The background of the cover features a photograph of a person wearing a traditional conical hat rowing a small wooden boat on a river. In the foreground, several other wooden boats are docked or moored. The scene is set against a backdrop of a bridge and lush greenery. A large, solid green circle is positioned at the top center of the page, partially overlapping the top edge of the image.

RAPID ASSESSMENT OF THE COVID-19

**SOCIO-ECONOMIC IMPACT
ON VULNERABLE HOUSEHOLDS
IN VIET NAM**

ROUND 3
July 2021

FULL REPORT

RAPID ASSESSMENT OF THE COVID-19 SOCIO- ECONOMIC IMPACT ON VULNERABLE HOUSEHOLDS IN VIETNAM

Round 3 -July 2021

Sep 2021

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Table of Content

List of figures.....	5
List of boxes	7
Acknowledgements.....	8
Abbreviations.....	9
EXECUTIVE SUMMARY.....	10
1. An update on impact assessment of COVID-19 in brief.....	10
2. Key findings	12
3. Promoting robust, sustainable and inclusive recovery – recommendations.....	17
MAIN REPORT	24
1. Economic impacts are large.....	24
2. Non-economic impacts are significant	30
a. Two in three households reported mental health problems	30
b. Food security is increasingly becoming an issue reported by over half of households	32
c. One in two households reported difficulty in necessities shopping.....	34
D	37
d. Difficulty in accessing to education and health services	37
e. The number of homeless people has been on the rise	37
3. Coping measures	40
3.1. Households are very vigilant	40
3.2. Occupational mobility in response to the pandemic -caused economic shock was limited	41
3.3. Cutting expenditures was the most common measure employed by affected households, most of their cut falls on food, followed by electricity usage	43
3.4. Four in ten affected households had to borrow, with friends as a main source of loan	46
3.5. Three in ten households used savings.....	47
3.6. Migration out of the provinces hit hard COVID-19 outbreaks was the last resort	47
3.7. Digital technologies to combat the pandemic started to help, but the use is still modest, and unequal	50
3.8. Vaccination against COVID-19 only started to roll out, two in three respondents are willing to get vaccinated.....	52
4. Policy support – Nine in ten households have not received it as of yet	55
4.1. Support coverage: Only one in ten households received government support.....	55
4.2. Difficult access to support	57
4.3. Missing beneficiaries	61
4.4. Support delivery	64
4.5. Support for migration.....	65
4.6. Information support to increase vaccination coverage.....	67
5. Promoting robust, sustainable and inclusive recovery – recommendations.....	68

6. Conclusion.....	75
Appendix	76

LIST OF FIGURES

Figure 1. Survey map	11
Figure 2. Employment impact (% of households).....	24
Figure 3. Employment impact (any) of the pandemic across various types of households (% of households)	26
Figure 4. Distribution of household per capita incomes in relative to December 2019 (%)	27
Figure 5. Per-capita income of affected households in July 2021 relative to December 2019 (%)	29
Figure 6. Difficulties due to COVID-19 (% of all households)	30
Figure 7. Mental health problems due to COVID-19.....	31
Figure 8. Food shortage due to COVID-19	32
Figure 9. Prevention measures (% of households)	40
Figure 10. Reasons of no moving to new jobs (% of households)	41
Figure 11. Plan in 6 months - Forward looking (% of households)	43
Figure 12. Coping measures (% of affected households).....	43
Figure 13. Spending cut on essential items (% of affected households)	45
Figure 14. Network of financial support (% of affected households)	46
Figure 15. Savings availability (% affected households)	47
Figure 16. Using nCovy or Bluezone apps (% households).....	50
Figure 17. Vaccination priority due to high contacting sectors (% households).....	52
Figure 18. Vaccination readiness (% households)	53
Figure 19. Reasons for no vaccination demand (% of affected households)	53
Figure 20. Policy support demand and delivery (% households)	56
Figure 21. Reasons for no demand for policy supports (% of households having no demand for policy supports)	57
Figure 22. Network of supports (% of households receiving supports)	57
Figure 23. Difficult access to policy support (% households having no policy support yet)	61
Figure 24. Perception on migration choices due to COVID-19 outbreaks (% households).....	65
Figure 25. Recommendation on policy action to support the migration flows due to COVID-19 outbreaks (% of households)	66

Figure 26. Recommendation on policy action to control the migration flows due to COVID-19 outbreaks
(% of households) 67

LIST OF BOXES

Box 1. Severe employment and income impacts due to COVID-19 in more than 3 months	25
Box 2. Difficult “3 on-site”	28
Box 3. A severe mental problem in the too-small hostel for migrants	31
Box 4. Food shortage.....	33
Box 5. Difficulty in shopping	34
Box 6. Difficulty getting tests and travel permits for essential delivery	35
Box 7. No smartphone for kids’ online learning	37
Box 8. No rent, living in makeshift shacks at the construction site	37
Box 9. No money to pay rent, becoming homeless	38
Box 10. Hard to do online retailing or find new jobs	42
Box 11. Cut in food expenses	45
Box 12. Difficult to borrow when all of networks were hit hard.....	46
Box 13. Migration flows out of provinces having COVID-19 outbreaks for months.....	48
Box 14. Difficult situation of migrants being quarantined in the city	49
Box 15. The old, disadvantaged persons, and those in rural areas find it difficult in using apps and donot understand the use of technology	51
Box 16. Many people do not know how to apply for vaccination.....	52
Box 17. Different support implementation and difficult to access support	59
Box 18. Migrants having no support even having an extremely difficult situation.....	62
Box 19. Small household business having no support even having an extremely difficult situation	62
Box 20. Homeless people	63
Box 21. No support due to a job loss before the quarantine decision was issued	64
Box 22. Support delivery through bank transfer or in-kind delivery for the blocked area	64
Box 23. The risk of infection from uncontrolled mass migration out of the provinces with COVID-19 outbreak was considerable	66
Box 24. Migrants are the most vulnerable in the city with COVID-19 outbreaks	67
Box 25. People’s worry when hearing unofficial negative news against vaccination.....	68

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ABBREVIATIONS

CAF:	Centre for Analysis and Forecasting
COVID-19:	Coronavirus disease of 2019
F0:	People confirmed as infected by COVID-19
F1:	People suspected as infected or contacted F0
GSO:	General Statistical Office
MOLISA:	Ministry of Labor, Invalid, and Social Affairs
MSME:	Micro small and medium enterprises
PPP:	Purchasing Power Parity
RIM:	Rapid Impact Monitoring
UNDP:	United Nations Development Program
USD:	US dollar
VASS:	Viet Nam Academy of Social Sciences
VHLSS:	Viet Nam Household Living Standard Survey
VND:	Viet Nam dong
GDP:	Gross Domestic Product

EXECUTIVE SUMMARY

1. RAPID IMPACT ASSESSMENT OF COVID-19 IN BRIEF

This impact assessment of COVID-19 was conducted in early August 2021, as a follow-up to Rapid Impact Assessment Round 2 (RIM2) implemented in October 2020, and RIM1 in April to May 2020. The objective of this exercise is to provide an update on economic and non-economic dimensions of well-being of vulnerable households during the pandemic, focusing on the fourth wave, which started in April 2021 and is still on-going. While the survey was conducted in the first week of August 2021, respondents were asked about their situation in July 2021, i.e. the previous month.

Sampling

The survey design consists of a sample of 500 households, selected randomly from a sampling frame of 1,000 households interviewed in Oct 2020. The Oct 2020 sample in turn was selected based on stratified random sampling from a sampling frame consisting of 45,838 households taking part in the Vietnam Household Living Standard Survey conducted by GSO in 2018 (VHLSS 2018).

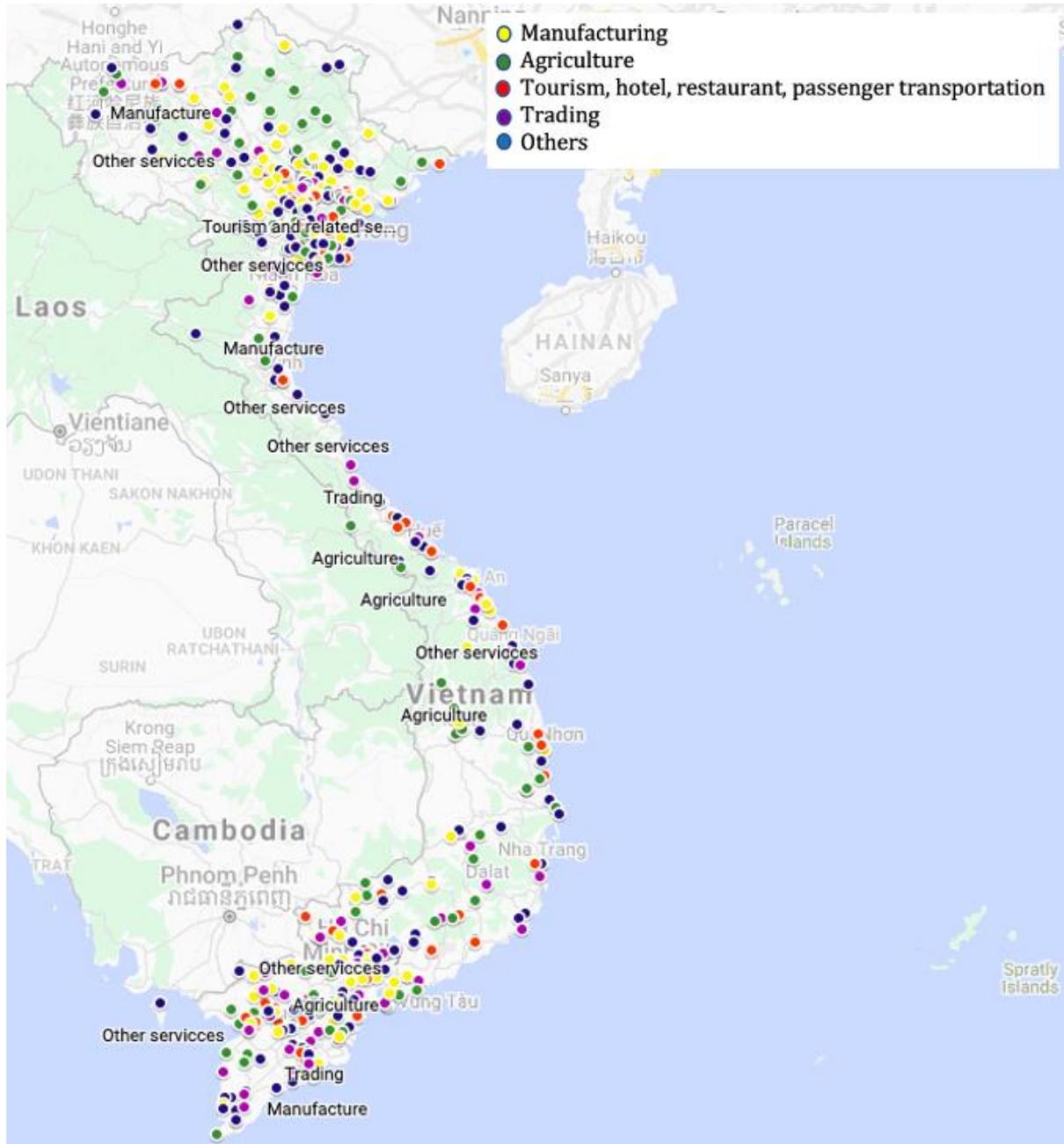
For the selection of the sample in this survey, stratified random sampling was employed. The sample was stratified by two criteria. The first criterion was COVID-19 health risk. The economy was classified into two groups: those living in provinces with strict restriction measures in place (i.e. under Instruction 15 or 16) or respondents living outside of these areas. The second criterion aims to capture variation across the economy associated with COVID-19 market risk. The economy was classified into two groups of industries: heavily affected sectors, including manufacturing, tourism, restaurants, hotels, passenger transportation, and trade; and the rest. Locations and sectors that have been hit hard were over-sampled. Then sampling weights were calculated and used in the calculation of various indicators at different levels of aggregation to adjust for these sampling properties (details on sampling are given in Appendix).

Survey sample

The final sample consists of 498 households, including 84 ethnic minority households, 107 female-headed households, 348 from rural areas, and 249 with family members working in heavily affected sectors. In terms of sectoral distribution, there are 108 households with family members working in the manufacturing sector, 86 in agriculture, 70 in tourism and related services, 71 in trading, and 163 in other sectors. As such, the sample size is sufficient for single-dimensional analysis.

The geographical coverage is the whole Vietnam.

Figure 1. Survey map



Source: Based on the survey on impact assessment of COVID-19 in July 2021

2. KEY FINDINGS

2.1. Economic impacts are large

Employment impacts are severe

Overall, 88% of households suffered at least one of the listed employment impacts in July 2021. These are (i) laid-off wage workers; (ii) temporary break from work; (iii) reduced working hours. They are hereafter termed “affected households.” This ratio is much higher than the 63% observed in Oct 2020. Reduced working hours was the most common impact, experienced by 80% of households in July 2021. Meanwhile, an involuntary, temporary break from work was experienced by 46% of households in July 2021.

Among sectors, a significantly higher percentage of households (99.3%) in tourism and related services, including restaurants, hotels and passenger transportation, have suffered an employment impact than the rest. Manufacturing (96%) and trading (94%) face a similar situation.

The impact on income is considerably larger than in the October 2020 round of RIM

In July 2021, 63.5% of all households, and 66.9% of affected households, experienced an income drop of 30% or more from the pre-pandemic period (December 2019). This represents a considerable increase from the previous rounds of the RIM survey. In Oct 2020, 31.6% and 37.1% of all households and affected households, respectively, experienced an income drop of 30% or larger. The incomes of households in July 2021 were on average only 44% of December 2019 levels. Tourism, restaurants, hotels, and passenger transportation were those hardest hit.

2.2. Non-economic impacts are significant

Two out of three households report mental health problems

Mental health is an urgent emerging issue, as lockdowns have been widespread and lengthy. Two-thirds (66.4%) of households worry about the impact of COVID-19. Mental health problems were wide ranging, from being worried once a day (reported by 41% of respondents), all day (29%), having trouble falling

asleep (10.8%), not being able to relax (7.3%), and becoming easily annoyed or irritable (6.8%), and feeling depressed (6.5%).

