions to upgrade the stock market, Ms. Ta Thanh Binh affirmed that upgrading the stock market is a task and an effort of the securities sector or regulators while being a driving force for public enterprises. Only when companies are transparent and comply with information disclosure disciplines; adopting International Financial Reporting Standards (IFRS) and pursuing sustainable development will be the nucleus to develop internal forces of the stock market - the root of the upgrading.

In addition, there are many other factors that need to be improved to upgrade the market, such as the degree of freedom in the foreign exchange market, diminished governmental administration interference in business operations, improve market openness to foreign investors; and create a favorable business investment environment for businesses. These efforts need to engage



the entire political system and require consistent coordination between ministries and branches.

Regarding opportunities to upgrade the stock market and attract foreign investors, Binh said that, from January 1, 2021, the new legal system on securities, investment and business took effect to create a more transparent and complete investment environment. In addition, the new trading system and the central counterparty clearing house (CCP) system, operated on the South Korean technology platform and expected to be deployed in 2021, are an opportunity to resolve remaining problems with the current clearing payment of credit rating agencies.

Regarding attracting foreign investment capital, according to the Investment Law and decrees guiding the enactment of the Securities Law, the space for foreign investors will be more open.

However, while the stock market is integrating deeply with the international stock market, the strong development of financial technology (Fintech) has created many opportunities to develop the stock market more effectively and to serve more customers at lower costs, but it also poses more risks, including system risks, business model risks and cybersecurity risks. This places a requirement for regulators, market makers and enterprises to have broader scenarios, solutions, visions.

Sharing this point of view, Dr. Can Van Luc proposed soon issuing documents guiding the Law on Securities 2019; adopting market restructuring solutions according to Decision 242/QĐ-TTg on the project "Restructuring the stock market and the insurance market to 2020 and further to 2025". He said, the State Securities Commission needs to have strong solutions to promote listed companies to diversify supply sources and industries on the market, while reducing pressures on bank loans. ■



The investment certificate ceremony for the solar photovoltaic cell factory project by Jinko Solar Hong Kong Company worth US\$500 million

Strong FDI Flows into Vietnam

The Provincial People's Committee of Quang Ninh licensed a US\$500 million photovoltaic cell technology project invested by Jinko Solar Hong Kong Company in Song Khoai Industrial Park (Quang Yen town, Quang Ninh province) to produce the largest and most advanced solar panels in the world.

According to the plan, the project will be officially put into operation after seven months from the licensing date. According to a representative of Jinko Solar, this manufacturing project adopts cutting-edge technology, machinery and equipment, wholly imported from advanced countries. The facility is expected to achieve annual revenue of US\$1.3 billion and employ over 2,000 workers.

Capital-intensive foreign investors

Song Khoai Industrial Park was officially selected by Jinko Solar as a destination after two visits to Vietnam to survey more than 20 provinces and more than 30 industrial parks in Vietnam.

FDI in Vietnam was also channeled into the retail industry, featured by a US\$1.1 billion project invested by Central Retail of Thailand to expand business in Vietnam.

Mr. Philippe Broianigo, CEO of Central Retail in Vietnam, said that in the next five years, the company will invest 35 billion baht (US\$1.1 billion) to expand business in 55 provinces of Vietnam.

In 2021, this Thai investor is expected to spend US\$211 million to open four commercial centers in some

Vietnam witnessed new gigantic foreign direct investment (FDI) projects in late March and early April 2021.

provinces, namely Thai Nguyen, Ba Ria-Vung Tau, Thai Binh and Lao Cai and one mini supermarket in Tay Ninh.

Currently, the service industry in Vietnam has grown by 2.34% annually, led by the retail and wholesale sector which expanded by 7% in the first quarter as compared to the fourth quarter of 2020 and contributed 33.5% to the economy. Given a large population, the service industry, especially the retail industry, is forecast to stage robust growth in 2021. This makes Vietnam one of the fastest-growing and attractive markets in the world.

Promising projects

Many potential projects are also on the horizon. For example, the Department of Planning and Investment of Thua Thien - Hue province has opened a bid for the software, information technology park in Thua Thien - Hue province (Smart Media City) under Section B - An Van Duong New Urban Area.

This project aims to form an information technology city, provide infrastructure for information technology application and development, information technology product research and development, information technology transfer and information technology incubation.

Recently, the Government and the Prime Minister have issued decrees and decisions on Da Nang City development, enabling the city to permit Imex Pan Pacific Group (IPP) to finance hiring foreign consultants to build and develop Da Nang into a regional financial center.

(continued on P.31)

FDI CAPITAL INTO VIETNAM

(Jan 1- Mar 20, 2021)

