



POLICIES TO SUPPORT EMPLOYERS & EMPLOYEES IN DIFFICULTY DUE TO COVID-19 PANDEMIC FROM UNEMPLOYMENT INSURANCE FUND

On 24 September 2021, the Government issued Resolution No. 116/NQ-CP on policies to support employees and employers affected by the Covid-19 pandemic from the Unemployment Insurance Fund.

We would like to highlight some of the salient points of Resolution No. 116/NQ-CP as follows:

PRINCIPLES

- Ensure the principle of contribution-based benefits, sharing and fairness;
- Policy implementation is placed in the overall balance of the State's resources, funds and other support sources; and
- The support for employees and employers must be given in a simple, timely, public, transparent and effective manner and to eligible beneficiaries.

FINANCIAL AID FOR EMPLOYEES

► Eligible people

- Employees listed as those participating in Unemployment Insurance until September 30, 2021
- Employees whose employment contracts have already been terminated within the period from 1 January 2020 to end of 30 September 2021, and whose UI contribution periods are reserved (except monthly old-age pensioners).

► Financial aid amounts

UI contribution period	Financial aid amounts
Less than 12 months	1,800,000 dong/person
12 months and less than 60 months	2,100,000 dong/person
60 months and less than 84 months	2,400,000 dong/person
84 months and less than 108 months	2,650,000 dong/person
108 months and less than 132 months	2,900,000 dong/person
At least 132 months	3,300,000 dong/person

- **Sources of funds:** approximately 30,000 billion dong from surplus of UI Fund until 2020.
- Financial aid commences on 1 October 2021 and completed by 31 December 2021 at the latest.

FINANCIAL AID FOR EMPLOYERS - REDUCTION IN CONTRIBUTION RATES TO THE UI FUND

► Regulated entities

- Employers participate in Unemployment Insurance until 1 October 2021.
- The employer's contribution rate has been **reduced** from 1% to 0% of the monthly wage fund.
- Reduction period: 12 months, from 1 October 2021 to 30 September 2022 inclusive.

If you require further information, please feel free to contact us.

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