Female household heads suffered a higher incidence of mental health problems (81.6%) than male household heads (62.8%). The differences are pronounced for some indicators. For example, 8.3% of male heads found it hard to sleep, only a third of that reported by female heads (21.3%). About one-fourth of male heads were worried throughout the day (26.3%) compared to 41.3% among female heads.

The qualitative survey found that mental problems were disproportionately experienced by migrants living in small, over-crowded accommodation.

Food security is becoming an issue reported by over half of households

Half of the households (51.2%) had to reduce the amount of food served per meal, and 17.7% of households reduced the number of meals per day. A related problem is a difficulty in shopping for necessities which was experienced by 48.7% of households. Disruption of supply by the COVID-19 outbreak and the lockdowns were the main impediments to accessing necessities. Food shortages were reported by vulnerable households, including those laid-off for months, especially migrants. Households with small children reported the most severe conditions.

The number of homeless people is on the rise

There have been reports in the media about a rise in the number of homeless people among informal migrant workers because of lockdowns. With no job or income, they could not pay rent and became homeless. They are highly susceptible to infections because of the lack of shelter.

Many local authorities called for rent reductions for vulnerable workers. However, in some cases, landlords could not afford rent reductions. Besides, even if they had reduced the rent, the migrants could not come back to rented accommodation in blocked areas.

2.3. Household coping measures

Households are very vigilant

Using masks, soap, hand sanitizers for hand washing, and social distancing Are practiced by nearly all households. All households (99.7%) wore masks, 91.5% washed hands with soap and hand sanitizers, and 94% were careful to maintain minimum distances from others in situations of direct contact in July 2021. Such a wide adoption of these preventative practices can be easily understood, as health risks significantly increased in the 4th pandemic wave from July 2021.

However, 10% of households used online shopping services due in part to the disruption of shipping services during lockdown times, while 12.4% of households used electronic payments.

Cutting expenditures was the most common measure employed by affected households, mostly spending on food, followed by electricity

Four in five (79.4%) affected households cut expenditures, with 43.4% reducing spending by less than 30% and 17.7% by more than 30%.

Most of the expenditure cuts were related to food, with 71% of affected households cutting food expenses. The cut in food expenses and food shortage was reported by vulnerable households, those being laid-off for months, especially migrants. A more severe situation was reported in households having small kids. The second essential item for which spending was most commonly reduced was electricity usage (37.6% of affected households).

Four in ten affected households had to borrow, with friends as the main source of loans

Including deferred payments, 39.6% of affected households relied on borrowing to minimize spending cuts, with 16.8% taking new loans, 14.9% rescheduling existing loans and 8% deferring payments for sellers of goods and services. Most borrowers relied on friends as the most important source of loans. Family members were hard to reach during the pandemic. Qualitative research finds that borrowing is becoming increasingly difficult when all members of the network are hit hard.

Three in ten households used savings

Another third (31%) of affected households used their savings. Among these, more than half (55.5%) had to start using their savings since April 2021 when the 4th wave of the COVID-19 outbreak began and had no more savings to use in August 2021.

Migration out of hard-hit provinces was a last resort

In-depth qualitative interviews with 65 migrants revealed cases of migrants traveling back to their hometown and others who stayed in the cities during the most recent wave of Covid-19. Migrants have been leaving provinces experiencing Covid-19 outbreaks for nearly three months. The main reasons for departure include: all savings had been exhausted so no money was left for food and rent; need to return home to recover from illness; cramped living spaces resulting in serious mental health problems; excessive worrying about households members, especially children, contracting Covid-19; and health-related issues such as pregnancy and high blood pressure.

However, many migrants could not travel back to their hometowns because of travel restrictions. Permission from the authorities is required to travel out of provinces. Staying in small rented accommodation in cities, many face mental health problems, food shortages, energy shortages, and the inability to access medical treatment in case of illness.

Digital technologies to combat the pandemic started to help, but use is still modest, and unequal

About one-third (30.9%) of households used nCovy or Bluezone apps to obtain information on Covid-19 cases near their location, but 17.3% do not use the apps because they did not find them useful or were not used to using smartphone apps. Half (51%) of households are not aware of the apps, including 62.1% of female-headed households. However, the situation has recently improved considerably, with a surge in the number of users of the apps.

Vaccination against COVID-19 has started to roll out, and two thirds of respondents are ready to get vaccinated

Two-thirds (62.4%) of respondents report that they were not given priority for vaccination against COVID-19 compared to 21.4% who said that they were given priority. A small number of respondents (16%) said that had not received information about the vaccination priority Policy, including 20.4% of female-head households.

However, 66.2% of respondents report that they are ready to be vaccinated against COVID-19, in addition to 19.3% who had already been vaccinated. Among those, 85% report being ready for any type of vaccine, and 14.9% requesting a particular vaccine type. A concerning result is that 58.9% did not know how to apply for vaccination.

Only 14.5% of respondents did not want to be vaccinated against COVID-19 because they are worried about the side effects of vaccination.

2.4. Nine out of ten households have not yet received assistance

Nine out of ten (89.9%) of respondents have not received support while 82.7% of respondents report they need assistance. Among those not yet receiving support, one-third report difficulties accessing the support application, especially in urban areas. The main obstacle is the absence of guidance from local officials, with 13.5% of households reporting that local officials gave no concrete help or guidance.

Large groups of vulnerable people are missing from the support package

The study identified at least four groups of vulnerable people missing from the list of beneficiaries of the Government's second support package:¹ (i) migrants without residential registration; (ii) small informal household businesses, including individuals not categorised as informal workers, but labeled as unregistered household businesses in activities such as food processing and noodle shops; (iii) homeless people who have escaped attention of the authorities; (iv) people who lost income due to COVID-19 before the date when the decision on social distancing was issued.

¹ The second support package was approved in 2021 as in Resolution No. 68/NQ-CP dated July 1, 2021 of the Government on urgent COVID-19 pandemic prevention and control measures and Decision No. 23/2021/QĐ-TTg dated July 7, 2021 by the Prime Minister on policy support for workers impacted by the pandemic. The first support package was approved in 2020 as Resolution No. 42/NQ-CP dated Apr 9, 2020 of the Government on urgent COVID-19 pandemic prevention and control measures.

3. PROMOTING A ROBUST, SUSTAINABLE AND INCLUSIVE RECOVERY – RECOMMENDATIONS

A phased approach should be employed in reopening

- Until a large proportion of the population is vaccinated and community immunity is reached, vulnerable households still face considerable challenges due to social distancing measures, including lockdowns due to COVID-19 outbreaks, especially in big cities. The fast spread of the pandemic and its big impact on the economy and society requires that comprehensive measures to combat the pandemic and promote a robust, sustainable and inclusive recovery. With regards to the reopening strategy, a phased approach should be employed to reduce pressure on the health care system, thus ensuring that recovery is sustainable. *The strategy should meet at least two preconditions: (i) vaccination rates at high levels that approaching reach community immunity; and (ii) the ability to enforce the application of new normal safety standards by all people, institutions and enterprises.* Experience so far shows that premature opening without achieving these preconditions will be successful and/or unsustainable, and often involves high-cost actions to deal with the resurgence of the virus.

To this end, the following measures are suggested:

On vaccines and vaccination

- ***Simplifying pre-vaccination screening to speed up the vaccination process***

The process of pre-vaccination screening as implemented involves a number of redundant elements that slow down the process, yet exclude numerous otherwise eligible people. The Ministry of Health has recently simplified it to accelerate the vaccination campaign. The guidelines may need to be further modified to conform better to commonly adopted international practices.

- ***Modifying the vaccination priority list to ensure that elderly and immune-compromised people are vaccinated first***

The list of priority groups for vaccination as stipulated in Decision 3355/QD-BYT on the “Plan to implement the COVID-19 vaccination campaign in 2021 – 2022” by the Ministry of Health dated July 8, 2021 includes 16 priority groups. The list is too long, and as a result,

many younger people leapfrogged ahead of old people and people with weakened immune systems. It is therefore important to modify the priority list in such a way to ensure that older and immune-compromised people are vaccinated first.² Appropriate measures should be implemented to ensure that the priorities are strictly followed at the local level. To this end, vaccination information is being entered into the national digitized system, and therefore it should be relatively easy to monitor whether the priorities are followed and to devise corrective actions.

- ***Encouraging people to get vaccinated with an effective communications campaign***

As there is a significant proportion of people that still have vaccine “hesitancy” or “selection,” there is a need to implement a national campaign against vaccine hesitancy that would involve communication innovations (for example celebrities getting vaccinated and delivering PR messages).

- ***Increasing vaccines supply to meet demand in both the short and longer term***

The Government is rightly prioritizing the increase of vaccine supplies, including through vaccine diplomacy. In the medium and longer term, attention needs to be placed on developing (i) the national technological capacity needed for receiving vaccine technology transfer and (ii) the national vaccine production strategy and related legal and policy frameworks.

On support to vulnerable populations

- ***Immediately issuing a new cash assistance program of approximately 5% of quarterly GDP (of approximately VND 77 trillion) to be disbursed over the final months of 2021***

The impact of the pandemic in Vietnam in general and in the fourth wave, in particular, are immense. In response, the support package should be adequate to protect vulnerable people from this massive economic shock. As the challenges are unprecedented, and the

² The benefits of vaccinating old people and those with weak immune systems are quantified in simulations implemented recently by a number of researchers (Source: <https://tiasang.com.vn/-dien-dan/Chien-luoc-tiem-vaccine-cho-Viet-Nam-28452>)

Government was recently given extraordinary power by the National Assembly, and can consider issuing *immediately a cash assistance program equivalent to 5% of quarterly GDP* (approximately VND 77 trillion) to be financed by the central government and disbursed over the final months of 2021.

The quickest way to deliver this support is to provide an immediate cash child benefit for all (i) children under 6 years old (about 11 million children) upon presentation of the child's birth certificate; (ii) pregnant women; (iii) elderly people from 60 years (about 11.5 million older people) including the elderly from 80 years of age or older that are beneficiaries of regular cash assistance that are without pension also based on identification documents; (iv) people with disabilities; and (v) any other group of people that commune-level governments define as having fallen into deprivation. There should be minimal administrative requirements, including application of a digital system for self-registration of eligible individuals and local government verification (building on the good experience from Dong Nai), and digital tools in delivering the cash assistance to beneficiaries. The cash assistance can be made on a monthly basis or one-time payment, for a period of at least 3 final months of 2021 and the amount can be linked to minimum subsistence requirements according to Decree 20/2021/NĐ-CP (replacing Decree 136/2013/NĐ-CP).

The scale of this support package is similar to the levels of support packages provided by several neighboring countries during the first round of lockdowns in 2020. Households receiving temporary assistance will spend a large proportion of the assistance amount on domestically produced goods and services, adding to final demand and generating incomes for local businesses. The cash assistance program will counteract the shortfall in aggregate demand that would otherwise arise as a result of the fall in consumption spending and decelerating economic growth. The assistance program would be financed by Government borrowing, which would mobilize cash balances left dormant by the fall in consumption, which is a form of forced saving. Because these cash balances are dormant, Government domestic borrowing would be neither inflationary nor a burden on the balance of payments. In fact, because the economy is operating below capacity, the assistance program will be partly self-financing, as the increase in economic activity resulting from it would generate additional tax revenue.³

³ More details are provided in: Jonathan Pincus's "*Viet Nam Can and Should Finance a Larger Cash Assistance - Fiscal Stimulus Program without Fear of Inflation*", forthcoming.

• ***In the medium term, accelerating the reform of social assistance policies and programs to make them more inclusive and shock-responsive, by***

- Accelerating the implementation of the Master Plan for Social Assistance Reform and Development (MPSARD) approved in 2017 to expand *regular cash assistance to all that are in vulnerable categories, such as, people with disabilities and their carers (most of them are women), young (under 3 or 6) children and elderly (60-79 years of age) without a pension, pregnant women and single-parents working in the informal sector;*
- Transforming *existing emergency cash transfer schemes based on idiosyncratic risks into programs that address risks affecting large numbers of people, for example natural disasters, pandemics and economic crises.* This can be implemented by developing and applying triggers that would (i) be based on clear *large-scale emergency criteria (based on the level of impact of large-scale natural disasters, pandemics and economic crises on large numbers of people)* and (ii) allow the application of *an automatic increase in the coverage of, and benefit levels for,* the above-mentioned vulnerability-based categories of the regular cash assistance programs as well as any other group of people that commune-level governments define as fell into deprivation.
- The additional cost of the increase would be financed by a “Contingency Fund”, at both central and local government levels) that would be (i) allocated funds from government budget (at both levels) regularly/annually, (ii) accessed/utilized *only* when the above-mentioned *large-scale emergency* criteria are met, and otherwise would be *accumulated*. The Central (National Contingency) Fund will be used to provide larger central government matching grants to provinces and cities, especially those with limited financial resources, affected heavily by the pandemic to increase coverage and accelerate implementation.
- *Moving away from a residence-based social assistance system, which excludes Vietnamese migrant workers, to the one that is based on national citizenship,* for example through applying a digital system – based on the national digital ID system – for eligible beneficiaries to self-register, local governments to verify and central government’s M&E. This digital system, if combined with the application of digital payment tools, could help not only transparent management and implementation of the social assistance programs but also deliver cash assistance to beneficiaries quickly and safely.

• ***Building on the experience of HCMC in helping deliver essential goods (foods and other daily necessities) to households in lockdown areas***

Considering allowing online shopping/e-commerce platforms, including workers of suppliers of online shopping/e-commerce platforms and shippers to operate in a “safe mode” by providing vaccination to workers of suppliers of online shopping/e-commerce and shippers, making requirements and training them to strictly follow safety standards such as keeping distance, avoiding contacts, wearing masks, using hand sanitizers, etc.