By Industry

Order	Industry	Number of new projects	New registered capital (mln USD)	Number of project adjustments	Adjusted capital (mln USD)	Number of installments of share purchase	Capital contribution, share purchase (mln USD)	Total registered capital (mln USD)
1	Electricity, gas and water production and supply	9	4,928.07	-	-	13	64.85	4,992.92
2	Manufacturing, processing industry	124	1,681.97	119	1,919.56	180	317.37	3,918.90
3	Real estate trading	10	431.87	2	28.99	25	139.20	600.06
4	Professional activities, Science and technology	17	39.06	9	67.56	95	60.50	167.13
5	Transporting and warehousing	5	107.58	2	0.33	15	5.71	113.62
6	Wholesaling, retailing, repairing	42	22.13	12	2.41	216	48.64	73.18
7	Agriculture, forestry and fishery	1	7.65	4	61.62	6	1.77	71.04
8	Accommodation and restaurant	1	0.22	4	12.36	54	23.64	36.22
9	Education and training	5	0.98	4	0.51	19	29.32	30.81
10	Information and Telecommunications	15	2.70	2	8.01	53	10.95	21.66
11	Finance, banking and insurance	-	-	-	-	5	18.62	18.62
12	Water; waste treatment	-	-	-	-	3	11.39	11.39
13	Construction	1	0.20	2	0.59	27	9.02	9.81
14	Administrative and supporting services	4	0.26	1	0.63	14	2.51	3.40
15	Mineral extraction	-	-	-	-	1	1.08	1.08
16	Health and social aids	-	-	-	-	4	0.84	0.84
17	Arts and entertainment	-	-	-	-	1	0.21	0.21
	Grand total	234	7,222.68	161	2,102.57	731	745.64	10,070.88

By Country/Territory

Order	Country/territory	Number of new projects	New registered capital (mln USD)	Number of project adjustments	Adjusted capital (mln USD)	Number of installments of share purchase	Capital contribution, share purchase (mln USD)	Total registered capital (mln USD)
1	Singapore	30	4,285.45	8	113.59	61	188.51	4,587.56
2	Japan	28	1,484.12	32	553.55	53	59.80	2,097.47
3	South Korea	68	187.43	45	886.63	211	110.76	1,184.81
4	China	37	548.93	25	381.46	103	32.73	963.12
5	Hong Kong	15	236.74	20	39.65	13	17.61	294.00
6	United States	7	148.40	2	3.73	38	22.29	174.42
7	Thailand	3	32.13	2	3.09	9	90.70	125.91
8	British Virgin Islands	6	58.75	6	50.61	4	14.66	124.02
9	Taiwan	9	27.20	5	8.12	62	76.35	111.66
10	Netherlands	2	80.70	-	-	7	17.63	98.33
11	Philippines	1	54.60	-	-	1	0.01	54.61
12	Australia	3	32.62	1	0.90	16	16.91	50.42
13	Cayman Islands	1	6.75	2	7.24	4	26.24	40.24
14	Seychelles	3	7.52	5	25.30	2	6.67	39.49
15	Samoa	1	4.50	1	5.00	2	9.45	18.95
16	Canada	1	5.00	-	-	9	7.35	12.35
17	Malaysia	1	0.01	2	7.90	12	3.30	11.21
18	Belgium	-	-	-	-	2	10.98	10.98
19	France	1	0.03	1	4.50	23	5.65	10.18
20	Israel	1	0.14	1	9.42	1	0.051	9.606
21	Belize	1	9.50	-	-	-	-	9.500
22	Brunei Darussalam	-	-	-	-	1	8.66	8.66
23	United Kingdom	3	4.34	1	0.19	11	0.608	5.136
24	Channel Islands	-	-	-	-	1	3.99	3.99
25	India	2	3.55	-	-	9	0.30	3.85
26	Italy	1	2.70	1	0.70	4	0.33	3.73
27	Indonesia	-	-	-	-	4	3.62	3.62
28	Germany	-	-	-	-	17	3.29	3.29
29	Russia	-	-	-	-	12	2.34	2.34
30	Switzerland	1	1.20	-	-	1	0.43	1.63
31	Nigeria Iceland	-	-	-	-	5	1.01	1.01
32	Mauritius	-	-	1	1.00	-	-	1.00
33	Kazakhstan	-	-	-	-	1	0.80	0.80
34	South Africa	-	-	-	-	3	0.52	0.52
35	Rumania	-	-	-	-	1	0.45	0.45
36	Czech Republic	-	-	-	-	2	0.33	0.33
37	Afghanistan	-	-	-	-	3	0.32	0.32

38	Austria	1	0.25	-	-	-	-	0.25
39	Brazil	-	-	-	-	1	0.17	0.17
40	Finland	-	-	-	-	2	0.16	0.16
41	Turkey	-	-	-	-	3	0.156	0.156
42	Spain	1	0.04	-	-	1	0.087	0.129
43	Pakistan	1	0.02	-	-	2	0.064	0.079
44	Ukraine	-	-	-	-	2	0.06	0.06
45	Sweden	2	0.04	-	-	1	0.02	0.06
46	Nepal	-	-	-	-	1	0.06	0.06
47	Cambodia	-	-	-	-	1	0.05	0.05
48	Denmark	-	-	-	-	2	0.05	0.05
49	Greece	-	-	-	-	1	0.04	0.04
50	Hungary	-	-	-	-	2	0.04	0.04
51	Poland	1	0.03	-	-	-	-	0.03
52	Belarus	-	-	-	-	1	0.02	0.02
53	Norway	1	0.02	-	-	-	-	0.02
54	Ireland	-	-	-	-	1	0.01	0.01
55	Argentina	1	0.00	-	-	-	-	0.004
56	New Zealand	-	-	-	-	2	0.0015	0.0015
	Grand total	234	7,222.68	161	2,102.57	731	745.64	10,070.88

