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REPORT

Impact Assessment of COVID-19 on Informal Workers in Vietnam

August 2020

Acknowledgement

Since late 2019, Vietnam and other countries in the world have had to cope with unexpected and unpredictable difficulties and challenges due to COVID-19. The epidemic not only causes a health crisis but also results in socio-economic negativity. Its impacts on income generation activities are substantially severe, especially for unprotected laborers and vulnerable groups in the unofficial economic sector.

The Institute of Labor Science and Social Affairs (the Ministry of Labor, Invalids, and Social Affairs) conducts the research named **“Impacts Assessment of COVID-19 on Informal Workers”** with the following objectives: identifying how unofficial labor groups are impacted, through which channels including direct and indirect ones; the level of impacts on their life and their families’; measures that the households can take to adapt to socio-economic changes; discovering the most vulnerable groups; the role of the current SW system and newly-issued supportive measures. On that basis, the research gives policy recommendations to support the groups even in case of post-epidemic, with a focus on identifying points to be improved in the social policy system so that people in general and the disadvantaged groups in particular can adapt to shocks such as COVID-19.

The research is conducted by the research group of the Institute of Labor Science and Social Affairs under the direction of Dr. Bui Ton Hien and members including Luu Quang Tuan, Nguyen Thi Vinh Ha, Nguyen Bich Ngoc, Pham Thi Bao Ha, Quach Thi Que, Hoang Quynh Le, and Tran Viet Dung. The research group receives technical support from the Project “Social Dimension of Sustainable Green Growth in Vietnam” by the The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

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The research reflects the views of the research group based on evidence gathered from field surveys and does not necessarily reflect the views of the Institute of Labor Science and Social Affairs or GIZ. We hope that the research result is a useful source of information for policymakers to use and refer to in the implementation of State management and to supplement and improve social policies in Vietnam.

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Abbreviations

EMG	Ethnic Minority Group
ILO	International Labour Organization
LISA	Labor, Invalids, and Social Affairs
EP	Elderly People
PWD	People With Disabilities
RIM	Rapid Impact Monitoring
WB	Ngân hàng thế giới (World Bank)

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Interpretation of Terms

Informal Sector: is defined as the area of operation of all production and business establishments which have no legal status, produce at least some of their goods and services for sale or barter, and are not registered (no business license). In Vietnam, production and business establishments in the informal sector are mostly non-agricultural individual business households and cooperative groups.

Informal Employment is defined as employment with no social insurance, especially compulsory social insurance, and no labor contracts from at least one month. In Vietnam, most employment in informal sector is considered informal employment.

Informal Worker is defined as a worker having informal employment.

The General Statistic Office's figures identify that informal workers are those who work in non-agricultural, forestry and fisheries sector, and those who work in agriculture, forestry, and fisheries sector with business license and belong one of the four following groups: (i) unpaid family workers; (ii) establishments' owners, self-employed workers in IS; (iii) wage and salaried workers signing no labor contracts, or signing term labor contracts but not being paid compulsory social insurance by employers; (iv) cooperative members who don't pay compulsory social insurance. According to this definition, informal workers exclude those working in agricultural, forestry, and fisheries production households which don't have business license (following ILO's recommendations for underdeveloped countries where agricultural production is dominant).

However, we believe that workers in agricultural, forestry, and fisheries production households also join labor market, commodity supply market, and suffer direct and indirect impacts of COVID-19; they are very vulnerable to economic shocks and other social ones. Therefore, we identify that informal workers in this research include those who work in agricultural, forestry, and fisheries production households which are not registered.

Timeline: Based on official documents and actual situations, timeline in this research is identified as followed:

Before the epidemic: Before January 23, 2020 (Vietnam announced the COVID-19 epidemic on January 23, 2020 in Decision No.173/QD-TTg dated on February 1, 2020 and Decision No. 447/QD-TTg dated on April 1, 2020).

In the epidemic: During January 23, 2020 – April 23, 2020 (at the Government's meeting on April 22, 2020, the Prime Minister decided to stop social distancing from April 23, 2020).

Particularly, *social distancing* was applied from April 1, 2020 (Directive No.16/CT-TTg dated on March 31 2020 to April 22, 2020).

After social distancing time: from April 23, 2020 to June 30, 2020, was when we completed field survey.

Some Key Findings

The COVID-19 epidemic had severe impacts on economic sectors. Most production and business activities in all economic sectors were limited, both supply and demand in import-export activities were lost; the market was stagnant due to a decrease in consumption and use of domestic products and services. In comparison with formal workers, informal workers had much more difficulties due to poor capacity to respond to the situation: unstable employment and income, when there was a shock, they were not eligible for having social support and accessing social insurance.

Agriculture: The production groups which produced short-term crops or the crops to be harvested during the epidemic suffered most. Although agricultural workers didn't suffer badly in terms of employment, they risked themselves in terms of income because they could not sell their products; they had to sell them at much lower prices or lose the total crops. That was especially severe for those who had made huge financial and labor investment, for example, in aquaculture and fisheries sector.

Processing Industry: The inability to sell goods due to decreased domestic demand and no import and export of goods and materials made many workers in the processing industry have to stop working, even lose their jobs. However, the industry of producing protective equipment and medical supplies saw many opportunities thanks to the increased demand. Many enterprises quickly adapted to changes in production to serve domestic demand and exports, leading to the expansion of small-scaled factories and the recruitment of more seasonal workers to timely produce to meet orders.

Construction: informal workers in construction sector badly suffered in terms of employment and income in and after social distancing. Their employment greatly depended on the number of small and medium-scaled civil constructions; their wage was calculated based on actual workdays. In the construction supply chain, private establishments/households which traded in construction materials were also severely affected.

Retail sales: declined tourism, tightened domestic spending, and fear for prolonged epidemic made retailing establishments and enterprises severely affected, especially those which traded unnecessary goods such as clothes, footwear, and home appliance, etc. However, e-commerce tended to develop thanks to the dramatic change in consumers' shopping habits. That was the beginning of a contactless economy, contributing to addressing employment and income for a part of the workforce. E-commerce activities which were more developed made a pressure on traditional markets and strongly affected employment and income of informal workers in conventional retailing sector.

Travel, restaurant, and accommodation services: was the most suffering sector because the number of international tourists and domestic tourist demand drastically decreased. That made the workforce in the sector stop working and take unpaid leaves during and after social distancing.

Transportation services: After social distancing, the transportation of goods, passengers, and others in service of tourism industry has gradually recovered but it was at much lower level than that before the epidemic. Thanks to the development of e-commerce,

delivery services developed and became a resort for a large part of workforce in need of employment.

Other sectors (scrap collection, haircut, hair wash, beauty care, hired laborers in households): those sectors had a lot of informal workers, especially female workers, who suffered job stoppage/loss and lack of income during social distancing. After social distancing, production and business activities were recovered. However, the recovery speed in urban area was higher than that in rural area.

Employment and income of informal workers were seriously reduced in the epidemic, and recovered slowly after social distancing. Most workers and employers had to suffer the shocks of job cuts and income loss. Informal female workers lost their jobs, had their work reduced much more than informal male workers because informal female workers were mainly in the most suffering sectors such as garment and apparel, footwear, handicrafts, retail sales, domestic workers, and beauty care, etc. When they had to stop working, most of them (self-employed workers, family workers, and wage workers) didn't have any other source of income. Wage and salaried workers also didn't receive any support in any form from employers. Because they didn't join SI, they didn't receive any support from the SW system.

The prolonged COVID-19 epidemic created a heavy burden on spending and borrowing. The income was decreased while necessary spending such as house rental, food and foodstuff, tuition, medicine, etc. were not eliminated. For the households having savings, they had to count on savings or financial backups. For those who were struggling to make ends meet every day, it was such a big burden.

Among production and business household groups in the informal sector, short-term borrowings to "afford their business" were very popular. In the context that employment and income were in decline, term borrowings were such a growing burden on their current difficult life. Those who were eligible for accessing formal credit channels of banks or community-based micro-credit funds might be considered for debt rescheduling, refinancing, or loan repayment delay. However, the number of such cases was very small in comparison with the number of those who had to borrow "illegally" or borrow from individuals.

Most informal workers were less active in responding to employment in the face of large-scale shocks. Workers responded to shocks in various ways, which depended on their available resource and ability to respond of each group. Limitations of financial capacity and expertise were main causes of informal workers' poor capacity to respond to shocks. The general reaction of informal workers was not to look for new jobs but waited for difficulties to overcome. It's easy for workers in rural area to change or find temporary jobs to earn money (doing agricultural production, joining household economic activities, expanding the farming and husbandry activities, etc.). However, after social distancing when production and business activities were recovered, informal workers in urban area found it easier to recover their previous jobs or find new jobs than those in rural area because unskilled non-agricultural jobs were very popular in urban area (porters in markets, motorbike taxi drivers, small sellers, domestic workers, etc.).

The way households spent depended on their particular reserves and financial capacity. Informal workers had more limited financial resource than that of formal workers. Therefore, how to respond to expenditure and assure daily life was a very important matter. 97% of the surveyed households cut down their spending on different levels; those who had spent at minimum level could not reduce their spending; more than 60% of them had to use the savings while the others didn't have savings to rely on; 45% of the surveyed households who were low-income had to buy necessity stuffs on credit; 30% of the surveyed households in rural and peri-urban area had land to do extra economic activities; 30% of young families, especially in urban area had to receive support from their families; 20% of the households who had to spend a large amount of money had to borrow; nearly 10% of the households received community assistance or charity support. In contrast, nearly 5% of the households (with better conditions) gave specific support to those having more difficulties (lending money, giving food away, etc.).

The COVID-19 epidemic had strong social impacts. Public activities in small or large scale were eliminated to the minimum level. However, community cohesion was strengthened through charity, humanitarian, and mutual support activities such as sharing jobs, food and foodstuff, necessity things, lending among family members and neighbors. People were active in adjusting social behaviors, changing modes of communication from direct to indirect, focusing on their own family, relatives, mainly staying at home for both working and studying. Despite this, the epidemic and its severe impacts on employment and income created psychological pressure, causing stress, anxiety, and triggering conflicts within families. It even resulted in violence and abuse against children and women.

The COVID-19 epidemic had direct and indirect impacts on people's ability to access healthcare services. Families were more concerned about health protection, especially keeping personal hygiene (regularly washing hands and wearing face masks when going outside), giving priority to take care of, including diets, those with background diseases, elderly people, and children. On the other hand, most people were worried and afraid of Coronavirus infection at health centers and clinics; thus, they just came to have medical examination and treatment when having acute and dangerous symptoms.

The COVID-19 epidemic helped create a remarkable transformation in education. Social distancing made impacts on the studying of more than 21 million Vietnamese students because schools were closed in a long time. Kindergarten children had to stay at home absolutely; schools from at least primary level had to organize e-learning activities on technological platforms to assure learning plans. Children had chances to approach useful computer-based applications and the Internet. However, e-learning had some certain limitations: i) it's hard to assure learning quality because some children didn't adapt to the new learning method, especially those at lower levels; ii) education costs were increased to equip teachers and students with suitable equipment and devices, for example, at least a smartphone with the Internet connection; iii) gaps in access to education between the groups with and without digital accessibility and application were increased; iv) risks of harassment and abuse on the Internet which had ever been hard to control became more severe.

The COVID-19 epidemic remarkably increased the load of housework, most of which was on women's shoulder They were domestic cooking, cleaning; instructing and supervising children to study at home with a new form of learning; taking care of young children, sick people, elderly people, people with disabilities, etc. Men played an inactive role regardless they were at home or not. Men were allowed to feel “upset, stressed, and bored” while women even had to “encourage, cheer up, and comfort” them to keep family atmosphere warm and harmonious.

The group of disadvantaged workers including workers from poor and pro-poor households, households under social protection, workers with disabilities, migrant workers, low-income workers in urban area, etc., suffered the same impacts on employment and income by industry and sector as normal workers in other industries and sectors. As they were the most vulnerable subjects, the negative impacts seemed more severe to them; they found it more difficult to respond to these and fell into poverty and hunger. Poor households, households under social protection, households with difficulties were given priority in humanitarian assistance and charity programs. Workers with disabilities had to concern about both assuring income and taking care of health. Elderly workers had harder time finding and maintaining jobs. Most migrant workers had to come back to their hometown to cut down costs; the most difficult ones could not return home for various reasons. Informal workers in formal sector, despite having a long time of working, received no support from employers and social insurance system because they didn't have labor contracts, didn't pay social insurance, and didn't join trade union. Low-income workers in urban area, who had to suffer from paying for expensive goods and services but are not considered poor households under national standards, don't receive support from the policy system. Thus, they became exhausted and had to continue working despite the social distancing policy.

The current SW system has not yet brought into play its positive impacts on informal workers who experience employment-related shocks. Informal workers almost had no access to social insurance, unemployment insurance, and even formal employment placement channels. Thus, workers and households could not rely much on supports of formal systems but were forced to self-manage, “self-help”, for example, counting on personal relationships and other informal sources. ***Community assistance programs*** (financial and physical assistance resources from community: Rice ATM, “Happy Store” Model, “Zero Dong Store”, etc.) were deployed timely and brought about positive impacts, creating the consensus among people, and helping to stabilize social order and security. ***Resolution No 42/NQ-CP*** on measures to support people in difficulty in COVID-19 was issued on April 9, 2020. The unprecedented subsidy package, despite its limitations in organization and implementation, brought about positive socio-economic impacts. It proved effective in supporting poor and pro-poor households, people with meritorious services, and social security beneficiaries.

I. BACKGROUND

1. Overview

Since late 2019, Vietnam and many other countries in the world have had to cope with unpredictable difficulties and challenges of the COVID-19 epidemic. The epidemic has not only caused a health crisis but also resulted in negative socio-economic impacts. Lockdown and social distancing measures have been applied in various ways to respond to the epidemic. The world has fallen into a large-scale socio-economic crisis. COVID-19 has negatively severely influenced all income-generating activities, especially of unprotected workers and the most vulnerable groups in informal sector.

In economic crises, especially in developing countries such as Vietnam, informal sector is considered a cushion to eliminate the impacts of sudden changes. In the COVID-19 epidemic, countries including Vietnam have applied social distancing; workers in informal sector and their families have been affected. First, the direct social impacts of COVID-19 on every member of a family are noted, particularly the shortage or reduction of access to social services due to risks and threats of the epidemic and social distancing policy of the Government. These are general impacts on people; however, informal workers and their families had to face more risks and difficulties because of their work characteristics and ability to respond to the shock. Second, the impacts of the epidemic and social distancing policy on employment and income of workers and their families are also known. Most informal workers don't join SI. If they have to stop working, they don't have social security based on contributions.

The COVID-19 epidemic is still complicated. The previous prediction scenarios may be obsolete rapidly. Vietnam has initially controlled the epidemic. However, the consequences of the epidemic are prolonged and extremely serious. Therefore, there should be post-COVID-19 interventions to help people to recover their life in the long-term.

Thus, it's necessary to conduct an in-depth research into impact assessment of the epidemic on informal workers, the supports that they have been receiving as well as their ability to respond to the epidemic and recover after the epidemic. On that basis, there will be directions to complete the policy system in medium- and long-term to support the people more actively and effectively to overcome consequences of COVID-19 and most importantly, strengthen their ability to respond to similar shocks.

2. Overview of socio-economic situation

2.1. Macro-economic situation

In 2019, the socio-economic situation continued to have positive changes. The GDP growth rate was impressive, i.e. at 7.02% (6.82% in first quarter, 6.73% in second quarter; 7.48% in third quarter; and 6.97% in fourth quarter), surpassing the target of 6.6%-6.8% set by the National Assembly. According to the General Department of Statistics, the GDP growth rate was lower than that of 7.08% in 2018 but higher than that for the 2011-2017 period. For specific economic sectors, the growth rate of the agro-forestry-fisheries sector was 2.01%, contributing 4.6% to the general growth rate; that of the industrial and

construction sector was 8.9%, contributing 50.4%; that of the service sector was 7.3%, contributing 45%¹.

However, in 2020, the outbreaks of COVID-19 on the global scale have severely affected any of the socio-economic aspects in all countries, including Vietnam. Despite having a stable macro-economic situation and inhering advantages thanks to positive economic growth in 2019, the national economy has still had to cope with numerous difficulties and challenges. Most industries and sectors have slowed down; the unemployment and job shortage rates have been increased. In addition, drought and saline intrusion took place early, badly affecting crop productivity and yield; the African swine fever was not absolutely controlled. The GDP growth rate in first quarter of 2020 was estimated at 3.82% y-o-y, the lowest level for first quarters during the 2011-2020 period. In second quarter, the impacts were most severe when the Government strongly directed the implementation of social distancing policy, which was continued with the epidemic prevention and fight measures, assuring public health, preventing economic downturn and keeping social stability. The GDP growth rate in second quarter of 2020 was estimated at 0.36% y-o-y, the lowest level for the 2011-2020 period. In particular, the growth rate of the agro-forestry-fisheries sector was 1.72%; that of the industrial and construction sector was 1.38%; the service sector was negative 1.76%. In general, the socio-economic indicators in the first half of 2020 were down or increased at lower rates compared to the same period last year (See Appendix 1).²

2.2. Labor, employment and informal workers situation

In fourth quarter of 2019, the number of workers aged 15 and over was estimated at 56.1 million, up by 472.2 thousand compared to the previous quarter and 501.8 thousand y-o-y³. In second quarter of 2020, the number of workers aged 15 and over was estimated at 51.8 million, down by 2.4 million compared to the previous quarter and 2.6 million y-o-y. That was the record decline in the past 10 years. The complicated development of the COVID-19 epidemic and the serious and thorough application of social distancing policy in April 2020 have made the number of workers drop sharply in most provinces and cities in many industries and sectors; workers who lost jobs most were in rural areas and female. The number of workers in rural area was down by 1.8 million compared to the previous quarter and nearly 2.1 million y-o-y; the number of female workers was decreased by 1.2 million compared to the previous quarter and 1.5 million y-o-y. The sectors with the drastic decline in the number of workers year on year were processing industry and manufacturing (down by 324.6 thousand); accommodation and catering services (down by 156.9 thousand); education and training (down by 122.7 thousand); wholesaling and retailing, automobiles and motorcycles (down by 120 thousand).

The national unemployment rate in the first half of the year was 2.26%; specifically that of urban area was 3.62%; and rural area 1.59%. In particular, in second quarter, the national unemployment rate was 2.73%; the unemployment rate in urban area was 4.46%.

¹ Source: Report on socio-economic situation in fourth quarter and the year of 2019, General Statistics Office.

² Source: Report on socio-economic situation in second quarter and the first half of 2020, General Statistics Office

³ Source: Report on socio-economic situation in fourth quarter and the year of 2019, General Statistics Office.

That was the highest unemployment rate in the past 10 years and the biggest increase among workers with low professional qualifications. The underemployment rate among working-age workers in second quarter of 2020 was 2.97% (around 1.4 million), up by 0.76 percentage point compared to the previous quarter and 1.5 percentage points y-o-y. The underemployment rate among working-age workers in rural area (3.36%) was 1.5 times higher than that in urban area (2.22%). Nearly half of the underemployed workers in working age were active in the agro-forestry-fisheries sector (48.2%).

Informal workers in Vietnam still account for a large proportion. In 2019, the rate of workers with informal employment outside of agro-forestry-fisheries was estimated at 54.6%. This is a vulnerable worker group in the labor market when the economy experiences shocks. The rate of workers with informal employment in rural area was 15.1 percentage points higher than that in urban area, at 62.6% and 47.5%, respectively. The rate of female workers with informal employment in service sectors was relatively high (doing housework for households: 97.7%; education and training: 79.5%; accommodation and catering service: 69.0%).

Informal sector has certain characteristics such as unstable jobs, no official labor contracts or just verbal agreements, low income, long working time, that production and business establishments in this sector have small or micro size, no business license, no payment for SI and HI, no allowances and other social benefits for employees, etc. It makes informal workers more easily vulnerable than those in formal sector. The average monthly income of informal worker in the second quarter of 2020 was VND5.1 million, 1.6 times lower than that of formal workers. Especially, in COVID-19, the average monthly income of informal workers was decreased much more than that of formal workers, with the declining rates of 8.4% and 4.7%, respectively, compared to the same period last year.⁴

2.3. Vulnerable groups

Poverty: By 2019, according to MOLISA, the rate of national multidimensional poor households under the national standards⁵ was 3.75%⁶; and according to the General Statistics Office's calculations from the Vietnam Household Living Standards Survey (VHLSS), the rate of national multidimensional poor households was 5.7%⁷. By either of the calculation methods, the poverty rate dropped dramatically for the 2015-2019 period⁸. By the end of 2019, Vietnam had nearly 2 million poor and pro-poor households under the national poverty standards, equivalent to nearly 8 million people, of which nearly 2.3 million children. The subjects were limited in terms of not only income but also access to fundamental social services. The poor household group was concentrated in rural area (92% in 2018). The ethnic minority group accounted for about 14% of the total number of surveyed households.

⁴ The statistics are according to the Press Release on Employment and Labor Situation in the second quarter and the first half of 2020, General Statistics Office

⁵ Multidimensional Poverty Line according to Decision. No 59/QĐ-TTg dated on November 15, 2015

⁶ <http://www.molisa.gov.vn/Pages/tintuc/chitiet.aspx?tintucID=222875>

⁷ Source: Report on socio-economic situation in fourth quarter and the year of 2019, General Statistics Office.

⁸ The rate of multidimensional poor households under the national standards in 2015 was 9.6%, down to under 4% in 2019; the rate of multidimensional poor households calculated from VHLSS 2016 by General Statistics Office was 9.2%, down to under 5.7% in 2019.

However, the poor ethnic households made up 55% of the total number of poor households; and the total number of poor households and the poverty reduction speed was slower than that of Kinh and Hoa ethnic groups⁹.

Social protection: By June 2020, across the country, there had been more than 3 million of social protection beneficiaries¹⁰ including more than 40 thousand people who were being taken care in social protection establishments and more than 3 million people under the social assistance regime in the community who are orphans with no nourishment resources, elderly people with no pension or SI benefits, people with severe and particularly severe disabilities, poor single parents raising children, poor people with HIV. SP beneficiaries, for various reasons, are incapable of or limited in accessing income-generating activities. The monthly allowance is calculated based on the standard rate of VND270,000 multiplied by the corresponding coefficient (from 1 to 3) depending on the type of the beneficiaries.

People with disabilities (PWD): According to the results of the Population and Housing Census 2019, the rate of people with disabilities aged 5 and over was 3.7%. Besides, households that have members with disabilities were often poorer; the employment opportunities for people with disabilities were fewer than those for people without disabilities; just 2.3% of people with disabilities had access to rehabilitation services¹¹. Now, as regulated, only people with severe and particularly severe disabilities are SP beneficiaries under regular social assistance regime (nearly 1 million people). According to the Labor Code and the Law on People with Disabilities, the State protects the right to work and self-employment of workers who are PWD, and has policies to encourage and favor employers to hire and create jobs for people with disabilities. According to incomplete reports of ministries, branches, and localities, in 2019, throughout the country about 20,000 PWD were received to be provided with primary-level vocational training (under 3 months); approximately 150,000 PWD workers got job offers; the Vietnam Bank for Social Policies (VBSP) provided support to 2,277 PWD with loans to create, maintain, and expand jobs¹².

Elderly People: Vietnam officially entered the population aging period from 2011 with the rate of elderly people aged over 65 was 7%. According to the Population and Housing Census 2019, the population aged over 65 accounted for 7.7%. When the rate reaches 14%, Vietnam will enter the aged population period. In fact, it does not take up to 20 years for Vietnam to get to that stage¹³. Now, across the country, there are more than 11 million elderly people, two millions of whom are 80 years old and over. Most elderly people don't have material savings; just 3.1 million elderly people have pension and social insurance benefits. Thus, about 30% of the elderly people still have to continue to work, the rate of the

⁹ The rate of poor EMG households tends to increase, i.e. 55.27%, 52.66% and 48.16% for the years of 2018, 2017, 2016, respectively.

¹⁰ <http://www.molisa.gov.vn/Pages/tintuc/chitiet.aspx?tintucID=222875>

¹¹ People with disabilities are people with some disability of one or more body parts or a functional impairment manifested in the form of a disability, making their working, living or studying difficult.

¹² Source: Vietnam National Committee for People with Disabilities, Report on Performance Summary for 2019 and Tasks and Directions for 2020.

¹³ According to the Vietnam Population Forecast for 2009-2049 of the General Statistics Office, the rate of people aged over 65 in 2009 was 6.43%, which would be increased to 17.98% in 2049. However, in reality just after 16-18 years, the rate was increased to 14% of the total population. This is one of the world's highest rates.

elderly people aged over 80 having to continue to work is 5%; in particularly the rate of elderly people in rural area having to continue to work is higher than that in urban area¹⁴. According to the General Statistics Office, the rate of people over the working age¹⁵ who are participating in production and business activities is relatively high, i.e. 8.2% of the population is over 15 years old and 42.4% of the population is in the working age.