- ***Effectively helping migrant workers to stay where they are and protect them from deprivation***

The central government needs to issue an immediate ban on evictions (of migrant-workers, especially those that fall in the categories of the above-proposed cash assistance program) in affected areas and landlords can apply for rent replacement grants from the local governments. The grants could be provided after the verification of the applications by local governments on the eligibility of the renters and/or applying the self-selection methods such as making grants based on categories of housing and (and/or as proportions of) rent value (low housing quality or low rent value often means low-income renters).

- ***Considering implementing a paycheck replacement program through larger companies in affected areas.***

The objective of the paycheck replacement program is to prevent workers from leaving, both to prevent the spread of the virus and to reduce costs for businesses later, as firms will not be able to restart quickly because they will have to recruit and train another cohort of workers. So, it is worthwhile for the government to work with large and medium-sized firms (because they have the capacity) to provide loans to replace at least 50% of the earnings of workers during the idle period. If the company can demonstrate that the wages have been paid the loans will be forgiven after the crisis is over.

- ***Making the best use of digital technologies to combat the pandemic***

Like in other areas, digital technologies would help to substantially cut down transaction costs associated with eligibility verification and delivery of cash handouts to recipients. The latter is a big challenge during times of lockdown, and when there is a need to reach out to people in remote areas in a rapid manner.

Accelerating digital transformation increases transparency and also facilitates post-inspection. To this end, the digitized citizen database, which was officially launched in July 2021 can be leveraged. So can be popular apps with over 40 million users such as Blue Zone or “So suc khoe dien tu” (E-Health Book), which can integrate social assistance components. Internet banking and mobile money should be used to the maximum extent possible.

- ***Improving the coordination across central and local governments***

There needs to be greater consistency and coordination between the central government and local policy. This is a national crisis that requires strong national leadership, both in establishing principles and procedures, and in financing to ensure that the government has an equal capacity to respond. Frequent and unexplained changes in regulation and procedures complicate implementation and undermine compliance. Rules and procedures must be consistent and simple to understand and follow and communicated widely using all available channels. As many local authorities have taken matters into their own hands, we have seen various quarantine and lockdown strategies, some of which have imposed unnecessary hardship on the public and undermine the government's credibility. Central government financing of social assistance and other measures can help ensure that local authorities apply the central government strategies and regulations more consistently.

- ***Effectively dealing with emerging issues***

The social assistance/social care program, besides the cash assistance, should give special attention to emerging issues of hunger and homelessness, which have been on the rise in big cities because of lengthy lockdowns and disruption of the food supply chain. The problem of mental health has also been rising and should be dealt with properly.

- ***Increasing training of laid-off and informal workers with digital skills***

Vietnam can learn experiences from some countries in the region to provide workers, formal and informal, with training in digital skills by leveraging advances in digital technologies, including widely used platforms such as Zoom, YouTube, etc. Developers of training content can be provided with financial incentives, depending on the number of trainees

- ***Providing innovative solutions to ensure inclusive online learning***

The digital divide shows up more clearly in the lockdown times. Even in big cities, many households cannot afford a computer or laptop per child. It is worth considering providing cheap smartphones and tablets (ideally produced/assembled by domestic firms) and free wifi access to disadvantaged children. This can be done in a cost-effective way through a self-selection process. Over the medium to long term, it is important to accelerate the implementation of the Government-initiated program for the universalization of

smartphones, including by mobilizing the domestic firms that produce/assemble smartphones as well as domestic e-payment/mobile money service providers to join the program and prioritizing the remote/EM areas, vulnerable migrant workers' children. The engagement of domestic firms in these programs will also help these firms to grow into more productive and competitive players in domestic and international markets.

MAIN REPORT

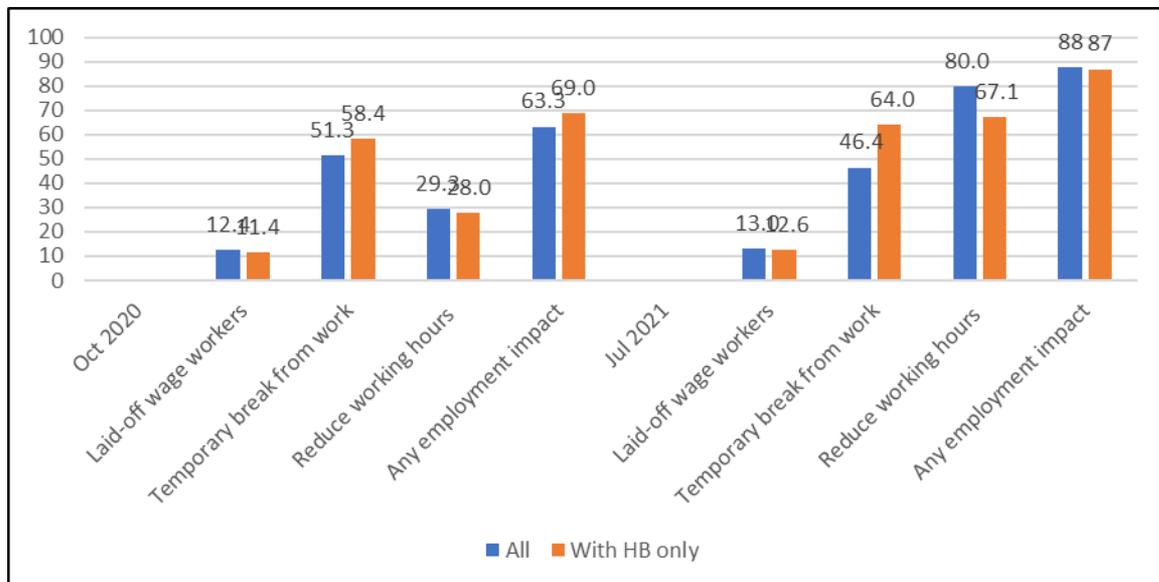
1. ECONOMIC IMPACTS ARE LARGE

- **Employment impacts are severe**

Overall, 88% of households suffered at least one of the listed employment impacts in July 2021 (see Figure 2). These are (i) laid-off wage workers; (ii) temporary break from work; (iii) reduced working hours. They are hereafter termed “affected households.” This ratio is much higher than the 63% observed in Oct 2020. Reduced working hours was the most common impact, experienced by 80% of households in July 2021. Meanwhile, an involuntary, temporary break from work was experienced by 46% of households in July 2021.

The severe situation is reported in some cities, especially in Ho Chi Minh city, Binh Duong, and Dong Nai, where workers face this extremely difficult situation up to more than 3 months (see Box 1).

Figure 2. Employment impact (% of households)



Source: Our calculation based on RIM data Oct 2020 and the survey on impact assessment of COVID-19 in July 2021

Box 1. Severe employment and income impacts due to COVID-19 in more than 3 months

1 month before the outbreak, my husband worked overtime for a monthly income from 7 to 7.5 million. I also can earn 5 million per month. But for the last 3 months, we have not had 1 dong of income. Almost a week ago, I ran out of money and no longer gave milk to my 2-year-old daughter.

Female, 38 years old, working for a building materials store, Binh Duong

I can earn 7-8 million a month. I spent 500 thousand Dong for rent. I tried to send 4 million to my hometown for my wife and 3 children. I have no savings. My wife has no savings either. I have had no work for 2 months already. I can't send my wife any money. All the money is gone. Everywhere is blocked, no one call for a ride, then I do not know how to make money. The whole hostel here has the same situation. Having no other choice, I had to ask my brother in the countryside to send me money to get through this period.

Male, 45 years old, transportation service, Dong Nai

My husband and I work as garment workers for a private factory with an income of 7 million dong each. But every month, the employer only gives us half of the salary. They say that we can have the rest until the end of the year. We have had temporal leave since mid-June. We cannot contact the factory owner to get the rest of our salary. No income, no job, we only eat once a day.

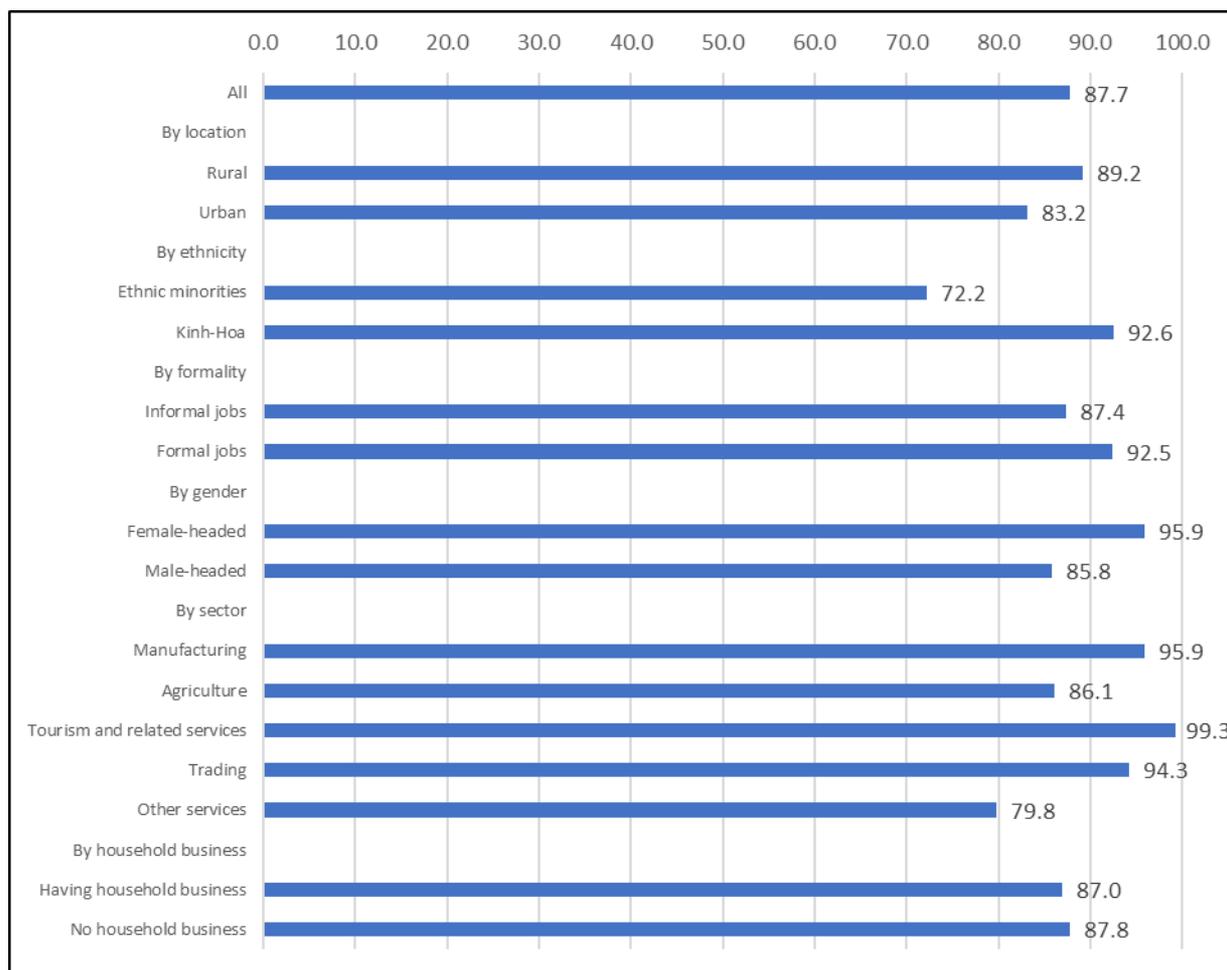
Female, 25 years old, working for a garment factory, Ho Chi Minh

Source: The survey on impact assessment of COVID-19 in July 2021

Among sectors, a significantly higher percentage of households (99.3%) in tourism and related services, including restaurants, hotels and passenger transportation, have suffered an employment impact than the rest. Manufacturing (96%) and trading (94%) face a similar situation.

Households having informal workers, led by female household heads, not ethnic minority heads, in rural areas, are those having higher percentages suffering from employment impact than the rest.

Figure 3. Employment impact (any) of the pandemic across various types of households (% of households)



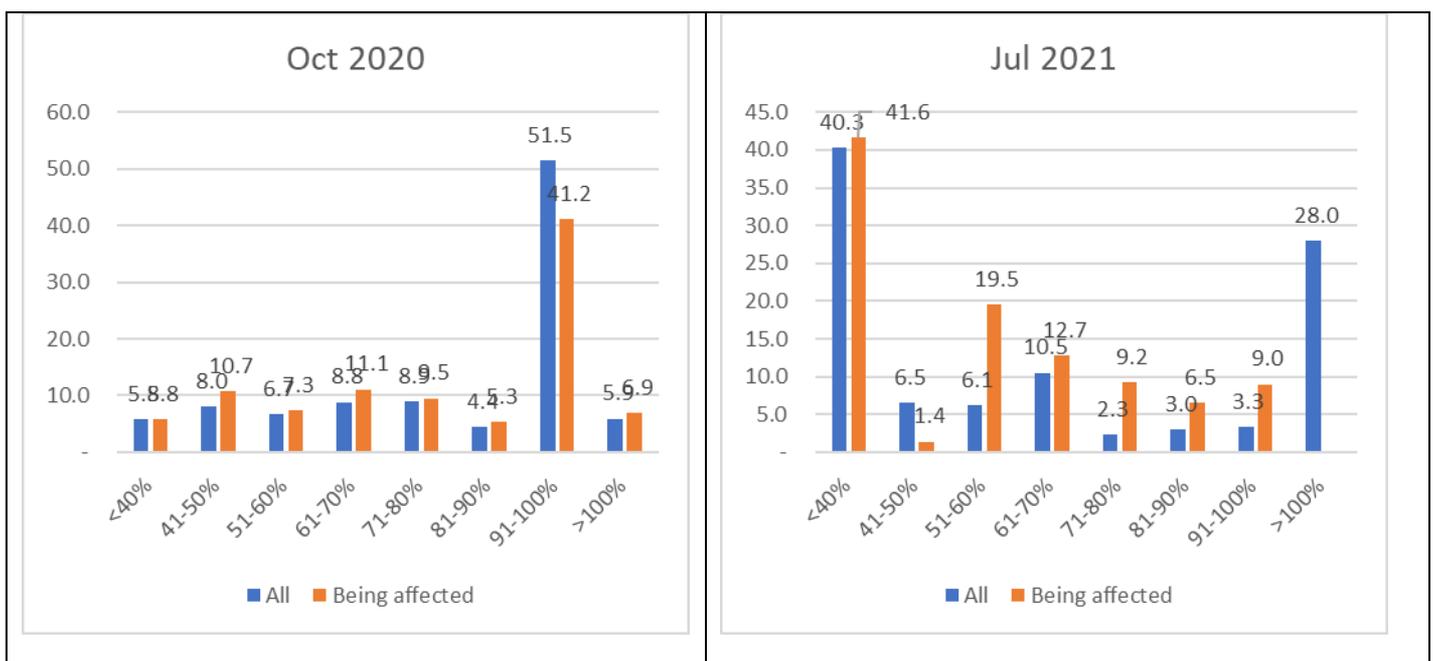
Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

- **The impact on income is considerably larger than in the October 2020 round of RIM**

In July 2021, 63.5% of all households, and 66.9% of affected households, experienced an income drop of 30% or more from the pre-pandemic period (December 2019). This represents a considerable increase from the previous rounds of the RIM survey. In Oct 2020, 31.6% and 37.1% of all households and affected households, respectively, experienced an income drop of 30% or larger. The incomes of households in July 2021 were on average only 44% of December 2019 levels (see Figure 5). Tourism, restaurants, hotels, and passenger transportation were those hardest hit.