By Locality

Order	Province/city	Number of new projects	New registered capital (mln USD)	Number of project adjustments	Adjusted capital (mln USD)	Number of installments of share purchase	Capital contribution, share purchase (mln USD)	Total registered capital (mln USD)
1	Long An	13	3,182.16	8	16.70	14	36.30	3,235.16
2	Can Tho	1	1,314.07	-	-	2	1.02	1,315.09
3	Hai Phong	8	68.42	15	870.01	8	7.67	946.10
4	Ho Chi Minh City	7	117.39	8	300.24	324	261.02	678.66
5	Bac Giang	6	574.50	10	60.60	6	13.97	649.07
6	Binh Duong	19	267.06	8	16.56	65	161.97	445.59
7	Dak Lak	6	430.60	-	-	-	-	430.60
8	Tay Ninh	5	67.10	8	353.12	-	-	420.22
9	Hung Yen	2	75.53	12	189.48	7	4.74	269.75
10	Bac Ninh	25	214.35	13	34.40	23	17.53	266.27
11	Dong Nai	11	126.72	4	4.63	27	74.03	205.38
12	Nghe An	1	200.00	-	-	2	0.43	200.43
13	Da Nang	9	146.41	7	8.89	14	1.65	156.95
14	Ha Noi	66	49.13	21	21.27	110	50.45	120.85
15	Binh Phuoc	6	22.30	7	63.46	8	7.50	93.26
16	Hai Duong	5	39.22	8	28.57	9	1.60	69.38
17	Vinh Phuc	6	37.30	1	21.11	7	6.78	65.18
18	Quang Ninh	4	58.00	1	0.35	4	0.21	58.56
19	Quang Binh	1	54.60	-	-	-	-	54.60
20	Phu Tho	6	21.85	5	23.83	3	6.94	52.63
21	Ninh Binh	3	51.00	-	-	1	0.22	51.22

22	Ninh Thuan	-	-	-	-	8	46.19	46.19
23	Khanh Hoa	1	6.75	4	23.14	20	2.48	32.37
24	Ba Ria – Vung Tau	4	25.26	1	1.20	6	0.37	26.83
25	Quang Ngai	2	24.95	-	-	-	-	24.95
26	Nam Dinh	-	-	6	24.67	-	-	24.67
27	Thanh Hoa	3	13.50	1	(2.50)	1	10.97	21.97
28	Thai Nguyen	2	0.89	3	19.49	2	1.52	21.90
29	Binh Dinh	-	-	1	9.42	5	12.15	21.57
30	Ha Nam	3	10.10	5	4.63	1	0.02	14.75
31	Yen Bai	2	10.45	-	-	-	-	10.45
32	Dak Nong	1	7.65	-	-	-	-	7.65
33	Lao Cai	-	-	-	-	1	7.57	7.57
34	Quang Nam	3	2.69	1	2.70	9	1.25	6.64
35	Thua Thien Hue	-	-	1	4.50	3	0.07	4.57
36	Lam Dong	1	2.00	-	-	11	1.40	3.40
37	Kien Giang	-	-	-	-	9	2.59	2.59
38	Tien Giang	-	-	1	1.10	2	1.32	2.42
39	Vinh Long	2	0.74	1	1.00	1	0.33	2.06
40	Binh Thuan	-	-	-	-	7	1.86	1.86
41	Lai Chau	-	-	-	-	2	0.43	0.43
42	Hau Giang	-	-	-	-	2	0.37	0.37
43	Ca Mau	-	-	-	-	1	0.18	0.18
44	Ben Tre	-	-	-	-	1	0.17	0.17
45	Ha Tinh	-	-	-	-	2	0.16	0.16
46	Hoa Binh	-	-	-	-	2	0.12	0.12
47	Tra Vinh	-	-	-	-	1	0.10	0.10
	Grand total	234	7,222.68	161	2,102.57	731	745.64	10,070.88

(Source: Ministry of Planning and Investment)

What Is Leading to Land Fever?

Most notably, the market report for the first quarter of 2021 just released by Batdongsan.com.vn shows that land

fever is currently the phenomenon of most concern to real estate investors. In fact, many localities record the strongest land fever in a decade.

In the Southern area, these include the East of Ho Chi Minh City (Thu Duc City), Can Gio district; Bien Hoa city, Nhon Trach district and Long Thanh district in Dong Nai province; Binh Duong province; Phan Thiet city in Binh Thuan province.

In the Central area, Da Nang, Quang Nam and Hue City also have a warming real estate market, especially the land segment in Da Nang City with some places experiencing a land price hike by about 10-15% compared to the bottom period in mid-2020.

Especially in the North, there is a strong land fever in almost all provinces and cities, especially in the suburbs of Hanoi capital, some provinces such as Bac Giang, Bac Ninh, Quang Ninh and recently Thanh Hoa.

Explaining the cause of the wide-spread land fever, many experts say that this is basically attributed to three main reasons, which are related to the issue of planning information and infrastructure development in many places, causing many expectations among investors such as planning along the Red River, planning of Da Nang, planning for Thu Duc to become a city, some provincial districts to become city's districts. Second, it is a positive macro factor, foreign investment inflows pouring heavily into industrial development, leading to increased infrastructure, causing land prices in many low-lying areas of localities to soar; and finally, it is the story of land fever also contributed by dealers, speculators, the land brokers' price inflation.

Batdongsan.com.vn data shows that in the first three months of 2021, investors' interest in housing increased to the highest level ever, despite the effects of the third wave of Covid-19. This reflects a strong market demand stretching from North to South.

In addition to traditional markets, in many new markets where information on infrastructure planning has been announced, price increases commonly from 10-30%, even 2-3 times in some places.