3. The COVID-19 epidemic

According to latest updated statistics, by September 7, 2020, more than 27 million people were infected and nearly 900,000 people died of the disease. Vietnam is considered to control the epidemic very well with more than 1,000 cases and 35 deaths¹⁶. The first death occurred when Vietnam recorded the second wave of the epidemic with the first new case from local transmission found in Da Nang on June 24, 2020 and then the epidemic spread to other cities and provinces.

One of the measures adopted by countries to prevent the spread of the disease is lockdown and social distancing. The policies have been applied at different levels including limited travel and public transportation; limited gatherings at public places; keeping minimum distance between people; closing schools; suspending non-essential activities such as production and service activities, etc. Vietnam also conducted 22 days of social distancing in April 2020 to prevent the outbreak of the epidemic. From April 23, social distancing measures were gradually eliminated. On May 8, the whole country moved to another stage of preventing and fighting against the epidemic and recovering and developing the economy, and establishing “a new normal situation in socio-economic activities”¹⁷. Entering the second wave, Vietnam’s main prevention plan was early detection, traceability, and timely isolation. Thus, social distancing was not applied on a large scale but in provinces with severe outbreaks.

International organizations and financial institutions evaluated that the global economic growth in 2020 would fall into the most severe recession in decades due to the serious impacts of the epidemic¹⁸. COVID-19 had negative impacts on labor and employment of workers. In the first quarter of 2020, the total number of working hours was down by 5.4% compared to the fourth quarter of 2019, equivalent to 155 million full-time jobs. By the second quarter this year, the rate was increased to 14.0%, equivalent to 400 million full-time jobs, surpassing the previous predicted rate of 10.7%. Even if the most positive scenario in which the economy would recover rapidly takes place, by the end of 2020, the total number of working hours would not be able to be as many as that before the crisis¹⁹. Unemployment situation got worse in most countries, especially in developed economies such as Canada, the US, and China; in particular the unemployment rates in May 2020 were 13.7%; 13.3%; and

¹⁴ According to the National Survey on Elderly People, 2012.

¹⁵ People in the working age according to the Labor Code of Vietnam are those who are aged 15-60 for men and 15-55 for women.

¹⁶ Source: <https://ncov.moh.gov.vn/>

¹⁷ According to Notice No.177/TB-VPCP on the conclusion of Prime Minister Nguyen Xuan Phuc at the Standing Meeting of the Government on the prevention and fight against COVID-19 dated on May 8, 2020.

¹⁸ International Monetary Fund has lowered its global growth forecast by more than 1.9 percentage points compared to that in April 2020, to -4.9%; World Bank has forecast that the global growth rate would be -5.2%, the largest decline since the Great Depression in the 1930s.

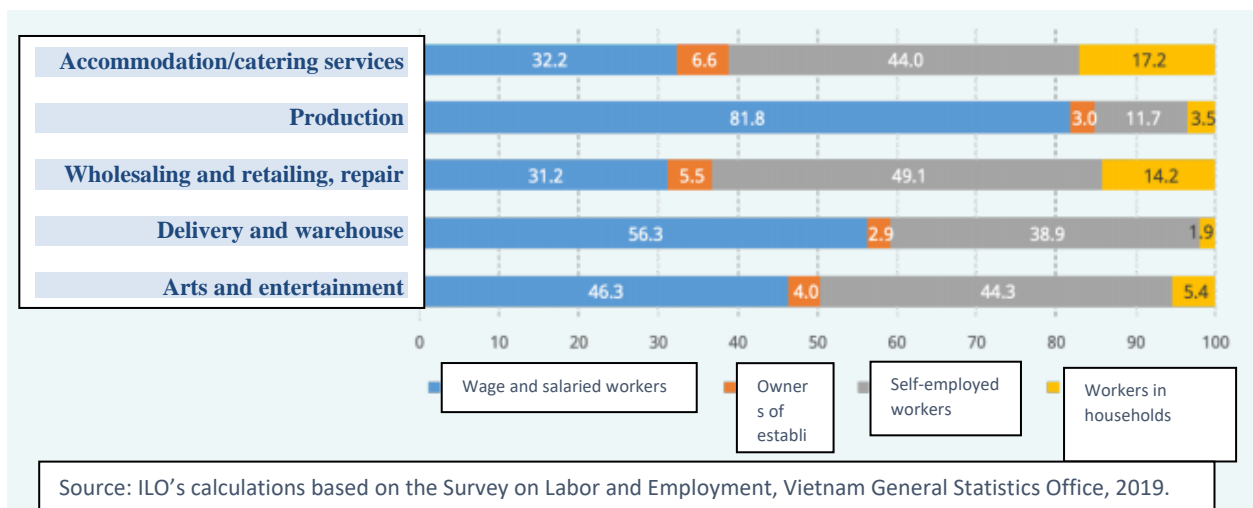
¹⁹ Source: Monitoring Report No.05 of ILO: COVID-19 and the employment world

5.9%, respectively, which were much higher than those in the same previous period of the year before²⁰.

According to the announcement of the General Statistics Office, in Vietnam, among 51.8 million workers having jobs in the second quarter this year, there are 30.8 million people under impact of the epidemic, i.e. job loss, layoffs, rotational leave, reduced working hour and reduced income. Workers in the service sector suffer most (72%), followed by those in industries and construction sector (67.8%), and those in agro-forestry-fisheries sector (25.1%).²¹

According to a research by ILO (Figure 1)²², most informal workers are active in sectors in service of the domestic market and the sectors suffering most from the crisis. After the epidemic, formal sector with stronger resources and capacity will be able to recover more rapidly; meanwhile, the informal sector will find it more difficult to do it, especially for the most suffering sectors. Thus, without appropriate measures and policies, informal workers will highly likely fall into poverty and have to cope with greater challenges to make livelihood in the post-epidemic recovery period.

Figure 1. Employment in five most affected sectors



Given the impacts of COVID-19, international organizations have given recommendations for supporting workers, especially the group of low-income ones. Accordingly, Governments have actively implemented measures at all levels to support people. In accordance with the World Bank, 176 countries have applied support measures, including 298 conditional and unconditional cash-based support programs in 153 countries in which six programs are one-time assistance (universal programs); 25 social pension programs in 22 countries; 117 food and in-kind assistance programs in 88 countries; 27 meal support programs for schools in 25 countries; 156 programs on exempting compulsory financial

²⁰ Source: <https://tradingeconomics.com>, updated in June 15, 2020.

²¹ Source: Report on Impact of COVID-19 on Labor and Employment Situation in Vietnam, General Statistics Office, 2020

²² Source: COVID-19 and Labor Market in Vietnam, April 2020, ILO

contributions and charges in 94 countries and 15 public employment programs in 12 countries²³.

In Vietnam, the Government has had a timely response to support people having difficulties due to COVID-19 which was stipulated in Resolution No. 42/NQ-CP dated on April 9, 2020. Accordingly, the budget worth about VND62 trillion would be used to give direct support to some certain groups of objects. Until the time of field survey (mid-June 2020), most provinces had completed the disbursement of the financial support to people with meritorious services, poor and pro-poor households, social protection beneficiaries, and were conducting a review to support freelance workers with employment difficulties.

II. RESEARCH DESIGN

1. Objectives

1) *Overview objectives*: To provide qualitative information about socio-economic impacts of COVID-19 on informal workers and suggest appropriate social welfare solutions in order to help them recover after COVID-19.

2) *Specific objectives*: The rapid assessment report focuses on addressing the following problems:

(i) Which groups of informal workers are affected and in what ways and channels (both direct social impacts and indirect employment and income impacts)? How much does COVID-19 affect life of the groups and their families, and the most vulnerable groups?

(ii) How do households of informal workers respond to the impacts? What solutions do they have to respond to social changes? Do they have to cut back on essential expenses on key good products and basic services including education and healthcare for their family members?

(iii) How do the existing social security system and newly issued support measures work on the groups? How do low-income households perceive access to the existing SW system? And what is the system's capacity (usefulness and effectiveness)?

On that basis, the research gives recommendations on social welfare policies to continue to support the groups even in post-epidemic; and the weaknesses that need addressing in the existing social welfare system for people in general and the vulnerable groups in particular to be able respond to the shocks such as COVID-19.

2. Methodology

Rapid Impact Monitoring (RIM) mechanism offers an innovative, qualitative research approach, which investigates household and individual responses to social-economic changes or shocks. The aim is to supplement quantitative studies by triangulating findings and answering causal questions. By conducting Key Informant Interviews in severely affected areas, the method offers highly accurate and timely information at reasonable costs.

²³ Social Protection and Employment In Response to COVID-19: Report on Reviewing Real Time of Implementing National-level Measures, updated on July 10, 2020.

In fact, statistical indicators cannot fully and faithfully reflect the employment – income picture or the impacts of the current context on households’ livelihoods. Distributional differences and time lag ensure that there is a gap between aggregate trends and the real life expenses of most ordinary people, especially the vulnerable people. The RIM allows us to review the problems of workers (in selected sectors) and the vulnerable groups (which are identified), discover their problems, and track how they have responded to the current context and if and how official responses have helped them eliminate the pressures faced. Therefore, the RIM is able to allow an examination of the causal processes at work. Thus, in addition, the assessment assists policymakers in framing longer term solutions and operational managers in delivering support (notably via social protection).

The RIM approach is based on the three following steps:

a. Identify the most affected sectors: The results of quantitative analysis and overview of previous researchers show the sectors that are most affected. In the framework of the research whose target object is informal workers, the selected sectors are: agricultural production, restaurants, accommodations, retail sales, and transportation.

b. Identify the most affected community

Even though the effected population groups are spread extensively across many areas of the nation, for the survey’s effectiveness and efficiency with regard to expenditures and the progress, locations for the survey are purposively selected. The locations were selected through reviews at provincial, district, and commune levels. The review identifies the poor and the low-income workers in some communes/wards suffering from extensive shocks, but receiving decreased social welfare in some field (quality of meal, nutrition, educational and healthcare services, etc.).

Table 2: RIM locations

Selected location	Province/city
<i>I. Rural areas:</i>	
1. Rural areas having industrial parks or factories with high densities of seasonal workers	Hanoi (1 district – 2 communes)
2. Rural areas producing agricultural goods for domestic consumption and export	Hoa Binh (1 district – 1 commune)
3. Semi-rural areas having many production and business establishments/households that provide products and services for urban areas	Quang Ninh (1 district – 2 communes)
<i>II. Urban areas:</i>	
1. Urban areas with high densities of population and diverse service business activities	Hanoi (1 ward)
2. Adjacent urban areas having many household service business activities	Hoa Binh (1 ward)
3. Industrially-developed urban areas with many groups of population and workers	Quang Ninh (1 ward)
Total	8 communes/wards

c. Identify and interview extremely affected households and/or individuals

On the basis of communes/wards' characteristics, the review aims to find out the major problems faced and the sectors obviously affected to select the target interviewees in the process of preparing the locations and working with local authorities at all levels. In-depth interviews²⁴ were conducted with most affected informal workers in urban and rural areas. In addition, the research also carried out in-depth interviews with owners of production and business establishments where the informal workers were working, owners of restaurants, accommodation, retail sales, and transportation establishments, etc. to figure the relation and the social support among labor groups in the society.

During the selection process of interviewees, we tried to balance the number of men and women to figure out the differences between male and female groups in terms of impact levels, capacity to respond to shocks, and sources of support. Therefore, the assessment and policy recommendations will also ensure the gender approach. In addition, within the permissible capacity and together with the coordination of local officials, we tried to select some representatives of informal workers who were the most vulnerable groups, i.e. workers from poor households, and people with disabilities, etc.

Table 3: Targeted groups within the survey

Target group	Interviewees	Hanoi	Hoa Binh	Quang Ninh	Total
I. Rural areas					
Local leaders	(1) Commune and hamlet leaders	3	3	4	10
Households with informal workers (agriculture, retail sales, restaurants, accommodations, transportation)	(2) Households with informal workers in other provinces	2	3	2	7
	(3) Households with unemployed workers, workers with layoffs, workers who had to find other jobs due to COVID-19	4	2	2	8
	(4) Households with members working in industrial parks and craft villages	10	7	0	17
Owners/self-employed	(5) Agricultural producers	2	6	13	21
	(6) Retailers	9	4	6	19
	(7) Owners of restaurants, accommodation facilities and transportation service providers	13	2	13	28
Specific groups in each location	(8) Determined through interviews with commune and hamlet leaders	4	0	3	7
II. Urban areas					
Informal wage and salaried workers	(1) Households with members working in retail sale businesses, restaurants, accommodation facilities, and transportation service businesses who are local people	3	3	3	9
	(2) Households with members working in retail sale businesses, restaurants, accommodation	3	0	0	3

²⁴ Group discussion is an effective method. However, because social distancing might be applied in a longer time, the organization of group discussion was not practical for the assurance of safety of interviewees.

Target group	Interviewees	Hanoi	Hoa Binh	Quang Ninh	Total
	facilities, transportation service businesses from other provinces				
Owners/self-employed	(3) Retail sellers, owners of restaurants, accommodation facilities, and owners of transportation service businesses who are local people	7	14	15	36
	(4) Retail sellers, owners of restaurants, accommodation facilities, and owners of transportation service businesses who are from other provinces	7	2	0	9
	(5) Others	0	1	5	6
Total		67	47	64	178
Total		67	47	64	178

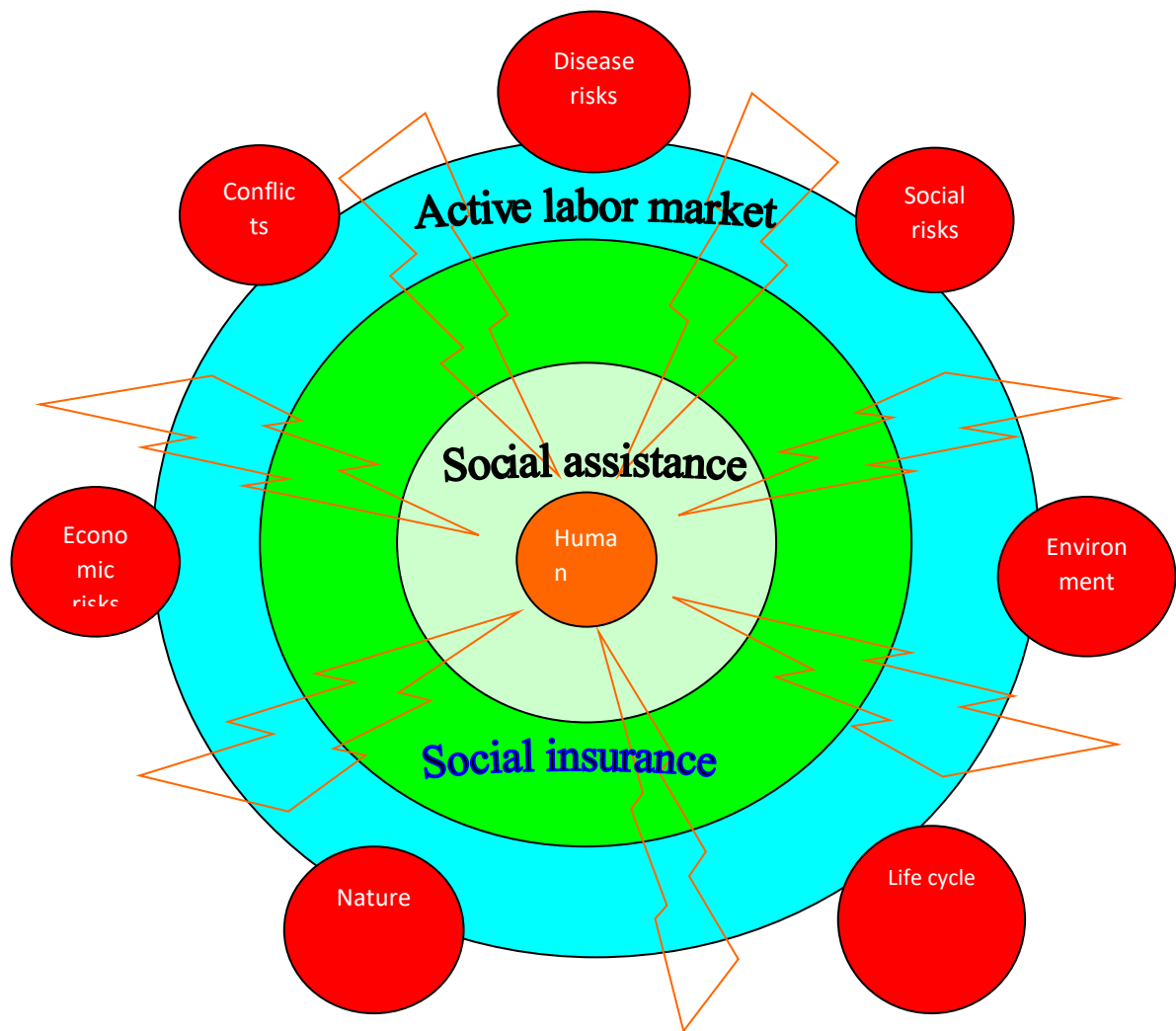
3. Analytical Framework

a) Risk management approach framework

Epidemic risk is one of the seven main groups of risks, including covariate/common and sudden risks (sudden occurrence/sudden consequences detected) whose consequences may exceed the self-sufficiency of individuals, households, or community support. With regard to social welfare, the aim of risk management is to assure the good implementation of risk prevention, mitigation, and response strategies to protect basic livelihoods²⁵, including: (i) *Risk prevention*: supporting people to proactively prevent risks related to daily life, health, production and business, and natural environment; (ii) *Risk mitigation*: helping people to have enough resources to compensate for income gaps due to shocks related to daily life, health, production and business and natural environment and (iii) *Overcoming risks*: giving timely support to minimize unpredictable and uncontrollable impacts due to shocks related to daily life, health, production and business and natural environment and assure minimum living conditions.

Figure 2: Approach framework of risk management

²⁵ For example, the vaccination and improvement of living conditions such as housing, clean water, sanitation, and waste treatment, etc. can protect the community from diseases. Social insurance can compensate part of the income when they lose jobs or have sickness. Labor market programs can protect workers from losing jobs and support them to readapt to the labor market. Poverty reduction and hunger elimination policies support workers in terms of income so that they can escape poverty or fall into poverty.

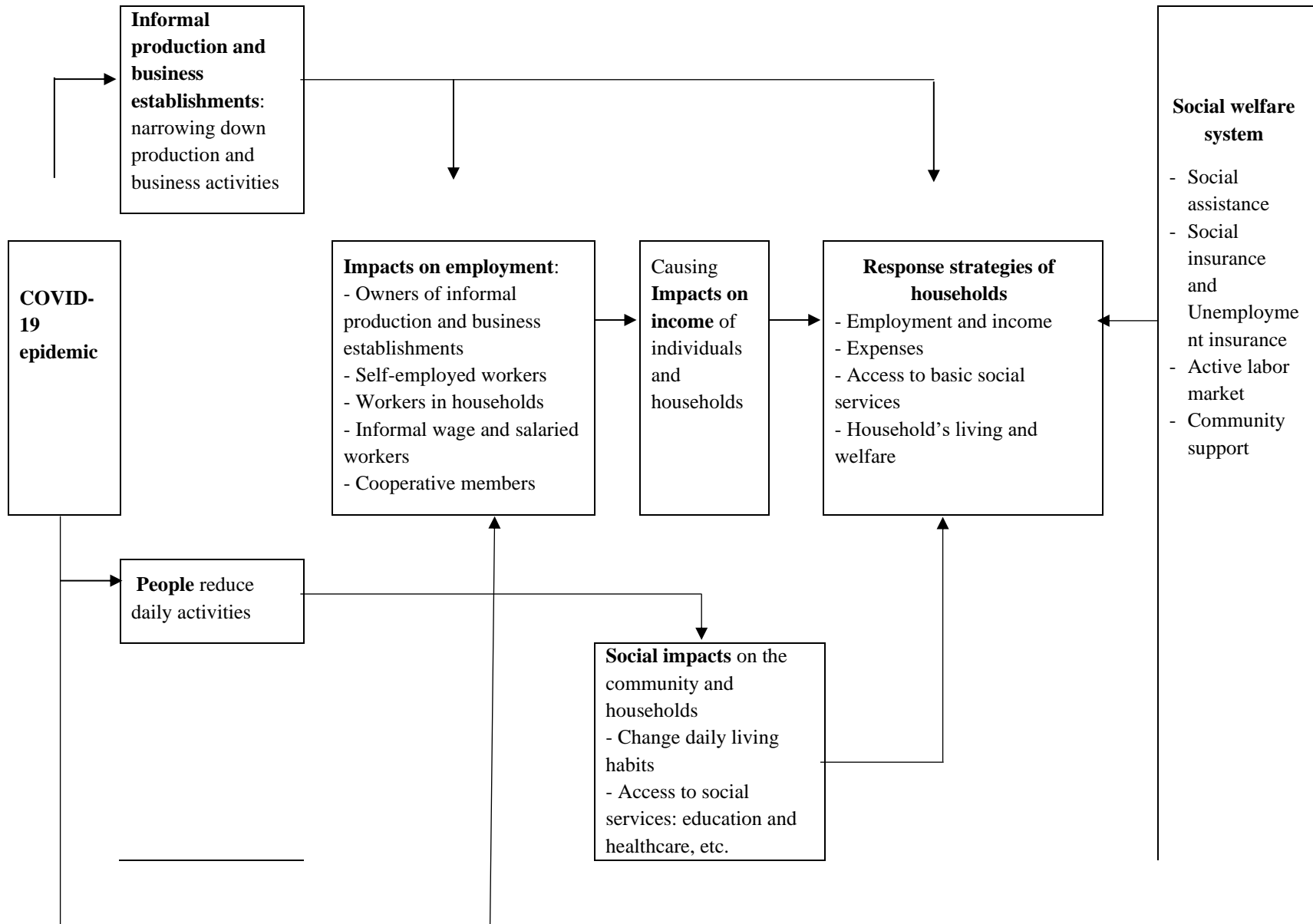


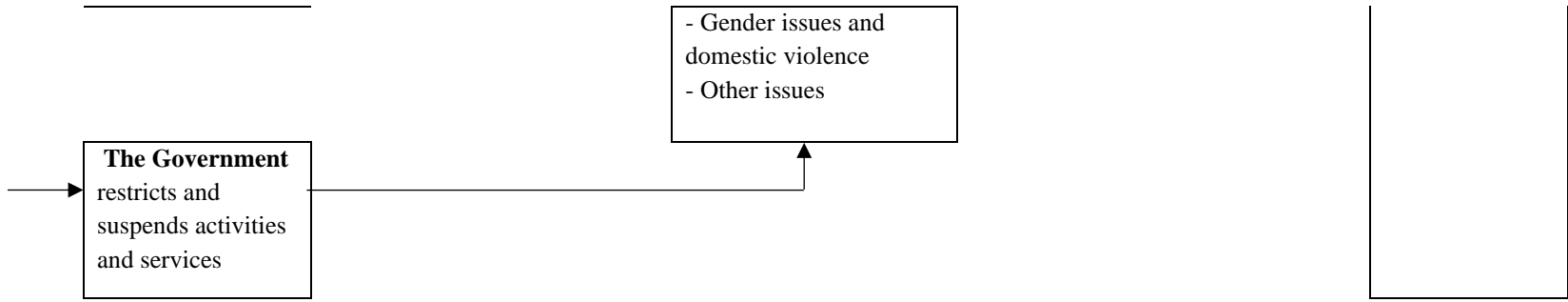
The research review social welfare solutions that help people in the period of **overcoming consequences** of COVID-19 through three channels: active labor market measure, social insurance, and social assistance.

a) COVID-19 impact analytical framework

The analytical framework is designed to review and generalize the impacts described below. COVID-19 impacts are analyzed through different channels. In addition, the report focuses on researching and evaluating the most disadvantaged and vulnerable groups which are poor workers, social protection beneficiaries, migrant workers, and low-income workers in urban areas.

Figure 3: Analytical framework of impacts of COVID-19 on informal workers





4. Advantages and disadvantages in the research process

Advantages and strengths:

The survey on informal workers received very good coordination and support of provincial-level Departments of Labor, Invalids, and Social Affairs (DOLISA) and district-level Offices of Labor, Invalids, and Social Affairs, commune leaders, LISA officials, heads of villages, and local people. Thus, all of the activities were deployed on schedule and as planned. Surveyed locations in rural and urban areas were selected properly, meeting the requirements for diversity, characteristics, and representativeness to fully reflect all aspects and problems.

The field survey was conducted in mid-June 2020 when all economic activities and people's life were gradually stabilized. Interviewees had time to step back and have a reflection on the epidemic and social distancing period. At the same time, the long-term impacts of the epidemic on socio-economy and people's life were more obvious.

The targeted groups of the interview were suitable with the research objective and plan. They had cooperative spirit and good coordination to produce good quality interviews. We collected quality and trustworthy information. Besides collecting information from the targeted groups, we interviewed members in their families. Thus, the information covered various areas such as labor, employment, and income of informal workers in most fields.

