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# Vietnam Business Operations and the Coronavirus: Updates

April 20, 2020 Written by [Dezan Shira & Associates Staff in Vietnam](#)

*This article will be updated as further developments in Vietnam become available.*

## Latest Updates

- As of April 20, Vietnam's Ministry of Health confirmed a total of 268 cases of COVID-19 with no new cases reported in the past four days. In addition, 202 of the affected patients have recovered and discharged from hospitals.
- Vietnamese authorities have proposed to stop the shipping of goods through the Tan Thanh border gate with China in the northern Lang Son province due to the severe congestion of trucks. Officials state there are more than 2,600 trucks waiting at border gates, with only 600 trucks cleared by customs – a 50 percent reduction than before. The congestion has been due to China tightening border control recently.
- Hanoi authorities have begun screening sellers at local wholesale markets with quick-result test kits to fight the pandemic.
- Vietnam donated US\$100,000 worth of face masks and medical equipment to Japan as well as 200,000 facemasks to the US to assist these countries in the fight against COVID-19.
- 1,523 companies were dissolved in Ho Chi Minh City in the first quarter of the year as per the city's municipal people's committee.
- Vietnam extended the social isolation measures at least until April 22 for high-risk localities, which include Hanoi, Ho Chi Minh City, and Da Nang cities as well as the provinces of Lao Cai, Quang Ninh, Bac Ninh, Ninh Binh, Quang Nam, Binh Thuan, Khanh Hoa, Tay Ninh, and Ha Tinh. The measures could be extended to April 30, depending on the situation in these localities.
- Social distancing measures will be loosened in other areas of the country allowing some industries and businesses to resume operations from April 16. Nevertheless, all localities must still enforce regulations on wearing face masks, avoiding mass gatherings, keeping a two-meter distance in social interactions, and observing strict hygiene standards.

- Vietnam has divided all localities as 'high-risk, 'at-risk' and 'low-risk' to deal with measures related to the pandemic.
- Vietnam isolated a village in the northern Dong Van district, Ha Giang province on the border with China after the latest confirmed case was from there.
- Vietnam's Ministry of Industry and Trade has decided to cut electricity bills for businesses and households by 10 percent for three months. Details of how this will be implemented are expected soon.
- Authorities ordered people working at a unit of Samsung Display in Bac Ninh province to be quarantined and isolated the Samsung factory after a worker tested positive for COVID-19. Samsung however, stated that its production lines remain unaffected.
- Face masks and hand sanitizers have been added to a list of essential goods covered by the price stabilization program in Ho Chi Minh City. Prices of stabilized goods are approximately 5 to 10 percent lower than the market price.
- Vietnamese carriers are expected to resume regular domestic flights from April 16 but stated that routes and frequency may be subject to change.
- Vietnam's government approved a plan to export 400,000 tonnes of rice in April after rice exports were previously suspended.
- Vietnam approved a plan to delay the collection of US\$7.6 billion worth of taxes and land rent to help businesses hit by COVID-19.
- Anyone visiting a medical facility would be treated as a suspected COVID-19 patient and be tested as per the Ministry of Health.
- Vietnam shipped 450,000 protective suits to the US to assist healthcare professionals in the fight against COVID-19.
- All visitors arriving in Ho Chi Minh City at the city's airports, trains, bus stations and by private vehicles will be required to get a test for COVID-19 from April 9 as per the city's health department.
- Similar police checkpoints are also reported in Hanoi, Da Nang, and Hai Phong, where people's temperatures are taken.
- Authorities late on April 7 imposed a lockdown on Ha Loi hamlet of Me Linh rural district of Hanoi for 14 days in relation to a patient who visited Bach Mai hospital in Hanoi.
- Vietnam's Ministry of Industry and Trade has asked the government to resume rice exports but limit the amount to 800,000 tonnes for April and May; the plan is awaiting government approval.