Some Northern areas have witnessed a surge in investors'

The land fever spreading throughout Vietnam has caused housing prices to rise significantly in recent months, many areas have seen a sharp increase of over 30%, even 50% compared to the previous quarter. Many experts believe that it is abnormal for many areas to heat up in a short time.

interest compared to the previous quarter including Bac Giang province (up 37%), Bac Ninh province (28%), Thai Nguyen province (50%), Hoa Binh province (35%).

According to Mr. Nguyen Quoc Anh, Deputy General Director of Batdongsan.com.vn, in the past three months, the Northern market, especially Hanoi's neighboring area, has experienced a much more vibrant real estate market. The wave of investment shifting from the South to the North appearing since mid-2020 is increasing investors' expectations on the ability to increase prices of real estate products.

This makes many places have real estate prices skyrocketing, setting a new price level. These include Hoa Binh province (up 102%), Ba Vi, Hanoi (75%), Hung Yen province (26%), Thai Nguyen province (15%).

As for the Central region, the interest level of neighboring provinces of Da Nang also increased against the previous quarter. While the investor interest in Da Nang had an increase of 32% over the same period last year, that of Hoi An and Tam Ky (Quang Nam) all increased by 39%. Land price for sale also increased by 7% for Da Nang and 30% for Tam Ky.

In the South, Can Gio is the hotter place due to expectations for it to become a city, showing the highest increase in investor interest, up to 81%; Cu Chi, Binh Chanh, and Nha Be also increased significantly, from 22% to 36%. Investor interest in Nhon Trach (Dong Nai) also increased by 35%, Long Thanh (Dong Nai) by 12%. Meanwhile, Tan Uyen (Binh Duong) increased by 7%.

The rate of land sale increase also improved in Can Gio (23%), Nha Be (16%), Bien Hoa (Dong Nai) (16%).

Batdongsan.com.vn representative said that the real estate market in the first quarter was vibrant thanks to the resonance of many factors, including cheap finance due to very low interest rates (about 3.5 - 5%); a large number of inexperienced individual investors, or F0 investors participating in the market; massively published planning information; and many localities adjusting the land price bracket (land prices in some localities increased from 15-30%, in some places, they increased from 50 - 100%). ■



Owning a House Remains Distant Dream for Low-wage Earners

One of the frequently-mentioned clear consequences after each property frenzy in Vietnam is that the opportunity to own residential property for people in real need is becoming more distant.

In addition to unreasonable property structure that led to shortages of high-end housing and affordable housing and weak new supplies, one of the headaches is the rising prices are narrowing the chance of housing ownership.

Indeed, in the past 2-3 years, land prices in the Thu Duc City of Ho Chi Minh City increased too rapidly. Even though the Covid-19 pandemic and purchasing power weakened, prices in many places still rose by 20-70%, even in some places where prices soared by 2-3 times in a year.

And the price trend is gradually spreading to suburban districts such as Binh Chanh, Nha Be, Hoc Mon and Cu Chi or neighboring provinces like Binh Duong, Dong Nai and Long An. Actually, real estate prices seem to have no signs of weakening since 2018.

According to industry experts, a rise in land prices due to a 5-10% is normal, but a 50-70% increase or more is problematic. With the current high land prices, it becomes even more difficult for low-income workers to buy houses for living. In the next few years, when the cheap land bank of real estate developers has run out, the opportunity for buyers to find affordable apartments in the outskirts of the city will be almost no longer available.

According to the Vietnam Real Estate Brokerage Association, despite the impacts of the pandemic, real estate developers have not announced any price cut in their projects. Instead, they prefer offering gifts to buyers.

Before, during and after the pandemic, selling prices of middle and high-end apartments were almost unchanged. Prices of the affordable segment were pushed up to the

mid-end level. Residential land prices also picked up on scarcity.

Mr. Su Ngoc Khuong, Senior Manager of Savills Vietnam, pointed out that if a family has an average income of US\$2,500 and saves over VND100 million a year, it is not easy to buy a 70 square meter apartment whose price is VND30 million per square meter.

In many countries, people spend about only 20-30% of their total income by installments. While Vietnam's interest rates are high, incomes are low, and housing prices are high, buying a house is very difficult.

Given high financial costs, it will be very hard to have an apartment costing VND1-2 billion in the next 5-7 years although the land fund is still abundant and the infrastructure is good. Let alone inflation, housing is getting further out of reach of the people, he added.

With current real estate projects, the value of land accounts for 40-60% of the cost. It takes 3-5 years to complete a project since it is licensed. Therefore, in order to have affordable housing for the people, the government needs to solve this matter.

According to representatives of JLL Vietnam, Thu Duc City will be the destination for projects pursuing this "city in the city" model thanks to a large land bank of much lower population density than HCM City.

Land prices in Thu Duc City soared when there was a rumor about its establishment. Without containment, speculation would blow prices away in the new city, causing project developers to struggle to find suitable land banks, and if any, will push financial burdens on people in real need.

In addition, the public transport system in Thu Duc City, linked to other districts, is still incomplete. While waiting for large-capacity public transport such as the metro, the city needs to develop more public bus routes, especially to interlink residential areas to subway stations in the future. Moreover, it is possible to study to promote more taxi boat services, a new type that is being supported by many people.