The distribution of household per capita incomes in Oct 2020 relative to Dec 2019 is heavily skewed to the right while it is heavily skewed to the left in July 2021. The mode of this distribution falls into the range of less than 40% of the Dec 2019 income, with 40.3% and 41.6% of all households and affected households (i.e. household experiencing at least one of the employment impact) respectively.

Figure 4. Distribution of household per capita incomes in relative to December 2019 (%)



Source: Our calculation based on RIM data in Oct 2020 and the survey on impact assessment of COVID-19 in July 2021

Tourism, restaurant, hotel, and passenger transportation are those being hit hardest. Manufacturing firms try to get through a hard time by the solution of “3 on-site”, naming of eating, sleeping and working within the factory, which is to set up temporary accommodations for their workers to avoid the spread of coronavirus and maintain production. However, such a solution still faces risks and is not sustainable for many difficult firms (see Box 2).

Box 2. Difficult “3 on-site”

To tell the truth, it's disappointing, no distancing among workers. Anyone who works at the company knows that when they go to eat, they sit close together. Sleeping is also close to each other. It is very risky. My company has a total of 800 people, staying at 300 to work. 500 is afraid of the pandemic, and their children can't stay in the company. As the result, 248 Fo is 40 F1 high risk. We are very sad and worried. Not even mention that the tests are terrible. It feels like your nose is broken.

Male, 36 years old, assembler, Binh Duong

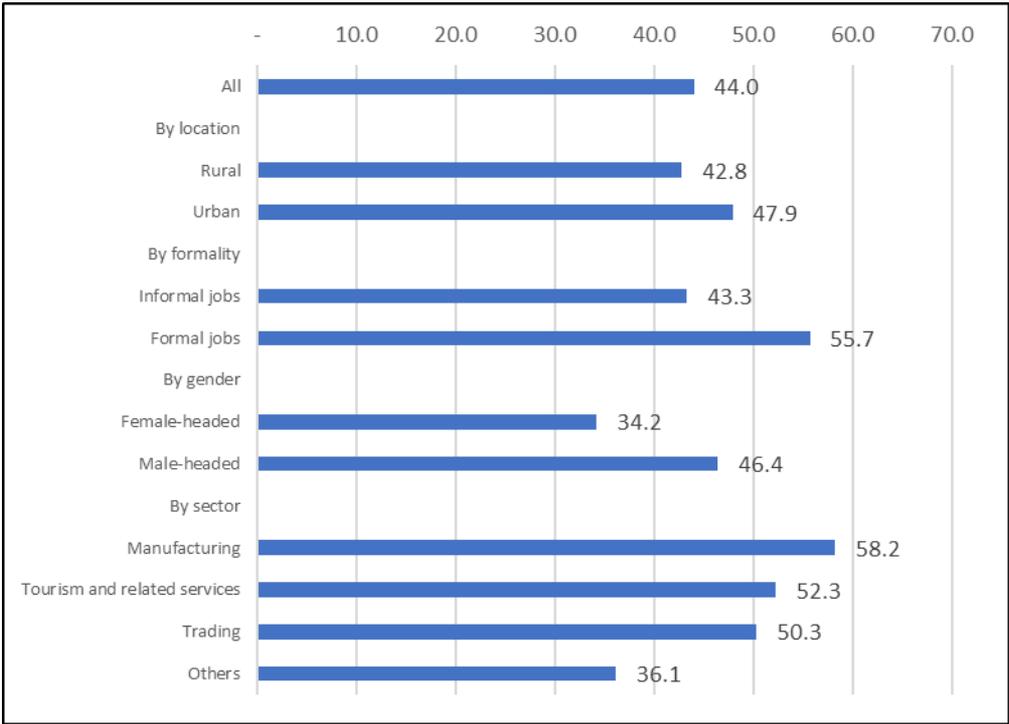
There is no place that is so spacious that there are few people. In fact, we try to cheer up in order to maintain the employment. We still know there is the possibility of infection. But in return, we can get a lot of money support. For me, just because of the money. I got 1 million. Then every day, I also receive a food allowance of 300,000 more. At this time, how many people do not have even 1 dong. Well, for the sake of money, I have to accept it. One of my friends informed me that she only has 2 months of "3 on-site", before the owner said they couldn't afford it, the owner had to let her a laid-off. I am lucky to maintain my job now. I am very scared, but never mind.

Female, 22 years old, assembly worker, Dong Nai

Source: The survey on impact assessment of COVID-19 in July 2021

Disadvantaged households suffered from relative income loss (i.e. in percentage terms) to a lesser degree than the rest. Rural households were affected less severely than urban peers. So were female-headed households vs. male-headed ones, households whose head is informal employment vs the formal one. While these findings may look unusual, they may be explained by the fact that disadvantaged households tend to work less in contact-intensive and urban-based activities, which boom in good times but shrink sharply in the pandemic time.

Figure 5. Per-capita income of affected households in July 2021 relative to December 2019 (%)



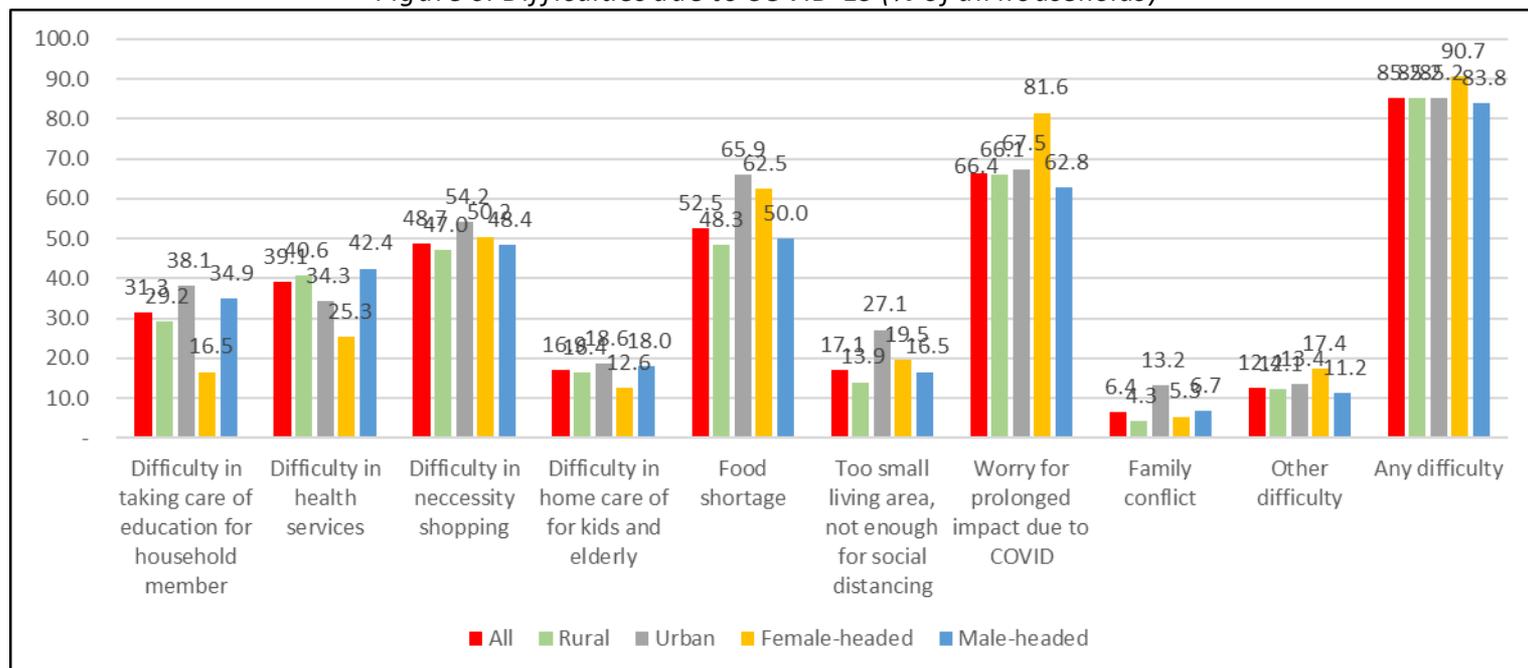
Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021



2. NON-ECONOMIC IMPACTS ARE SIGNIFICANT

Mental health became a burning issue due to COVID-19 impacts. The second difficulty is food shortage. The third difficulty is about the shopping for necessities.

Figure 6. Difficulties due to COVID-19 (% of all households)



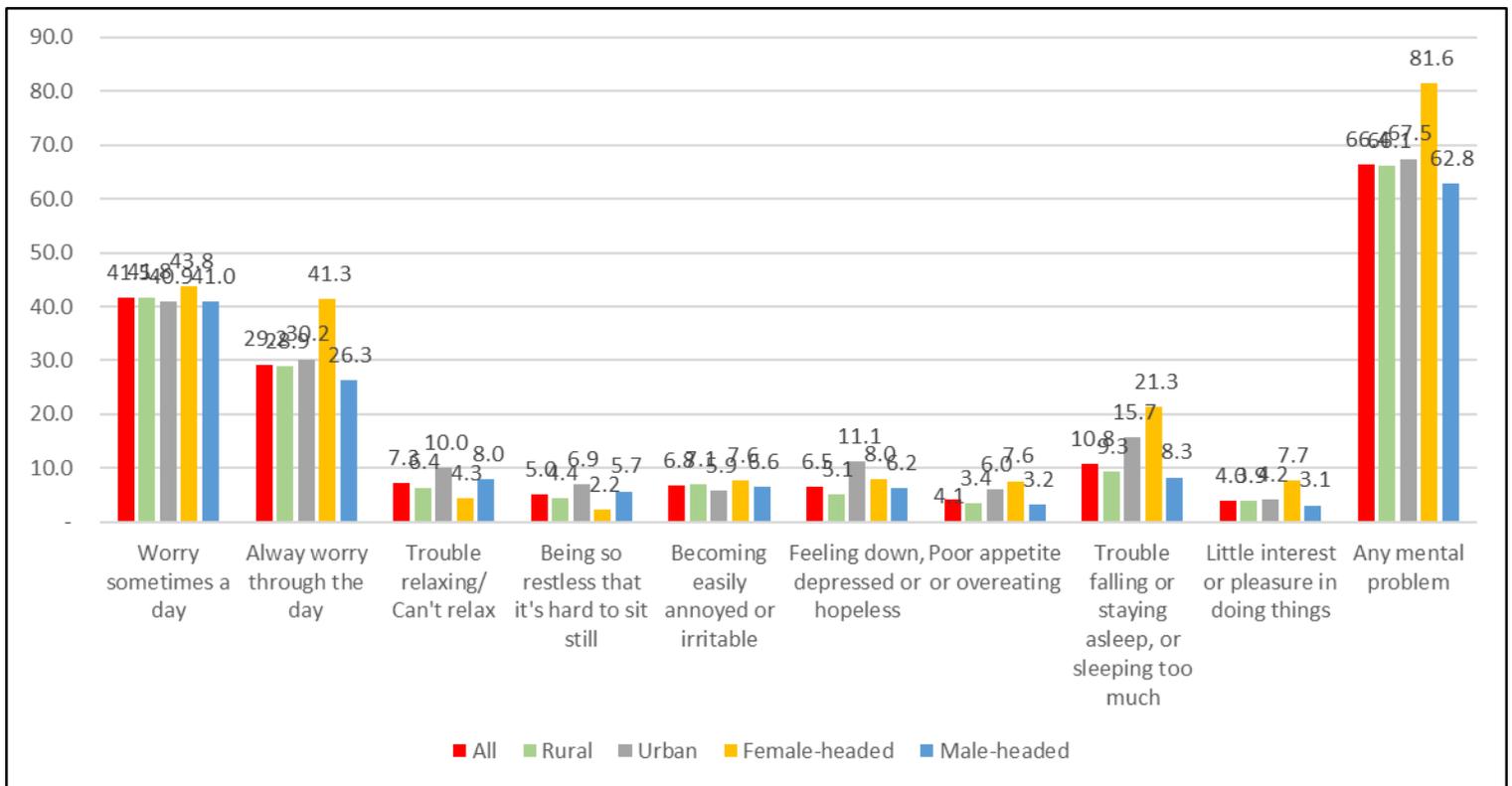
Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

a. Two out of three households report mental health problems

Mental health is an urgent emerging issue, as lockdowns have been widespread and lengthy. Two-thirds (66.4%) of households worry about the impact of COVID-19 (see Figure 4). Mental health problems were wide ranging, from being worried once a day (reported by 41% of respondents), all day (29%), having trouble falling asleep (10.8%), not being able to relax (7.3%), and becoming easily annoyed or irritable (6.8%), and feeling depressed (6.5%).