- Vietnam donated 550,000 masks to five European countries in its support for other countries against the pandemic.
- Ho Chi Minh City has suspended non-urgent construction projects until April 15 to follow the nationwide social distancing rules.
- The transport ministry has proposed cutting taxes for transport firms due to the pandemic.
- Vinfast and Nissan Vietnam have suspended operations as of April 5 to minimize the impact of COVID-19.
- Vingroup, Vietnam's large conglomerate, plans to produce around 55,000 ventilators a month to combat COVID-19.
- Authorities have submitted a proposal to delay tax and land lease deadlines for a number of industries from real estate to labor services affected by COVID-19.
- Hanoi city authorities stated they would intensify the social distancing rules and fine people who were out for non-essential reasons. In addition, ride-hailing motorbike services have also been temporarily suspended in Hanoi.
- Vietnam's Ministry of Labor is seeking up to 8,500 foreign experts to enter the country for key national projects. If approved, they would be quarantined for 14 days as per health guidelines.
- Vietnam's Immigration Department will allow foreign nationals on visa-free, tourist visas (including e-visas) that are unable to leave the country, to extend their stays up to a period of 30 days by filing an application with the authority. The policy is effective from March 30 to April 30. Foreigners that have entered for work or other purposes can contact their embassies and sponsors for further guidance in accordance with the law. A list of documents needed for extensions can be found on the government website [here](#).
- The government is considering a US\$2.73 billion emergency package for those affected by COVID-19. The measures target a number of beneficiaries in the next three months.
- Vietnam based Hyundai assembler TC Motor and Honda Vietnam have shut down their plants until at least April 15.
- Vietnam's Prime Minister has stated that he wants the fiscal stimulus package to revive the country's economy to be increased from US\$1.27 billion to US\$6.36 billion.
- Vietnam on April 1 implemented strict social distancing rules nationwide for 15 days to curb the spread of COVID-19. The measures include self-isolation and restricting people from leaving homes except for food and medicines. The gathering of more

than two people is also banned while also keeping a distance of two meters when outside.

- Factories, businesses and service establishments producing and providing essential goods are allowed to remain open but must follow strict health guidelines.
- In line with the order, domestic flights have been significantly reduced to just one round trip a day between Hanoi and Ho Chi Minh City; Hanoi and Da Nang; Ho Chi Minh City and Da Nang. Passenger trains between Hanoi and Ho Chi Minh City are also limited to two trips a day. Public transport services will be suspended while transport from region to region will be minimized except for essential services.
- Border crossings between Vietnam and Cambodia and Laos will be temporarily closed during the April 1 to April 15 period.
- Japan has pledged to help Vietnam in dealing with the pandemic by offering US\$1.86 million via international organizations.
- Vietnam's Prime Minister Nguyen Xuan Phuc on March 30 declared COVID-19 a nationwide pandemic and urged authorities at all levels to focus on efforts to contain the pandemic.
- Vietnam imported 200,000 rapid test kits from South Korea to carry out mass testing.
- The US has earmarked a total of US\$274 million in humanitarian assistance for 64 countries hit by COVID-19 including Vietnam, which would receive US\$3 million worth of support.
- Toyota Motor Vietnam became the latest foreign automobile manufacturer to suspend its vehicle production from March 30.
- Vietnam's Prime Minister has asked Hanoi and Ho Chi Minh City authorities to ensure they are ready for lockdown scenarios. This includes enough resources such as food and address issues related to price gouging of food and medical supplies.
- The Ministry of Labor, War Invalids and Social Affairs (MOLISA) has proposed that the government issue a US\$854 million bailout package to alleviate the impact of COVID-19.
- Vietnam has banned the gathering of more than 20 people for at least two weeks from March 28 and temporarily shut down services like massage parlors, tourist sites, and cinemas nationwide. In addition, major cities like Ho Chi Minh City, Hanoi, Can Tho and Da Nang would need to temporarily shut down all service facilities except for food, pharmacy, and medical treatment services.