Mr. Nguyen Hoang, R&D Director of DKRA Vietnam Company, admitted that the recent announcement on the formation of Thu Duc City made some projects very expensive. Currently, there is a paradox that due to the Covid-19 pandemic, the purchasing power has decreased significantly from the previous year but prices still pick up 10-15%,



It Is Necessary to Reduce Output of

The National Load Dispatch Center of Vietnam (EVN NLDC) said that during the Lunar New Year (the period when the demand for electricity decreased to the lowest in the year), it had to reduce nearly 8,000 MW of renewable power, including about 3,500 MW of rooftop solar power.

According to this center, electricity is a special commodity, produced and supplied on the principle of aggregate demand equaling aggregate supply. If this principle cannot be maintained, the national power system will face dangerous incidents causing widespread power outages, even disintegration of the whole system.

However, the Covid-19 pandemic has made the demand for electricity consumption in Vietnam decrease nationwide. The electricity consumption of the country increases by an average of about 10% annually, but it only increased 2.45% in 2020. In the first months of 2021, the electricity consumption has only increased approximately 4.0% over the same period in 2020.

At the same time, there is a huge gap in electricity demand between the hours of the day (the difference between noon and evening can be up to about 6,000-8,000 MW), between working days and holidays (around 4,000-6,000 MW).

Currently, the proportion of renewable energy supplied to the system is high, accounting for approximately 23.5%. However, because the power generation capacity depends entirely on the immediate primary energy, which changes frequently and is difficult to predict, the guarantee of supply and demand is still heavily dependent on traditional sources. Despite operating more flexibly, currently, hydropower sources only account for about 20% of the system capacity.

In particular, during peak hours (in the evening every day), the power supply depends entirely on traditional sources because at this time, all solar power sources (contributing about 12,000-13,000 MW) are not able to operate and generate electricity. In addition, there are times when power generation sources in the Central/Southern regions cannot generate maximum power due to the constraints of the 110/220 kV transmission grid and the 500 kV connection from the Central to the North.

Therefore, the daily mobilization of power sources



Renewable Energy

should be properly calculated, the source structure must ensure redundancy to meet not only changes in power consumption, but also with the fluctuations of the renewable energy sources with the rate varying by thousands of megawatts in seconds.

Therefore, according to the National Load Dispatch Center, the reduction of generating renewable energy in recent time and at the present is required to ensure the safe and stable operation of the electricity system.

In order to exploit renewable energy as much as possible, the National Load Dispatch Center has worked with domestic and international organizations to research and evaluate the level of renewable energy absorption according to actual conditions in Vietnam. The results show that in a very short time, the absorption capacity of the national electricity system may reach 55% as during the Lunar New Year.

However, in long-term operation, to ensure the correct and sufficient compliance with the requirement such as the Inter-reservoir operation procedures issued by the Prime Minister, the existing electricity purchase and sale contracts in effect, the standard technique requirements for grid operation, this proportion will be much lower.

The National Load Dispatch Center has proposed to continue coordinating in shifting the rush hour of small hydropower sources. Currently, the capacity of absorbing renewable energy sources in the Central and the South has been increased by more than 1,000 MW due to shifting the time of generation of small hydropower sources from 9:30 am-1:30 pm to 6:00 am-8:00 am; at the same time, scheduling the

optimal operation of the diagram of generating traditional power sources (coal, gas, hydropower); including flexible and timely cessation of gas-fired power sources; accepting to mobilize oil resources into afternoon peaks to meet the load demand, although this can lead to an increase in system costs.

Relevant units calculate and propose the grid works needing to accelerate progress in order to increase the ability to release the capacity of renewable energy sources; actively participating in research projects on battery energy storage systems to change supply as well as ensure stability for a backup power system.

A0 said although the reduction in generating renewable energy had been improved, it still had to continue to do so. In particular, according to this center, during the Lunar New Year (the period when the demand for electricity is lowest in the year), there were times when it was necessary to reduce nearly 8,000 MW of solar and wind power, including 3,500 MW of rooftop solar power.

In the coming time, the phenomenon of oversupply and overload of the grid causing the reduction of renewable energy is expected to continue to appear, as in the period of July-September (the North enters the main season of floods of hydroelectric lakes), the reduced electricity output will be about 180 million kWh/month, in the October-December period (wind power sources are fully operational as planned, while the Central and the South are in flood season), the amount of reduction is likely to reach 350-400 million kWh/month. ■

(from P.22)

Although the selection of the investor for the Financial Center project is yet to be made, according to many investors, this approach will enable Da Nang City to draw billion-dollar projects soon.

"For over 5 years, we have prepared thoroughly for both financial and human resources. We have learned from the world for this project. I personally have many connections with a lot of friends worldwide to push forward this project. Three renowned U.S. firms in finance, casino, and financial law are keen on it. Without doubt, the city is not only a recognized best place for living but also a visionary city with such projects to build a financial center, airport city, and a non-tariff zone," said Mr. Johnathan Hanh Nguyen, President of Imex Pan Pacific Group (IPP).

Attractive investment environment

According to the World Bank (WB) in Vietnam, before the Covid-19 pandemic outbreak, FDI inflows into Vietnam were significantly higher than other countries in Southeast Asia such as Malaysia and Thailand (about 2% of GDP).

"This trend will continue in the short term as Vietnam proves to be one of the most successful countries in both aspects: preventing the Covid-19 pandemic and restoring economic growth," said Mr. Jacques Morriet, WB chief economist in Vietnam.