The research team met and collected information from workers in all sectors according to the research design including agricultural production, transportation, retail sales, accommodations, and restaurants. Additionally, we collected information about other sectors such as construction, manufacturing, processing, scrap collection, education and personal healthcare, etc. It reflected relatively fully the picture of informal workers in most economic sectors.

The research team also had full access to informal worker groups including self-employed workers/workers in households and wage workers in informal sector; and workers doing informal jobs in formal sector. The surveyed groups also include the most disadvantaged and vulnerable workers such as workers from poor and pro-poor households, social protection beneficiaries, elderly workers, and ethnic minority workers.

Disadvantages and limitations:

Interviewees were mostly women. Of 168 workers who participated in the direct interviews, just 33% were men. The reason was that male workers were often busier at economic activities than females; and the females found it easier to share about the economy and life of themselves and their families. Young worker group (under 25 years old) accounted for a small proportion (2%) because this group does not often represent their households. In addition, young workers are trending to work in formal sector.

The research team did not approach many migrants (under 10%). The reason was that selected locations (except for Hanoi) did not gather many migrant workers. In contrast, due to

the epidemic and unrecovered economy, migrant workers had to return hometowns or leave for another place. The research team did not figure and reflect problems of ethnic minority groups. The surveyed commune with ethnic minority groups in Hoa Binh province (Mong Hoa commune) was adjacent to Hoa Binh city with a development planning for industrial parks. In reality, they were the most affected groups by the epidemic. Thus, we suggest carrying out more in-depth researches on the two groups.

At the time of the survey, the localities were reviewing the freelance worker group affected by the epidemic to provide support in accordance with Resolution No. 42/NQ-CP; thus most subjects who were arranged to participate in interviews were of the group. Although we could not approach other informal worker groups, the interviewees provided us with a lot of information about other members in their families who were not the beneficiaries of Resolution No. 42. Thus, the interviewees still met the requirements of the survey.

Some interviewees hesitated to engage, making the research team apply all skills and techniques to persuade them to be more active and cooperative, from which we collected necessary information. To do field survey on informal workers in urban area, the research team had to come every household, meet and interview them at night because they all worked late, even on the weekends.

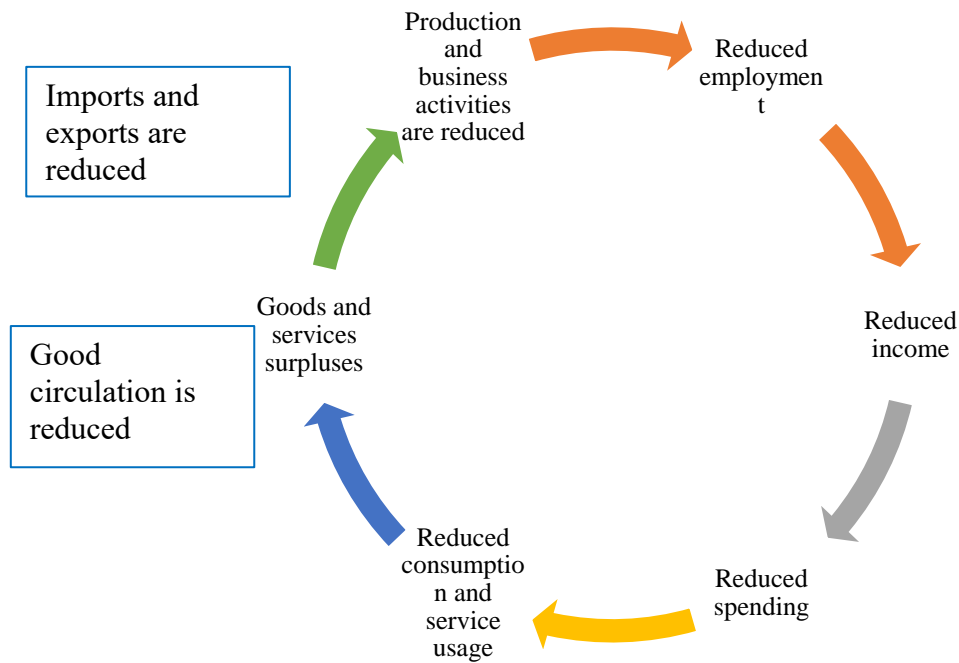
III. RESEARCH FINDINGS

1. Channels of impacts on informal workers in economic sectors

The COVID-19 epidemic has affected most fields such as production, business, services, and other economic activities. Although the epidemic has been basically controlled in Vietnam, the world is seeing its complicated developments, especially in the countries which have great trade relations with our country. This has caused damage to the production and business activities because of the limitation or loss of import-export supply and demand for many kinds of goods and services. In addition, domestic consumption has been stagnant, leading to a surplus due to a decrease in consumption and use demand for goods and services.

The level of impacts varies by sector and period of time. Some industries and sectors have been stagnant or frozen with no production activities at the time of the outbreaks or social distancing. After social distancing, some sectors began to recover. However, some other sectors were severely affected and could not show any sign of recovery, or even became worse. Thus, employment and income of workers in both informal and formal sectors have been severely affected.

Figure 4: Economic sectors under impacts of COVID-19



Agriculture

Agriculture has the largest proportion of informal workers²⁶; it is considered the basic livelihoods of the workers. At times when they have difficulties in maintaining or finding new jobs, most workers come back to do agriculture as the last resort.

Agricultural production is seasonal and risky because of natural disasters, epidemics, price fluctuations, price pressure, and severe competition with Chinese produces, etc. In 2020, droughts and saline intrusion happened early, especially seriously in the Mekong Delta; the African swine fever epidemic was controlled but the speed of re-herding was slow, and the pork prices were high, all of which have made animal husbandry farmers not return to normal production. COVID-19 has doubled the difficulties for agricultural production. According to the evaluations of the General Statistics Office, agricultural sector had effective response solutions. Thus the production output was relatively good; the yield of the 2020 winter-spring crops was increased compared to the same period last year; the animal husbandry was developed well. Forestry production began to recover in May. Fisheries production continued to be difficult due to a sharp decrease in the exports and prices of material fish and shrimps²⁷.

For the seasonal characteristic, agricultural activities suffered at different levels. The least affected worker group was those who produced products for home consumption for themselves

²⁶ According to the 2016 Report on Informal Workers, agricultural workers in households were 21.807 million people, accounting for 40.91% of the workers having jobs; 53.3% of workers in households with business licenses were informal workers.

²⁷ Report on Socio-Economic Situation in Second Quarter and First Half of 2020, General Statistics Office, July 2020.

and their relatives. Another least affected group was those who produced long-term agricultural products whose harvesting time did not fall during the outbreaks of the epidemic.

The most affected worker group was those who produced short-term agricultural products or the products whose harvesting time fall during the outbreaks of the epidemic. If not harvested, the products will be spoiled and destroyed. If harvested, they will be sold nowhere. Meanwhile, it was costly for farmers to apply pre-processing and storing techniques, not to mention the down prices in the market. It is extremely serious for production activities with huge financial and labor investment such as aquaculture.

Figure 5: Channels of impacts on agricultural production



Many reasons are given for the fact that agricultural products are not consumed in all provinces. First, local purchasing power is low because indigenous people don't have such demand while the number of tourists and visitors decline sharply during and after social distancing. Second, it's hard to approach domestic and foreign markets because of limited trade exchange and travel, and declining demand for many kinds of commodities during and after the epidemic. Third, the traditional reason is the shortage of agricultural production planning and orientations. Farmers used to doing agriculture in a spontaneous manner, leading to surplus of products after several successful crops. What to raise and what to plant are always hard questions for farmers.

“My family is on a contract for raising shrimps, crabs, and fish on an area of 80 hectares at the value of VND1,625 billion/year with the cooperative. During the epidemic, restaurants did not import our products, leading to a sharp decline in prices, for example, prices of crabs were down from VND400,000/kg to VND100,000/kg. We could not sell shrimps or in other words, we lost the crops. The fish productivity was decreased as well. Now, although tourists begin to come to

Quang Ninh, the number of the tourists is not large and the prices are not as high as in other years, i.e. VND200,000 /kg.”

Ms. PTM, born in 1979, Lien Hoa commune, Quang Yen district, Quang Ninh province

“The hamlet is close to the sea. We have more than 20 households with fishing ships. In the epidemic, we still could go fishing in the sea but we did not know where to sell. Large-sized mantis shrimp was priced at VND100,000/kg but could not be sold. The bigger the shrimps and fish are, the harder for us to sell them due to few restaurants which opened. Seafood filled the freezers, which haunted us. Freezers have consumed a lot of electricity but the prices now are half of that of fresh seafood.” – *Mr. TVM, born in 1967, Lien Vi commune, Quang Yen district, Quang Ninh province*

“My family has four laborers who do farming on an area of three “mẫu” (one “mẫu” is equivalent to 3,600 sq.m.). On half of the land, we grow rice; and on the other half, we plant apple and sugarcane. Apples were harvested and sold out during the Tet holiday. The apple price this year was not as high as that last year because of more apple growers. The sugarcane was exported to Hanoi to serve sugarcane juice shops. During the social distancing, no one came here to buy them. And even now in June, nothing changed. Every year, we were busy buying and selling. But this year, it’s empty. I feel sorry for our efforts in a whole year. If we cannot sell the sugarcane by August, we have to hire workers to cut down dry sugarcane so that we can replant it next year.” – *Mr. NVT, born in 1956, Mong Hoa commune, Hoa Binh province.*

“My family raises quails to provide quail eggs for collective kitchens in schools and factories, etc. We have done the business for years. Due to the epidemic this year, schools and factories are closed, leading to the stoppage of collective kitchens. We are stuck with our products. We cannot earn much if selling them in the markets. Now when the kitchens are reopened, we can sell out all of the inventories.” – *Mr. NTMP, born in 1982, Thuong Tin district, Hanoi*

Therefore, agricultural production mostly suffers from indirect impacts due to declining purchasing power and difficult goods circulation. Although workers in this sector are not much affected in terms of employment, they have to cope with a big risk of income. It is due to the products could not be consumed or they could lose all the crops, especially for production activities with huge financial and labor investment such as aquaculture.

Processing industry

With regard to processing industry, informal workers are mostly concentrated in small-scale production establishments, handicraft establishments, and household workshops, craft villages. There are also a number of informal workers with under one-month working contracts

and without SI in enterprises in the formal sector. The decline in industrial production seriously affects their employment and income.

Enterprises that produce essential goods or assure a two-meter distance were allowed to operate during social distancing. However, the operation of the processing industry was strongly influenced by input materials and output markets. The industries using imported materials and producing export goods were affected due to limited trade exchange. The enterprises used a large number of informal workers to do simple jobs and the group of workers would be cut back first upon the decline of industrial production.

“I am a freelance worker. I used to be a worker in Mong Hoa Industrial Park. In January this year, our Chinese owner return China and he could not come back to Vietnam. So, the factory had to shut down. That was an establishment that produced votive items to export to China. But now, it still shuts down. I got salary in the Tet holiday. And now I am unemployed and get no support.

My wife works as a bamboo plywood pressing worker. She used to have to work on Sunday. She had to work 11 hours in a shift. She had to do night shift in a week, which was alternated with a week of day shift. After the Tet holiday, her workload was gradually declined. After several working days, she had to take leave due to social distancing. After the social distancing, she was underemployed because the outbreaks of the epidemic in the US that made it unable to export the products. My wife came back to work on May 20. I don’t know if it is stable or not.”

Mr. DVT, born in 1963, Mong Hoa commune, Hoa Binh province.

Handicraft production and business establishments and craft villages attract many local workers. They are a channel that generates jobs and income for the workers besides agricultural production. During social distancing, most of the establishments had to stop operation. In addition, after social distancing, they could not sell the products due to a sharp decline in the demand and large inventory, making them unable to come back to normal production. In the establishments, both owners and workers did not come back to work or they had to have layoffs.

“I am owner of a factory producing garment accessories. Before the outbreak of the epidemic, I hired 10 workers. During the epidemic, I had to cut back on them due to social distancing, little work, and large inventory. Until now, I cannot call them back.”

“My family works on embroidery. During social distancing, I had to cut back on our workers. Until now, I cannot call them back because I cannot pay them. I have lost many business contacts and contracts. I have to shut down my business.”

“My family and others in the village make ceremonial clothes. I used to hire more than 30 workers from other communes and pay them VND6-8

million/person/month. Due to the epidemic, all activities had to stop; no one bought the products and we could not sell them."

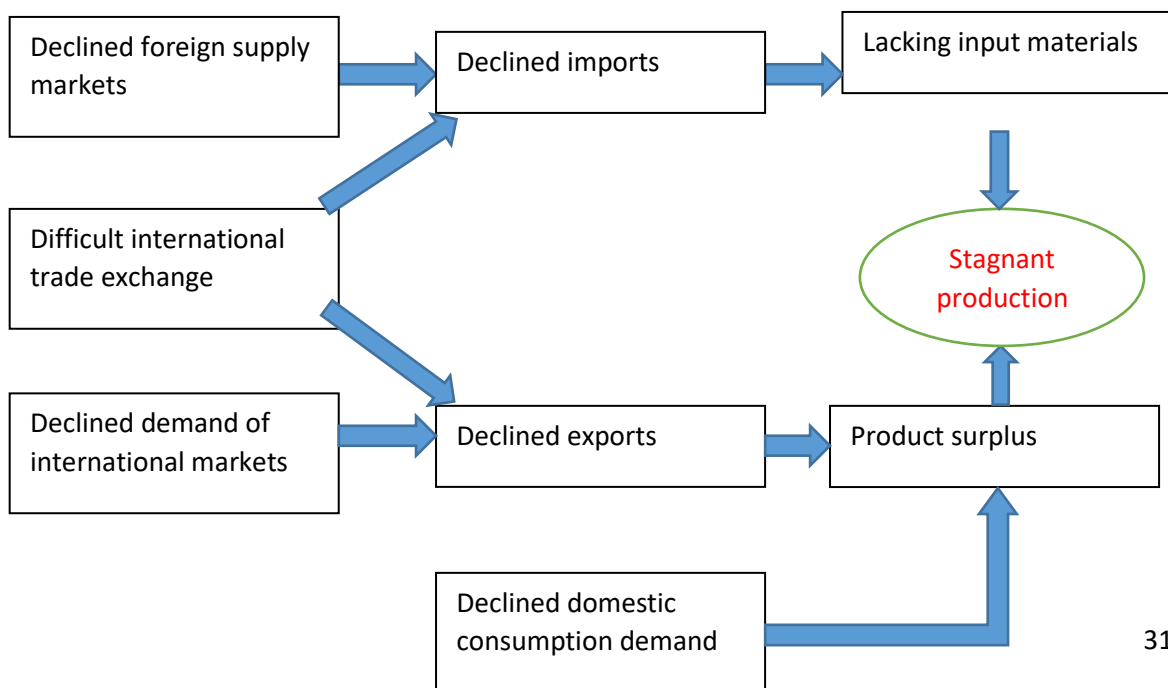
Owners of some production and business establishments in Thuong Tin district, Hanoi.

Thus, during social distancing, enterprises and establishment had to suspend operation. However, after social distancing, many establishments did not recover their production, especially those in the export, handicraft, and home appliance industries. The notable thing is that owners of the establishment did not see any positive sign due to low demand and large inventories.

In the context of the epidemic in Vietnam and the world, the industry of manufacturing medical protective equipment, especially facial mask had many opportunities to develop. Enterprises in garment and apparel sector rapidly adapted to move to produce medical masks and antibacterial masks to serve domestic and international markets. Accordingly, a number of factories were expanded and hired more seasonal workers to timely produce and meet the orders. That was one of few positive impacts of COVID-19.

"Previously, we were specialized in producing face towels to export to Japan. Given the increasing demand for antibacterial face masks, we immediately bought a production assembly, did trademark registration and testing standards as required. In late February, we hired more 30 local workers and by March, we provided the products to the market. After the Government allowed the exportation, we ran the production assembly to the maximum capacity with three shifts a day; and we had to hire more 30 seasonal workers." – Ms. HVTĐ, born 1980, Manager of V.B. Garment Company, Hanoi

Figure 6: Channels of impacts on processing industry



Construction

Construction is one of the sectors having many informal workers²⁸. They are freelance workers engaged in small and medium-sized civil construction contracts, and manual workers in large construction sites hired by contractors and subcontractors. Their employment depends on the constructions that they are engaged in; they are employed when there is work and unemployed when there is not. They are paid on working day basis. As said by the construction workers, every year, their work was often reduced in “tháng Ngâu” or on rainy days if the constructions were outdoors. However, due to the epidemic and social distancing, they had to stop working in the first three weeks of April. It happened in both rural and urban areas. However in many localities, after the period of compulsory leave, the construction activities did not become normal; so the workers did not have jobs.

“My husband is a construction worker. Before the Tet holiday, he could earn VND300,000/day and he even did not have enough time to do all of the work. Afterwards, he were paid higher at the rate of VND320,000/day but had no work to do. Since the Tet holiday, he just worked 40-50 days. This time, he has to maintain all the construction machines and tools or they will be out of order”. – Ms. NTN, born in 1975, Quang Yen district, Quang Ninh province

Due to a decline in construction activities, construction material shops have been accordingly affected. They did not have difficulty in input but suffered a decline in the number of customers even two months after social distancing.

I sell construction materials. I had to borrow VND500 million from bank with the interest rate of 0.8%. Last year, I settled the amount of VND100 million. The venue rental was VND1.5 million. I hired two workers but had to let them go after the Tet holiday because of the epidemic. After the epidemic, few people came to me to buy construction materials; so I could not call them back. Mr. PHB, born in 1979, Quang Yen district, Quang Ninh province

Retail sales

According to the General Statistics Office, the total retail sales in the first quarter were worth VND985.8 trillion, up by 7.7% y-o-y. In the second quarter, the total revenue of retail sales was VND928.5 trillion, down by 4% compared to the previous quarter, but up by 1.2% y-o-y. The good thing was that in May – the first month after social distancing and when there was the Liberation Day on April 30 and the International Labor Day on May 1, consumption and shopping activities rose again. Trading and service activities in May soared by 26.9% compared to the previous month. Following the momentum in May, they continued to increase in June with an increase in the total retail sales of 6.2% compared to the previous month and 5.3% y-o-y.

²⁸ According to the Report on Informal Worker 2016, informal workers in the construction sector account for 90.2%

In 2018 as a whole, there were 8,475 traditional markets, 1,009 supermarkets, and 210 trade centers²⁹. The statistics did not include “spontaneous” local markets within residential areas and street vendors, especially in urban areas. Most laborers in the markets and street vendors were informal workers who were self-employed or workers in households.

Retail shops of essential goods such as food and foodstuff, vegetables, and fruit, etc. were not pushed to close during social distancing but received much fewer customers in March and April. Although people eliminated shopping activities, because of the certain demand for necessity stuffs, they increased the volume each time of purchase. After social distancing, most households with lower-middle income and lower still limited their expenditure, especially on expensive foodstuff. Particularly, the price of pork soared during that time³⁰, making the demand for pork dropped sharply.

“We make tofu to sell. In the same period last year, we made 1,100 pieces of tofu and soymilk from 50kg of soybean and everything was often sold out. This year, due to the epidemic, restaurants were closed and people bought less. Even now when the restaurants are open again, we cannot sell much. We just can sell 700 pieces of tofu a day at maximum”. *Ms. TTH, born in 1983, Huu Nghi ward, Hoa Binh city*

Buying on credit was very popular especially in grocery stores both in rural and urban areas because of the relationship between sellers and buyers. It was believed that “without accepting buying on credit, we cannot sell products; but if accepting it, we don’t know when to collect money”. The phenomenon was very common during social distancing and lasted until the epidemic was basically controlled.

“We are a grocery store in the intersection in many years. The business ran well by the end of the first lunar month. It slowly went down after the second lunar month. After social distancing, we came back to the business but the revenue was one third of that of every year. We have products to sell but customers buy much less. Tourism is frozen this year; so we cannot sell products. It’s a common situation for everybody.” – *Ms. NTL, born in 1977, Lien Hoa commune, Quang Ninh province*

Stores that sell inessential products such as clothes, footwear, and home appliance, etc., had to stop operation during social distancing. They were allowed to continue their business after social distancing. However, after social distancing, the demand was much lower because people had to reduce their expenses and feared for the epidemic. All of the stores said that they had large inventories; their business might not be able to recover and rise up until the end of the year.

Stores that provide electronic products, mobile phones, and computer repair service had to close during Feb-Apr. Clothes stores had to stop working in two months due to social distancing. After social distancing, the business performance was still so poor, by 60-70% of that before the Tet holiday.

²⁹ Source: <https://www.gso.gov.vn/SLTK/>

³⁰ <http://baochinhphu.vn/Thi-truong/Gia-thit-lon-o-muc-cao-se-la-ap-luc-doi-voi-lam-phat-nam-2020/395539.vgp>

Interviews with business households in some districts in Hanoi

“I have been selling votive items since 1994. Earlier, I could raise my kids with the livelihood. But now, I could not feed myself. When the social distancing policy was applied, I had to stop my business. Since COVID-19 happened, I have been selling very little. A lot of expensive votive items were in stock.” – *Ms. DTL, born in 1957, Huu Nghi ward, Hoa Binh province*

Notably, e-commerce was not affected yet saw an increasing trend. The COVID-19 epidemic and social distancing measures made big changes in the shopping habits of consumers, especially in big cities where they did not have to gather in crowd, and products were delivered quickly and conveniently. Many retail enterprises took advantage of the opportunity to restructure their operation, run more online sales channels or do telesales. According to the latest survey by Shopee, there is a noticeable change in food product categories and department stores in the context that Vietnamese people tends to go shopping online to meet the demand for food products. In particular, they give priority to buy food products online more than before; the number of consumers placing order of food products via Shopee increases by 3.5 times³¹. Stalls on e-commerce websites, business websites, and social networks have opportunities to develop, increase sales, and customers. Online business used to be a part-time job for many people. But now, many people have changed to do it full time..

“It has been nearly four years since I ran an online business of frozen products and others. I don’t have to pay venue rental and cover advertising costs. I sell my products on Facebook, Zalo, and run some stalls on e-commerce websites. Because of the epidemic, more people switch to buy products online. Word-of-mouth marketing helps me win more customers, even those from other provinces. I have to rent another room to stock my products and one worker to support me.” – *Ms. BTT, born in 1990, Cau Giay district, Hanoi*

Even with or without COVID-19, e-commerce will definitely become an indispensable trend with a remarkable growth rate³². This will then make pressure on traditional markets and traditional retailers.

Thanks to the controlled epidemic, business activities in local markets, supermarkets, and convenience stores in urban area have become exciting recently. However, in rural area, the business activities have recovered more slowly, especially when it comes to the inessential goods such as electronic products and home appliances.

³¹ Source: <http://hiephoibanle.com.vn/nguoi-tieu-dung-viet-gia-tang-mua-sam-thuc-pham-qua-kenh-online/>

³² According to a report of Google Temasek, it is expected that the growth rate of e-commerce in Vietnam will rise from 43% in 2018 and reach VND15 billion in 2025. It is thanks to that 66% of Vietnamese people often use the Internet, 72% of the population use smartphones, and most significantly 35% of the population is millennials. They are aged 22-37, generally marked by elevated usage of digital apps, and they are influencers of online shopping and in-store shopping.

Tourist, restaurant and accommodation services

Tourism is an integrated economic sector that has a close relationship with other sectors such as transportation, accommodation, catering and entertainment services, etc. Tourism sector had a breakthrough development; particularly, international tourist arrivals increased from 8 million in 2015 to 18.008 million in 2019, domestic tourist arrivals also increased from 57 to 80 million for the 2015-2018 period. However, tourism is one of the most affected sectors due to COVID-19. Accordingly, international tourist arrivals to Vietnam fell sharply from 1.9 million in January 2020 to more than 400,000 in March 2020 and 22.7 thousand in May 2020³³. Vietnam has launched the program “Vietnamese people travel around Vietnam” so as to promote tourism demand. However, the second wave of the epidemic in the biggest tourist destination in the Central Coast, aka Da Nang, made tourism sector became stagnant one more time.

Accommodation and restaurant service industry was accordingly strongly affected. According to the General Statistics Office, sales of accommodation and catering service in the first half of the year was worth VND 234.7 trillion, accounting for 9.9% of the total sales and down by 18.1% y-o-y (while that in the same period 2019 was up by 10.2%). Notably, in the second quarter of 2020, that sharply fell by 26.11% due to social distancing. Big enterprises and small or household-scale business facilities were both affected by the dramatic reduction in tourist arrivals. Most workers in the industry had to take leave or became unemployed.

