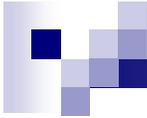


VCCI ORGANIZATION REPRESENTING EMPLOYERS IN VIETNAM

GENERAL INTRODUCTION

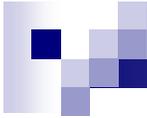
VCCI ACTS AS THE ORGANIZATION REPRESENTING EMPLOYERS IN VIETNAM

- Members of National Industrial Relation Committee include VCCI, MOLISA, VGCL
- VCCI is an organization representing employers in Vietnam
- VCCI is a member of the International Organization of Employers (IOE) and Confederation of Asia Pacific Employers (CAPE)
- Partnership with ILO: Organization representing Employers in the Triangular Relation



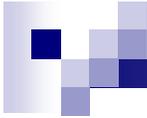
FUNCTIONS

- To promote and protect legitimate rights of employers in Vietnam in national and international industrial relations
- To promote and maintain harmonized and sustainable industrial relations in order to ensure competitive business environment and business development
- To take part in the triangular regime in Vietnam together with employers' representative (Vietnam General Confederation of Labor) and government (Molisa).



TASKS (1)

- To collect and study enterprises' opinions to reflect, recommend and advise the State about issues regarding policies and laws on labor with a view to speeding up business development.
- To engage in the establishment of labor laws
- To organize dialogues and exchanges between enterprises and employers and state agencies, employees' representative and other concerning organizations inside and outside the country to exchange information and opinions on issues relating to industrial relations
- To carry out necessary activities to protect legitimate rights of enterprises and employers in industrial relations

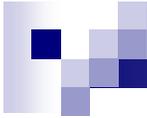


TASKS (2)

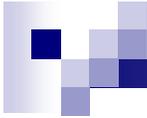
- To organize activities to disseminate and encourage enterprises to strictly follow labor laws, raise social responsibilities and build harmonized and sustainable industrial relations
- To organize trainings under various proper forms to develop human resources for enterprises, help employers to enrich their knowledge of labor laws and management skills
- To assist enterprises in settling conflicts and disputes in industrial relations through negotiations and reconciliation to prevent strikes; To appoint employers' representatives to take part in triangular labor courts at all levels
- To conduct other tasks authorized by the Vietnamese State or other organizations

VCCI's Experiences in its participation in building policies and creating agreement on unemployment insurance policies in Vietnam".

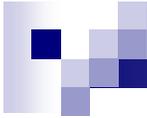
- Social Insurance Law set forth Article 12 regulating rights and responsibilities of employers' representative – VCCI in which includes “To propagate and disseminate social insurance benefits, policies and law to employers” so VCCI has been realized that specific issues in Social Insurance Law are very necessary and should be implemented step by step as schedule, especially compulsory social insurance from 01/01/2007, voluntary social insurance from 01/01/2008 and unemployment insurance from 01/01/2009.



- VCCI has organized regular trainings, workshops and dialogues on answering difficulties and troubles in participating unemployment insurance in industrial zones and provinces with the direct participation of enterprises' owners and human resources staff who are directly involved in conducting regulations on unemployment insurance and have regular relations with social insurance agencies to implement those regulations for employees and enterprises themselves. As a result, in principle, employers and employees have realized that the participation in unemployment insurance is to ensure rights and obligations of themselves and to have significant impact on the implementation of legal policies in enterprises.

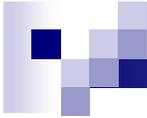


- VCCI has provided trainings on social insurance laws and relating documents for all of the units in northern provinces like Hanoi, Vinh Phuc, Bac Ninh, Hai Duong, which are the main localities attracting almost of labor force in neighboring provinces.
- VCCI has coordinated with newspapers and broadcasts to promulgate and disseminate policies on social insurance, health insurance, unemployment insurance, etc. The implementation of regimes and policies in line with social insurance law has, therefore, had many advantages and reached optimistic results.



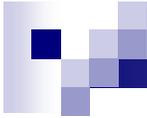
Shortcomings

- In addition to advantages, the implementation of social insurance has also faced with some difficulties and troubles. During the promulgation and dissemination of social insurance policies and regimes in localities, VCCI has obtained many contributions of foreign-invested companies and non-state companies that their participation in social insurance and unemployment insurance has been facing any barriers and constraints. Upon implementing their responsibilities in social insurance and unemployment insurance, enterprises always face with difficulties and shortcomings in the followings:
 - To close and finish outstanding social books has created difficulties for participating enterprises as well as beneficiaries;
 - The settlement of compensation for employees in unemployment insurance in line with social insurance law is delayed and complicated, causing time waste for beneficiaries;



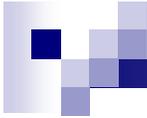
Shortcomings

- For unemployment policies: At present, many enterprises have been confused in identifying the business type. It is, therefore, necessary to clearly regulate objects of the unemployment insurance. For example, the objects should be those who have labour contracts or work contracts in all types of businesses, organizations and agencies.
- Although social insurance law has clearly stated responsibilities of functional sectors in organizing the implementation, the identification of objects of unemployment insurance in the non-state sector and non-profit units is still difficult because of the lack of cooperative regime among concerning agencies and sectors.

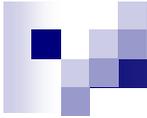


VCCI's Solutions

- From the above shortcomings, VCCI has set forth some recommendations: to revise some Articles and Provisions in the Social Insurance Law to make them tighter in order to avoid what is unreasonable and negative regarding the compensation.
- + To study the further extension of objects of unemployment insurance in enterprises and employers and the unlimited numbers of employees;
- + To regulate the calculation of allowances by year of unemployment insurance participation to avoid abuse.
- + The regulation on the allowance for the remaining time in line with Decree 127 is not proper with international practice and go against principles of unemployment insurance, which will encourage employees to take initiative in stop working, affecting the business's production.

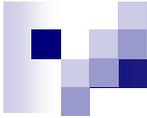


- + At present, conditions to enjoy unemployment insurance does not take into account reasons for resignation so employees that are fired due to violations of disciplines or resign themselves are still compensated by unemployment insurance because the compensation is based on only the date of stopping the labor contract or the decision on their resignation.
- + To enhance the promulgation and dissemination of legal education for those involved in unemployment insurance on their rights and obligations on the mass media in order to ensure that employers and employees understand, implement and enjoy their legitimate rights when participating unemployment insurance; to raise the effectiveness of the implementation of laws in life. To this end, not only the labor, invalids and social affairs sector and social insurance agencies but also other concerning agencies such as trade unions at all levels and management units of industrial zones should coordinate in implementing.
- To take part in the Scheme on Renewal of administrative procedures relating to the implementation of unemployment insurance policies and procedures for compensation.



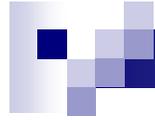
Summarization

For the effective implementation of regimes and policies in line with Social Insurance Law, it is necessary to have the direct instructions and closer and more regular coordination among concerning agencies in establishing measures to address shortcomings in a bid to strictly follow the Social Insurance Law, regulations on social insurance, health insurance and unemployment insurance to protect legitimate rights of employers and employees in enterprises.



CONCLUSION

In conclusion, together with great efforts, VCCI's coordination in promulgating and disseminating policies on social insurance, health insurance and unemployment insurance to employers and employees at localities has reached practical results. For enterprises' owners, especially in state-owned enterprises, time in dialogues and answers is not enough for their outstanding and permanent questions. VCCI has realized that the contents on communications on social insurance are very necessary for enterprises and what VCCI has been doing has impressed enterprises so much.



THANK YOU!