Vietnam's attraction, according to the WB, comes from its economic openness and especially cheap labor. At present, labor costs and wages in Vietnam are only one-half of Thailand and Malaysia, while the quality of the labor force has much improved.

With the prospect of attracting abundant FDI in the coming time, Ms. Carolyn Turk, WB Country Director in Vietnam, said the challenge for Vietnam today is not necessarily attracting as much FDI funding as possible, but optimizing the use of FDI, transferring technology and improving the capacity of the domestic business sector.

According to the WB, Vietnam remains attractive to multinationals looking for low-cost export platforms due to rising wages in China and rising trade disputes with the United States. However, global value chains will change gradually toward adaptation to technological, economic, political and ecological trends. However, only a few of these trends are favorable to Vietnam as the destination for FDI. ■



LONG THANH IZ

MINIMIZING COST, OPTIMIZING PROFIT, PROVIDING BEST SUPPORT TO TENANTS

After more than 17 years of operation (2003 - 2021), with the resolution of Dong Nai province and the prestige and strong financial capacity of the investor - Sonadezi Long Thanh Joint Stock Company (a member of Sonadezi Corporation - a giant industrial park developer), Long Thanh Industrial Zone has achieved tremendous success and become an ideal destination for domestic and foreign investors and creating a driving force for local economic restructuring.

THANH TUNG

Ideal destination

Long Thanh Industrial Zone, covering more than 488 ha, is developed as a completely new industrial urban model featuring many distinct advantages over other industrial zones. With a well-positioned location, modern planning, synchronous investment infrastructure, convenient traffic connection, flexible product design, and professional and enthusiastic personnel, right after going into operation, Long Thanh Industrial Zone focused on cooperation with many domestic and foreign investors. Up to now, 124 projects have invested US\$1,155 million and hired 248.71 ha in Long Thanh Industrial Zone. Tenants in Long Thanh Industrial Zone come from South Korea, Japan, the United States, Australia, Taiwan, France, Denmark and Vietnam, and are operating very effectively. World-renowned tenants include Bosch Vietnam, Olympus Vietnam, Ajinomoto Vietnam, Acrowel Vietnam and Aurolle Fine Chemical Products. They have helped raise budget revenue, increase export and import value for Long Thanh Industrial Zone in particular and Dong Nai province in general and generate jobs for about 10,000 local workers.

In addition to its efforts to draw investment funds into





Long Thanh Industrial Zone, Tam An 1 Residential Area has been effectively deployed by Sonadezi Long Thanh to add a convenient and reasonable residential product for tenants and workers in the park as well as external dwellers. Dormitories built right inside Long Thanh Industrial Zone have become a highly social product and help tenants stabilize accommodations for more than 4,000 workers, thereby helping employees feel secure for a long-term commitment.

To achieve current investment results, since its inception, Long Thanh Industrial Zone has always received timely support from Dong Nai province, Long Thanh district and Sonadezi Corporation - a leading infrastructure investor and developer in Dong Nai province. Furthermore, the industrial park also creates a competitive advantage with flexible business policies and diverse support services; supports investors to carry out investment procedures, apply for investment certificates, construction permits and business licenses in the shortest time; constantly improves service quality and customer care and fulfills commitments to investors who may recommend their partners to the industrial park in return. Sonadezi Long Thanh always actively offers appropriate solutions so that tenants will receive best support and incentives to start their operations, reflected in flexible payment options, competitive land rentals and attractive tax incentives (exempting corporate income tax for two years and a 50% reduction in the next four years). This combination of the above advantages has helped Long Thanh Industrial Zone effectively promote all values, all available potential and strengths and achieve extraordinary success, thus becoming an ideal destination for investors.



Grasping opportunities

Anticipating the huge demand for land and factory lease from foreign investors relocating their manufacturing facilities from other countries into Vietnam, Sonadezi Long Thanh prepared industrial factories for lease in Long Thanh Industrial Zone, Chau Duc Industrial Park (Ba Ria - Vung Tau province) and Long Phuoc 1 Industrial Complex, helping investors reduce costs and start-up time to quickly go into production. Mr. Pham Anh Tuan, General Director of Sonadezi Long Thanh Joint Stock Company, said transportation costs currently account for a very high share of operating costs. Thus, in its factory development strategy, the first factor that Sonadezi Long Thanh takes into account is the location for a smooth connectivity to traffic and trade to significantly reduce time and shipping costs for customers. Based on these prerequisites, the company decided to invest in industrial workshops for rent in Long Thanh Industrial Zone, Chau Duc Industrial Park and Long Phuoc 1 Industrial Park, which have geostrategic locations and convenient traffic infrastructure for customers to reduce transport requirements.

Besides Long Phuoc 1 Industrial Park, which will have technical infrastructure built in 2021, Long Thanh Industrial Zone has to date leased 51 factories covering 255,998.02 square meters (25.59 ha). In Chau Duc Industrial Park, Sonadezi Long Thanh also signed a contract with two customers to lease three factories (NX 01, NX 02 and NX 03) and offer for lease factories No. 04 and 05. Needless to say, with the decision to invest in industrial factory development in Dong Nai province and Ba Ria - Vung Tau province - among Top 10 biggest recipients of investment funds, Sonadezi Long Thanh's products benefit greatly from the local infrastructure system, especially transport infrastructure linked to Long Thanh International Airport, highways, deep-water seaports and other key national projects. "With these advantages, we will also focus on enhancing the brand reputation of Sonadezi brand in general and Sonadezi Long Thanh in particular and focus on product development toward quality, convenience and diversity to meet all customer needs in new conditions. This is also how we persistently accompany investors to success and help them to minimize costs, optimize profits, quickly have stable operations and develop effective business," said Mr. Tuan. ■

Sustainable Market Development Strategy for Vietnamese Agricultural Products

In recent years, Vietnam's economic structure has changed positively with the greater share of service and industrial sectors. Even so, agriculture still accounts for about 10% of GDP and creates many jobs. However, the thorny setback of “steep price slump in bumper crop” sparked many farm produce rescue campaigns.

