

SPEECH

Dear HE Prime Minister Mr. Pham Minh Chinh,
Dear leaders of ministries, Government agencies and representatives of the business community in Vietnam

Ladies and Gentlemen!

On behalf of the Vietnam Business Forum (VBF), please allow me, Tetsu Funayama, VBF Co-Chairman, to express my heartfelt gratitude to all relevant agencies, especially the Office of the Government and Vietnam Chamber of Commerce and Industry, for organizing this conference and inviting VBF for a speech today.

More than 20 years ago, the Vietnam Business Forum (VBF) was established at the annual Consultative Group meeting between the Government of Vietnam and its donor partners. Thanks to close cooperation of 15 member business associations, VBF has been working closely with ministries and government agencies on numerous issues by generating research reports, analyzing current issues and providing constructive recommendations and solutions to the Government and the private sector. VBF is an on-going policy dialogue channel between the Government of Vietnam and business community with two annual high-level meetings towards a favorable business environment that would promote sustainable economic development in Vietnam. VBF now has 13 working groups covering key areas of business operations.

This year is another challenging year for the business community due to the impact of the COVID-19 pandemic. We are really appreciative that the Government of Vietnam understands this situation and stands side by side with the business community by promptly introducing policies to address challenges faced by businesses. However, for economic recovery, especially to promote FDI growth given strong headwinds left behind by the pandemic, we strongly believe it is necessary to hold direct dialogues between the Government and the private sector, and are seeking for further Government actions in improving business environment "in COVID-19 mode".

To realize this goal, VBF would like to share with the Government of Vietnam four main recommendations as follows:

- Firstly, Vietnam should quickly deploy COVID-19 vaccines to restore supply chains by shifting your approach from place-based isolation to a nationwide vaccination campaign, quickly setting up vaccination points across the country for workers (working in priority sectors) who returned home during the social distancing period to get vaccinated and soon have the chance to return to a workplace in the city and industrial parks. In addition, the “3 on the spot” model should only be maintained in very high-risk areas and those vaccinated workers should be allowed to drive back and forth between home and work.
- Our second suggestion is for the recovery of the transport sector. Vietnam should remove inter-provincial travel restrictions for the vaccinated and prioritize vaccination of essential workers who transport goods.
- Thirdly, Vietnam should have a centralized vaccination tracking system, allowing those with "a green certificate" and vaccinated visitors to enter Vietnam without going through a facility-based quarantine.

- Finally, it is a comprehensive financial development strategy. Vietnam should promote digitization of tax and customs administration, provide corporate income tax exemption and offer supports to service sector and start-ups. In addition, we would like to request that the State Bank of Vietnam consider flexible options in managing foreign currency loans of domestic financial institutions, offer low-interest loans, and increase the credit growth cap of commercial banks by 2 to 4% during the Covid-19 pandemic for expansion of bank credit in priority business sectors.

These are the four main suggestions of Vietnam Business Forum to the Government to help ensure that Vietnam remain an attractive and safe investment destination given that many countries are now greatly affected by the Covid-19 pandemic.

VBF is also mandated to provide advice to the Government of Vietnam from an industrial perspective through our working groups. For example, the Power & Energy Working Group provided recommendations to the Ministry of Industry and Trade on Vietnam's Power Master Plan 8 for stable power supply and efficient energy transmission. We have also actively provided our inputs on draft documents on guiding the implementation of the Law on Environmental Protection through the Environment Working Group.

All these efforts are to reiterate VBF commitments to wholeheartedly stand side by side with the Government.

Once again, I would like to express my sincere thanks to the Prime Minister, leader of the ministries and Government agencies for your attention. I hope this conference will mark one of the important milestones for Vietnam to introduce sound and decisive economic development strategies in the face of the global pandemic.

Thank you.