- The government has also prohibited the gathering of more than 10 people outside offices, schools, and hospitals. Public transport, interstate transport, and domestic flights are also limited.
- Authorities have made it mandatory for all travelers to declare their medical status on domestic flights and public transport.
- Authorities in Hanoi on March 25 ordered the closure of non-essential businesses like bars, night clubs, movie theaters, and karaoke clubs until May 4. Necessities like food, medicine, and fuel stations will remain open.
- All Vietnamese carriers have suspended international routes from March 25.
- Samsung's Galaxy Note smartphone faces production delays due to Vietnam's restrictions on South Korea. However, around 180 Samsung Display employees were allowed following an agreement with both governments. In addition, Samsung and LG plan to send 430 engineers to support operations in Vietnam on chartered flights.
- Vietnam has stopped exporting rice from March 24 to ensure national food security.
- Ford Motor Company will temporarily suspend production in Vietnam from March 26.
- All international airlines have been asked to stop transporting overseas Vietnamese to Tan Son Nhat Airport in Ho Chi Minh City from March 25 to March 31 to prevent overcrowding at quarantine facilities.
- **Vietnam has suspended the entry of all foreigners from March 22 until further notice to limit the spread of COVID-19. The measure will not apply to diplomats and officials as per Prime Minister Nguyen Xuan Phuc.**
- The Health Ministry has advised all arrivals from March 1 to self-isolate at home if they have not been quarantined in a centralized zone in the past 14 days.
- Public transport passengers are required to fill out health declaration forms. These include travelers on long-haul buses, trains, tourist boats, and domestic flights.
- The government has also asked religious organizations to cancel religious festivals, activities, and conferences that attract large crowds as a precaution.
- Vietnam and Cambodia have closed their borders from March 20 to further prevent the spread of the epidemic. The measures do not apply to official and diplomatic passports.
- Vietnam Airlines will suspend all international routes in a phased manner by March 25 until April 30. VietJet will suspend ASEAN routes from March 20.
- Vietnam's military is expanding quarantine facilities for up to 60,000 people as thousands of Vietnamese return home from virus hit countries. The government will

also use university dormitories to meet the demand should it be required. In light of the arrivals, authorities in Hanoi have urged residents to stay home.

- Vietnam plans to issue several incentives for businesses affected by COVID-19. For more information on this, read our article [here](#).
- In addition, all travelers from the US, Europe, and ASEAN countries will be required to undergo medical checks and a 14-day quarantine when entering Vietnam.
- Nearly 7,000 passengers entered Vietnam airports on March 18. These included mostly locals returning to the country as well as some foreigners. Travelers came from Europe as well as ASEAN countries.
- Vietnam is set to officially export 7,500 COVID-19 test kits to Ukraine and Finland. Other European countries have also shown interest.
- Vietnam Airlines will temporarily suspend flights between Vietnam and Malaysia until the end of March from March 18. In addition, flights between Vietnam and France have been indefinitely suspended.
- As of 12:00 pm on March 15, Vietnam suspended all visas and will deny entry to travelers from the UK and the 26 Schengen countries; this includes travelers that have visited or transited through these countries in the past 14 days. This will be effective for 30 days.
- In addition, Vietnam has suspended visa on arrival for all foreign nationals except for those on official or diplomatic trips. Those who currently hold visas to enter Vietnam will need to undergo screenings and may be quarantined when entering the country.
- Vietnam railway authorities have suspended several domestic routes from Hanoi and Ho Chi Minh City from March 16.
- Authorities in Binh Duong and Long An provinces have shut down all entertainment facilities such as cinemas, discos, massage parlors, and karaoke clubs.
- Health officials announced changes to mass lockdowns – they would enforce a small-scale lockdown applicable to households in the immediate vicinity of confirmed patients.
- Vietnam has mandated that people wear face masks at crowded places such as airports, bus stations, supermarkets and on public transport.
- The Formula 1 (F1) Vietnam Grand Prix in Hanoi scheduled for April 5 has been [postponed](#) due to the epidemic.
- Authorities have shut several tourist sites in Hanoi as well as Hoi An. All tourist activities in Quang Ninh province have also been suspended.