Dr. DOAN DUY KHUONG
VCCI VICE PRESIDENT

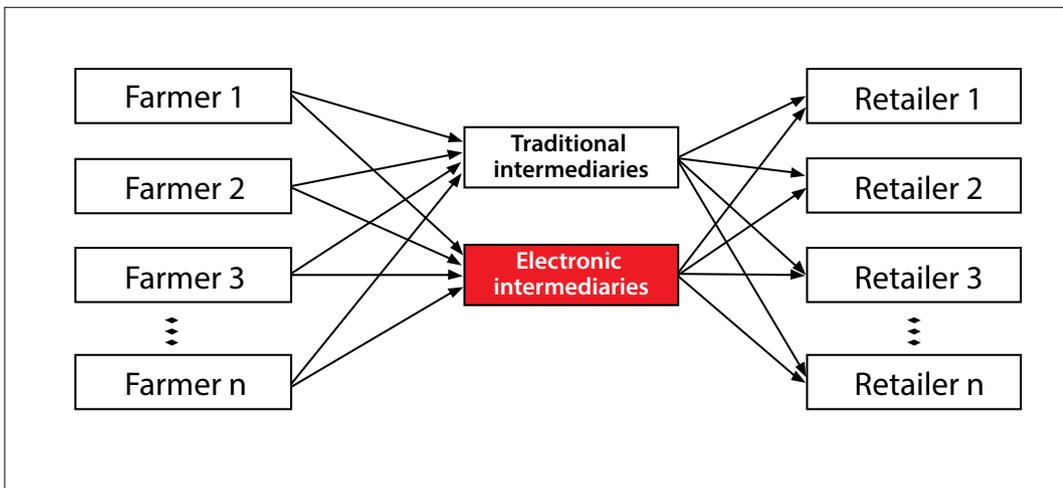
Vietnam has successfully exported agricultural products to the world market, especially in the recent period when it entered into many free trade agreements. Vietnam is a top 15 agricultural exporter in the world with an export value of over US\$40 billion a year and shipments to more than 180 countries and territories in the world. Its key agricultural export markets include China, the United States, ASEAN, the European Union, South Korea, and Japan. The share of agricultural exports to these markets accounts for more than 76% of the country's total export agricultural value. However, over the years, the thorny

setback of “steep price slump in bumper crop” sparked many farm produce rescue campaigns. Vietnam as well as other countries in the world has solutions to this problem, based on market economy principles combined with governmental interventions. Solutions can be divided into the following policy groups:

First, expanding and diversifying markets (increasing demand) for agricultural products by enlarging markets for agricultural products, especially exports to the world market, boosted by bilateral and multilateral economic cooperation programs. Particularly, multilateral programs such as AFTA, ACFTA, AIFTA and RCEP cover economic regions,



Vietnam's tea export value in the first two months of 2021 increased sharply



considerable waste and high transaction cost. Traditional intermediate supply chain mechanisms are often less optimal in the overall supply chain, so the farmers often either overproduce or underproduce the ideal level if they are vertically integrated with buyers.

Recently, electronic intermediaries have emerged as an alternative -

including ASEAN, China, India and Japan, accounting for about a quarter of the global population.

Second, limiting and controlling the supply by managing production scale to support prices for agricultural products like reducing output, providing loans for farming and purchasing products at predetermined contract prices to ensure incomes for farmers even in a volatile market.

Third, applying floor purchasing prices to agricultural products in the harvesting season. This policy requires the government to spend a large amount of money buying agricultural products for farmers.

However, market-based policies that respect the supply and demand law often yield more positive and sustainable results than policies that directly interfere with agricultural prices. In today's highly competitive global market, quality puts pressure on organizations to find new ways to focus on sustainable and intensive agricultural development rather than quantity to create and provide ever greater value. Moreover, it has been shown that, in emerging economies like Vietnam as well as mature markets, the power of buyers has surpassed the power of customers. The price is always an important competitive variable in many markets and needs to be considered in domestic and international supply chain management.

Supply chain management plays an important role in pricing policy as it keeps the cost of doing business minimal and the profit highest possible. This work includes mobility, storage of raw materials, manufacturing, inventory, and product finishing from farm to table.

Key advantages of supply chain management include reduced product loss in the course of transportation and storage, increased sales, better information about product lines, markets and technology, product tracking and traceability, better quality and safety control (when applied with GlobalGAP standards) and ultimately customer satisfaction.

Challenges for supply chain management are maintaining and managing all three major market flows: product, information and finance in an effective manner and delivering optimal results for farmers, wholesalers and customers.