“My children are tour guides for Chinese visitors. Since the Tet holiday, there have been no tourists. They have had no work since the 15th day of the first lunar month. Previously, they earned money from accompanying tourists. But now, they had to be off work. My daughter-in-law works for a hotel but she just works 14-15 days a month because of few guests.” – *Mr. NVN, born in 1957, Quang Yen district, Quang Ninh province*

“In February since the outbreak of the epidemic, there have been few guests coming to us. Since Vietnam suspended entry for foreigners and exercised social distancing, we have had no guests. After the Tet holiday, the bookings were just 50%. Some guests who had made bookings before cancelled it. And during social distancing, there was no one. As you know about the developments of the epidemic in the Western countries, many guests have to cancel the bookings and we have to make a full refund to them.” - *Ms. NTL, born in 1970, Homestay owner in Hanoi*

Accommodation and catering facilities which did not target tourists also suffered due to a decline in the service demand. It was a common phenomenon in both rural and urban areas. After the epidemic and social distancing, people’s living habits changed. For example, they often ate at home rather than eating out, which hardened the restaurants. People’s lower income was part of the reasons for their tightening expenses on unnecessary services such as eating out and entertainment.

³³ Source: Impacts of COVID-19 on Vietnam’s tourism sector, June 2020, M.A. Le Kim Anh

“I sell crab noodle soup. In April, I had to close the stall in a month. I and my husband re-opened the stall in May after social distancing but the number of diners was just 70% compared to that before the epidemic. People tightened the expenses because of lower income.” – *Ms. LTBH, born in 1960, Ba Dinh district, Hanoi*

“I have run a guest house since 2008. I did not hire any laborers but shared work among family members. I had to suspend the business in March due to the outbreak of the epidemic, which meant that I earned no money. During the epidemic, even those who traveled from afar did not want to stay here. Now I have re-opened the guest house for almost a month but received few guests.” – *Ms. LTH, born in 1974, Lien Hoa commune, Quang Ninh province*

“I and my husband came here from Thai Binh and rent a house. I am a street vendor who sells tea by the lake. After the Tet holiday, the number of customers began to drop. I had to close the shop from March 25 because I was afraid of infection. I re-opened the shop from April 25. Until now, the number of guests was small; it was down by 50% compared to that before Tet. Input costs (cigarettes, tea) were higher but the selling prices unchanged. Most of my customers are motorbike taxi drivers who cannot afford it if I increase the prices.” – *Ms. NTT, born in 1987, Cam Pha district, Quang Ninh province*

“I and my wife are street vendors who sell steamed sticky rice. I sell it in front of Song Da school during 5-7:30 A.M. My wife sells it in Tan Thinh gas station during 5-10 A.M. In the afternoon, we prepare things for the next day. Due to the outbreak of the COVID-19 epidemic, we had to suspend the sales in a month as regulated. After the epidemic, our sales were very poor. We could just sell it to students and local residents. In more than a month now, we were banned from selling steamed sticky rice in front of the school. So we can just keep one. Earlier, we could sell out 15kg of rice, 70 sandwiches, 5kg of pork, 40 sausages (for both stalls). But now, we can just sell out 5kg of rice, 50 sandwiches, 3kg of pork, and 20 sausages (for one stall).”

Mr. NTV, born in 1976, Huu Nghi ward, Hoa Binh city

In general, along with the economic recovery, tourist, accommodation and catering services also rise again. Informal workers in the sector return to their business activities.

Transportation service

Transportation service was strongly affected and plummeted due to social distancing and the “to stay home is to love the country” campaign. In May and June, freight, passenger, and tourism transportation rebounded but remained low compared to that before the epidemic. Passenger transportation did not recover as much as before the epidemic due to the declining travel demand and fear for epidemic, making people just go out when extremely necessary. Freight transportation declined due to unrecovered trade exchange activities, weak purchasing

power, and large inventories that were not delivered to distributors. Similarly, tourism transportation, for example, cruise trains and buses, suffered when the number of customers going sightseeing was much smaller.

“I am a motorbike taxi driver in 14 years. I also work as a freelance porter and shipper. Before the epidemic, I could earn VND4-5 million a month. During the epidemic, I could not do anything. No matter how much I tried, there was no job. After a month of having no jobs, I returned to work. It became more stable now. I could earn VND100,000-200,000 a day. But sometimes I earned nothing. In total, I could earn VND3 million net.” – *Mr. DQT, born in 1977, Huu Nghi ward, Hoa Binh city.*

“I am captain of a passenger ship to take Chinese visitors to tour Ha Long Bay. I am employed by owner of the ship who signs a contract with a company. *Đôi* Earlier, I often worked 20-25 workdays and had about 4 days off. But this time, I was idle all the time. Most workers on the ship had to leave the job. They went everywhere to find new jobs. We just receive Vietnamese passengers on the weekends. If we just work on the weekends, the income cannot help us cover living costs. We cannot work for the owner that way.” – *Mr. NVT, born in 1974, Quang Yen district, Quang Ninh province*

Along with the booming of e-commerce, shipping service rises strongly, which not only meets the shopping demand of households but also becomes a resort for a large proportion of motorbike taxi drivers with work shortage.

“I used to be a motorbike taxi driver at the bus station and some familiar spots. When social distancing was applied, people less travel. So I worked as a shipper for some online shops. I travel all day on the road around Hanoi.” – *Mr. TTH, born in 1960, motorbike taxi driver, Hanoi*

Other sectors

Scrap collection is a popular job in the suburban area. Scrap collectors mostly work in construction sites, factories, restaurants, hotels, and landfills. The industry was affected due to the suspended/declining production and business activities and lower consumption demand of people.

“I have collected scrap for more than 10 years. I often come to restaurants to collect beer cans and plastic containers, categorize them and sell them to buying agents. Even after the epidemic, the work is much less than before. Few customers come to restaurants, which means that there is little scrap for me to collect. Before the epidemic, I could earn several dongs a day. But now, it’s just VND100,000.” – *Ms. NTT, born in 1952, Cam Trung ward, Cam Pha city, Quang Ninh province*

Haircut, hair wash, and beauty service industry had to be suspended during social distancing. The facilities often have small scale with one to five workers. The owners are key workers and they recruit workers cum trainees to pass their professional skills. The facilities are near residential areas; so they have to rent venue. The owners can cut back on salaries of workers but they cannot do it with the rentals. Now in most areas, the activities of the industry have come back to normal because when life is stable again, people have higher demand for the services.

“Hairdressing, makeup and nail care activities gradually decreased since the epidemic began in several areas in Hanoi. In April when social distancing was applied, beauty care facilities were forced to close. Wedding and other events were banned. So I had to be off totally. My employees stayed in Hanoi instead of returning to their hometown. I did not pay them salaries but provided them with food and accommodation. I paid the rental early this year; and the landlord did not reduce the rental for me. If I don’t pay, the venue will be immediately rented by other people. Now, my business runs normally but the number of clients is much decreased than that before Tet.” – *Mr. TNT, born in 1984, Cau Giay district, Hanoi*

Many domestic workers are informal workers, many of whom are females³⁴. The demand for domestic workers is on the rise, especially in urban areas. Domestic workers who worked on shift or workday basis had to stop working during social distancing.

“I am a domestic worker who have cleaned house for three years. I registered for the app “jupviec.vn” for working by shift. Some other households have asked me to help them with house cleaning. In April, the company informed me about the suspension of the work until the end of the social distancing period. The families who hired me before did not call me. I have got no contact with them since then.” – *Ms. NTT, born in 1988, Thanh Xuan district, Hanoi*

In conclusion, most economic sector and production and business activities across the country were affected by COVID-19. However, different sectors suffered at different levels in particular time; and the economic activities of production and business establishments, households in particular sectors, in particular localities varied, which led to impacts on employment and income of workers and employers in the sectors.

2. Impacts on employment and income of informal workers

As most economic sectors are strongly affected by COVID-19, workers, especially informal workers have to suffer shocks of job cuts and income cuts. After 168 interviews, the research team collected information about employment of interviewees and their family members, and recorded information about employment and income of approximately 400 workers in informal sector. Of the figure, 18% were not affected in terms of employment (agricultural activities, food retail sales, grocery sales, motorbike taxi driving), 82% of the workers were affected at different levels depending on their status and working field.

³⁴ According to the Report on Informal Workers 2016, 98.8% of female domestic workers are informal workers.

For owners of production and business households, the epidemic made their business suspended. They were strongly affected but those who suffered most were their employees. The owners had capacity to response to the shock but they could not easily assure jobs for the employees. Dismissal or temporary work leave was a hard decision for them to make but they could not resist it. Despite great economic losses, thanks to their good response capacity, the group did not have many difficulties.

For domestic workers, they were proactive in working and even ready to share work with other family members who lost jobs. The most popular phenomenon was that the domestic workers who lost jobs/had layoffs returned to engage in their household business. However, because the livelihoods of their family depended largely on the production and business activities, in case of declining work in the epidemic, it’s hard for the group of domestic workers to find new jobs. Middle- and low-income households found it hard to sustain life while their employment and income were negatively affected by the epidemic.

Wage and salaried informal workers in the formal sector account for a large proportion in some sectors such as manufacturing, processing, and construction. Their work is unstable and seasonal, or based on workdays and workload. Despite working in the formal sector and receiving monthly salaries, they are not protected by labor contracts and legal regulations; they don’t join social insurance and unemployment insurance. Compared to formal workers in the same production and business establishments, they are less protected and have almost no benefits besides the agreed wage and salaries. They are the first group to be cut back when the production and business establishments are in difficulty and they receive no allowances or supports.

The wage and salaried workers in the informal sector have the most precarious jobs. If the production and business activities are suspended, they immediately lose jobs. When the establishments return to operate, to save costs, the owners don’t recruit employees but handle the work by themselves. Only when the operation of the business resumes, do the owners begin to hire more workers. In other words, this is the group that is affected first and recovers last.

- *Employment was reduced severely in the epidemic and recovered slowly after the epidemic*

According to the survey, most groups of informal workers suffered from negative impacts of COVID-19 such as reduced working hours, layoffs, work suspension, and unemployment. The level of impacts was by sector and period.

Table 4: Employment of so some informal worker groups

	Before epidemic	During epidemic	After social distancing	Note
Agriculture				
Cultivation and animal husbandry	Seasonal	Normally operated	Normally operated	No sales/low prices

	Before epidemic	During epidemic	After social distancing	Note
Aquaculture	Seasonal	Normally operated	Normally operated	No sales/low prices
Fishing	By fishing trip	70% suspended	Moderate (30-50%)	No output/low prices
Industry				
Votive items production for export	23-26 workdays a month	Suspended	Not operated yet	
Garment and apparel production	23-26 workdays a month	Suspended	Down 30-40% in employment	Except for face masks and medical protective equipment
Hand embroidered products	23-26 workdays a month	Suspended	70% not operated; for the others, down 70% in employment	
Production of mats for export	28-30 workdays a month	Suspended	Down 30-40% in employment	
Handicraft production	23-26 workdays a month	Work from home	Down 30-40% in employment	
Packaging production	26 workdays a month	Suspended	50% not operated; for the others, down 50% in employment	
Food preliminary processing and processing	28-30 workdays a month	Suspended	Down 10-30% in employment	
Construction				
Builder	25-26 workdays a month	Suspended	Down 50-60% in employment	
Construction materials	30 workdays a month	Suspended	Not operated yet	
Retail sales				
Grocery	30 workdays a months	Normally operated	Normally operated	

	Before epidemic	During epidemic	After social distancing	Note
Foodstuff	30 workdays a month	Normally operated	Normally operated	
Clothes	30 workdays a month	Suspended	Down 30-60% in employment, not recruiting staff yet	Better recovered in urban area than in rural area
Home appliance	30 workdays a month	Suspended	Down 30-60% in employment, not recruiting staff yet	Better recovered in urban area than in rural area
Electronic products	30 workdays a month	Suspended	Down 30% in employment	Better recovered in urban area than in rural area
Online business	30 workdays a month	Normally operated	Normally operated	Increased number of customers
Tourism, restaurants, and accommodations				
Tour guide	25-26 workdays a month	Suspended	Not operated yet	
Hotels	25-26 workdays a month	Suspended	Down 50% in employment	
Restaurants	28-30 workdays a month	Suspended	30% not operated yet, down 50-60% in employment	
Karaoke	28-30 workdays a month	Suspended	Not operated yet, down 60-70% in employment due to a decrease in the number of customers	
Tea street vendors, café	28-30 workdays a month	Suspended	Return to operation/no staff recruitment	Better recovered in urban area than in rural area
Breakfast shops	28-30 workdays a month	Suspended	Return to operation/no staff recruitment	Better recovered in urban area than in rural area
Transportation				
Motorbike taxi drivers, cab drivers	28-30 workdays a	Limited operation	Waiting time increased by 50-	

	Before epidemic	During epidemic	After social distancing	Note
	month		60%	
Passenger drivers	28-30 workdays a month	Suspended	Down 50-60% in employment	
Goods drivers	28-30 workdays a month	Limited operation	Down 30-40% in employment	
Seamen on cruise ships	25-30 workdays a month	Suspended	70% not operated yet, mostly working on the weekends	
Other sectors				
Scrap collection	28-30 workdays a month	Suspended	Down 60-70% in employment	
Haircut, hair wash, makeup	28-30 workdays a month	Suspended	Down 30-40% in employment	
Domestic worker	23-30 workdays a month	Suspended	Down 10-20% in employment	
Photocopy and printing	28-30 workdays a month	Suspended	Return to operation	

Source: The survey aggregated data

According to interviews, the construction and transportation sectors had more male workers than female ones. While in retail sales, domestic work, beauty care sectors, etc., female workers were dominant. Employment was reduced by sector, which meant that that a worker loses his/her job purely because of objective and subjective reasons but gender discrimination. Production and business establishments cut back on labor and working hours based on the labor demand. No one reported that employers gave priority to recruit male workers or cut back on jobs of female workers or push female workers to leave jobs and vice versa.

“Women and men are equal in recruitment. When the workload is heavy, we alternate each other for day and night shifts. Everyone is off work when we have to take leave. And afterwards, we come back to work normally.” – Ms. LTH, born in 1986, worker in Mong Hoa Industrial Park, Hoa Binh

However, many female workers were concentrated in the sectors strongly affected by the epidemic and social distancing measures such as garment and apparel, footwear, handicrafts, retail sales, domestic work, and beauty care, etc. Thus, in the informal economy as a whole, female workers were more affected in terms of employment than male counterparts. In addition, in a household, if husband and wife share economic responsibilities, when employment is reduced, men will be those who continue working. Meanwhile, women automatically accept to stay at home and take care of their family and children.

“Previously, we made and sold tofu together. Now we sell less; so he continues working while I stay at home to take care of our family and children.” – Ms. TTH, born in 1983, Huu Nghi ward, Hoa Binh city

For these reasons, in general in informal sector, female workers lost more jobs than male workers. It was in line with the labor market research in the second quarter of the General Statistics Office.

- *Workers’ income was reduced severely*

The workers were affected in not only employment but also income. Self-employed workers/workers in households did not have another source of income; so they had to stop working or leave jobs. Wage and salaried workers in formal sector, when taking leave or having layoffs, still received allowances and unemployment insurance. Meanwhile, those in informal sector did not get any kind or any form of supports. Informal wage and salaried workers did not receive any supports from employers to compensate the income loss when they had to take leave or have layoffs, or from the social insurance system. It meant that they did not have any income without a job. The income of this group was strongly affected by job cuts, which is described in the table below:

Table 5: Income of some informal worker groups

	Before epidemic	During epidemic	After social distancing
Agriculture			
Cultivation and animal husbandry	By yield and selling prices	Down 40-90% due to no sales	
Aquaculture	By yield and selling prices	Down 40-90% due to no sales	
Fishing	By yield and selling prices	Down 40-90% due to no sales	
Industry			
Workers producing votive items for export	VND7-10 million/month	No income	No income
Garment and apparel workers (except for face	VND5-10 million/month	No income	Down 30-40% in income

	Before epidemic	During epidemic	After social distancing
masks and medical protective equipment)			
Workers producing hand embroidered products	VND7-10 million/month	No income	Down 80% in income
Workers producing mats for export	VND7-10 million/month	No income	Down 30-40% in income
Handicraft workers	VND4-8 million/month	Work from home	Down 30-40% in income
Packing workers	VND5-8 million/month	No income	Down 60% in income
Food preliminary processing and processing workers	VND4-7 million/month	No income	Down 50% in income
Construction			
Builders	VND250,000-300,000/workday	No income	Down 60% in income
Owners of construction materials shops	VND 4- 20 million/month depending on size of the shop	No income	Giảm 30-50% thu nhập
Retail sales			
Owners of grocery	VND7-10 million/month	Down 50%, many customers buy on credit	Down 30-50%, and many customers still buy on credit
Owners of foodstuff shops	VND5-10 million/month	Down 50% in income	Down 30% in income
Owners of clothing shops	VND4-10 million/month	No income	Down 30-70% in income
Owners of home appliance shops	VND4-10 million/month	No income	Down 30-70% in income
Owners of electronic products shop	VND7-20 million/month	No income	Down 50% in income
Tourism, restaurants, and accommodations			
Tour guides	VND300,000-500,000/workday	No income	No income
Owners of private hotels	VND10-50 million/month	No income	Down 60-70% in income
Hotel staff	VND4-8	No income	Down 40-60% in

	Before epidemic	During epidemic	After social distancing
	million/month		income
Owners of restaurants	VND3-7 million/month	No income	Down 60-70% in income
Owners of karaoke clubs	VND10-30 million/month	No income	Down 70-80% in income
Tea street vendors, café owners	VND3-10 million/month	No income	Down 30-50% in income
Owners of breakfast shops	VND3-10 million/month	No income	Down 30-40% in income
Transportation			
Motorbike taxi drivers, cab drivers	VND5-20 million/month	Limited activities	Down 50% in income
Passenger drivers	VND10-15 million/month	No income	Down 50-60% in income
Goods drivers	VND12-20 million/month	Limited activities	Down 30-40% in income
Seamen on cruise ships	VND7-15 million/month	No income	70% of the workers don't have income; the other workers have a 50% reduction in income
Other sectors			
Scrap collectors	VND5-8 million/month	No income	Down 60-70% in income
Photocopy and printing workers	VND8-15 million/month	No income	A slight reduction in income
Domestic workers	VND5-7 million/month	No income	Down 10-20% in income
Owners of hairdressing, hair wash, and beauty care shops	VND5-15 million/month	No income	Down 30-40% in income

Source: The survey aggregated data

Income differences between groups of workers were mainly by industry and sector. Whether wage and salaries were paid on the monthly or daily basis was not based on gender characteristics but workload and work performance. In reality, in some particular industries and sectors, men performed better than women and vice versa. There was some income difference between male and female worker groups due to the nature and characteristics of their work. No

case was given in which male workers were paid higher wages than female workers for the same job and vice versa. Changes in income were similar. Job reduction led to a decrease in income; men and women suffered the same income decrease in the same job.

- *COVID-19 created a heavy burden of spending and borrowing*

Income dropped but fixed expenses could not be cut back, including house rental, food and foodstuff, tuition fees, medicines, etc. For those who have savings, the expenses were covered by the savings and financial backups. But for those who have to make both ends meet every day in the informal sector, the fixed expenses were already a serious problem.

“I had a saving to cover a training course on nail care and eyelashes after the Tet holiday, then I would run a small beauty care shop to earn money and take care of my grandmother. But due to the epidemic, the plan was destroyed and I ran out of money. I don’t know until when I can do it.” – *Ms. NTTH, born in 2001, Cam Pha city, Quang Ninh province*

“After the Tet holiday, I and my wife had no job and earned nothing. We still have to cover house rental and the tuition fee of my daughter now in Hanoi. We can cut back on food costs but we cannot do it with the fixed expenses. I have to borrow money to pay her tuition fees.” - *Mr. VXH, born in 1968, Mong Hoa commune, Hoa Binh*

For informal workers, short-term borrowings to “make investment in business” were common. In the context of declining employment and income, term debts added more burden on their current problems. Self-employed owners of production and business establishments who are eligible to have access to formal credit channels given by VBSP, commercial banks, or micro-credit funds at community, were considered for debt rescheduling, refinancing, and loan repayment delay. However, the number of the borrowers was smaller than that of those who had to borrow “illegally” or borrow from individuals, with which they had much heavier pressure of repayment.

“Early this year, I bought a truck to carry paddy and construction materials to earn more money. The truck weight two tonnes and it could reach small alleys. My father had to mortgage our red book to borrow from the Agriculture Bank (Vietnam Bank for Agriculture and Rural Development). We borrowed them VND100 million and we had to pay VND2.4 million/3 months as interest. I had to be off work in April and had little work in May. I wanted to sell the truck to cover the debts but my father encouraged me to wait for the developments of the epidemic. Things become better this month [June].” – *Mr. HVS, born in 1994, unemployed seaman, Lien Hoa district, Quang Ninh province*

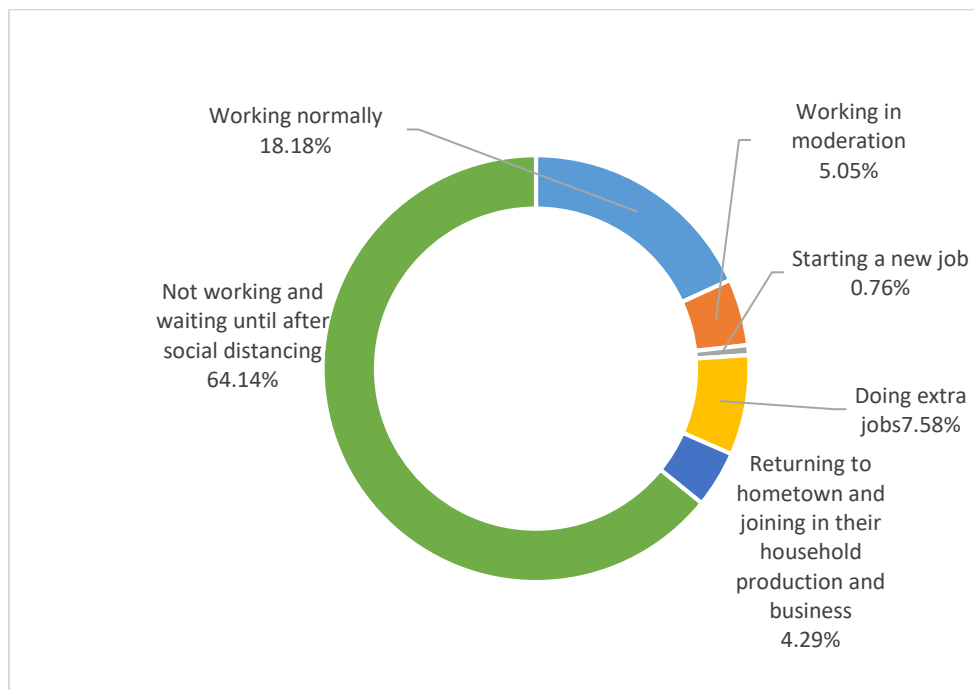
“Most owners of small business have to borrow money. We cannot borrow from banks but friends and relatives then we repay later. We even have to borrow “illegally” with very high interest rates. Sometimes I can ask debt owners for

repayment delay in 1-2 weeks. But sometimes they don't agree; so I have to borrow from another to cover that debt.” – Ms. LTH, born in 1983, clothing saleswoman, Cau Giay district, Hanoi

- *Most informal workers were not active in responding to employment decline*

Despite suffering a remarkable reduction in employment and income, according to the survey result, informal workers were inactive in responding to employment changes. The main reason was that most informal workers had limited resources and were not professional trained³⁵, which made them have limited capacity to respond to shocks. Except for the groups not seriously affected as mentioned above, the other groups, no matter how much they were affected due to the epidemic, had the same response attitude, i.e. waiting until after social distancing. In addition, in fact, during social distancing, it was hard for anyone to find a new job because just few industries and sectors were in normal operation and “almost everyone had to take leave”.

Figure 7: Informal workers’ responses to employment during social distancing



Source: The survey aggregated data

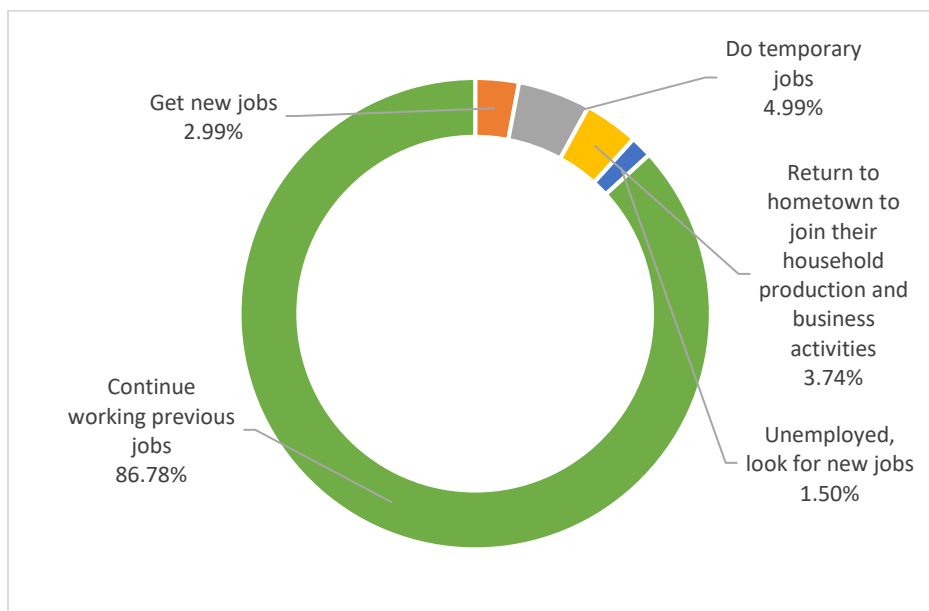
After social distancing, the responses were not diverse: 86% of the surveyees said that they came back to the previous jobs; they did not want to change jobs despite numerous difficulties. The first reason was that they were familiar with the jobs and had no other skills to apply for another. The second reason was that the prospect of economic recovery might bring

³⁵ According to the 2019 Labor and Employment Survey by the General Statistics Office, among informal workers, the workers with secondary education account for the largest proportion (34.0%), followed by those with primary-education (23.5%) and high school education (17.4%). Trained workers with certificates and degrees from primary level onwards account for 15.2% of the total number of informal workers.

production and business establishments back to normal as before the epidemic even though they did not know when. “It might be next month or next year”, they said. The other groups of workers could not come back to the previous jobs despite their wishes to do. The reasons varied: the employers did not connect back to them, and the production and business activities were still frozen due to no sales. Among the groups, just 3% could find new stable jobs; 5% applied for temporary jobs to wait for more stable jobs; just 2% were unemployed and continued to look for new jobs; about 3,74% returned to the hometown to join their household production activities. Notably, despite accounting for a small proportion, most surveyees who moved to another job or tried to apply for another job were men (just two women).