Female household heads suffered a higher incidence of mental health problems (81.6%) than male household heads (62.8%). The differences are pronounced for some indicators. For example, 8.3% of male heads found it hard to sleep, only a third of that reported by female heads (21.3%). About one-fourth of male heads were worried throughout the day (26.3%) compared to 41.3% among female heads.

Figure 7. Mental health problems due to COVID-19
(% of all household heads)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

The qualitative survey found that mental problems were disproportionately experienced by migrants living in small, over-crowded accommodation (see Box 3).

Box 3. A severe mental problem in the too-small hostel for migrants

In this small hostel, there are 2 rows of small rooms. The doors are facing each other. Very crowded. Children are walking along the small tiny way within 2 rows of rooms. All rooms with 9m2 cannot be the place for children to play. We have 42 small rooms full of 3 or 4 people. Too crowded then we have no choice but to sit together in front of doors to chit chat. In such small rooms, in the weather of 40 degrees, it's very hot to stay inside. Sometimes, after testing, we found F0. We are so tired due to being blocked. I'm always in a state of anxiety and fear of being infected. Today, I took the 3rd test and I am still shaking now due to anxiety. Now I don't need anything just peace and soon the epidemic will be over. I wish I can go back to my hometown. Every time, I receive the test report, my heart feels like it wants to jump out of my chest. In the afternoon, I did a quick test in a

neighborhood, but this time, at least 20 people had to wear blue shirts. They are F0 and had to be isolated. I'm just afraid that it would be my turn. If so, I do not know who to send my kids to.

Female, 25 years old, single, raising children, Thu Dau 1, Binh Duong, from Phu Yen

Being bored, sad, annoyed, kept going back and forth in the room at about 6m², kept sitting in the room, kept staring at the phone, reading the news, then playing games from morning till night, but I didn't know what to do. Having no job, no income, I feel very uncomfortable, feel very sad. I can't go anywhere. I watch a lot of infection news and feel scared. It is like lying and waiting to die, I have been suffering from sleepless nights for a month, being tired both physically and mentally.

Female, 35 years old, street vendor, Ho Chi Minh, from Ha Tinh

Bac Ninh requires all workers to stay inside and not go out. My family has 5 people, including my wife, 2 small children, my grandmother, and me, who live in a rent room. My children started to leave school on May 6. So 3 generations locked each other in a narrow 15m² room. After that, we also stopped working and 5 people crowded in the room. Really, I can't describe how it felt, at that time, I just wanted to bring my family back to my hometown, but the 21-day quarantine in my province is also costly for our 5 family members. I do not have much money. I am stuck, feeling trapped, stressed to the point of exploding my mind.

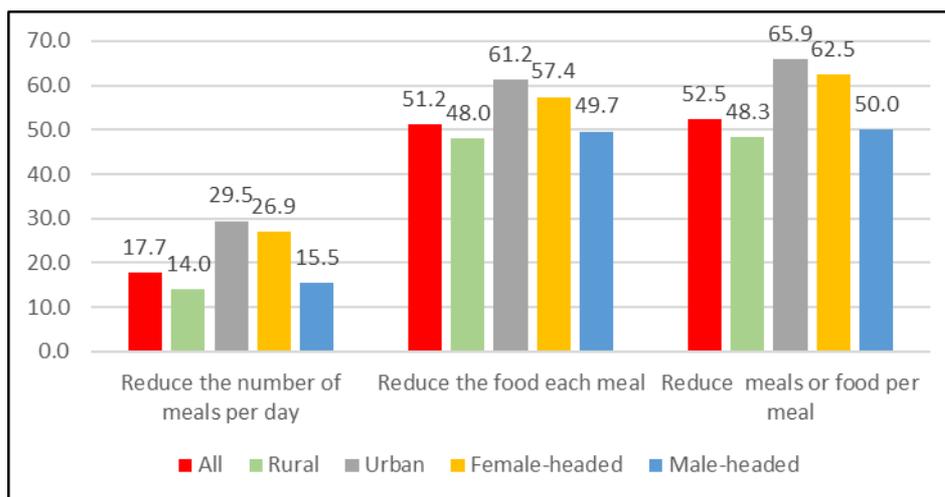
Workers from Nghe An, stuck in Bac Ninh

Source: The survey on impact assessment of COVID-19 in July 2021

b. Food security is becoming an issue reported by over half of households

Half of the households (51.2%) had to reduce the amount of food served per meal, and 17.7% of households reduced the number of meals per day. A related problem is a difficulty in shopping for necessities which was experienced by 48.7% of households. Disruption of supply by the COVID-19 outbreak and the lockdowns were the main impediments to accessing necessities. Food shortages were reported by vulnerable households, including those laid-off for months, especially migrants. Households with small children reported the most severe conditions (see Box 4).

*Figure 8. Food shortage due to COVID-19
(% of all households)*



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Box 4. Food shortage

Usually, we get up very late. And no breakfast, no lunch. We tried to cook at about 1- 2 pm. So we can have only 1 meal a day. Or until very late at night, if being hungry, we make instance noodles before going to bed.

Male, 30 years old, a private factory worker, Ho Chi Minh, from Long An

I am living in Hoc Mon, working as a garment worker for more than half a month, but now the company announces that I will take leave until the local government allows me to work. I live in a small rented room. The landlord does not support anything and there is no lane for any care to provide charity support. Now my food is about to run out, I have half a barrel of noodles, half a bucket of rice, a little salt and fish sauce. The price of food has increased, but going to the market is also difficult. I'm afraid I can't stand it. I'm trying to ask for food support online but no luck.

Female, 25 years old, a worker from Nghe An village stuck in Ho Chi Minh

I was born with weak legs. Due to a traffic accident, both my legs are broken. The left arm is also broken. My husband is staying in the countryside. He has no skill, and does some manual works in fields. But he hasn't worked for a long time. My life is so miserable now. It is no problem that we eat less but it is too painful to see kids not having enough food. Two months ago, I decided to cut expenses on baby diapers, and milk for my baby. The gas tank just ran out this afternoon, I don't know what to use for cooking for my children tomorrow. My kids sometimes cried for milk. The rice also ran out the day before, but fortunately, a neighbor nearby gave me 10kg of rice, a bottle of fish

sauce, a bottle of soy sauce, a bottle of cooking oil, 1kg of sugar. Otherwise, I don't know how to live. I have been eating instant noodles for more than a month.

Female, 29 years old, a street worker, stuck in Dong Nai, from An Giang village,

Source: The survey on impact assessment of COVID-19 in July 2021

c. One in two households reported difficulty in necessities shopping

48.7% of households found it too hard to buy food and necessities because of the supply disruption caused by the COVID-19 outbreak and the resultant lockdowns. 17.1% of households found difficulty in online shopping delivery. 6.6% complained about the stop delivery, 10.4% reported the delivery delay. 2.7% reported other problems, e.g. delivery fee increase, Internet access, and payment difficulty. Online shopping has become extremely difficult in some cases (see Box 5).

Box 5. Difficulty in shopping

Before the quarantine, I could still buy things online. But now under Directive 16, the shippers are restricted. Then a lot of orders are canceled.

Female, 27 years old, noodle shop, waged labor, Dong Nai

Many supermarkets are overloaded since the beginning of July. I placed an order on 11 July and received it on July 26. There are not enough items on the bill. There is a Go Vap supermarket that delivers goods fast but they only accept orders within their Go Vap district. Waiting too long, so I switched to ordering mini supermarket. The number of items that can be ordered online within 2-3 days in the mini supermarket is not as many as the big supermarket. I want to order online to avoid going to local markets and bring back the disease to my family.

Female, 36 years old, worker living in Ho Chi Minh city, from Binh Dinh

My parents' house is in a blocked area, which is not allowed to enter or go out of the house. Every 2-3 days I order some food online for them. I was supported by local officers to bring the delivery to my house. But sometimes they cannot help. So a crowded building, so many deliveries but only a few officers take turns helping local people. So there are many cases of wrongly delivering items to other households. There was a day when I delivered from the morning, but my parents didn't receive it until late at night. When they opened the food, the food was stale and spoiled.

Female, 45 years old, Ho Chi Minh

In this quarantine period, goods were very scarce. The price increased. Before I used to buy rice at 150,000 per ten kg, and now they sell at 180,000 per ten kg and add another 20,000 money to a delivery. Vegetables have 2 types of water spinach and cabbage only, but not others. Due to the outbreak, I am not allowed to go out. I have to accept it, but I don't know what to do. The price increased, while my money was very little, so I did not dare to order food online.

Female, 40 years old, Binh Duong

Source: The survey on impact assessment of COVID-19 in July 2021

Many local authorities were confused about issuing permission and paperwork for the transportation of essential goods. Congestion at the place of registration and at the test site for drivers was reported (see Box 6). The inefficiencies in regulating the transportation of essential goods have led to delays in deliveries, and even worse, going against social distancing.

Box 6. Difficulty getting tests and travel permits for essential delivery

I used to work as a food and drink delivery driver, but when the restaurant was sluggish, I switched to being a delivery driver for more than a month now. I hope I can earn a little income. Now I can earn only half of the previous income. It was sometimes too difficult, in paperwork every time to pass through checkpoints. To be able to deliver essential things, I must have a negative test for the virus within 72 hours and bring along an order on the app. However, in fact, when going through the checkpoints, I am stopped and not allowed to go through many times. Some asked for the company's permission, but the company does not issue this type of document to me for grocery shopping services. If anyone sympathizes with us, we can go, otherwise, we have to turn around.

Male, 30 years old, technology driver, Ho Chi Minh

Our business has more than 30 drivers, but only 10 have been issued with QR Codes, labeled by the "green stream" which can go through checkpoints. According to current regulations, these vehicles can be moved to deliver goods, the driver does not need to report the road trip. However, the driver must have a Covid test certificate wherever he goes, but to get tested, they have to take a private traveling, what if he can't get traveling permission? My company is on the list of road permits issued by the Department of Industry and Trade. I sent an email to the Department of Industry and Trade to register, and they said no, the city police would do that, not them to do that. Then the police said no, they assigned the district and ward police. When I arrived at the ward, they said no, they did not manage such permission. It's really panic. Not to mention that each place is lined up, going to ask for

papers, but too crowded. Then the testing place also crowded together. It's so crowded and crowded, it's honestly very unsafe.

Female, 40 years old, an employee of a transportation company, Ho Chi Minh

Now, everywhere I go, I am asked for a travel paper. But to get the travel paper, I had to wait for my turn to test COVID with too many other drivers. They kept talking to each other while waiting for the test. There are only 2 tables to serve but we have hundreds of drivers waiting. Waiting for a long time, sometimes even the whole day to be in turn. Some people can't even get the travel papers, and they have to go back and forth asking for travel papers.

Male, 38 years old, truck driver, Can Tho

Source: The survey on impact assessment of COVID-19 in July 2021

d. Difficulty in accessing to education and health services

39% of households report difficulty in taking care of illness of family members. 31% of households complained about the difficulty in education services when all schools are moving to online learning in the new school year starting in early Sep 2021. In-depth interviews show the barriers for poor households to afford equipment for kids' online learning (see Box 7).

Box 7. No smartphone for kids' online learning

We have cell phones. But I had to sell my phone, to have 500 thousand dong for food this month. The other cell phone is a smartphone, which my husband is using for his delivery services. We do not have smartphone for my son to learn online.

Women, 28 years old, Binh Duong

There are 2-3 children in my house. I have only one small phone, which has a broken screen. When a teacher communicates with each primary-school pupil in her offline class, the learning outcome is so low. So how comes if she is teaching online? We live in the countryside, so where I can find money enough to buy a computer and the Internet for my kids to learn online.

Women, 30 years old, Nghe An

Source: The survey on impact assessment of COVID-19 in July 2021

e. The number of homeless people is on the rise

There have been reports in the media about a rise in the number of homeless people among informal migrant workers because of lockdowns. With no job or income, they could not pay rent and became homeless (see Box 8). They are highly susceptible to infections because of the lack of shelter.

Box 8. No rent, living in makeshift shacks at the construction site

Our construction group has a total of 40 people, coming from all over the provinces such as Hai Duong, Hung Yen, Thai Binh, Phu Tho, and Thanh Hoa. Currently participating in a new rural road project in the suburban districts of Hanoi. As a sewer builder, it's sloppy. Wherever we work, we set up a temporary shack there. Now we are living in 3 makeshift shacks at the construction site. Normally, when receiving works, we had the partial advance, but that money has been poured into the money to build a shack, buy daily necessities, and some rice and food for the team. Hanoi was blocked, my team has to stop working. The owner of the project did not give us more advance. We

tried to borrow any money, but we failed. 40 people cannot rely on money to borrow. In this pandemic situation like this, everyone is in difficulty, there is no money available to lend. We tried to consume less to maintain eating and living. But if it continues like this, the group doesn't know how long they can hold out. There is currently no money to buy masks. Extremely cheap food. Many days, I had to cook instant noodles to pass the meal. I also had to try to resist, but I really didn't know what to do in the coming days.

Male, 37 years old, assistant, Hanoi, from Phu Tho

My team has 10 workers who are working on the pavement in Hanoi. I have to look for rent for the team. The company contractor used the excuse of difficulty in paying the work. Asking for a discount on the rent, the landlord did not agree, and said that he wanted to take back the house for their children to live in. Really hopeless. We moved to an empty house, because we can not go back to our hometown.

Male, 42 years old, construction contractor, Hanoi

Currently, in the commune, there are more than 2,000 migrant workers, coming from many provinces and cities. Life is extremely difficult. They live in temporary housing areas, construction works, or cheap hostels that do not guarantee living conditions. Most of them are seasonal workers, taking advantage of their idle time to go to Hanoi to work as hired laborers. At the same time, due to the nature of their work, they do not stay in one place but often move from place to place. So this group rarely declares registration for temporary absence.