Currently, driven by rapid information technology development, Vietnam's agriculture continues with the traditional inefficient supply chains with fragmented production plus various supply intermediaries, giving rise to

technology-based trading channel. The presence of electronic intermediaries improves farmers' profitability as it helps the latter get closer to the ideal level of production because the market power is more important than market accessibility. By providing price transparency and by offering a new sales channel to farmers, at least in principle, electronic intermediaries will alleviate some of the key challenges faced by farmers in traditional agricultural supply chains.

However, according to economists, what matters here is when farmers increase in number, the total profit of all farmers will converge to zero within the limit, regardless of the presence of electronic intermediaries. Therefore, a more effective way to improve farmers' livelihoods in developing economies is to consolidate individual farmers into larger farmer collectives in order to increase their market power. This has led to the need for innovation of strong farm conglomerate models capable of cooperating and competing in the domestic and international supply chains as well as the need to revise the land law in Vietnam toward the real estate industry for large-scale agriculture.

In short, without a doubt, agricultural products play an important role in people's lives and contribute greatly to the economy and social stability of the country. Over the past years, the popular output-price paradox in agriculture has shrunk farmers' incomes, weakened rural development and stained the picture of the whole society. Market intervention policies conducted by central and local authorities have produced certain results. However, market-oriented policies that respect the supply and demand law often yield more positive results than policies that directly intervene in agricultural prices. To develop markets for agricultural products, the supply chain management strategy plays an important role in pricing policy as it keeps the cost of doing business minimal and the profit highest possible. Moreover, in the digital age, in the supply chain, technology-based electronic intermediaries have emerged as an alternative trading channel to traditional intermediaries based on brokers, proven to lead to various benefits for farmers. Finally, further improving the land law, infrastructure and farming business, envisioned to be conglomerated into big groups in the supply chain will ensure sustainable development and high competitiveness for agricultural products of Vietnam. ■

BỘ THÔNG TIN VÀ
TRUYỀN THÔNGBẢO HIỂM XÃ HỘI
VIỆT NAM

BỘ TƯ PHÁP

LỄ KHAI TRƯƠNG

CƠ SỞ DỮ LIỆU CHUYÊN NGÀNH BẢO HIỂM XÃ HỘI
KẾT NỐI VỚI HỆ THỐNG THÔNG TIN CÔNG AN QUỐC GIA VÀ QUẢN LÝ
THÔNG TIN CÔNG DÂN THÔNG THÔNG
CẤP LƯƠNG



VSS TO LAUNCH NATIONAL INSURANCE DATABASE

The Government of Vietnam recently issued Decree 43/2021/ND-CP on the national insurance database, scheduled to be deployed from June 1, 2021.

This national database covers social insurance, health insurance, unemployment insurance, health information, social security and other information recognized by competent authorities. The national database is built uniformly by the Government, used by agencies, organizations and individuals to provide accurate and timely insurance information for State administration, to meet socio-economic development requirements and ensure legitimate requirements of agencies, organizations and individuals.

The national insurance database includes 9 information groups: social insurance, health insurance, unemployment insurance (original data), personal data, citizen contact information, household information, employer information, basic medical information and social security information.

The Government assigned the Vietnam Social Security (VSS) to administer the national insurance database, hold responsibility to build, update, maintain, and use the national insurance database; work with central and local agencies to collect, update and correct information in the national insurance database; provide information on the national insurance database in accordance with Decree 47/2020/ND-CP dated April 9, 2020 on management,

connection and sharing of digital data of state agencies; connect and provide data from the national insurance database to the National Data Portal for agencies, organizations and individuals to mine information. The connection and sharing of information must meet regulations on State secrets, personal secrets, family secrets and privacy according to Decree 47/2020/ND-CP.

In addition, the VSS will be responsible for reviewing regulations and procedures with respect to social insurance, unemployment insurance and health insurance to simplify personal papers in connection with data from the national insurance database; managing and operating the system smoothly and continuously, ensure good infrastructure for data connection and exchange; work with the Ministry of Information and Communications to formulate plans and solutions to respond to incidents of information safety and network security for national insurance information and database systems, figure out solutions to ensure security of national insurance database; coordinate with the Ministry of Information and Communications and concerned agencies to technical infrastructure, data exchange structures, and data sharing regulations and procedures.

Decree 43/2021/ND-CP serves as a legal basis for construction, collection, update, maintenance, mining, use and management of national insurance database for State management; implementation of policies on social insurance, health insurance and unemployment insurance to meet needs of agencies, organizations and people; administrative procedure reform; strong information technology application; and one of important foundations for e-government construction.

H.T

timo

MỘT ỨNG DỤNG CHO MỌI DỊCH VỤ NGÂN HÀNG



Hotline: 1800 6788

www.timo.vn



**SONADEZI
LONG THANH**
MEMBER OF SONADEZI

TỔNG CÔNG TY SONADEZI CÔNG TY CỔ PHẦN SONADEZI LONG THÀNH

Địa chỉ: Khu Công nghiệp Long Thành,
xã Tam An, huyện Long Thành,
tỉnh Đồng Nai, Việt Nam

Điện thoại: 02513. 514 494 / 496
Fax: 02513. 514 492 / 499
Email: longthanhiz@szl.com.vn

LONG THANH INDUSTRIAL ZONE - CHAU DUC INDUSTRIAL PARK



NHÀ KHO, XƯỞNG CHO THUÊ
Ready-built Factories and Warehouses for Lease



Hotline
0915 211 411 - 0251 3514 494

 www.szl.com.vn