Especially, the survey team did not record any case that workers having informal employment changed to have formal employment after the epidemic. In contrast, among workers having formal employment during the survey time, three cases lost jobs and had to do informal jobs due to the epidemic.

Figure 8: Informal workers’ responses to employment after social distancing



Source: The survey aggregated data

Economic activities in both rural and urban areas were affected. However, during social distancing when most economic activities in rural areas were suspended, workers in rural area were easier to change into or find temporary jobs such as doing agricultural production, engaging in their households economic activities, and if possible, expanding the cultivation and animal husbandry production, etc. to fill idle time due to job cuts and earn more income. Meanwhile, workers in urban area found it harder to begin economic activities of that kind. Most male workers “went around the house and did nothing”, and female workers “followed a routine of cleaning house and taking care of family and children”. However, after social distancing when

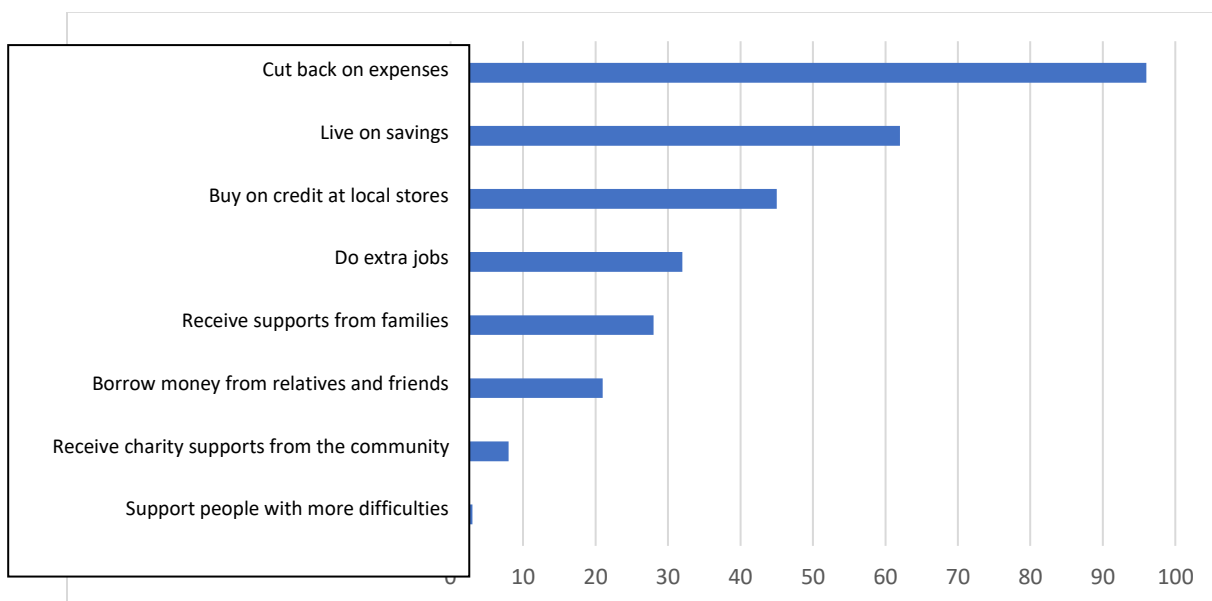
production and business activities were recovered, workers in urban area came back to normal more rapidly. Informal workers in urban area found it easier to come back to previous jobs or look for new jobs because non-agricultural jobs were very popular in urban area, including market porters, waiters at restaurants, motorbike taxi drivers, salesmen, domestic workers, etc.

In conclusion, each economic sector suffered different impacts of the epidemic, leading to different impacts on different groups of workers. Workers had different responses to shocks, depending on their available resource and response capacity. Some groups were strongly affected yet had better responses thanks to having more abundant human and financial resources. Nevertheless, some other groups and their families with poorer background and financial resources had their living standards and welfare strongly affected although the shocks were not too great (on a general level). They were easily strongly affected, became vulnerable and fell into poverty.

3. Responses in terms of household’s spending

With complicated developments, COVID-19 has turned people’s lives upside down with the most serious impacts on financial situation of each household. Informal workers generally have more limited financial resources than formal workers; thus, responses in terms of household’s spending and welfare are a big issue.

Figure 9: Responses in terms of household’s spending (%)



Source: The survey aggregated data

Responses in terms of household’s spending depended on savings and financial capacity. Most households (97%) said that they had to cut back on unnecessary expenses; more than 60% of the surveyed households lived on savings; low-income households had to buy essential goods

in credit (45%); some households in rural area and suburban area that had land could do extra jobs (more than 30% of the total number of households); many young families, especially in urban area had to receive supports from their larger families (nearly 30%); some extremely difficult households which had big compulsory expenses had to borrow money (about 20%), and some others received charity supports from the community (nearly 10%); meanwhile, some households with better conditions gave supports to those with poorer conditions (up to 5%).

Responses in terms of household's spending does not rely on job- and income-generating activities of members in a particular household but the economic conditions, the level of regular income, and savings and financial capacity of a particular household. Households with different living standards have different responses in terms of spending before the employment-related shock. Given the same spending response, for example, cutting down unnecessary expenses, living on savings, or borrowing money, etc., different households have different levels of responses depending on the economic conditions of the households.

Cutting down expenses was the main measure

In the context that prices went high³⁶, and the epidemic continued to affect income, households tended to cut down unnecessary expenses. The response measure directly affected their living standards and welfare of the households and members of the households. Households with favorable economic conditions stopped travelling, entertainment, party activities, and stopped buying large assets. Middle-income households generally cut down expenses on clothing and utensils. Low-income households had to cut down spending at maximum level and even cut down on food. Households with difficult economic conditions had cut down spending at maximum level and could not further reduce it; instead, they relied on alternative resources such as gifts, charity supports, and doing extra jobs, etc. The spending reduction continued even after social distancing period.

In general, food, foodstuff, and daily meals were assured. Expensive food was cut down in many households; snacks, junk food, and even milk were reduced. However, the households tried to assure adequate food for children and people in need of special treatment. Electricity, water, and fuel expenses were cut down in both rural and urban areas. Some households in rural area had favorable conditions to *do extra jobs* such as growing vegetables and raising chickens, etc. as a way of cutting down expenses.

“Cutting down expenses by skipping breakfasts, having brunches and having no snacks, etc. Things are not as good as before the epidemic. We give priority to education and healthcare for our children.”

³⁶ According to the General Statistics Office, food prices went up by 3.38% y-o-y; foodstuff prices were increased by 14.28% y-o-y, particularly pork prices were 68.2% higher. Drinks, cigarettes, and ready-to-wear clothing prices were increased by 1.7% and 0.93% y-o-y, respectively.

“It’s better to live in rural area because we have rice and vegetables, and we can buy food at lower prices. I could have bought some clothes and shoes but now I cannot do it. I have to cut down on daily living expenses.”

“We have to cut down food expenses by half. All of the living expenses are cut down. We grow vegetables and raise chickens for eggs and meat to save money.”

“My family have to cut down on expenses, including food expenses. However, we try to assure adequate food for the children. We are enjoying 10% reduction in electricity bills given by the State. We don’t buy clothes if unnecessary. We can save extra money for funerals or wedding because many weddings are cancelled.”

“We can handle the situation without too many difficulties. We have to cut down food expenses from VND200,000/day to VND150,000/day. We are trying to save electricity. We don’t go to weddings or parties, except for funerals.”

“Previously, we were relaxed at covering expenses on food, travelling, etc. But this time, we have to cut it down because we don’t know when we can earn as much as we used to.”

Interviews with several households

Not all informal workers had savings to live on

In response to income reduction, the households had to live on savings. Most households with informal workers had low income; they did not use savings to cover living expenses because they did not have savings. That was the most disadvantaged household group which did not have any financial backup in case of income reduction or loss. The group not using savings to cover living expenses accounted for a small proportion. They were owners of production and business establishments, those who have pension, or members of the households still had income. More than half of the cases with savings said that we used up the savings and then they could not afford life anymore if there would be another social distancing period or job loss on a large scale.

“In more than a month of taking leave, I could not earn any money; so I had to live on savings. My father passed away right before the Tet holiday; so we received an amount of VND14 million as death gratuity near the outbreaks of the epidemic. At that time, we wanted to open a savings book for my son. But then we had to live on that amount of money.” – *Mr. DQT, born in 1964, Huu Nghi ward, Hoa Binh*

Support from families and friends was an important resource

Material and mental supports from parents, siblings, relatives, and friends were very important in difficulties. The most popular example was that people in rural area sent food and

foodstuff to their family members in urban area. Another popular example was that when they could not provide supports in money and in kind, they could share house and food, and took care of children. Because schools were forced to close in a long term, children were sent to grandparents to take care, so their parents could go to work. For difficult households in urban area, children were sent to relatives so that they could join e-learning classes because their parents could not afford learning devices and the Internet.

“I and my children have to ask for help from my mother.”

“My children don’t go to school; so I have to send them back to Thai Binh for my mother to take care of them. My mother also sends rice and vegetables to me; then I don’t have to buy them in the market.”

“During the epidemic, I have to provide food for families of my two sons and two daughters because they have layoffs. Every week, I send them rice and other kinds of food. We run out of everything and have no savings. I try my best to support them and they have to try harder to find new jobs.”

“My family does farming and runs a business; so we have good economic conditions. In the epidemic, many families have difficulties; we lend them money with no interest. I want to help them get out of difficulties.”

The survey aggregated data

Buying on credit and borrowing were popular

The workers having no supports from families and running out of financial resources had to borrow to sustain life, especially migrant workers who lived far from their hometown. Buying on credit was one of the common measures taken by low-income households when they were in difficulty. Sellers agreed to sell on credit, even at higher prices than the market prices although the increase was not substantial. Even households which were not in financial difficulty had to borrow to cover immediate expenses such as house rental, venue rental, tuition fees, and medical treatment fees and charges.

“In the epidemic, I had to close my shop but I had to pay rentals without any discounts. I had to borrow from my relatives to cover the expenses.”

“I had no income; so I had to borrow from my relatives to cover living expenses. I have not settled all the debts so far because my business is unstable now.”

“I had layoffs in the epidemic. After the epidemic, I just did half of my wok. The salaries were sent to feed my children. I had to live with my relatives and bought food on credit. When work gets better next month, I will repay them.”

The survey aggregated data

Receiving charity support was the last resort

The most difficult workers who could not borrow from anyone, receive support from families and friends, etc., had to seek for help from charity programs such as “Zero Dong Supermarket”, or “Rice ATM”, etc. They were migrant workers in big urban areas who enjoyed no social benefits in their temporary residence. That was the most difficult group which was often left behind in general policies and formal support programs in localities.

The first free “Rice ATM” in Hoa Binh province was launched by Luong Son District’s People’s Committee (Hoa Binh province) in coordination with Thai Ha Books JSC (Hanoi) on April 16 at the Luong Son District’s Cultural Center. About 30 tonnes of rice were distributed to poor people and people who were in lack of food to overcome difficulties in preventing and fighting against COVID-19.

Source: <https://vov.vn/xa-hoi/atm-gao-dau-tien-o-hoa-binh-se-ho-tro-30-tan-gao-cho-nguoi-ngheo-1038369.vov>

Because most informal workers had limited resources, their responses in terms of spending were short-term. If the difficulties in employment and income are prolonged, the measures will become ineffective or impractical. However, most of the interviewees said that they “*did not know how to handle if there was another outbreak of the epidemic and more social distancing*”.

4. Social impacts on household’s life

Besides medical and economic crisis, the COVID-19 epidemic caused strong social impacts. In addition to impacts on public health, the epidemic relatively affected life of households.

- *Public activities were reduced – community support was increased*

Due to the fear for the epidemic and the compliance with social distancing regulations, public activities were cancelled or held at the minimum scale. On the community scale, festivals, religious and cultural activities were stopped. On the family clan scale, there were no parties, gatherings, anniversary parties, etc. On the family scale, people were active in cutting down entertainment and party activities to avoid gathering in crowd. Weddings were delayed to another appropriate time after the epidemic; marriage registration and wedding announcement were encouraged. Funerals were expected to be held in a simple manner, avoiding big gatherings and complying with regulations on the prevention and control of the epidemic.

“Weddings have been cancelled for months. We encourage people to wait until after epidemic, or just perform wedding ceremony without holding big parties for now. Young couples register for marriage and hold small parties within their families. Death’s anniversary parties are not held solemnly. People just come to offer incenses to the deceased. Representatives of households attend funerals, wearing face masks and using hand sanitizers. Local policemen attend the events to assure order and distances as regulated.” – *Head of Vi Khe village, Lien Vi commune, Quang Ninh*

Although many public activities were stopped or reduced, which affected cultural and spiritual life in general, the community unity and connection was strengthened thanks to mutual support activities such as sharing work, food, and necessary things. Solidarity and mutual support for combating with the epidemic were promoted, including sharing information and knowledge about the epidemic. In addition to the charity and humanitarian work in service of those with difficult conditions, borrowing among relatives and neighbors was enhanced to promote a tradition of “the good leaves protect the worn-out leaves” so that “no one was left behind”. People in quarantine were not discriminated and isolated but supported with food at door, which consolidated the community unity and solidarity.

- *Family life was strengthened*

That social distancing was applied in the epidemic made people have a new lifestyle to prevent and control the infection yet assure daily life. Most daily activities were conducted indoors, including studying and learning.

The risk of infection made people live more slowly, reject outdoor gatherings, and spend time enjoying and relaxing with family members. From a positive point of view, that was the family bonding time. According to the result of a survey by Nielsen, the eating habits of Asian people could change after the epidemic. In Vietnam, 62% of the surveyed people said that they would eat at home more regularly.

“The epidemic helps change lifestyle of people. Earlier, we used to going out and gathering in crowd; but now we are not. It should be like this. I find that living that way is very good and avoids wastefulness. Gathering in crowd could lead to conflicts and gossips. We earn money to afford enjoyment. If everyone saves, it’s not good for production and business activities. But I would strongly support if karaoke and clubs and pubs are closed.” – *Ms. NTN, born in 1978, Quang Yen district, Quang Ninh*

“During social distancing, we often took time in the morning. Instead of buying breakfast outsides, my wife cooked for everyone. For lunch and dinner, I and my wife made the dishes that normally we did not have time to make. Life was much slower. We were together when eating. We spend quality time with each other on watching movies, reading books, or teaching children. Family connection was much strengthened during that time.” – *Mr. NAT, born in 1977, Hoan Kiem district, Hanoi*

Direct (physical) contact such as meeting, shaking hands, hugging, and talking was eliminated and replaced with indirect contact including interactions via the Internet, phone calls, video calls, etc.

“I live about 1km from my parents’ house. Despite this, I just called them via Zalo app. I wanted to prevent the disease for myself, my parents, and the community”.- *Ms. NTA, born in 1983, Ba Dinh, Hanoi*

- *Shopping and spending habits were changed towards saving behavior and convenience*

In general, households cut down expenses due to income reduction as mentioned above. Even the households which were not greatly affected or had enough resources to respond to the crisis still tended to save more. The current context and worries about the future made laborers in general and young workers in particular better aware of money and savings.

“As a seaman, I could earn a lot. But I often spent it wastefully on gatherings. For years, I had had no savings. It is said that just married people can save. Now I think I should follow them. In difficulty I can realize how important money is.” – *Mr. HVS, born in 1994, Quang Yen district, Quang Ninh*

In addition, instead of shopping by day, people changed to go shopping by week. They also chose to buy things online rather than going to the market. Most people gave positive feedback on shopping on the weekly basis and the advantages of e-commerce which helped them save time and eliminate direct contact.

“Earlier, every day after work, I often went to the market to buy food for the diner and lunch of the next day. But now, I go to the supermarket once a week to buy food. After that, I preliminarily process the food and freeze it. It’s much more convenient for me to cook then. I also buy things online more. It’s easier for me to find what I want with better prices”. – *Ms. TTTH, born in 1984, Ba Dinh, Hanoi*

The fear for that prolonged epidemic might lead to food shortage was shared among part of the population when the epidemic was announced in Vietnam. However, thanks to the careful preparation of the Government and distributors, food insecurity and shortage of other necessities did not happen. Some a few medical supplies such as face masks, hand sanitizers, etc., were scarce and the prices went high. From the actual situation, the Government conducted the information propaganda and dissemination activities, and price stabilization measures, helping secure people and stabilize society. Thus, the anxiety of storing food and necessities just happened in a short while and did not affect the commodity market and daily life.

“After the announcement of 17 cases, people tried to store food and necessities on the first several days. The market ran out of food early at 7-8 A.M. I did not store food but some face masks and hand sanitizers. Even the prices were high, I had to buy them. Medical face masks were really expensive. So, people had to change to fabric masks and then we had enough face masks.” – *Ms. NTL, Quang Yen district, Quang Ninh.*

In conclusion, the epidemic strongly affected the spending and shopping habits of people. Advantages were accompanied by disadvantages. In particular, living conditions and welfare of households were further reduced, which happened even to the households with good economic

conditions. The epidemic also led to a decrease in goods and service demand in general, making related sectors affected and hard to recover after the epidemic.

- *Medicine and healthcare were directly and directly affected*

Although the epidemic did not create a medical crisis, it strongly affected healthcare sector. Local transmission, and especially quarantine cases, caused confusion and anxiety.

In Dung Tien commune, Thuong Tin district, Hanoi, there was a village in quarantine because of one infected case. In the village in quarantine, people were confused and scared. However, proactive public health interventive measures such as large-scale disinfection spraying, daily health checks for people, double testing, etc., helped secure people. However, until after quarantine, people were fully relieved and came back to normal life.

“In the first week, we were very scared of being infected. With the negative testing result, we felt secure about self-quarantine. My parents were not allowed to visit us. I stayed at home all the time and felt confused about everything. My husband and children were not relaxed as well. We came to appreciate freedom and good health more than ever”. – *Ms. NTO, born in 1974, Thuong Tin district, Hanoi*

On the large scale, indirect impacts were that people stopped having medical examination and treatment at hospitals and clinics due to fear for infection. People just came to hospitals and clinics when they had dangerous and acute symptoms. Even pregnant women and children stopped having vaccination and regular health checks; PWD stopped having therapy and rehabilitation. That psychology caused many cases not to be handled, intervened, and treated promptly and timely.

“The baby is seven months old. She did not have vaccination and regular health check last month. Now when the quarantine is ended, if the situation is assured, I will bring her back to the vaccination schedule.” *Ms. PML, born in 1991, Thuong Tin district, Hanoi.*

“I have a blocked tear duct which should be treated regularly. But I did not dare to go to the hospital during the epidemic. My eyes are very bad now.” *Ms. DTL, born in 1957, Huu Nghi ward, Hoa Binh city*

Another positive point was that family members were more interested in health protection. They were more active in keeping sanitation, including washing hands, wearing face masks when going out, keeping distance when coughing and sneezing, etc. People with background diseases, elderly people, and children are the group with higher risks of serious health problems in the epidemic; so they are paid more attention by families, especially when it comes to dietary nutrition.

- *COVID-19 made a remarkable transformation in education sector*

Since early February 2020, social distancing policy has affected the learning of more than 21 Vietnamese children due to school closures³⁷. That was a remarkable change that children and parents had to adapt to. Kindergarten children were separated totally with schooling; they had to stay at home or they were sent back to the countryside for grandparents or relatives to take care of. From primary level onwards, they received online homework sheets; teachers encouraged students to self-study at home and submit homework to teachers via the Internet. After more than a month of staying at home for epidemic presentation and confronting the risk of a prolonged epidemic, many schools provided e-learning services for students based on different technology platforms (Zoom, Microsoft-team, and Zalo chat). However, e-learning was not easy to handle. In addition to teaching and learning quality, in the economic aspect, e-learning helped strongly increase education expenses because both students and teachers had to equip themselves with appropriate devices, including a smartphone and the Internet connection. E-learning also increased the gap between the group having full e-learning devices and the Internet and the group having either of them. In turn, it led to the disparity in accessing and applying digital technology.

“My children studied at home via the Internet. I had to pay VND3 million to buy a used smartphone for them to access e-learning. Despite the extra expenses, I had to do it to enable them to study.” – *Mr. PVQ, born in 1979, Cau Giay district, Hanoi*

“We had neither smartphones nor the Internet connection. My children had to go to my parents’ house to borrow his uncle a smartphone to do e-learning. I had no idea if he studied well or not.” – *Ms. TTT, born in 1978, Cam Pha city, Quang Ninh province*

Children in cities and developed urban areas said that they had heavy homework while the knowledge was lightly absorbed because the homework was assigned on a weekly basis and children “could not keep concentration” with the new learning method. Primary students, especially first graders, could not handle e-learning because they were not literate. E-learning helped schools assure learning plans and children to familiarize with computers and the Internet. However, risks of harassment and abuse on the Internet which had ever been hard to control became more severe³⁸. Psychology of students after staying at home in more than three months³⁹ of the epidemic was affected. They “*were hesitated to come back to schools*” and not concentrated on studying.

- *Gender equality and domestic violence needed paying more attention*

³⁷ <https://www.unicef.org/vietnam/vi/nh%E1%BB%AFng-c%C3%A2u-chuy%E1%BB%87n/%C4%91%C6%B0a-tr%E1%BA%BB-em-v%C3%A0o-v%E1%BB%8B-tr%C3%AD-tr%E1%BB%8Dng-t%C3%A2m-trong-%E1%BB%A9ng-ph%C3%B3-v%E1%BB%9Bi-d%E1%BB%8Bch-COVID-19-t%E1%BA%Ai-vi%E1%BB%87t-nam>

³⁸ Child harassment and abuse during e-learning was warned by the National Child Protection Hotline No.111 in a report in April 2020.

³⁹ From February to mid-May 2020

Due to the epidemic, housework was increased sharply, including cooking, house cleaning, childcare and supervision of children's e-learning; taking care of kids, elderly people, PWD, people with illnesses, etc.

“I stayed at home in the epidemic. I had to take care of children, buy food in the market and cook at home. I had to do all the work all day. My daughter was a fifth grader who could not handle online homework alone; so I had to be with her during her studying. My husband could not keep patient in teaching her. I was tired many times. Now, after the epidemic, she goes to school and I feel relieved”. – Ms. NTT, born in 1985, Ba Dinh, Hanoi

The notable thing was that most housework was put on women. According to the survey, women said that they had to take charge of all housework, which made them busy all day. Meanwhile, men played an inactive role regardless they were at home or not. While women were very busy, men felt “upset and bored” during social distancing. Most men just engaged in “doing sports with children” at home.

“I left job and ran a grocery at home. My husband did nothing and even felt bored and upset. He complained all the time and I had to encourage him. If I complained about him, it would be quarrel and conflicts.” – Ms. NTN, born in 1978, Quang Yen district, Quang Ninh

In the context that both men and women had job loss or reduction, even women suffered more in terms of employment, men were still considered pillars of families. Men were allowed to feel “upset, stressed, and bored” while women were not encouraged to emotionally express. They even had to “encourage, cheer up, and comfort” to keep harmonious atmosphere within the families.

“Quarantine strongly affected people's lives. In my residence, there were families with poor financial conditions which had some conflicts during that time.” – Ms. BTL, born in 1984, Mong Hoa district, Hoa Binh

Field interviews showed that most households made attempts to keep harmony to overcome the difficult time. However, there were still conflicts and quarrels because of harsh life. Social distancing period and job reduction and income caused people stressed, worried, and enabled family conflicts which might result in domestic violence and abuse of children and women. In April 2020 alone, the National Children Protection Hotline No. 111 received 750 calls asking for assistance, of which 200 calls asking for interventions on domestic violence, child abuse, and psychological problems⁴⁰.