Male, commune official, Hanoi

Source: The survey on impact assessment of COVID-19 in July 2021

Many local authorities called for rent reductions for vulnerable workers. However, in some cases, landlords could not afford rent reductions. Besides, even if they had reduced the rent, the migrants could not come back to rented accommodation in blocked areas (see Box 9).

Box 9. No money to pay rent, becoming homeless

I stayed in rented accommodation for almost 4 months. I just came down from Can Tho. I have been unemployed for 3 months. For the past 3 months, the landlord has let me beg for debt. Now, she said she could not let me rent the room anymore, because she couldn't pay for the electricity and water bills. She asked me to go home or stay with friends somewhere. She said that when the pandemic is over, I can return to work and pay her back the 3-month rent. I've been being homeless since then, going around and looking for a place to stay for the past few days.

Male, 21 years old, self-employed, Binh Duong

I and my daughter sell lottery tickets and collect bottles to sell for recycling. We can have enough to get through the days. In this pandemic, I do not have to pay rent. The rent owner is so kind. He knows I am poor. My rent is only VND 800 thousand/month. But since the pandemic, the inn became an outbreak. So I am too scared. I decided that both of us leave the rented accommodation, and live on the street. It's better to stay on the street. It's scary to be in the small rented housing which is full of infected cases. It's easy to live on the street. Someone give you some food. At night, we can find a place to sleep easily. Sleep on sidewalks and stone benches. I just have to keep an eye on the street to run and get away from police and officers.

Female, 42 years old, self-employed, Ho Chi Minh City

I am disabled. I sell lottery tickets and ask for money support for food and rent. I stayed at the far end of the deep alley. And that area has been infected and then blocked. Even if I want to go in, I can't. I just had to sleep on the street, on the pavement of supermarkets. I go to the hospital daily to ask for a charity meal. I keep collecting something from a garbage truck, sell it for a few thousand to buy a pack of instant noodles, ask for boiling water to cook instant noodles. Now there are police everywhere, they tell me to go home, but I have no home. There was also no one to buy lottery tickets, it was forbidden to sell lottery tickets. I am living away from the city center to avoid polices

Male, 36 years old, self-employed, Ho Chi Minh

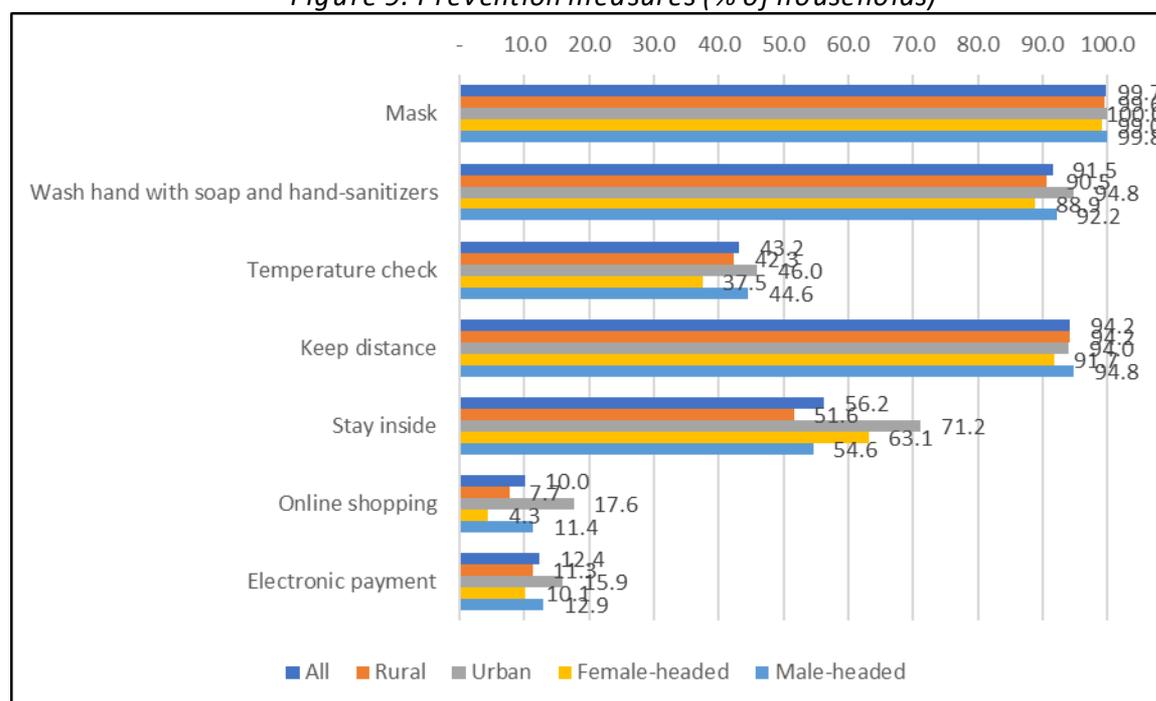
Source: The survey on impact assessment of COVID-19 in July 2021

3. COPING MEASURES

3.1. Households are very vigilant

Using masks, soap, hand sanitizers for hand washing, and social distancing Are practiced by nearly all households. All households (99.7%) wore masks, 91.5% washed hands with soap and hand sanitizers, and 94% were careful to maintain minimum distances from others in situations of direct contact in July 2021 (see Figure 9). Such a wide adoption of these preventative practices can be easily understood, as health risks significantly increased in the 4th pandemic wave from July 2021.

Figure 9. Prevention measures (% of households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

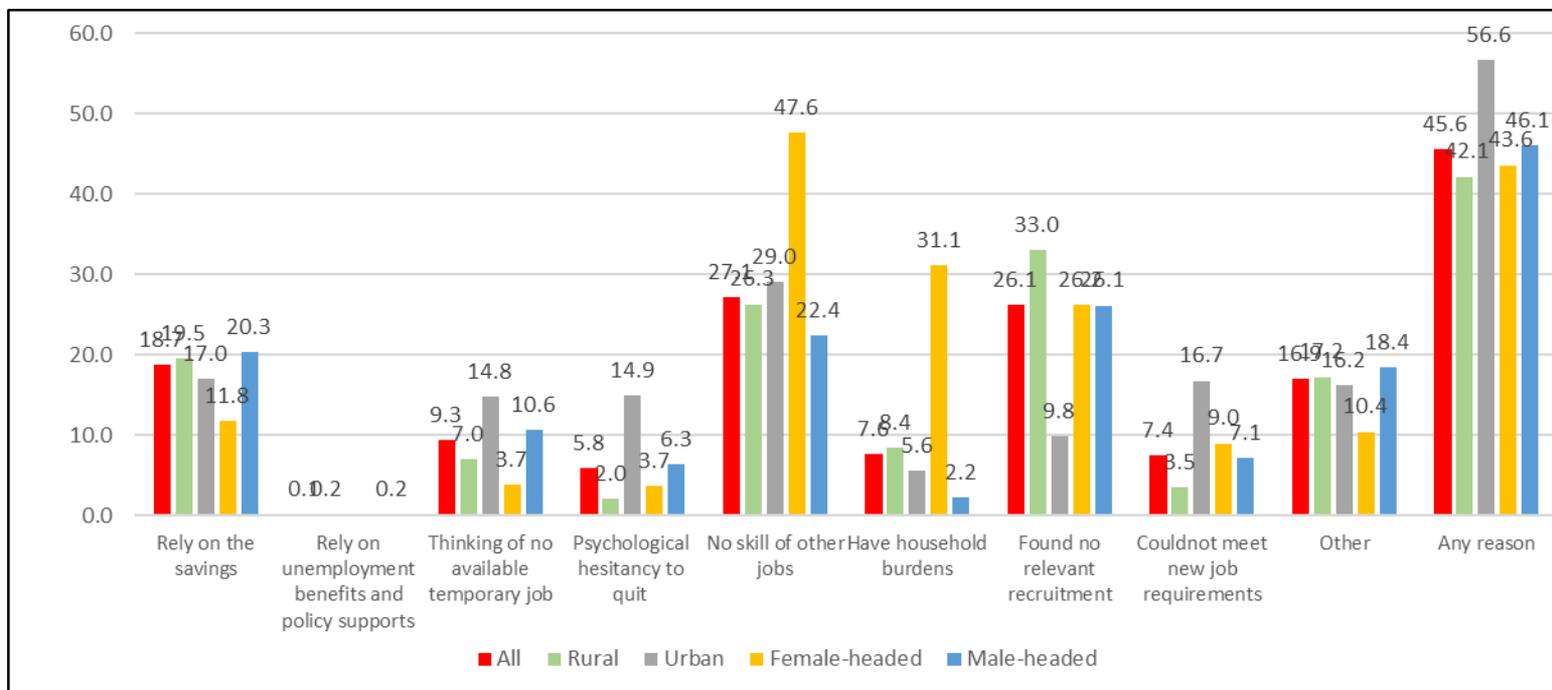
However, over half, i.e. 56.2% of households, can stay inside and work from home. 10% of households used online shopping services due in part to the disruption of shipping services during lockdown times, while 12.4% of households used electronic payments. These figures did not change significantly from RIM Round 2, which collected information on the situation of vulnerable households in October 2020.

3.2. Occupational mobility in response to the pandemic-caused economic shock was limited

The survey shows that waiting for the pandemic to end shortly is the most common reason, being cited by 34% of households, which is similar to the situation in Oct 2020, i.e. 36.2%. This reason was further elaborated: 9.3% of affected households thought that they did not expect that temporary jobs had been available during the pandemic and therefore they had to wait. Under 18.8% of affected households had resources to rely on while waiting, of whom 18.7% could rely on their savings while 0.1% thought that they could receive unemployment benefits or policy support. The key difference in 2021, in comparison to that in 2020, is that a decrease in the percentage of those relying on policy support, from 1.8% in Oct 2020 to 0.1% in July 2021.

This is a more structural problem that needs to be addressed to improve labor mobility and adaptation of workers to the frequently changing conditions in the labor market. First, more people tried to find jobs. However, only 3.4% of households can change jobs after being impacted due to COVID-19 in July 2021, which is a reduction from 11.3% of that in Oct 2020. The mismatch of supply of and demand for skills was the second common reason cited by approximately a half of households without members changing employment: 27.1% - no skills for other jobs, 26.1% - have looked for, but found no relevant recruitment and 7.4% - applied for new jobs but did not meet requirements (see Box 10). Secondly, female-head households find the most constraints in terms of skill training and household burdens to find other jobs.

Figure 10. Reasons of no moving to new jobs (% of households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Box 10. Hard to do online retailing or find new jobs

I work as a maid for a hotel. My husband works as a security guard at a Karaoke bar. For these 3 months, we have been laid off with no income. We discussed how to sell things online, mainly selling fruit and food. I think of buying from the wholesale traders, and then I can post on Facebook, zalo to sell to other people. My husband can take care of the delivery. But in fact, we have few online friends, then we can have only 1-2 orders a day. I asked a friend to ask for a job of housecleaning for an hourly wage. After only 10 days of work, the city issued Directive 16. So I cannot find any job. Now we don't know what to do. We have to wait at home to wait for the pandemic to end and will find another job.

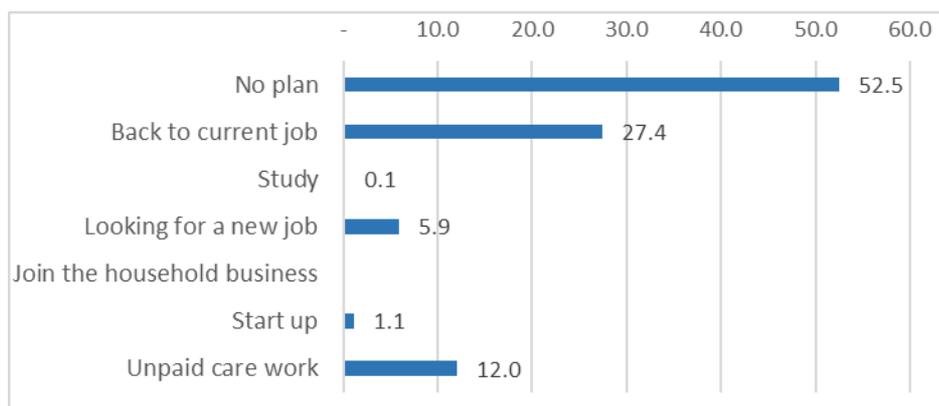
Female, 35 years old, lost her job, Hanoi, from Thanh Hoa

We have no money to spend. The gas tank is empty, but there is no money to get gas. I had had no construction job for almost 3 months. Then I have to do motor-taxi driver for some small money for food. I have no idea about another job. But the transportation restriction stopped my little income. For tens of years living in Saigon until now, I have never felt this difficult time. No job, no income, now just sitting and waiting.