- The World Health Organization (WHO) on March 11 declared COVID-19 as a pandemic which is an “epidemic occurring worldwide” as per the WHO. To put this in context, the latest pandemic was declared in 2009 caused by the H1N1 swine flu.
- From March 12 to March 26 tourist attractions such as Ha Long Bay, Bai Tu Long Bay, and Yen Tu Complex will be closed to visitors.
- Two communes – Viet Hai and Gia Luan in Hai Phong were put under lockdown on March 9 after a British tourist with the virus visited there. This is in addition to four residential areas already under lockdown.
- Authorities have restricted all foreigners from the tourist destination of Ly Son island in Quang Ngai province from March 9. Vietnamese tourists entering the island will have to fill out health declarations. In addition, authorities have also barred tourists from Cham islands, off the coast of Hoi An from March 10.
- Vietnam launched a mobile app that will allow all Vietnamese to declare their health status. The government has urged citizens to update their health status on the app.
- The Vietnamese government is expected to unveil a credit package of US\$10.8 billion and a fiscal package of US\$1.3 billion in March for businesses affected by the coronavirus outbreak.
- Health authorities will require all passengers arriving from any country into Vietnam to fill out health declaration [forms](#) from March 7.
- The Vietnamese Prime Minister has asked ministers and government officials to consider canceling foreign trips to the epidemic.
- Instant noodle demand has surged by 67 percent due to the COVID-19 epidemic. This was preceded by mouthwash at 78 percent as per a market study by Nielsen Vietnam.
- Vietnam will produce 10,000 COVID-19 test kits daily after a successful pilot and approval from the World Health Organization (WHO).
- Ethnic Vietnamese from South Korean and Italy will longer be granted visa-free entry from March 8.
- From March 1, all flights from South Korea will not be allowed to land at Hanoi and Ho Chi Minh City airports, instead they will be directed to Van Don (Quang Ninh province) and Can Tho airports for processing and quarantining of passengers.
- Vietnam on February 29 suspended the visa-waiver program for South Korean nationals. In addition, all incoming travelers from South Korea will be subject to a mandatory 14-day isolation.

- Vietnam Airlines and low-cost carrier Vietjet will temporarily suspend all flights to and from South Korea from March 5 and March 7 respectively. Earlier on February 26, Bamboo Airways had suspended all flights to and from South Korea.
- As per education authorities, schools are expected to reopen by June 15.
- The US [Centers for Disease Control and Prevention](#) (CDC) on February 27, removed Vietnam from the list of destinations vulnerable to community transmission of COVID-19 citing Vietnam's comprehensive actions against the epidemic. The CDC will also send a delegation in March to enhance medical cooperation between the US and Vietnam. It also plans to establish a CDC regional office in the country.
- Vietnam and China have agreed to reopen further border crossings to ease restrictions and normalize trade. Several border crossings in Quang Ninh, Lai Chau, Lao Cai, Lang Son, and Ha Giang have reopened. However, backlogs remain, and other border crossings remain closed.
- Khanh Hoa province, home to the tourist destination of Nha Trang has been declared COVID-19 free as of February 26. The province has not reported any COVID-19 cases since February 4. Despite the epidemic, Russian tourists have continued to visit the tourist destination of Nha Trang with just a slight dip compared to last year in the same period.
- Vietnam's labor ministry announced that it will stop issuing new work permits to foreigners who come from areas hit by COVID-19.
- Vietnam's civil aviation authority suspended all flights to mainland China, Hong Kong, Macau, and Taiwan on February 1. However, the authority lifted the ban for Hong Kong, Macau and Taiwan from February 2. Flights to and from mainland China (including transit) remain suspended.
- Up to 300 businesses in Vietnam have temporarily suspended operations while others have downsized due to the outbreak.
- The novel coronavirus has been renamed as COVID-19 as per the World Health Organization (WHO). The Co and Vi come from coronavirus, with D meaning disease and 19 for 2019.
- The Ministry of Finance (MoF) has announced a list of medical supplies including masks, dry hand sanitizers, filters, epidemic prevent suits, among others exempt from tax until the epidemic ends.
- [Dezan Shira & Associates](#), Trent Davies, Manager of our [Ho Chi Minh City office](#), spoke at an AmCham Vietnam event *Impact of Novel Coronavirus on Your Health and Business* in Ho Chi Minh City, Vietnam. During the event, Trent discussed the



broad economic impact of the epidemic in Vietnam, especially in vulnerable industries such as education and tourism. A full summary can be found [here](#).