⁴⁰ <http://tongdai111.vn/tin/bao-ve-tre-em-va-phu-nu-trong-cac-khu-cach-ly>

5. Disadvantaged groups of workers

Disadvantaged groups of workers were affected by COVID-19. They suffered the impacts by industry and sector as other groups of workers. As the most vulnerable groups, the negative impacts on the groups were more severe and they had poorer capacity to respond to them.

Workers in poor and pro-poor households:

Members of poor households had the average income below the minimum living standards and limited access to basic social services. In other words, workers as members of poor and pro-poor households, who originally had limited income-generating activities, had to face with greater difficulties in the epidemic. The group that was unable to work, despite not being directly affected in terms of employment and income, had an even more unstable life. Poor and pro-poor households had high dependency ratio⁴¹. Surveyees from poor and pro-poor households were main providers of the households with elderly people (over 60 years old), or (many) people with serious disabilities, or chronic diseases. The group of workers had to do unstable jobs with unstable income such as sandwich sellers, tea street vendors, scrap collectors, etc. They had low income, no valuable assets, and no financial backups. Thus, when the workers (the sole providers of the families) lost jobs/had job reduction, the households did not have any other source of income and could not afford compulsory expenses and fell into poverty. COVID-19 made the group of households hard to escape poverty; and they even fell more deeply into hunger and poverty.

Workers in households with social protection beneficiaries:

Similar to poor and pro-poor households, the households with social protection beneficiaries have limited labor capacity. The main laborers in the group had to cover the additional costs of taking care of social protection beneficiaries in the households. Social protection beneficiaries still receive monthly allowances during the epidemic. In April alone, due to social distancing, in some provinces, social protection beneficiaries received the monthly allowances on due date; but in some others, the allowances were rescheduled until the end of the epidemic.

Ms. Dao Thi T born in 1956 was living with two daughters and a grandchild. She and her husband used to be workers in the Song Da Company who retired under the Decree No.176 mechanism⁴². Her husband was severely diabetic. He could not work, just stay at home and inject insulin every day. Her 41-year-old daughter was

⁴¹ The dependency ratio is calculated by the number of people beyond working age divided by the number of people at working age: 15-55 years old for women and 15-60 years old for men. According to the Survey on Household Living Standards 2018, the dependency ratio in 2018 was 0.69. The dependency ratio of the poorest household group was 0.96, 1.8 times higher than that of the richest household group (0.51).

⁴² Decision No. 176/HDBT dated on Oct 9, 1989 of the Council of Ministers on rearranging laborers in State economic units. People retiring under the Decree No. 176 mechanism received lump-sum allowances paid by their employing units, and they were not allowed to be entitled to any social protection and/or social assistance benefits.

weak who could not move or work normally. She had a 15-year-old son who was studying. Her second 36-year-old daughter had a neurological disease who was supported with VND405,000/month from 2019 under the social protection system. Ms. T went out to sell things in the morning, earning about VND20,000-30,000/day. In the afternoon, she worked as a freelance domestic worker or took care of her husband and daughters. She raised 4-5 chickens for eggs. Her house was built long ago and became downgraded. But she could not afford the replacement of the roof. She had layoffs for the whole April due to the epidemic. During that time, the sole source of income was the State's subsidy for her second daughter. Her family was also given 20kg of rice, and a coupon of five essential kinds of goods: a bottle of fish sauce, 10 eggs, 0.4l of cooking oil, 0.5kg of sugar, and five packs of instant noodle.

Synthesized from household interviews, Huu Nghi ward, Hoa Binh

To support the poor, pro-poor households with social protection beneficiaries, the Government provided cash support to the group according to the regulations of Decree No. 42/NQ-CP). The allowances had a significant meaning to the extremely difficult group. Besides, the community also prioritized the group in charity and humanitarian programs.

Workers who are people with disabilities (PWD workers):

With great efforts of the authorities, the community and the subjects themselves, PWD workers had more chances to join the labor market, generate income and stabilize their life. However, there were many hindrances for them to seek for and maintain jobs. In the informal sector, PWD workers often took on jobs which suited their health conditions in households, cooperatives, and small-scale production establishments. Difficulties caused by COVID-19 seemed more serious for PWD workers than for other group of workers because they had limited health conditions and expertise. According to a rapid evaluation on socio-economic impacts of COVID-19 on PWD workers in Vietnam, 82% of the surveyees were interested in health protection in the epidemic and 96% were concerned about financial security⁴³.

Ms. Dang Thi D, born in 1966, had arthritis when she was a child. She could hardly move on her own. Her husband passed away in 2017. She was living with a son who was unmarried. For almost ten years, she has traded agricultural materials to make both ends meet. Trading partners took the agricultural materials to her house so that she could sell. And buyers came to her house to buy what they needed. She just watched out the shop and collected money due to poor health conditions. In the epidemic, she had to close the shop due to no customers and no trading partners taking goods to her house. She was strong enough to do extra jobs as other households in the village. Just poor and pro-poor households were supported in the epidemic. In May, she returned to her business but there were few customers. She had to struggle but she did not know other jobs to do.

⁴³ UNDP Vietnam, May 2020

Synthesized from household interviews, Huu Nghi ward, Hoa Binh

In the research, we interviewed some PWD workers in the informal sector. They said that they suffered the same impacts in terms of employment as other groups of workers. However, they have fewer chances to access other sources of income through extra jobs. That group did not receive any policy-based supports in terms of employment and income if they were not social protection beneficiaries or poor and pro-poor household. In terms of healthcare, the workers said that they were in stable health condition and they could work; so, they stopped having regular health checks because of the fear for infection. The Ministry of Health issued the “Guidance Handbook on Severe Acute Respiratory Syndrome Coronavirus 2 (COVID-19) for People with Disabilities at Community” as a practical document for PWD, families with PWD, PWD caregivers, health officials, etc. The document was circulated through different channels. However, the PWD surveyees had no information about the document.

Elderly workers:

The group of elderly workers, despite having rich working experience, had limited health conditions. The elderly workers who had economic burden were in great difficulty in terms of income because they hardly could find alternative jobs. In the research, the elderly workers who had pensions (5 out of 21 cases) were owners of production and business establishments. They had assets and high income before the epidemic. The other elderly workers would have no income if they did not work because of having no pensions or monthly allowances. They did not have children or caregivers, and they have so poor economic background that they had to work to earn money. They mostly did the jobs such as agricultural production within households or simple non-agricultural work including motorbike taxi drivers, tea street vendor, scrap collectors, etc. Those jobs were affected by COVID-19, causing consequences on their spending and welfare.

Mr. Hoang Van G was born in 1958 and his wife was born in 1957. Their daughter had congenital heart disease. She could not do any work but stay at home. Their elder son was studying in the medical college in Quang Ninh when he had to work to earn money. The second son was working in Japan as a worker. He sent money back home to cover what they borrowed while preparing for him to work in Japan. The economic burden was on the shoulders on the elderly people who then aged over 60 years. They did farming work on an area of more than one “mẫu” for rice cultivation and one “mẫu” for growing watermelon. They could not sell watermelon then. Earlier in Thai Binh, Bac Giang, and Hung Yen, watermelon was collected by traders. But it was just the past. Overripe watermelon would be broken. Rain could destroy everything as well, making them unable to cover the costs of about VND10-15 million/crop. They had no other way to deal with the situation.

Synthesized from interviews with households with elderly people, Lien Vi commune, Quang Ninh

Similar to PWD workers, elderly workers did not receive any policy-based support and the community support if they were not poor or pro-poor households or the households with social protection beneficiaries. They did not have any response but waiting for the end of the difficult time.

Migrant workers:

A large number of migrant workers were concentrated in urban areas, industrial parks, and export zones. Compared to local workers, migrant workers faced with more difficulties because they had to cover house rental, and suffered more expensive health and education services if they did not register for temporary residence. Among the group of migrant workers in the informal sector, many people had struggle with daily food; some of them had to send money back home to feed their children or family members. Due to the epidemic, job and income reduction put a heavier burden on them and their families had no response capacity. While their income was affected, they had to cover fixed expenses such as house rental, electricity and water bills, etc. which remained unchanged.

“The outbreak of the epidemic was after the Tet holiday. My sandwich shop was still in operation in Hanoi. Since March 28, I have had to close the shop because of the social distancing policy. I and my wife had to return to the hometown because we had no livelihoods here while the living standards in Hanoi were costly. I was lucky that my countryside was not very far from Hanoi. The scrap collectors whose hometown was in Nghe An and Ha Tinh could not return home because of the big distances. They had to receive charity rice *ây*. They had no work to do in the epidemic”. – Ms. PVT, born in 1976, migrant worker, Hoang Mai district, Hanoi

“Some landlords are so generous that they reduce the house rentals. Some others even increase the house rentals. We have to accept the fact. Single person can move out easily. But it’s not the case for big families”. – Ms. TTD, born in 1968, migrant worker, Nam Tu Liem district, Hà Nội.

A large proportion of the group returned to their hometown to cut down expenses or left for other localities to seek for new jobs. The most disadvantaged workers were those who could not return home due to different reasons while employment and income decreased.

The research team also approached some households with members who were working overseas under contracts. They said that they had to borrow a large amount of money to afford the labor export and realize the dream of escaping poverty. However, in the context that the whole world was affected by COVID-19, overseas workers not only did not have work but also suffered a difficult life and high risk of infection without healthcare services. The overseas workers could not return to the homeland due to limited commercial flights; they had to wait for rare rescue flights due to inconvenient organization.

“My son used to be a bus assistant. Now he is working in Taiwan under labor export mechanism. He has been there for several months. Due to the epidemic, he has no jobs there. He is waiting for the rescue flight to come back home. More than 8,000 workers in Taiwan protested; they wanted to return home because they had no work, no money, etc. They can just work several days a month to cover house rentals and brokage fees.” – Ms. LTT, born in 1959, Huu Nghi ward, Hoa Binh city

Low-income workers in urban areas:

In urban area, the living standards are high, causing more difficulties for low-income household. The group of households includes both migrant workers and local workers with different complicated backgrounds. As discussed above, migrant workers were a contributor to poverty in urban areas. However, the group had an option of returning home or leaving for another locality. Meanwhile, local workers were stuck there and found few chances to develop. They were mostly elderly people, children, people beyond the working age, or people at the working age but having disabilities or serious illnesses. Poor people in urban areas had very low daily income; expensive social services in urban areas were exhausting them. As they were not recognized as poor households according to certain standards, they did not receive any policy-based support. They had to depend on community-based support and/or try to work despite social distancing regulations to sustain their life.

Ms. Nguyen Thi T, born in 1947; a local woman who cannot read or write. Her son is in prison and she has to raise a grandchild born in 2008. Her house is so small that it just accommodates one double bed, clothes and the study desk of the grandchild are placed upstairs. After her husband passed away, she washed dishes in restaurants and food shops. For the past three years, she has not been able to do it anymore and changed to collect scrap due to poor health conditions. Despite harsh weather, she tries to earn VND30,000-50,000/day. In the epidemic, elderly people were suggested not leaving home. However, she was worried about daily food, so she still worked. In 2019, she was excluded from the pro-poor household list; no reasons were given. She and the grandchild did not receive health insurance cards. Luckily, the communal authorities still supported the grandchild with tuition fee. Before and after the epidemic, the family had to struggle every day.

Synthesized from household interviews, Cam Trung ward, Cam Pha city, Quang Ninh province

The poverty rate in urban areas, especially in big cities is very low. In many localities, there are no reported poor households according to the national poverty standards. The low poverty rate is partly due to the very low national poverty line especially in the last year of the term. The national poverty line in 2019 and 2020 was issued in 2015 and unadjusted according to CPI. Thus, many households theoretically “escape” poverty although their life remains unchanged. The group struggles for making both ends meet in urban areas, reflecting the

widening inequality among population groups. This is an ever popular social problem in urban areas. This is a vulnerable group which lags behind.

Informal workers in the formal sector:

In the formal sector, many processing, exploitation and construction enterprises recruited seasonal and temporary workers. They mostly did manual work that did not require specific expertise and skills. The workers were attached to the enterprises in years. They were paid monthly, even via banking systems, but had no term contracts. They didn't join compulsory social insurance or unemployment insurance, and trade union, etc. The reasons came from both employers and the workers. First, from the perspective of employers, it was easy to recruit the group of workers and no training was needed. So, they did not need to keep them with labor contracts. Having no labor contracts helped the enterprises eliminate administrative procedures and payments for social insurance and unemployment insurance, etc. Second, from the perspective of the workers, they had little knowledge about their rights and obligations and labor-related laws; thus, they just cared for monthly payment and they ignored the importance of labor contracts.

“The company said that if we signed a labor contract, they had to cover insurance of all kinds. So they offered me the salary of VND7 million if a labor contract was signed. If not, the salary would be VND8 million. At that time, I needed money so much that I had no idea about insurances. Then I did not sign the labor contract. I just had a working agreement, got an access card, and opened a bank account to get monthly salary. It's good enough.” – *Ms.TTH, born in 1977, Mong Hoa commune, Hoa Binh province*

The phenomenon is very popular for the following reasons: (1) the inspection, supervision, and implementation of labor laws and regulations are not strict, (2) the consensus between employers and laborers; (3) local authorities ignore the cases in order to keep the enterprises stay in the locality. Thus, despite working in a long time in the formal sector, the group of workers has no benefits as regulated, and they are not protected from employment-related risks. Typically, during social distancing and in the period of job reduction, the workers had to take unpaid leave; they received no allowances from the enterprises and policy-based support of the Government.

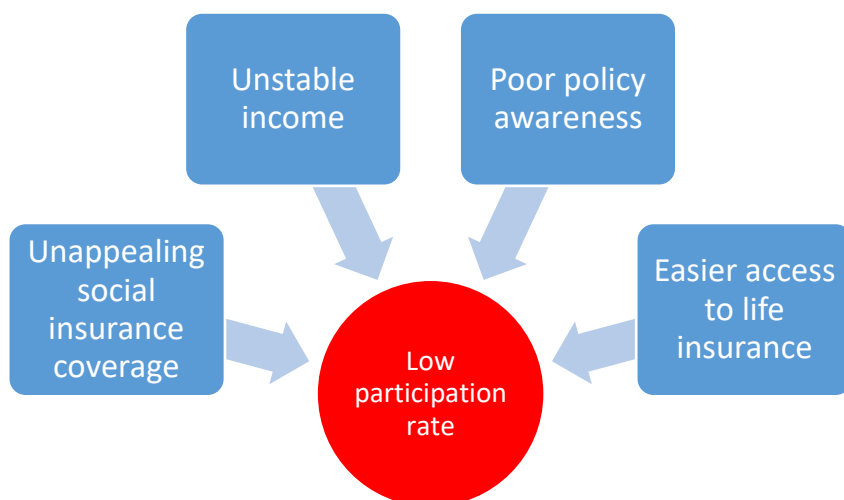
In general, the disadvantaged groups of workers have poor response capacity. Job and income shocks in a long time are unbearable to them. Many people said that after just a social distancing period, they could not recover the economic conditions immediately and became exhausted in the following month, even falling into debts. They confirmed that if any other outbreak of the epidemic, they could just “live on charity support”.

6. Policy-based support

6.1. Social insurance and unemployment insurance

Most informal workers don't have labor contracts but verbal working agreements. Many people think that *"It's good to have a job. I don't want to expect too much"*. Owners of the production and business establishments also explain that *"We are a small-scale business with no business license. We don't sign labor contracts with workers."* Enterprises in the formal sector are willing to circumvent the law not to sign labor contracts with workers and consider them seasonal workers to eliminate social insurance and other benefits as regulated.

Figure 10: Informal workers are not attracted to participate in voluntary social insurance



Compulsory social insurance policy is just applicable to workers with labor contracts or working contracts from at least one month. Voluntary social insurance which was first launched in 2008 is considered a supplemental policy to compulsory social insurance in order to attract a large proportion of workforce of the economy. However, voluntary social insurance has not outreached informal workers. Unemployment insurance coverage has not been expanded to the group of informal workers⁴⁴. As of the end of June 2020, there were 15.17 million people joining social insurance, down by 604,000 people compared to that at the end of 2019 (of the figure, about 14.534 million people joining compulsory social insurance; about 636,000 people joining voluntary social insurance); 12.773 people joining unemployment insurance, down by 656,000 people compared to the figure at the end of 2019⁴⁵. Due to the limitation, informal workers don't receive any policy-based support from the social insurance system in face of serious job loss/job reduction shocks.

⁴⁴ The current unemployment insurance policy is only applicable to workers with labor contracts, working contracts from at least 12 months in facilities with at least 10 laborers.

⁴⁵ Source: Preliminary report for the first 6 months of the year, implementing key tasks in the last 6 months of 2020 in the field of labor, people with meritorious services and society, MOLISA

The minimum monthly voluntary social insurance premium as prescribed is 22% of the standard of poor households in rural areas (VND700,000/person/month). In addition, voluntary social insurance participants are supported by the State in which they just have to pay some percentages (%) of the monthly social insurance premium based on the poverty line of rural areas (30% for participants of poor households, 25% for participants of pro-poor households; 10% for other subjects). This minimum monthly premium (less than VND150,000) is not high compared to the current income of informal workers.

“I am middle-aged. I don’t think of joining social insurance.”

“My income is so unstable that I cannot afford social insurance payment. I have many things to afford now.”

“I have joined life insurance.”

“It’s too long to receive the benefits from social insurance, not to mentioning inflation rate.”

Source: From survey aggregated data

However, voluntary social insurance has not been attractive to the subjects due to the unappealing coverage categories (retirement and death gratuity) and limited benefits. Many informal workers who have poor awareness of policies and unstable income are not willing to get to know and join. Life insurance companies with wider outreaching networks and more effective marketing tools are more accessible to insurance participants. This shows that the propaganda and dissemination of legal knowledge about and forms of social insurance have many limitations.

6.2. Health insurance

Universal health insurance is a target that the Government has been pursuing and has been legalized. With the current policies of Vietnam, poor households, children under six years old, social protection beneficiaries, ethnic people living in localities of ethnic minority groups, and some other objects are granted with health insurance cards for free. Pro-poor households are supported with 70% of the health insurance premium; in some provinces, the rate is 100%. With outstanding efforts and the household health insurance policy, by 2019, health insurance coverage was extended to 90% of the population. The reason was that propaganda and advocacy have been done well so that people understand the policies and have better awareness of the significant role of health insurance and its practical benefits. For many people, participation in health insurance has become a need for healthcare and financial security in case of diseases and accidents⁴⁶.

⁴⁶ According to the Law on Prevention and Control of Infectious Diseases, COVID-19 infected patients (considered as group A disease) are eligible for free examination and treatment. So they don’t need health insurance to cover it.

“Health insurance is very important, especially for elderly people and children.”

“Going to the hospital is costly. We may die without health insurance.”

Source: Interviews with local people in surveyed area

However, those who did not participate in health insurance said that the health insurance premium was relatively high for households with low and unstable income. That the premium rate was increased according to minimum wage and insurance each year made people think that it was a big waste (they paid the premium but had no diseases or illnesses). Some groups which used to be supported to join health insurance; then, without the support, they did not join anymore. There are several other reasons related to policy for this. For example, if people want to have health insurance coverage, they have to register for joining health insurance at the place of their permanent household registration.

“We are young and have good health. We don’t need to join health insurance. My children are required to buy health insurance at school”.

“We are no longer a pro-poor household; so we don’t have any support when it comes to health insurance anymore. We are poor economic conditions; so we have to think it over.”

“Earlier, the commune enjoyed 100% of health insurance premium support under the incentive mechanism for ethnic groups. Since 2016, the program has not been applied. Now, just 10% of the local population does not join health insurance.”

“We wanted to join health insurance. We waited for being recognized as a low-income agricultural household which could enjoy favorable health insurance premium. But we were not. So, we did not buy it anymore.”

Source: From survey aggregated data

6.3. Preferential credit

Preferential credit policies aim to provide financial support for people with special conditions such as the poor and pro-poor households, PWD and some other objects. The financing of production and business activities under the credit lending mechanism through different programs and policies has created opportunities for disadvantaged groups such as poor workers, rural workers, term overseas workers, workers in the localities with agricultural land conversion, etc. Credits with low interest rates from VBSP are to serve various purposes: production (credit through unions and associations), schooling (applicable for poor households) and other purposes (housing, clean water, etc.). Credit regulations and procedures have been simplified yet had many limitations related to residence, evaluation and selection, guarantee of a union or association, etc., which made it inaccessible to many people. Informal workers who are not from poor or pro-poor households find it hard to have access to preferential credit for production given by the Government because they are not priority objects. Meanwhile,

commercial banks ask for big mortgages (certificates of land use right, etc.), which is hard for informal workers to meet.

In the interviews, many cases reported that they had borrowed preferential credits from VBSP. For the past time, VBSP has rescheduled the repayment for production and business households which had to close during the epidemic. However, the time for debt rescheduling was just a month while in fact, the households would be affected in a longer term. The preferential credits then became a burden for the borrowers.

“I borrowed from VBSP to run the shop. The loan was worth VND50 million in two years, which was guaranteed by the Women’s Union. Every month, I pay VND2 million of the principal and more than VND300,000 of interest. VBSP rescheduled the repayment for me for the following month but I still had to pay the amount of the following month. I have had a lot of difficulties since the Tet holiday. Debt payment on a regular basis is now such a burden for me” – Ms. TTN, born in 1990, Cam Pha city, Quang Ninh province

Workers know about credit programs of banks, especially VBSP. However, many people wonder that “*if the credits can help? What if I cannot repay? My job is unstable, so I have to think it over.*”

6.4. Job placement

Job placement center system in provinces has tried to connect laborers and employers. The main activities are job consultancy, job placement, organization of organizing job fairs and job exchange sessions on the fifteenth day of a month, and management of the online job trading floor for 24/24. However, in-depth interviews show that most workers in the informal sector have never heard about provincial-level Job Placement Centers, except form the workers who used to work in the formal sector then lost jobs and needed the settlement of unemployment insurance.

“I have never heard about Job Placement Centers. If I seek for a job, I will ask my friends and relatives around me.”

“I followed neighbors in my village to Hanoi to seek for jobs.”

“Many people in my village work in the industrial park; so I join them.”

“Seeing the job vacancy post, I applied for the position.”

Source: From survey aggregated data

Therefore, before employment shocks, workers don’t rely much on formal job placement channels but their private contacts or do it on their own.

In conclusion, many of the current social protection policies are not promoting its role to a proportion of workforce under the impacts of employment shocks, especially the group of

informal workers. To respond to the shocks, the workers and their families cannot rely on the formal social protection system but “struggle for their own security”. They have to ask for help from personal relationships and other informal resources as mentioned above.

6.5. Support of unions, associations, local authorities, and the community

With the spirit of fighting against the epidemic yet assuring social protection, local authorities, unions, and associations have actively reviewed and promptly supported difficult cases with the sources mobilized from the community. Along with the efforts of the Government, mutual support activities are widely accepted and promoted with the engagement of the people, political and social organizations. By August 2020, according to the Vietnam Fatherland Front, the total contributions in cash and in kind that agencies, units, organizations, enterprises, and individuals in and outside the country had donated was worth VND2 trillion⁴⁷.

Local authorities and socio-political organizations at grassroots level are interested in and care for beneficiaries of policy families, poor and pro-poor households, disadvantaged people, and households with extremely difficult circumstances. In-site interviews also show that no cases had meal breaks during and after the epidemic. The households tried to assure adequate daily food for the members.

“We have directed the Fatherland Front, departments and branches, and associations, and the people to join hand to reduce difficulties. Đặc biệt là hỗ trợ khẩu trang, nước rửa tay cũng như gạo, mì tôm, dầu ăn, các nhu yếu phẩm cần thiết để cho bà con vượt qua giai đoạn dịch bệnh Covid -19.”

“We have developed a plan to review difficult households to call for sponsors and organization to distribute them rice twice. Now, unions and associations in residences are continuing to call for material and mental support for the households”.

“Food is always available. We are not afraid of food shortage. Even poor households don’t lack food. Poor households and difficult households are supported with rice, fish sauce, salt, and cooking oil. Even the households in quarantine are provided with adequate daily food.”

Interviews with some local officials in surveyed communes and villages.

With the participation of the whole political system, the close supervision of departments and branches, unions, and organizations, the prevention and control of COVID-19 are widely believed to be successful and no one will be left behind. According to the statistics of the General Statistics Office in June, there are no cases with food shortage in any provinces. In the first half of 2020 as a whole, there were 16.5 thousand households with food shortage, equivalent to 66.5 thousand people with food shortage, down by 74.6% y-o-y in terms of the number of households and the number of people with food shortage.