Male, 40 years old, unskilled construction worker, Ho Chi Minh, from An Giang

Source: The survey on impact assessment of COVID-19 in July 2021

Figure 11. Plan in 6 months - Forward looking (% of households)

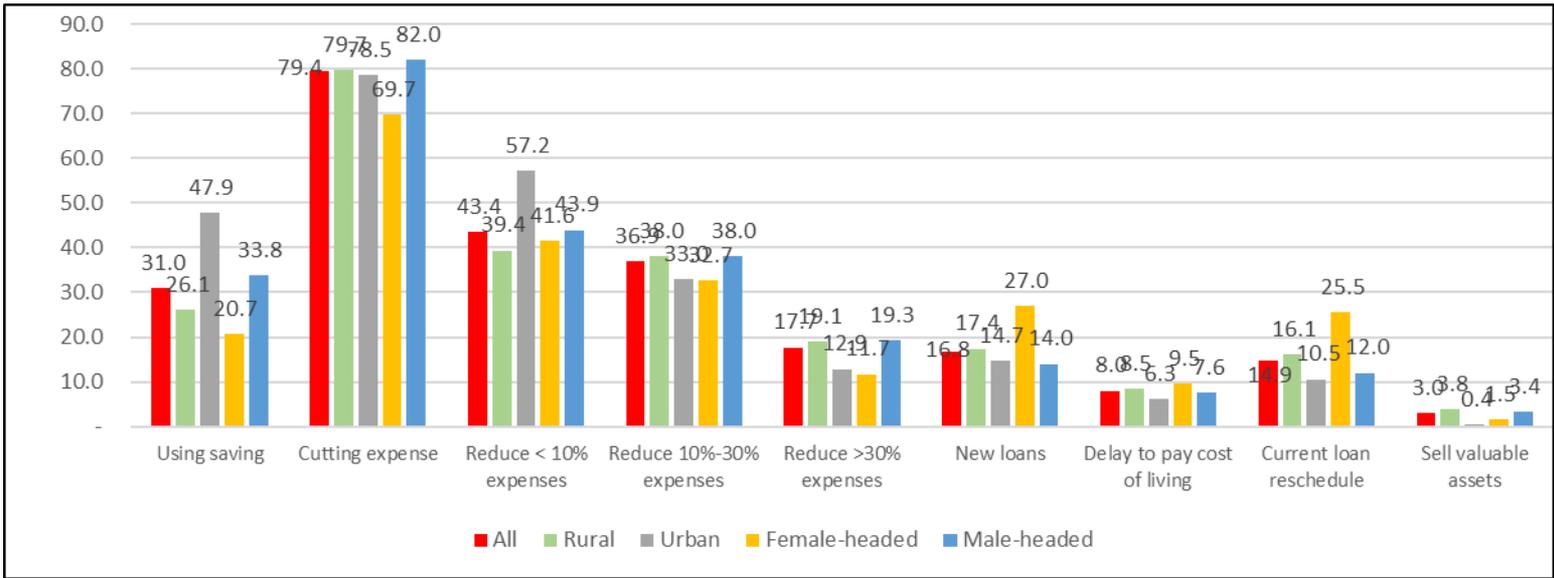


Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

3.3. Cutting expenditures was the most common measure employed by affected households, mostly spending on food, followed by electricity

Four in five (79.4%) affected households cut expenditures, with 43.4% reducing spending by less than 30% and 17.7% by more than 30% (see Figure 12). On a positive note, only a minuscule percentage of households, which is estimated at 3%, sold valuable assets to cope, which may suggest that they either did not have much to sell or were not forced into such a situation.

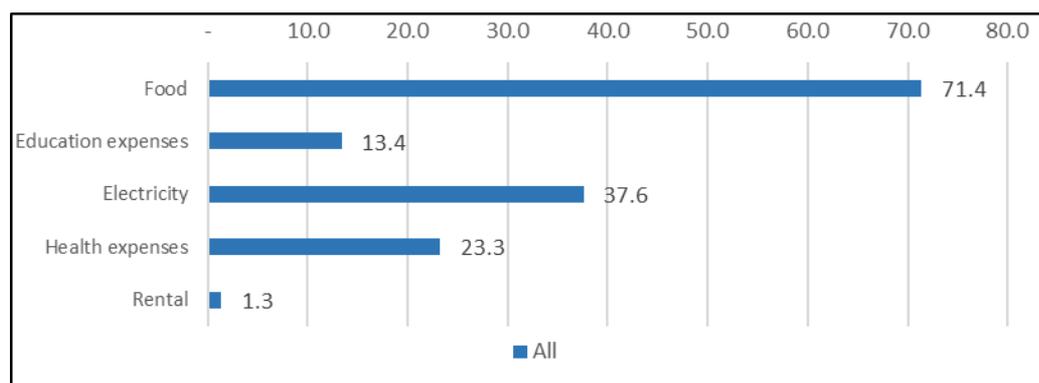
Figure 12. Coping measures (% of affected households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Most of the expenditure cuts were related to food, with 71% of affected households cutting food expenses. The cut in food expenses and food shortage was reported by vulnerable households, those being laid-off for months, especially migrants. A more severe situation was reported in households having small kids (see Box 11). The second essential item for which spending was most commonly reduced was electricity usage (37.6% of affected households).

Figure 13. Spending cut on essential items (% of affected households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Box 11. Cut in food expenses

Before the outbreak, we often spent about 100 thousand Dong on food. Now, I only dare to spend about 30 thousand a day. I cut off some breakfast, reduce the food amount for myself. My daughter is 2 years old. She often had about 4 boxes of milk a day. Now, I can feed her only 2 boxes a day. This week, I ran out of money, then I had to stop her milk boxes, but give her some rice soup. I have to reduce the food, in order to keep some savings in case of health problems.

Female, 38 years old, working for a building materials store, Binh Duong, from Nghe An

My family has 5 members. My husband works as a construction waged labor. I work as a garment worker in a private facility. We have 3 children. The eldest daughter is 9 years old. The second girl is 7 years old. And the youngest son is 3 months old. Before the outbreak, I can pay 150 thousand dong per day for food and milk. At the beginning of the quarantine, I only dared to buy 20 packs of instant noodles. Every day, the whole family only spends 30,000 - 40,000 dong for some fish, pieces of meat, and some vegetables to cook with instant noodles.

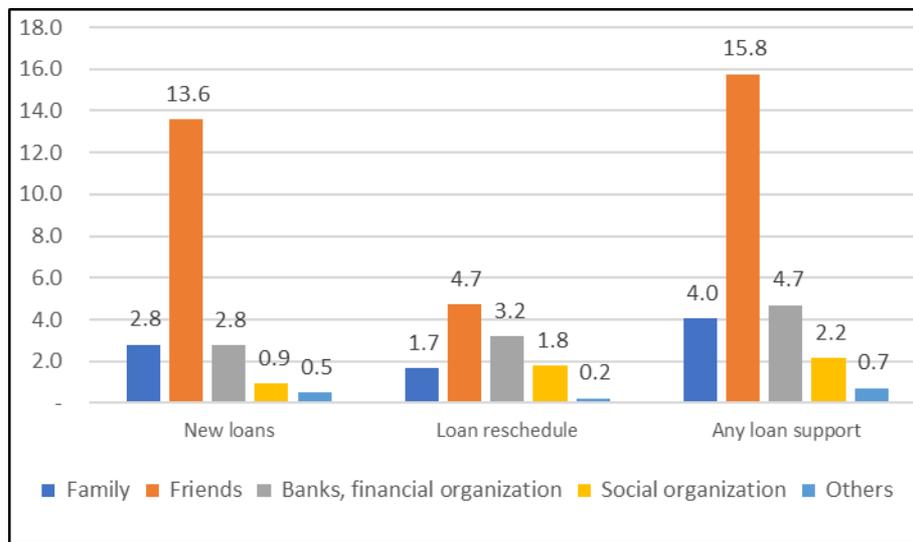
Female, 35 years old, garment worker on maternity leave, Binh Duong, from Hue

Source: The survey on impact assessment of COVID-19 in July 2021

3.4. **Four in ten affected households had to borrow, with friends as the main source of loans**

Including deferred payments, 39.6% of affected households relied on borrowing to minimize spending cuts, with 16.8% taking new loans, 14.9% rescheduling existing loans and 8% deferring payments for sellers of goods and services. Most borrowers relied on friends as the most important source of loans. Family members were hard to reach during the pandemic. Qualitative research finds that borrowing is becoming increasingly difficult when all members of the network are hit hard (see Box 12).

Figure 14. Network of financial support (% of affected households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Box 12. Difficult to borrow when all of networks were hit hard

I live in District 12. My husband has been working at a fitness center and has been unemployed from the beginning of May until now. I just gave birth to a baby 6 months ago and was about to go to work when the epidemic broke out. We tried to manage a very difficult life. Yesterday, the family ran out of money to buy milk for the child. I borrowed a few million from my brother but he could not transfer it to me. Due to the epidemic, he was forbidden to go out and have no money in the bank account. I can only ask for help from neighbors.

Female, 30 years old, private teacher, Ho Chi Minh, from Quang Tri

At this time, it is very difficult to borrow money from relatives and friends. All my friends have the same employment difficulty and have been unemployed for 2-3 months. It's too difficult, our friends can support each other 100-200 thousand for food in some days. We mainly borrowed from

acquaintances around the local area, our neighbors. But we cannot keep borrowing for weeks. Right now, we only rely on the support of the state, good people from social media, and the local officers.

55 years old male, carrying a truck, Binh Duong, from Ha Tinh

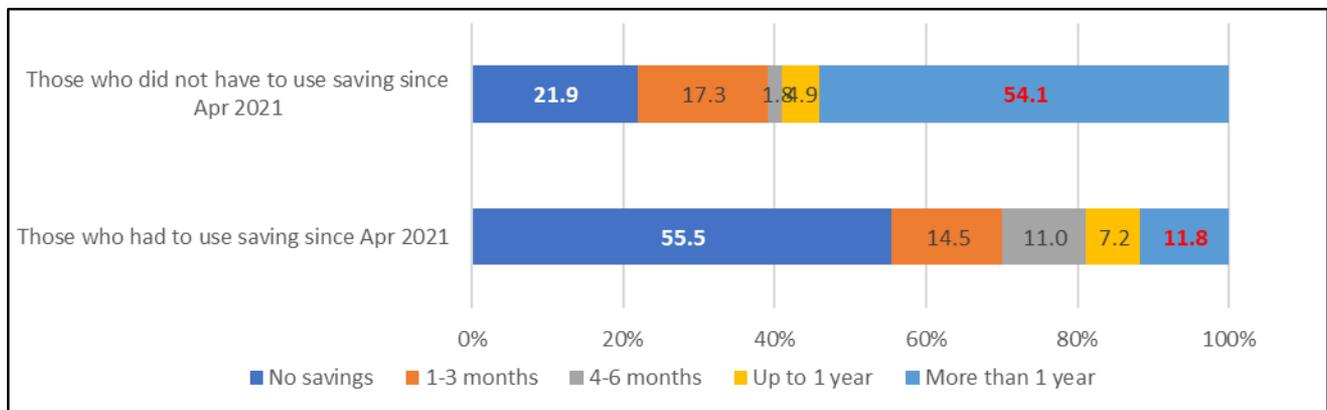
Source: The survey on impact assessment of COVID-19 in July 2021

3.5. Three in ten households used savings

Another third (31%) of affected households used their savings. It should be noted that only 20.7% of female-headed households took these measures, less than that of male-headed ones, i.e. 33.8%. But the estimate for 59 female-head households reporting saving usage is not reliable due to a too-small number of observations.

Among these, more than half (55.5%) had to start using their savings since April 2021 when the 4th wave of the COVID-19 outbreak began and had no more savings to use in August 2021. Those who did not have to use savings since Apr 2021 face a less severe problem when 54% of them have savings available for more than 1-year living.

Figure 15. Savings availability (% affected households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

3.6. Migration out of hard-hit provinces was a last resort

In-depth qualitative interviews with 65 migrants revealed cases of migrants traveling back to their hometown and others who stayed in the cities during the most recent wave of Covid-19. Migrants have been leaving provinces experiencing Covid-19 outbreaks for nearly three months. The main reasons for departure include: all savings had been exhausted so no money was left for food and rent; need to return home to recover from illness; cramped living spaces resulting in serious mental health problems; excessive worrying about households members, especially children, contracting Covid-19; and health-related issues such as pregnancy and high blood pressure.

Box 13. Migration flows out of provinces having COVID-19 outbreaks for months

We have 4 members, walking from Binh Duong back to Long An. We came to the city, worked for half a year. But for the last 3 months, we are unemployed. No work. Out of money. Unable to pay the rent, I had to go out and return to my hometown. 1 month in the city cost me 1 million. I still owe the landlord 2.2 million. The innkeeper said: if you stay, you have to pay in full, if you leave, you are given that 2.2 million. At home, my mother said: quit the city, go to any station, ask that station to let you pass, beg the checkpoints to let you pass, ask whoever for whatever you can eat. We don't even have bicycles or motorbikes, we can only walk. For the past 3 days, we've been walking, sleeping at the station at night, sleeping in an abandoned house. I met these 3 friends at a station. Then we joined as one group. We plan to take 1 week to return to our hometown. Each has only 2 back bags. I have more than a hundred thousand in my pocket. I informed my family. This is my husband, we discussed and decided together to go to the hometown. We just walk and see a map, ask people living along the road to find the way. I beg many checkpoints that I stayed without a place to live in the city, I could not stay, and they let me go to my hometown.

Female, 19 years old, garment worker, Binh Duong, from Dong Thap

We can not stay in Ho Chi Minh without jobs. So we rode motorbikes more than 1,000 km to our hometown. Our team has 218 people and nearly 120 motors from Saigon to Thanh Hoa. Our trip lasted for 7 days. Sometimes, we stopped at the roadside for eating. We are people from the pandemic area, so we don't dare to go to any restaurant or motel. For every 50-70km, the group leader will signal for everyone to stop and rest. There are pregnant women, small children, the elderly and sick people in our team. So we can't go fast. The group can only move at an average speed of 40-50km/h to minimize accidents. Fortunately, we arrived home safe. No one got into an accident. Only some broken tires and everyone supported each other.

Male, 50 years old, traveling by motorbike from Ho Chi Minh City to Thanh Hoa

Our group has about 200 people, who travel from Hochiminh city to the North by motors. We have to try to go by together on the road, not letting anyone be left behind. We traveled over a distance of nearly 1,400km, departing from Ho Chi Minh City on July 29. I and a group of friends did the medical declaration procedures, health checks, temperature measurements. We were sent to a

quarantine center when we arrived at the hometown. I know the risk of infection is there. But there was no choice but to leave the city. I've been unemployed for 3 months. I had to eat noodles every day, and I could not pay my rent. I am also afraid of the infection. Even though, I accept the infection risk when I decided to go back to my hometown. I stopped along the way in the middle of the 40 degrees Celsius heat in Quang Ngai. My husband and I brought 2 small children, it was also very bad for them, but there was no other way.

Female, 27 years old, moving motorbike from Ho Chi Minh City to Ha Tinh

Due to the pandemic outbreak, I have had no job for nearly 3 months. But hundreds of things to spend. I don't have enough money for rent, but I owe it for more than 3 months. If I don't starve to death, I will die due to COVID. So I don't see any other way but to go home. I want to go back to my hometown, but a taxi driver from District 12 to the top of Dong Nai bridge takes 1.2 million, then from the green lane bridge to receive 1.5 million to cross the bridge, then the car fare to Nghe An is 4.4 million. The pandemic was so hard that 7.1 million cut my throat to return to my hometown. I could not register the airplane for repatriation to my hometown. Waiting forever to register for the bus without knowing how. So I just had to ride a motorbike.