- Vietnam issued *Decision No. 173.QD-TTg* declaring coronavirus as an epidemic – in line with the [World Health Organization's](#) declaration of the virus as a global health emergency.
- The government has ordered the health ministry to supervise and early detect infected cases, monitor border crossings, airports, and seaports, particularly for passengers coming from affected areas.
- Vietnam stopped issuing visas for Chinese tourists on January 30 as a temporary measure. Foreign visitors who have visited mainland China (including transit) in the past 14 days from arrival will also be denied entry into Vietnam.
- Passenger train services between Vietnam and China have been suspended until further notice, however freight train services between the two countries continue to operate.
- The labor ministry has also asked businesses to keep names and other information of Chinese and foreign workers who have visited virus affected areas. In addition, they must be quarantined for two weeks for health checks.
- Vietnam's airports have been ordered to deploy additional personnel and coordinate with local health agencies to deploy body temperature scanning equipment as well as a screening of passengers.
- Building management of apartment buildings in Hanoi and Ho Chi Minh City have begun body temperature checks for people entering the building. Ho Chi Minh City officials have asked building authorities to strengthen preventive measures at apartment buildings.

## Impact and Summary

Vietnam has currently declared 268 cases of the coronavirus infection; however, we have concerns that more cases will arise. Travelers from epidemic affected areas will face additional checks and screening.

As mentioned earlier, 202 of the patients have recovered and have been discharged from hospitals. However, Vietnam has quarantined several suspected cases of the virus as a precaution. Suspected cases are those people that have returned from epidemic areas or have had direct contact with returnees from epidemic areas and show symptoms as per the Ministry of Health.

The virus's symptoms are respiratory and seem to start with a fever, cough, and shortness of breath gradually. However, in serious cases, it can lead to pneumonia, acute respiratory syndrome, kidney failure, and death.

There is currently no vaccine, so patients are being treated for their symptoms.

Vietnam's health ministry has further stated that the fatality rate of the virus is 2 percent as compared to the 9.6 percent of the SARS virus in 2002-2003.

Recent developments indicate that travelers may have already been infected but not realized it – the virus appears to have a non-symptomatic 7-14 day incubation period. Further border checks and other movement restrictions are possible given the rapidly evolving developments.

Businesses operating in Vietnam need to prepare for an escalation of the coronavirus in Vietnam and be ready for measures taken by the authorities to get enforced with little or no notice.

We recommend businesses in Vietnam contact their staff to ascertain where they are and discuss any regional or national advisories concerning travel. Staff experiencing any cough or flu-like symptoms should not return to the office or factory.

We are providing updates and advisories concerning ASEAN (as well as Vietnam) on this article [here](#).

To prepare for business measures in Vietnam, we recommend reading through this article [here](#), which contains advisory for businesses operating in China, but may also be required should an outbreak extend to affect businesses operating in Vietnam. We strongly advise precautionary measures begin to be taken.

While travel to Vietnam can continue, we recommend taking precautions and following advice from Vietnam's [Ministry of Health](#).

Basic precautions one can take to reduce their risk to the coronavirus as advised by the [World Health Organization](#) (WHO) are:

- Wash hands with soap and water or an alcohol-based hand rub;
- Cover nose and mouth with tissues or inside of elbow when coughing or sneezing;
- Avoid close contact with anyone with cold or flu-like symptoms;
- Thoroughly cook meat and eggs; and
- Avoid unprotected contact with live wild or farm animals

We will continue to provide updates as they become available.

*Since its establishment in 1992, Dezan Shira & Associates has been guiding foreign clients through Asia's complex regulatory environment and assisting them with all aspects of legal, accounting, tax, internal control, HR, payroll, and audit matters. As a full-service consultancy with operational offices across China, Hong Kong, India, and ASEAN, we are your reliable partner for business expansion in this region and beyond.*

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