⁴⁷ Source: <http://danvan.vn/Home/Mat-tran-nhan-dan/12527/Mat-tran-To-quoc-Viet-Nam-tiep-tuc-keu-goi-nhan-dan-ung-ho-phong-chong-dich-COVID-19>

“For several days, people have stayed at home to prevent COVID-19. The market has been dull. I want to return to my hometown but I don’t dare to do it. I have some savings. I have to save more in case the epidemic gets worse. Gifts of sponsors make me feel warm in difficult time”. – Ms. BTH, born in 1977, Thuong Tin district, Hanoi

In addition, many other charity programs such as “Rice ATM” have been launched in many provinces. Accordingly, rice was distributed freely to households with food shortage due to job loss and income loss during social distancing. In addition, the models of “Happy Store”, “Zero Dong Store”, etc. have been introduced from rural to urban areas. The slogan that “*those who have things bring them in, those who lack the things take them away*” is a simple, friendly, and inspiring message to attract the engagement of the community. From such programs, thousands of tonnes of rice, millions of tonnes of agricultural products, etc. have been mobilized to support poor people.

6.6. The support package under Resolution No. 42/NQ-CP

Being timely aware of the COVID-19 epidemic and its negative consequences on people in the society, including informal workers, the Government worked out an unprecedented social protection support package under Resolution No. 42/NQ-CP on support measures for people in difficulty due to COVID-19 dated on April 9, 2020. Next, to concretize the Resolution, on April 24, 2020, the Prime Minister issued Decision No. 15/QD-TTg on the implementation of support policies for people in difficulty due to COVID-19. These are an important basis to stabilize the society and people’s life.

The support package was worth VND62 trillion targeting the most vulnerable and affected objects. In addition to poor and pro-poor households, people entitled to social protection, and people with revolutionary merits, informal workers also received the support. Quang Ninh Provincial People’s Council issued Resolution No. 245/2020/NQ-HĐND dated on March 31, 2020 on supporting people with difficulties due to COVID-19, including some objects outside the specified groups.

Support for target groups according to Resolution No.42/NQ-CP

1. People with revolutionary merits: VND1.5 million;
2. People entitled to social protection: VND1.5 million;
3. People in poor and pro-poor households: VND750,000;
4. Individual business households: VND1 million;
5. Laborers with postponed labor contracts, taking unpaid leave: VND1.8 million;
6. Laborers without labor contracts: VND1 million.

The support package is of great significance, demonstrating the humanistic policy of the Government of Vietnam in taking care of people’s life, especially the disadvantaged groups. For the objects who are not entitled to the support package, the support package still has great values in motivating them to join hands with the whole country to overcome the epidemic, continue to stabilize life and develop the economy.

“I can only rely on support of relatives and people around. We are running out of a few quintals of rice harvested on our land. Now I have the State support. I feel moved. Now I have money to buy food.” – *Ms. NTT, born in 1964, poor household, Thuong Tin district, Hanoi*

However, the urgent implementation of the support package among the group of informal workers had certain difficulties. First, regulations on the criteria to identify target objects were not clear and detailed, confusing local in-charge officials. In particular, the most unclear criteria were on employment (among six groups of occupations as regulated in Decision No.15/2020/QD-TTg) and income (if the income level was below the poverty line).

Second, poor and pro-poor households, people entitled to social protection, people with revolutionary merits were fully managed according to a specific list which was assigned to the district/communal level. Thus, the identification and listing of target objects were conducted in an accurate and prompt manner. Therefore in most provinces, the reimbursement of the support packages was completed in May 2020. Meanwhile, freelance workers were not listed or managed at local level as the mentioned-above group. Accordingly, local officials at grassroots level had to review, finalize, and list from the beginning, which was time and labor consuming for both local officials and the objects.

Criteria for supporting laborers without labor contracts who lose jobs

1. Losing jobs and having the income level below the near-poverty line
2. Lawful residing in the locality
3. Active in non-agricultural sector:
 - street vendors, small business traders with no fixed places;
 - scrap collectors;
 - porters, shippers;
 - passenger motorbike drivers, and passenger cyclo riders;
 - mobile lottery sellers;
 - self-employed, or working in households providing catering, accommodation, tourism, and healthcare services

“It’s hard to implement Resolution No.42. The most difficult work is to identify the target objects. It’s easy to deal with the poor and pro-poor households, and people entitled to social protection. But freelance workers are not the case. We need to do it carefully.” – *In-charge official, Huu Nghi ward, Hoa Binh city*

Third, the identification procedure of the group of freelance workers was strict and required the verification of their residence and workplace. Thus, it’s hard for those who did not work in the place that they registered for permanent residence to prove their employment and income status to be entitled to the support package. The administrative procedures were complicated and time-consuming while the economic activities came back to normal; thus many laborers were not interested in accessing the allowances.

“I am a worker who is temporarily residing in Hanoi. I want to receive the job loss allowance in Hanoi. So I have to prove that I don’t receive the allowance in the

place where I register permanent residence (my hometown) or vice versa.” – Ms. LTL, born in 1988, migrant worker in Hanoi.

“That allowance is reimbursed in time is very important. But when we need it, it is somewhere else. It’s so sad about that. Despite being entitled to the support package, I have got no allowance so far. But now, I am busy with my work.” – Ms. NTB, born in 1990, Cam Pha city, Quang Ninh province.

With such difficulties in implementation, there were just 30-50 cases in the group of freelance workers receiving support in each commune. That was a very small number compared to the actual number of employees that have been affected.

Fourth, some groups of informal workers also faced great difficulties during the epidemic but did not receive support. They were agricultural workers who were indirectly affected due to having no sales and being at risk of losing the whole crops; small-scale business owners or lottery sellers at fixed spots but in temporary places; workers providing haircut, beauty salon, car repair services, etc.; disadvantaged labor groups such as PWD, elderly people, and single people who were not entitled to the support package.

In a nutshell, although the unprecedented support package had certain difficulties and obstacles in the implementation stage, it had particular positive socio-economic impacts on people and households with difficulties in the epidemic.

In addition to the support package, the electricity price reduction program for electricity clients affected by the COVID-19 epidemic was officially implemented by Vietnam Electricity (EVN). The total number of months clients were supported under the electricity price reduction program was three (03) months. In particular, there was a 10% discount in the retail price of electricity for daily life from level 1 to level 4. However, all households said that the information was not obtained. One reason was that for households with high electricity consumption, the reduction was insignificant compared to the amount of electricity bill to be paid. Meanwhile, for households with low electricity consumption, the support was unremarkable in terms of price.

7. Conclusions

7.1. Lessons learnt

Vietnam has initially controlled the epidemic and gradually gained social stability and economic development. This is a great success of the Government and people. This result is a result of drastic, close and timely direction and follow-ups of the authorities at all levels, the involvement of socio-political organizations, and active participation of the social community and the people. Directing, administration and guiding documents are regularly issued and closely accommodate the actual situation (See Appendix 1). The epidemic prevention measures have been closely implemented together with the support solutions that are issued in a timely manner to ensure stability across the country and help overcome difficult times.

Propaganda activities that aim to raise public awareness have brought about great effects, created the consensus among the people, helped stabilize the social order and security during the difficult time. A high level of consensus and unanimity among people of all classes has very well facilitated the implementation process with a very few number of violations, which, if happened, were strongly condemned by the public.

“Quarantine affects people's lives, but it is a right thing to do. The Government is doing very well and people are all supportive. It is important to first prevent the epidemic and do not let it break out like in other countries, otherwise the consequences would be unbearable.”

“My son should have got married, but due to the epidemic, he had to postpone the wedding and only registered their marriage. All the preparation for the wedding had been completed, but due to the social distancing policy due to the epidemic, I decided to postpone the wedding, and did not need any encouragement from the government to do so. The bride’s family also shared this.

Based on the survey aggregated data.

Propaganda and advocacy is not enough, it is the implementation results in each locality that has built trust and motivated people. Active involvement of authorities of all levels, their careful preparation and timely direction also contributed to this. Thanks to this, good lessons have been learnt that enabled authorities of all levels to cope with unexpected situations with such a large-scale negative impact as the COVID-19.

“As soon as the epidemic was announced, we had held a meeting of the Commune Party Committee, and worked on different scenarios, including the worst one. Over the past time, extensive experiences have been acquired from the direction and administration work, ensuring security and order, economic development. Generally speaking, it is crucial to take prompt actions. Now that we have gained experience, we are confident to cope with anything that might happen.” - *Interview with leaders of People's Committee of Mong Hoa commune, Hoa Binh*

The engagement of the entire society and the community consensus not only shows mutual assistance in the spirit of “the leaves protect tattered ones”, but more importantly also helps to bridge the current policy gaps, by providing timely support to those facing difficulties who are not covered by the social welfare system.

7.2. Several recommendations

Workers in the informal economy are generally very vulnerable to shocks. They create an “overlooked middle group” as defined in the 2015 Viet Nam Human Development Report, who have unstable incomes, but are not eligible for social welfare and unable to access social insurance. Therefore:

First, in this context, it is necessary to help workers maintain stable and sustainable jobs. In the short term, it is necessary to promote the implementation of a contactless economy based on internet infrastructure and information and telecommunications technology. This will help small producers and agricultural households quickly access consumer markets to improve efficiency of goods consumption and reduce intermediate costs. In the long term, it is necessary to have a strategy to promote productivity of households, business facilities in the informal sector to address the vulnerability of workers. This is crucial for broad-based growth, stability and development. By doing this, these groups can improve their resilience in respect of both financial and human resources.

Second, it is necessary to ensure workers' legal rights. Research shows that many informal workers are working in the formal economy (working without contracts or on a seasonal contract, although working term may last up to a year), so they are not allowed to benefit from social insurance and other regimes and welfare. Therefore, it is necessary in the immediate future to strengthen the state management of enterprises during the implementation of the Labor Code (make sure they sign labor contracts and pay social insurance for employees...) through inspection, supervision, and enhancement of sanctions. At the same time, in the long run continue to raise awareness and understanding of employees and promulgate mechanisms to encourage enterprises to well implement labor and insurance policies such as giving priority to renting premises, borrowing capital for production and business; tax incentives for small and micro businesses that well implement labor, employment and social insurance policies... A large proportion of workforce will thus be protected from employment shocks similar to this COVID-19 epidemic.

Third, strengthen active labor market policies, including vocational training and job placement. In the immediate future, quickly complete a database and an information system on the labor market to well manage the labor supply and demand, which serves as a basis for making labor and employment policies associated with socio-economic development. Improve the operational efficiency of the job placement center system, ensure to support workers in providing information and job recommendation advice to rural labor groups. In the long term, complete policies to connect labor supply and demand in a more proactive way for both employees and employers, take advantage of digital technology to help young workers have job orientation and appropriate career selection.

Fourth, complete a system of social security policies for a new period, including assisting people in dealing with shocks and unexpected risks. The above evidence and analysis show that the current social security system is not strong enough to protect people in general and informal workers in particular from falling into poverty and vulnerable situation due to epidemic outbreaks. It is a need to strengthen the social security system and strengthen the basic social service delivery system which is capable of coping with similar shocks, in order to minimize risks and damages to households. Specifically:

- Build a flexible, proactive, preventive and proactive social assistance system with built-in integrated mechanism that can predict and respond to risks, which is more adaptive to different types of climate change crisis, economic crisis and disease outbreaks according to the Declaration of the ASEAN Special Summit on Coronavirus 2019 (COVID-19) (April 14, 2020).

- Complete the social insurance pillar towards better outreaching all groups of subjects, ensuring fairness based on the payment-based entitlement principle with state support for the disadvantaged groups, attracting workers in the informal sector, and seasonal workers in enterprises to join the system. Consider experiences from engaging people in health insurance to expand the coverage of social insurance and unemployment insurance, especially voluntary social insurance.

- Increase access to basic social services for all people, especially health and education, ensure a minimum level for all while also providing high quality services to those who are in need and affordable.

Fifth, in terms of implementation, it is necessary to strengthen the system's capacity so that all people can access and benefit from the policy quickly, conveniently, fairly and avoid abuses.

- Support programs should be clearly defined with specific instructions and feasible criteria for identifying the applicable subjects (as the case might be) that can avoid administration burdens.

- Eliminate barriers related to paperwork and administrative procedures, and create favorable conditions for all people to access voluntary health insurance and voluntary social insurance at their locality, especially for migrants with an irregular temporary residence.

- Have in place a mechanism to control and coordinate support resources mobilized from the community, ensuring fairness and transparency in assisting people at risk.

- Modernize the management and operation system with flexible subject identification and registration mechanisms in order to facilitate the extension as needed based on a database that is large and reliable enough for vulnerable groups to quickly verify information. In addition, there should be a flexible, diversified and automated payment mechanism so that beneficiaries can receive the subsidy promptly and at the shortest time; transparent mechanisms for monitoring, supervision, complaints hearing, accountability, and timely detection of problems for solution.

- Continue to strengthen communication to households and vulnerable groups to enable policies to reach out to people and come into life.

APPENDICES

Appendix 1: Select macroeconomic indicators for the first 6 months of 2020

TT	Indicator	Unit	The first 6 months of 2020	Compared to 2019	Compared to the same period in 2019
1	GDP growth rate	%	1.81	-5.21	-4.96
2	Economic structure				
	Agriculture	%	14.16	0.2	0.62
	Industry and construction	%	33.44	-1.05	-0.76
	Service	%	42.04	0.4	0.01
	Product tax exclusive of product subsidies	%	10.36	0.45	0.13
3	Total retail sales of good and revenues from consumer services	trillion	2380.8		-0.8%
4	Transportation				
	Passenger transportation	million visitors	1812.6		-27.3%
	Freight	million tons of goods	807.9		-8.1%
5	Social-wide investment capital	trillion	850.3		3.4%
	Public sector	trillion	273.5		7.4%
	Non-public sector	trillion	375.9		4.6%
	Foreign direct investment sector	trillion	200.9		-3.8%
6	Total exports and imports	billion USD	238.4		-2.1%
	Export	billion USD	121.2		-1.1%
	Import	billion USD	117.2		-3.0%

Source: General Statistics Office (GSO)

Appendix 2: Relevant legal documents

1. Telegram No. 121/CĐ-TTg dated 23/01/2020 on prevention and control of acute respiratory infections caused by a new strain of Corona virus;
2. Directive No. 05/CT-TTg dated 28/1/2020 on prevention and control of acute respiratory infections caused by a new strain of Corona virus;
3. Official Letter No. 79-CV/TW dated 29/1/2020 prevention and control of acute respiratory infections caused by Corona Virus;
4. Decision No. 173/QĐ-TTg dated 30/1/2020 of the Prime Minister on the establishment of a National Steering Committee for the prevention and control of acute respiratory infections caused by a new strain of Corona virus;
5. Directive No. 06/CT-TTg dated 31/01/2020 of the Prime Minister on strengthening prevention and control measures against new complicated developments of acute respiratory infections caused by a new strain of Corona virus;
6. Decision No. 173/QĐ-TTg dated 01/02/2020 on declaration of acute respiratory infections caused by new strains of Corona virus;
7. Telegram No. 156/CĐ-TTg dated 02/02/2020 on strengthening prevention and fighting against acute respiratory infections caused by a new strain of Corona virus;
8. Directive No. 10/CT-TTg dated 25/02/2020 on stepping up COVID-19 epidemic prevention and control;
9. Directive No. 11/CT-TTg dated 4/3/2020 on urgent tasks and solutions to address business and production difficulties, and ensure social security in response to COVID-19 epidemic;
10. Directive No. 13/CT-TTg dated 11/3/2020 on continuing to step up the prevention and control of COVID-19 epidemics in the new situation;
11. Directive No. 15/CT-TTg of the Prime Minister dated 27/3/2020 on drastically implementing the high peak wave of COVID-19 epidemic prevention and control;
12. Directive No. 16/CT-TTg dated 31/3/2020 of the Prime Minister on the implementation of urgent measures to prevent and control the COVID-19 epidemic;
13. Decision No. 447/QĐ-TTg dated 01/4/2020 of the Prime Minister on the announcement of the COVID-19 epidemic;
14. Resolution No. 42/NQ-CP on measures to support people facing difficulties during the COVID-19 epidemic;
15. Decision No. 15/QĐ-TTg dated 24/4/2020 of the Prime Minister on the implementation of policies to support people facing difficulties during the COVID-19 epidemic;
16. Directive No. 19/CT-TTg dated 24/4/2020 of the Prime Minister on continuing to take measures to prevent and control the COVID-19 epidemic in the new situation.

Appendix 3: Target groups for support under Resolution No. 42/NQ-CP

On April 9, 2020, the Government issued Resolution No. 42/NQ-CP on direct support for people in difficulty due to COVID-19. Accordingly, an estimated budget at 62 trillion Dong will be used to directly support different target groups. The supported target groups are as follows:

- (1) People with meritorious services to the revolution currently entitled to a monthly incentive will be supported an additional amount of VND 500,000/person/month. The support amount will be applied in 3 months, from April to June 2020 and be paid one-off.
- (2) Social protection beneficiaries who are currently entitled to a monthly social allowance will be supported with an additional amount of VND 500,000/person/month. The entitlement period is 3 months, from April to June 2020 and the amount will be paid one-off.
- (3) Poor and pro-poor households defined according to National poverty standards on the list effective up to December 31, 2019 will be supported with VND 250,000/person/month. The entitlement period is 3 months from April to June 2020 and the amount will be paid one-off.
- (4) Employees working under a labor contract , who must agree to suspend the performance of the labor contract, or take unpaid leave for 01 month or more as their businesses have to face difficulties due to the COVID-19 epidemic, do not generate any revenue or financial resources to pay wages, will be supported VND 1.8 million VND/person/month. The entitlement period will correspond to the actual term of postponement of the labor contract, or unpaid leave. The amount will be paid either monthly or depending on the actual developments, effective from April 1, 2020 and not exceeding 3 months.
- (5) Individual business households that have declared revenue for tax purpose under 100 million/year and now temporarily suspends their business from April 1, 2020 will be supported 1 million VND/household/month monthly depending on the actual developments but for not more than 3 months.
- (6) Employees whose labor contracts or employment contracts have been terminated but are ineligible for unemployment benefit; or who do not sign labor contracts and now lost their jobs will be supported 1 million VND/person/month monthly depending on the actual developments but not exceeding 3 months. Valid from April to June 2020.

In addition, with regard to those employers, who, due to the COVID-19 epidemic, had to downsize 50% or more of their employees participating in social insurance, starting from the time of epidemic announcement by the competent agency (including the employees who cease or postpone the performance of labor contracts, or agree to take unpaid leave), they and their employees may temporarily cease to pay retirement and survivorship fund for a maximum of 12 month. Employers encountering financial difficulties, who have paid at least 50% of work stoppage salary to the employees in

accordance with Article 98.3 of the Labor Code for the period from April to June 2020 will be entitled to obtain loans without collateral security at an interest rate of zero per cent for no more than 12 months from social policy banks, at a value of a maximum of 50% of the minimum zone-based wage rate for each employee according to the actual salary payment time but not more than 3 months, in order to pay the remaining salary amount directly to the affected employee.

Appendix 4: The shock and its impact by locations and target groups

1. Hanoi

Hanoi capital is the economic and political center of the country. According to the results of the Population and Housing Census in 2019, the city's population is 8,053 million, of which female account for 50.4%, urban inhabitants account for 49.2%; people at working age make up 3.9 million people. The population density in urban areas is 9,343 people/km², 6.7 times higher than that in rural areas. In the latter, the population density is 1,394 people/km², which is higher than the average population density of the Red River Delta (1,060 people/km²).

Hanoi has a large number of informal workers. Most of the informal workers in Hanoi are self-employed by selling vegetables and fruits, selling food products such as vermicelli, pho, coffee, or working as motorbike riders. Some people own small production and business establishments that do not have business registration, do not have to pay tax such as: owners of motels, embroidery factories, paper factories owner, fashion shops, phone shops ... Some people are employees in small production and business establishments, households as builders, loaders, embroiders, duck feather pliers... The proportion of poor households in the city has decreased from 3.64% (early 2016) to 0.42% (late 2019). Currently, there remain 8,754 poor households in Hanoi city. There are about 200,000 of beneficiaries of social protection in Hanoi who are receiving monthly benefits.

In urban areas, the survey was conducted in many wards in the district such as Dien Bien (Ba Dinh), Van Mieu (Dong Da), Tan Dinh (Hoang Mai), Phuc La, Kien Hung (Ha Dong), where many informal workers live and work. In rural areas, the surveyed area of Thuong Tin district is one of the southern suburban districts with a total population of over 240,000 people, 48 villages, which are recognized by the People's Committee of Hanoi as a craft village with famous products. Among them, one village in Dung Tien commune was blocked due to an infected patient of COVID-19; Le Loi commune is a busy trading area with a large poultry wholesale market with many informal laborers affected by the COVID-19.

Surveyed subjects and key impacts

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
I	Retail sector					
	Building materials	The sale was halted	Two-month closure, no	Back to normal	Able to cover <i>daily living</i>	The households in

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
	trading	for 2 months due to social distancing and quarantine of the whole village.	incomes gained.	business at the end of May, but only 30% as good as before.	<i>expenses</i> and ensure children have <i>adequate food</i> .	blocked village have declared but not received any support.
	Preliminarily processed poultry trading	In early February, business declined by 60-70% due to fall in consumers' demands and fear. During the social distancing time, people stayed at home, getting no incomes.	Jobless in April. People in a neighborhood cared more for each other, although people stayed in their own houses. However, children got frustrated as they had to stay home all the time.	At present, slow sales and increases in prices resulted in a drop in income by 50% compared to pre-epidemic rate	During the social distancing time, people lived on their savings and could not make money. Some households owned rice fields and thus already had rice and vegetables. In case they could not buy food, they ate whatever available at home. No more shopping for clothes or shoes. Utility bills reduced by 10%. Nevertheless, spending on children's study and other demands was ensured.	None
	Owners of electronics, telephone, computer repair shops	Shops were closed in March and April. Communication was restricted	Owner gained no income. One employee was made redundant for 2 months. My brother found it hard to understand lessons in online class.	At present, I have returned to normal business but it is not operating well, and the sale is only equal to 20% of prior period. That employee has returned to work, but his salary reduced to 80%.	Cut down on unnecessary purchases. For example, the plan to install an air conditioner for your brother's room was canceled.	None
	Selling poultries	During the social	While those who	Spend savings	Daily living expenses were	

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
		distancing time, some still went out for sale, others stayed at home for 4 months.	stayed at home did not generate any income, the others who still did some business only generated an income of 50% less		limited. Utility bills remained regular. It was necessary to still ensure that children have <i>adequate food</i> and milk... In early days, due to miscommunication, people rushed out for stockpiling food in house. Face masks and hand wash liquid were out of stock, as people were scared of the epidemic, making me confused.	
	Selling vegetables, eggs and fruits (bananas and coconuts)	During the social distancing time, people restrict themselves from going to markets. In April, business was still going on but income dropped by 50 -70%.	Some shop owners still ran business, but income declined by 50 -70% due to a fall in the number of consumers. Some migrants stayed home for two months, because the police dissolves the markets and did not allow goods sales on pavements.	Some people were still able to sell products but got lower income.	Daily living expenses were limited. Migrants who were not allowed to sell on pavements came back to their hometown, looking after children.	None
	Clothes Shops	Stayed at home for 2 months during social distancing.	No sale of goods for 2 months, No income during this time.	Local people closed shops. Migrants came back their hometown.	Cut down on unnecessary purchases	None
II	Restaurant and accommodation services					

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
	Breakfast sales (Noodle, Phở, Sandwiches)	Stop selling from late March to late April	No sale, no income	Some stayed in rural areas to work on fields. Other migrant workers worked as ploughmen in the countryside. Now they are back to normal business, but income is still low.	In rural areas, people got rice, home-grown vegetables and only went out to buy small amounts of fish and meat. In urban areas, people used their savings for daily expenses.	Some people have made a declaration under Resolution 42 but have not received any support.
	Selling cooked food	From February to April 14 th , when the epidemic just broke out, business activities went on but at a slower pace, as people ate less and no more partied. When the village was blocked, shops were closed for a month.	From February to April, my income declined by 50%. From 15/4 to 15/5, I did not earn any money due to the shop closure.	In mid-May, I returned to normal business after quarantine time. The sale was 70% down from the pre-Covid time, as many people limited their spending.	Spending less. Although spending on meat and fish was slightly cut down, <i>nutrient-rich</i> diet for family was still ensured; no new clothes were bought if unnecessary. Budget for wedding parties/funerals was also reduced, because many families delayed their children's weddings.	Some people have made a declaration but have not received any support
	Selling cakes/cookies online	Social distancing	During the months of social distancing, income even increased, as the more people stayed at home, the more they wanted to eat, sleep or shop online. I gained more from on-line sales. Shop owners only needed to contact shippers for goods delivery. Earning as	Not affected, in the contrary benefited more from increased numbers of orders.	As normal	None

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
			much as 20 million VND in less than a month.			
	Homestay Owners	As soon as the epidemic just broke out, there were fewer visitors, and then there were no guests when the entry ban and social distancing policy were introduced.	No customers/guests during the lock-down	Homestays now are reopen, there are some reservations up to August. Most of them are local guests, the business only regained 40% of the prior time	Spending on meals and medicine remains normal. Spending on others has been limited.	None
	Selling coffee	During social distancing in March and April, coffee shops were not allowed to open, so the business was halted.	Shops were closed in March and April	Now coffee shops are reopen, but the business makes only 50% profit compared to prior period.	Spending on new clothes is cut down	None
III	Transportation					

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
	Hired shippers	Workload started to decrease in February. No job when the social distancing began.	Workload decreased from February to late April. At that time, all restaurants were closed, no one hired them to deliver poultries.	Now they only get job occasionally. Income dropped by more than half	Spending on children's needs still continued; They chatted with neighbors less, but stayed in touch by phone calls but not very often. People stayed home most of the time. Children sometimes found it distracted to focus on home schooling.	Some people with disabilities have received financial support under Resolution 42.
	Building material truck drivers	Construction sites were closed in April due to social distancing.	Jobless for one month (April)	Back to work now	Savings were used for daily expenses.	Some people in the blocked village received charity support.
IV	Agricultural production					
	Raising hens for eggs	In February and March, my family was still able to sell eggs, although our income reduced to nearly 70%, because many people stored eggs. However, on April 15, my village was blocked and our egg sale was almost halted.	We could not take The eggs out of the village for sale. There were only a few hundred households in our village, so they didn't buy many eggs. Meanwhile, I still had to feed hens. Many of customers, knowing that my village was blocked, were so scared and stopped buying my eggs. I have lost many frequent customers.	In mid-May, when the quarantine was over, egg business was not completely recovered. People in other places were still afraid of my village, so I asked egg sellers not to disclose our location. I had my eggs delivered to further areas, finding new customers. My kids also helped sell eggs online in	Daily living expenses were cut down. Utility bill reduced by 10% due to state policy. No spending on clothing. No need to use money for wedding or funeral. Due to the isolation, no one had weddings or organized death commemoration.	People have made a declaration but not received any support

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
				Hanoi.		
	Growing and selling vegetables	During social distancing, people did not go to market very often. Vegetables were still sold in April.	Some people still ran their business during the epidemic time, but gained 50% lower income due to the decreased number of consumers.	Some could still sell vegetables, gained income, but income dropped.	Daily living expenses were cut down.	None
V	Other sectors					
	Owner of Packaging production facility	During social distancing, there was almost nothing to do. At that time, production facility was not in isolation area, but I asked my two nephews working there to clean up the building and run the machines for a while to prevent oil from drying, but in fact there were no business activities.	Revenue since Tet holiday reduced by up to 50%, the business completely shut down when epidemic broke out. When the nearby village was isolated, I could still operate the work by phone while staying at home. Employees became redundant. Before they left, I gave 1.5 million VND to each to help them fund a new job.	I could maintain capital turnover on my own, but in the worst case, I may have to sell my cars. But at least, my production facility keeps going on. Now that there are only a few orders, the maintenance cost takes almost all money. Now I need to hire 2 workers and reduce working days, which means the labor cost remains but the number of working days declines.	Despite bad business, I still had my own savings. Unnecessary spending such as on clothes and other personal stuff was limited. But spending on eating and medicine for parents remains ensured. During the quarantine time, utility and water bills were not collected, so I paid the bills for 2 months afterwards. They cost as much as usual.	Every household was provided with rice, noodle, eggs ... So there was sufficient food. Face masks were also given by charity organizations.
	Making worship hats	Business shut down and shop was closed.	The goods must be sent to retail points, but	We have many hats in stock, but cannot	We harvested rice to eat. My children sent me	I have made a declaration and am

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
		People stayed at home. My husband was sick when the lockdown started, but he was still taken to the hospital. Then he was quarantined in hospital and so was I, as I looked after him.	without celebrating rituals, they did not order. Even at present, if people know we are from Dong Cuu, they will hesitate to buy products from an isolated area.	sell them. Thus, we will keep them until people have demands.	several things, mainly food. During that time, money could not do anything.	waiting for support. I was offered food support though.
	Owner of embroidery factory	Factory was closed. The whole village was blocked.	Income decreased by nearly 80%, the village was isolated, so my shop closed down. As before the lockdown, social distancing was implemented, my products couldn't be delivered to customers. Therefore, inventory remained high.	Now, the business is gradually getting normal, but it is only equal to 40% of the prior period. Some workers were asked to return to work.	Expenses for daily shopping must be minimized, but I still ensured children had enough food and study well. Spending on clothes reduced. There was almost no wedding or funeral. If some one had died, I would have sent some money to their family. Utility and water bills were paid as usual, even more. As people stayed at home, more electronic devices were used such as lights and Internet for children to study.	I have made a declaration and been waiting for approval. Food aid was sent during the lockdown. In order to run the business, I still had to borrow money from a credit fund. Even we do not make profit, we still have to pay interest. Interest rate declined by 1%, and 2% in April and in May respectively.
	Owner of garment accessories manufacturing factory	Factory was closed. Owner gained no income. Workers became redundant.	Company was closed during the epidemic	In June, our factory resumed, but it was just 10% as good as before. At present, only 3 employees	My own savings were used. Spending for children's diet and study remained constant.	

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
				were asked to come back to work.		
	Wedding studio/bridal makeup /hair dressing	During the social distancing, there were no weddings. Shop was closed in March and April.	Business paused for 3 months; Employees became jobless; the shop rental still cost 7 million VND per month.	Studio was reopened in May, there were customers but less than before. As the wedding season has not arrived yet, the income declined by 50%.	Daily living expenses were limited. No travel, no trip to save money	None
	Looking after elder people	Social distancing	Jobless in March and April	Now I have returned to work and was paid as much as before	No new furniture were bought	None
	Scrap business	COVID-19 epidemic, social distancing	Jobless, no income from February to May	Migrant workers came back to their hometown, living with their family.	Rice and vegetables were available in hometown. Daily living expenses and unnecessary purchases were reduced.	None
	Embroiderer	Factory was closed. The whole village was blocked.	I was jobless and had no income since March. Ms. Ben's family, a poor household, had to borrow money to buy food during the epidemic.	Some people have returned to their prior work. Those could not get a job started to work on farm.	Food aid was provided by philanthropists. We had breakfast at home, and did not buy clothes or footwear. My children's tutoring was cut down. Kids were unhappy with online class. I lived on my own savings and borrowings from relatives with low interest rates. Some people had to borrow	I have made a declaration and been waiting for the approval. Food aid was sent during the lockdown.

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
					money to buy food and milk for their children.”	
	Workers in packaging production facility	Factory was closed. The whole village was blocked.	Jobless in March, April and May	Now some people have been asked to return to work, but they take turn, income drops by 50%. Some started to work as a builder and porter.	Stop buying clothes or footwear. My children's tutoring was cut down. Kids were unhappy with online class. I lived on my own savings and borrowings from relatives with low interest rates.”	I have made a declaration and been waiting for the approval. Food aid was sent during the lockdown.
	Builders	Builders were not hired for work in April due to the social distancing	Unemployed for one month (in April)	Now some have been asked to return to work.	Savings were spent for daily living expenses.	Charity support was provided to the blocked village.
	Workers in poultry processing facility (plucking)	The facility operated half capacity in February and March, then was closed in April. Many employers were fired, and only 10% of workers remained to work.	Income declined to 50% in February and March. Jobless in April due to social distancing. No income. Rural people switched to rice and vegetable cultivation	Now some were asked to return to work, but generated an income of only 70% of the prior period. In some families, only wives work, and husbands remain unemployed. Some men started to work as a builder and porter. Women who are jobless have switched to farming.	Some households that own a rice field already had rice and vegetables. Some borrowed money from relatives to buy food. Some lived on family member's pension.	Not supported
	Garbage collectors at the market	Markets were still opened, so workers	Remained employed but salary fell to 70%	Work as usual	Limit spending on food.	Unsupported.

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
		still had income.	due to less job.			
	Construction materials porters	Construction sites did not work in April due to social distancing	Jobless for one month (in April)	Now people have returned to work and was paid as usual.	Savings were spent for daily living expenses	Unsupported.
	Porters at markets	Business households did not work in April due to social distancing.	Jobless in April	They have returned to work, but their workload decreased. The income was only equal to 80% of the previous number.	Savings were spent for daily living expenses	Unsupported.
	Makeup artists	Shop was closed, thus jobless and no income gained.	Jobless in March and April.	I have returned to work, but gained an income of 50% less.	Cut down on daily living expenses. Migrant workers came back to their hometowns and did not have to pay for food, because they enjoyed family meals.	Unsupported.

2. Hoa Binh

Hoa Binh is a mountainous province in the Northwestern area, but only 70km far from Hanoi. According to the 2019 Population and Housing Census, the population of the province is 846.1 thousand people. The whole province has 6 ethnic groups, the largest one is Muong, accounting for 63.3%; Kinh accounts for 27.73%; Thai accounts for 3.9%; Dao accounts for 1.7%; Tay accounts for 2.7% and Mong accounts for 0,52%; besides, there are also Hoa people living scatteredly across the province. The population is mainly engaged in agricultural activities. However, the province begins planning to develop industrial zones, attracting both local workers and migrant workers.

As of end of 2018, Hoa Binh province had 31,792 poor households, accounting for 14.74% of the total number of households in the province (215,726 households) and 30,512 pro-poor households, accounting for 14.14%. In which, there are 639 poor

households in urban areas (accounting for 1.80% of the total number of households) and 517 near poor households (accounting for 1.46%). In rural areas, there are 31,153 poor households (accounting for 17.28%) and 29,995 near poor households (accounting for 16.64%). Currently, the whole province has over 23,000 social protection beneficiaries enjoying monthly benefits.

The area selected for the study is one ward and one commune in Hoa Binh city. Huu Nghi ward is home to a lot of self-employed and low-income workers. In particular, a large number of workers in the construction site of Hoa Binh hydropower plant have resigned job, mainly doing agricultural jobs such as small businesses, motorbike drivers... Mong Hoa commune formerly belonged to Ky Son district. Since December 2019, the whole district has been merged with Hoa Binh city and the commune was also merged with two communes of Mong Hoa and Dan Hoa. Mong Hoa commune is considered as "cradle" of Muong culture, the Muong people in the area account for 70%. Economic activities, however, are characterized by the nature of a rural area adjacent to urban areas. The commune has been implemented a plan for industrial park development and has attracted a number of businesses to come and build factories. Therefore, the local people have gradually narrowed down their agricultural activities and become workers in factories. These two locations were both affected by the COVID-19 epidemic, which had an impact on people's employment and lives.

Surveyed subjects and key impacts

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of households' spending and welfare	Policy-based support
I	Retail sector					
1	Grocery Store owners	This is a type of freelance business, so when the number of visitors reduced due to the epidemic, goods could not be sold, which disrupted lives, reduced number of guests, reduced income. The epidemic has caused a huge	Sales decreased by about 70% compared to one before the epidemic. The number of customers is still few even after the epidemic till now, because these stores mostly serve passersby.	No other options, trying to survive the situation. I do not know what else to do because I've done nothing but selling. Doing some extra jobs such as gardening, raising cattle and poultry, etc. for self-sufficiency, not for sale.	Cutting down on unnecessary expenses such as shopping for utensils or clothing. All expenses were just for food, education and healthcare. Good spirit of solidarity and compliance, despite the difficulties.	Having applied for support but still are waiting.

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of households' spending and welfare	Policy-based support
		economic loss and confusion.				
2	Hawkers and shopkeepers selling vegetables, fish, meat at streets or markets without kiosks.	Becoming completely unemployed during the epidemic and having no goods to sell. There was a great reduction in the number of buyers after the epidemic, leading to a decreased income (more than 50% compared to before).	Before COVID-19: earned VND 100,000/day. During: earned VND 70,000/day. Now (after COVID-19): income decreases and is worse than before and during the epidemic due to declined purchasing power, and children come back to school, requiring more expenses.	No other options but trying to survive the situation.	Cutting down on unnecessary expenses such as shopping for utensils or clothing due to decreased income. All expenses were just for food, education and healthcare. Borrowing from relatives if necessary.	Having applied for support but still are waiting.
3	Tofu makers and sellers	Not unemployed due to social distancing rules, but purchasing power obviously declined.	Produced about 1,000 pieces of tofu per day before, but now just around 500-700 pieces the most. Income halved.	Trying to survive; reducing the daily amount of tofu but still having to work every day to retain customers.	Cutting down on food expenses for adults but still remaining the amount for children.	None
II	Restaurant and Accommodation service					
1	Breakfast retailers	Completely unemployed during social distancing period. No income, no alternative job.	Income fell by about 60%; unemployed for more than one month during the epidemic; reopen shops after that, but less customers.	No other options but keeping shops open for customers to come back, though the goods were still unmarketable.	Cutting down on unnecessary expenses; spending with all savings.	Having applied for support but still are waiting.
3	Feast preparers at hirers' house.	Completely unemployed for over	No customers during the epidemic; just been	Delivering vegetables, selling	Maintaining an average living standard compared to	No support yet

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of households' spending and welfare	Policy-based support
		a month during the epidemic when there were no weddings and no restaurants open. Remaining affected due to less customers, leading to an enormous fall in income.	back to work for 12 days after that. Earned VND 300,000-400,000/day with 2-3 occasions a week, so that income fell by 50% compared to before.	some extra goods, etc. to earn VND 100,000/day more.	people around, and living on savings.	
III Transportation						
1	Excavator drivers	Work and main source of income were significantly declined.	Excavators productivity was reduced by 70%. There was enough work to do for a whole month before, but now just 10 days a month for the longest, or every 2-3 days for this unit, then off and worked for another unit. If contractors are happy, they will continue hiring us, but if not, they hire another team.	Accepting job with the lower payment, in order to generate income, even less. Living passively at this time and still having to pursue the profession because a bank loan of over 100 million for purchase of the excavator remained due.	Living on savings during the epidemic. Besides, having to spend money on all compulsory expenses (medicine, education)	No support yet
2	Motorbike drivers	During social distancing period: totally unemployed. After that: work remained limited.	People travel less after the epidemic, so the income is much less. Only earn VND 100,000/day, reduced by 50% compared to	Sometimes working as a porter or doing anything hired, but most of time for driving. Trying to find alternative jobs	Existing income can just cover the minimum need for food. Receiving support from relatives.	No support yet

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of households' spending and welfare	Policy-based support
			before. Back to work after Covid, but not much like before.	because there were few customers, but could not.		
IV	Agricultural production					
1	Agricultural producers	Not much impact on agricultural production but products were not consumed.	It is the risk to lose all the sugar cane crop because this was the harvest time but products could not be sold; and also for maize, so they were used to feed chickens.	Lost all all if products could not be sold because the agricultural production was the main source of income.	Relying on non-agricultural activities of the household's other members doing construction work, collecting scraps.	<ul style="list-style-type: none"> - From the Red Cross: rice and spices worth about VND 300,000 /household. - From the Youth Union: 3kg of rice and spices worth about VND 200,000/household. - From the Women's Union: face masks, soap and fish sauce, etc. - Most recently: 1 set of army clothes, 1 bottle of cooking oil, a pumpkin, 2 small packs of soap, etc.
V	Other sectors					
1	Scraps collectors	Stayed at home during the epidemic. And not many scraps to collect after that.	Before: VND 200,000/day During Covid: totally unemployed Now: VND max 100,000/day.	Life was more difficult during the epidemic without alternative jobs or other sources of income.	Minimizing spending and receiving extra support from children.	No support yet.

No	Categories of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of households' spending and welfare	Policy-based support
2	Workers in industrial zone.	Completely unemployed during social distancing period. After that, had to work on a rotating basis because the export market to the US has been affected, and thus job has been reduced.	The more orders, the more products, which means the more income; and vice versa. If full capacity is used, earned VND 400,000/day, but only worked half capacity. Jobless and no income during the epidemic.	The contract has not been signed, so there were no legal benefits. Now working on the field of more than 2,000m ² of rice, and same area of sugar canes, fruit trees, etc.	Cutting down on expenses except for some fixed ones.	I've been working for almost a year without a contract while the former workers had one. If there was a contract, I would benefit from trade union, Social Insurance and Health Insurance, etc. The owner changes every year, for this year I've worked for a whole year without a contract.
3	Bamboo and rattan crafters	Company was closed temporarily due to social distancing rules.	As a matter of practice, the company is in charge of collecting and delivering materials to crafters. If products do not require, the company would not do the same.	Company acts flexibly by allowing crafters to bring materials home to work flexibly. Earning just VND 100,000 for the whole day.	Spending so far has been very low, and cannot be further reduced.	

3. Quảng Ninh

Quang Ninh is a coastal province in the Northeast, considered as a miniature Vietnam because of the sea, islands, plains, midlands, hills and borders. Quang Ninh is an economic hub, a locomotive of the northern key economic region, and one of the four major tourist centers of Vietnam. As of April 1, 2019, Quang Ninh province's population is 1,320 thousand people, population density is 198 people/km², of which the population living in urban areas accounts for 64.1%. Male population reaches 671,522 people [45],

while the female population reaches 648,802 people. With a diverse economy comprising all industries, agriculture and services, of which the focus is on tourism, Quang Ninh attracts a large workforce of indigenous and neighboring localities, currently estimated at 856 thousand people.

By the end of 2018, the whole province had only 4,248 poor households, equivalent to 1.2% of households. Number of beneficiaries of social protection benefits monthly in the province is estimated at about 35,000 people. As a province proactively funded by budget sources and with good economic potential, the province has always been proactive and raised the level of support for vulnerable groups in the area. During the COVID-19 epidemic, the province issued Resolution No. 245/NQ-HĐND dated March 31, 2020 of the Provincial People's Council supporting additional groups, including: Workers of poor households, pro-poor households with permanent household registration in Quang Ninh province lose their jobs due to the impact of epidemics and officials and workers in the provincial public service delivery units assigned with 100% financial autonomy but have to quit their job without pay due to the effects of COVID-19 that the financial resources of the unit are no longer able to pay. The support level is 1 million VND/person/month, the time of support is calculated according to the actual time that the employee loses his job but must not exceed 3 months from April 2020.

The surveyed areas include Cam Trung ward, Cam Pha city, which is home to the category of informal workers including migrant workers and the urban poor. The rural area includes 2 communes of Lien Hoa and Lien Vi in Quang Yen town, this is an adjacent area of the urban Ha Long city and VSIP Hai Phong industrial park. These two communes have many agricultural workers who serve the tourism services in Ha Long city, workers in industrial zones and informal workers in service sectors. These groups are all very much affected by the COVID-19 epidemic.

Surveyed subjects and key impacts

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
I	Retail sector					

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
1	Seafood hawkers; seafood sellers at market.	No tourists. Government's prohibition on gathering for trade and spontaneous market in locality.	Temporary suspension of daily business during social distancing. No income. The amount of goods consumed is low, the income is unstable and it decreases by about 50% - 70% compared to before.	Doing no alternative job to have more income.	Having to rely on family and relatives; cutting down on unnecessary spending, no shopping. Borrowing others if in need; storing food (rice, instant noodles, spices, etc.) Self-supplying fresh food (vegetables, fish, chicken meat, etc.)	The enterprises support 10kg of rice for 20 poor households in the locality. No support from the ward committee although an application has been filed. No support from government either.
2	Permanent beverage hawkers on the sidewalks.	Students stayed at home. Stayed at home to take care of the grandkids during that time. It was so difficult to live and travel, as having body temperature measured whenever we went to the market.	Stayed at home during the social distancing period, so no income. Now, the income has reduced by 2/3. The selling price remains unchanged, while the input price has increased like for cigarettes and tea, not to mention that some people even owe money.	N/A	Cutting down on expenses. Receiving more support from children. Borrowings if there is no savings. Receiving food such as rice, eggs, chickens, vegetables, etc. from relatives.	
3	Grocery store, building materials retailers, entertainment service providers	Changes in living habits: limited meals outside, and communication. Shopping activities in stores, markets, etc. were reduced. Sale revenues dropped to about 70% after the epidemic. Minimize family	Forced to stop business during the epidemic, no income. Current earnings are down about 1/3 compared to before. Still have to pay staff salaries to retain them.	Accept the situation because of difficulty in finding other part-time jobs.	Storing food. Buying face masks and hand sanitizers. Reducing spending on meals. No purchases of utensils, daily living equipments, clothing, etc. Self-supplying food such as rice, vegetables, etc.	Mr. Hong Tuyen Dao supported VND 2,000,000 for each poor and pro-poor household; disabled, old and childless people in hamlets 6, 7 and 8 of Lieu Khe

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
		activities (weddings) in the community.			Spending savings.	village.
II	Restaurant and Accommodation service					
1	Breakfast retailers on the sidewalks.	More difficult to sell things in the morning. People no longer bought meals outside.	Shop closed for about 2 months (no income) during the epidemic. After that, reopened but few customers, so income decreases by about half. Still had to pay the cost of renting a store + payment for employees, while raw materials are more expensive.	Offered takeaway services at first, but customers were scared, so they came to the shop to buy. Paying the store rental by borrowings from relatives.	Cutting down on expenses, cannot spend as much as before. Trying to ensure eating and drinking expenses for children.	Need to provide certification for the employees to get support from their locality.
2	Restaurateurs	Completely having no customers during social distancing period. Confused and worried about the death rate in Vietnam, which would be like in foreign countries because Vietnam's medical system is not as good and could not meet the need if there was an outbreak. Changes in citizens' eating habits, no meal outside.	The cost of raw materials increased (bone and meat costs as much as 3 times more, from VND 50,000/kg to VND 170,000/kg), while the number of customers reduced making the business unprofitable. Asking employees to stay at home.	No	Cutting down on food spending and all other expenses; no dare to go to funeral ceremony, just sending condolence money. Having used savings/ borrowings on food. Food self-supplying: Sowing some vegetable seeds.	Households entitled to Social Protection, people with revolutionary merits, the poor and pro-poor were provided with support money from the government.
III	Transportation					

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
1	Motorbike drivers	There were limitations since the epidemic (not allowed to go out, business was inconvenient). People in poor health condition dared not go to the hospital for treatment during the epidemic due to fear of being infected.	The number of visitors decreased, because of fewer people got in and out of the province; That reduction started after Tet and became worse during the months of social distancing. Income decreased by about 50-70%. After social distancing period, visitors are still few.	Providing services to frequent passengers. Possibility to borrow from family and relatives in case of emergency.	Reducing food expenses most; also limiting travel costs. The costs of electricity, water, and education for children cannot be reduced. Using part of the savings. My wife received some salary advance from her company.	Local government: no support yet. Neighborhood: rice and food support for some poor households.
2	Transport dealers	Citizens limit their travel and communications. I should have got married in lunar April, but it was postponed till lunar October.	Jobless and no income as there were no orders during the epidemic.	No	Partly self-supplying for food because the family does farming work. Reducing expenses and no shopping for clothing. The electricity bill reduced from VND 500,000/month (before), to about VND 350,000/month (now).	
3	Cruise ship servers	Limited travel and no gathering of multiple people.	Travel services stopped => jobless and no income.	Knitting fishing net for VND 100,000/day. Working as a mason when called upon by my uncle who is a construction contractor.	Could not cut down expenses on funerals and weddings. Trying to save money from electricity/water efficiency and food expenses.	

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
4	Taxi drivers	No customers due to limited travels of people + no tourists.	Unemployed for 3 months during the Covid epidemic, no income.	Helping family in sales.	No meals at restaurants to save money. Limiting shopping. More borrowings either to spend or repay bank loans.	
IV	Agriculture production	A huge loss due to the inability to consume products in the harvest time; People change their living habits: Often wore face masks and washed hands.	Aquaculture: unable to sell products and but feed costs increased. Still had to maintain workers. Wholesaling to people at a discount price at 50%. Melon farmers: melons could not be sold because traders did not buy them, and they were at risk of being rotten due to over time for harvest or rain.	Doing everything others hire. No accumulative savings, so had to borrow or find other jobs if out of money. Getting loans at an unofficial interest rate (vs. the usual rate of 3%/month) to maintain production, pay employees and to cover bidding costs to hire aquaculture lagoon.	Self-supplying for food. Supporting their children. Limiting expenses. Receiving some from children. Using the supported money from the government.	The Women's Union of Lien Vi Commune supported 8kg of rice (1 month) for the disadvantaged families. Allowed to extend the payment of bidding cost of aquaculture lagoon for 1 month.
V	Other sectors					
1	Scraps collectors	Stayed at home, and no source of scraps to collect. Gaining a habit of wearing face masks.	Self-collecting scraps: Sometimes going to work but not stably, so the income reduced by about 50-60%.	No	Borrowing relatives to spend and gradually paying off then. Saving utility costs such as electricity and water; reducing meal costs.	10kg of rice + 10 eggs and another 5kg of rice for disadvantaged families.
2	Construction contractors	Construction works were suspended.	Jobless, no income.	No	Living with savings. Reducing expenses of food and shopping.	

No	Category of workers	The shock and its social impact	Impact on employment and income	Responses in terms of employment and income	Responses in terms of household's spending and welfare	Policy-based support
3	Offshore fishermen	Jobless due to inability to sell caught products, despite of being unaffected by social distancing period.	Products could not be sold for restaurants and the sale price also dropped, leading to decreased income.	Still going offshore to fish to have income.	Limiting spending.	No support.

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