Male 25 years old, from Ho Chi Minh City to Nghe An.

Source: The survey on impact assessment of COVID-19 in July 2021

However, many migrants could not travel back to their hometowns because of travel restrictions. Permission from the authorities is required to travel out of provinces. Staying in small rented accommodation in cities, many face mental health problems, food shortages, energy shortages, and the inability to access medical treatment in case of illness (see Box 14).

Box 14. Difficult situation of migrants being quarantined in the city

I am now very desperate. I am living in a rented room with the regulation of 3 No: Not allowed to go out, not enough medicine, and not enough food. 5 days have passed since I was given the positive COVID test result. I have no smell of medicine, no smell of the hospital because I do not have any treatment. The hospital is overloaded, with patients infected with covid, being tortured, having fever cough, vomiting, chest tightness, difficulty breathing, etc. We also have a family, we also have a homeland. But I am now stuck in here, dying to return to our homeland with our family, in order to receive treatment. But I cannot, I feel sorry for my life.

Male, 55 years old, bricklayer, Binh Duong, from Nghe An

Just try being locked up for 2-3 months without enough food, children don't have milk to drink, homeowners ask for rent, being kicked out on the street or eat instant noodles continuously for 10 days, you will understand the feeling of our suffering. Living in Hochiminh, we cannot save much. We have kids back in our hometown, we have to send remittances for them. Therefore, we have only some money enough for 1-2 months.

Male, 35 years old, rental cargo, Ho Chi Minh, from Da Nang

Now stuck here, going in and out every day and looking at the four walls. Rice, food all run out. Only know how to hide tears deep inside. Before I used to work, I had money to send home to raise two children, but more than a month ago, the epidemic turned bad, I had to quit my job. It made my family life difficult. My father was in critical health condition but I could not return. My heart is burning hot, I have felt so helpless.

Male, 40 years old, loading and unloading Long Bien wholesale market, Hanoi

I have been a garment work for 7 years, and now I am being laid off. I do not know why, but I do not have any support from the company. I live in a small rent. I do not have an electronic cooker. We use gas for cooking. Now, we ran out of gas. I do not know how to ask the charity for gas.

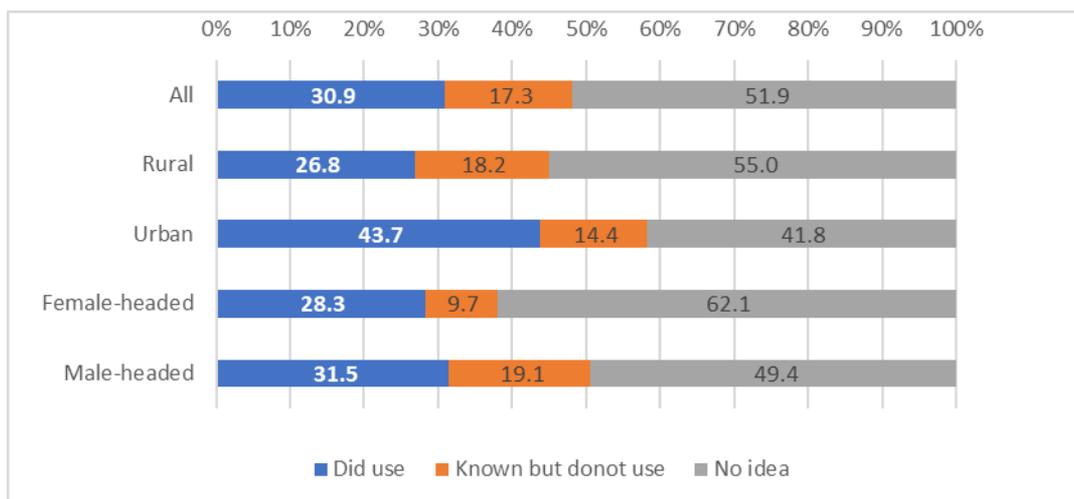
Female, 28 years old, Dong Nai, from Phu Yen

Source: The survey on impact assessment of COVID-19 in July 2021

3.7. Digital technologies to combat the pandemic started to help, but use is still modest, and unequal

About one-third (30.9%) of households used nCovy or Bluezone apps to obtain information on Covid-19 cases near their location, but 17.3% do not use the apps because they did not find them useful or were not used to using smartphone apps. Half (51%) of households are not aware of the apps, including 62.1% of female-headed households, showing their more disadvantaged situation vis-a-vis male-headed households with 49.5%. The old, disadvantaged persons, and those in rural areas found it difficult in using apps and do not understand the usefulness of technology (see Box 15). However, the situation has recently improved considerably, with a surge in the number of users of the apps.

Figure 16. Using nCovy or Bluezone apps (% households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Box 15. The old, disadvantaged persons, and those in rural areas find it difficult in using apps and donot understand the use of technology

Phone must have access to the Internet to install Bluezone to connect and update with data. I use a smartphone but don't need the internet, maybe it's mandatory to install the internet, it costs more money every month.

Male, 45 years old, informal street, Binh Duong, from Thanh Hoa

Although my parents use smartphones, they don't know the features. Even I teach how to use the app, they forget it later. My wife and I installed Bluezone in April and turned it on a little. It caused the phone power problem.

Female, 33 years old, electronics worker, Dong Nai, from Long An

I'm the one who installed Bluezone a long time ago. But after I installed it, I don't know what it does. The superior feature is the recording of close contacts from nearby phones. But the record is for what, I don't understand. If the Covid case has been confirmed positive, then he goes to isolation. An infected case that has not been tested, still has normal contact, so there is no warning. In short, the purpose is to warn the positive cases, but I am not so sure after more than a year of installing the app. The announcements on Bluezone are all updated later than the public information. Medical declarations are required everywhere to be declared on paper. In general, I have installed Bluezone, but I don't understand what to install it for.

Female, 30 years old, a worker from Ha Tinh province working in Bac Ninh

To tell the truth, I have installed these applications, but almost everywhere I go from the hospital in the province, I have to make a declaration on paper. So these platforms declare that it is not useful. I don't quite understand the usefulness of those either.

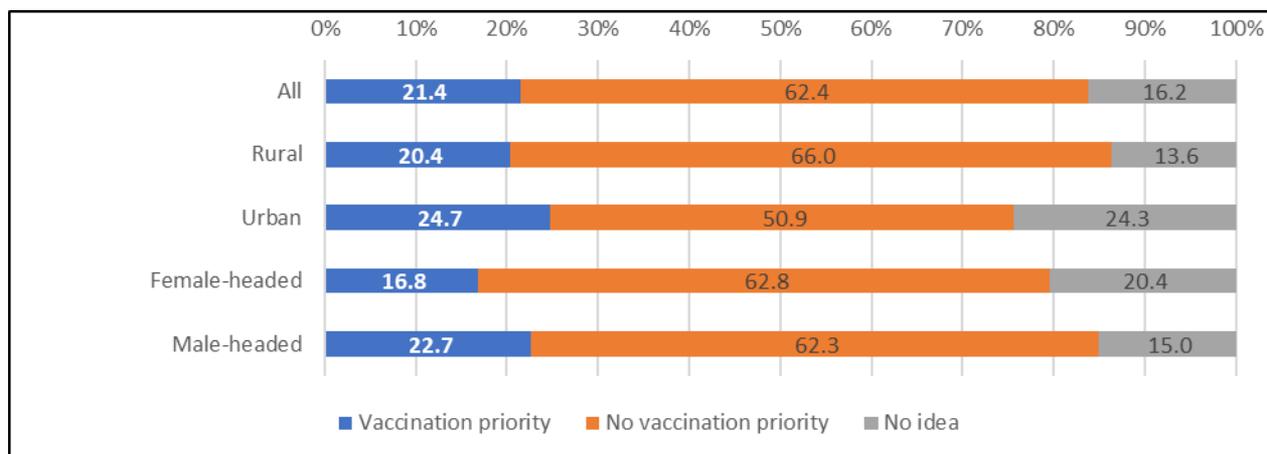
Male, 45 years old, self-employed in Dong Nai, from Ha Tinh

Source: The survey on impact assessment of COVID-19 in July 2021

3.8. Vaccination against COVID-19 has started to roll out, and two thirds of respondents are ready to get vaccinated

Two-thirds (62.4%) of respondents report that they were not given priority for vaccination against COVID-19 compared to 21.4% who said that they were given priority. A small number of respondents (16%) said that had not received information about the vaccination priority Policy, including 20.4% of female-head households, which is higher than that as for the male ones, at 15%. Maybe if the information on the vaccination priority policy is provided to all, the higher vaccination readiness may be.

Figure 17. Vaccination priority due to high contacting sectors (% households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

However, 66.2% of respondents report that they are ready to be vaccinated against COVID-19, in addition to 19.3% who had already been vaccinated. Among those, 85% report being ready for any type of vaccine, and 14.9% requesting a particular vaccine type. A concerning result is that 58.9% did not know how to apply for vaccination (see Box 16).

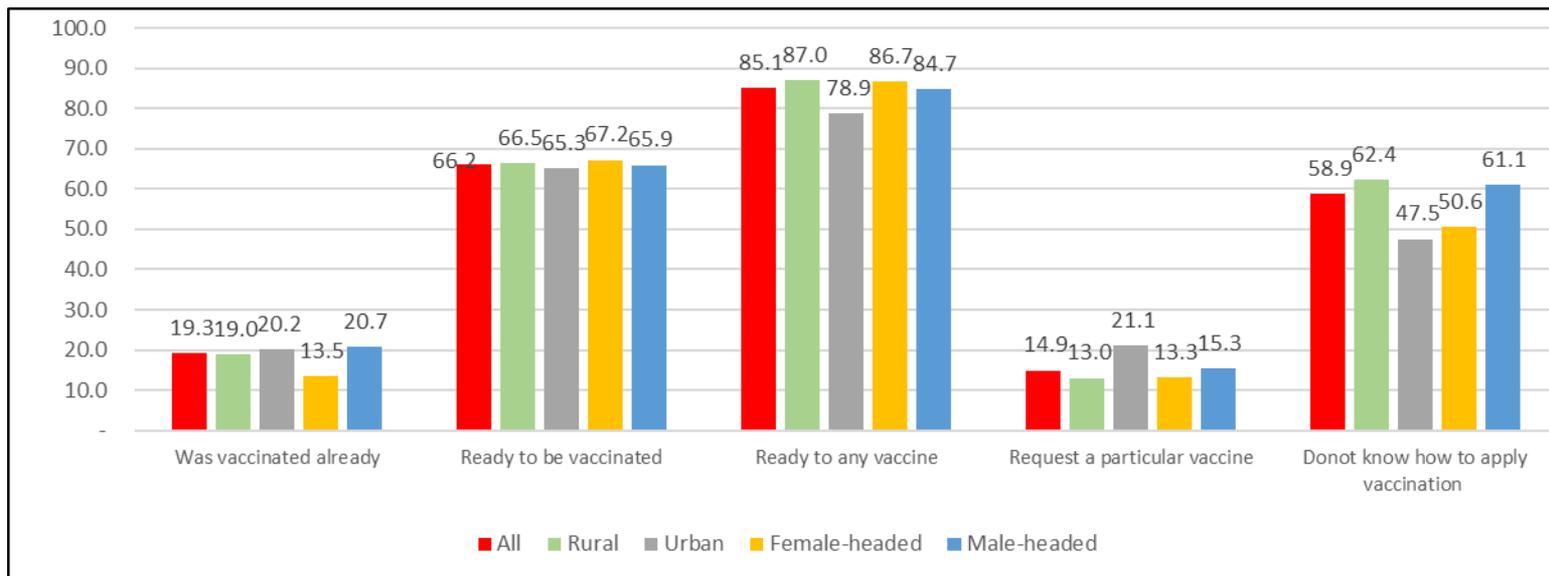
Box 16. Many people do not know how to apply for vaccination

I don't even know if I am eligible for vaccination, but I think it's the only priority for the frontline like doctors, police, and the army. But how can I apply for being vaccinated if I work as a freelancer? I had not been informed by the village head, nor did anyone around get the injection. Now that the vaccine is lacking, it's probably no turn for me to be vaccinated.

Male, 45 years old, grab shipping by motor, Dong Nai, from Binh Dinh

Source: The survey on impact assessment of COVID-19 in July 2021

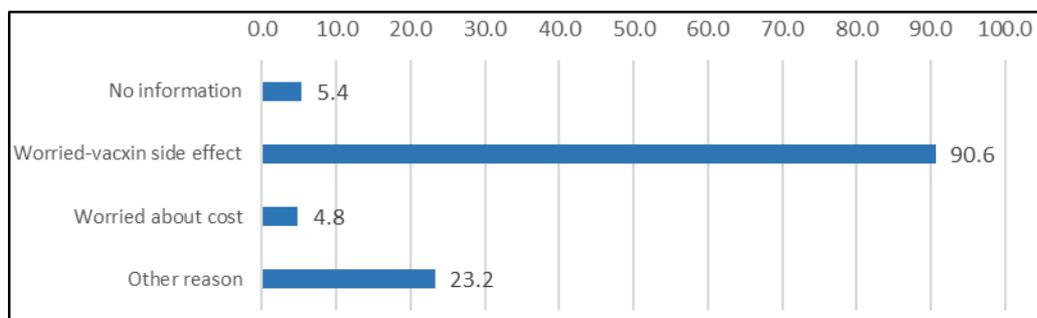
Figure 18. Vaccination readiness (% households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Only 14.5% of respondents did not want to be vaccinated against COVID-19 because they are worried about the side effects of vaccination.

Figure 19. Reasons for no vaccination demand (% of affected households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

4. POLICY SUPPORT – NINE OUT OF TEN HOUSEHOLDS HAVE NOT YET RECEIVED ASSISTANCE

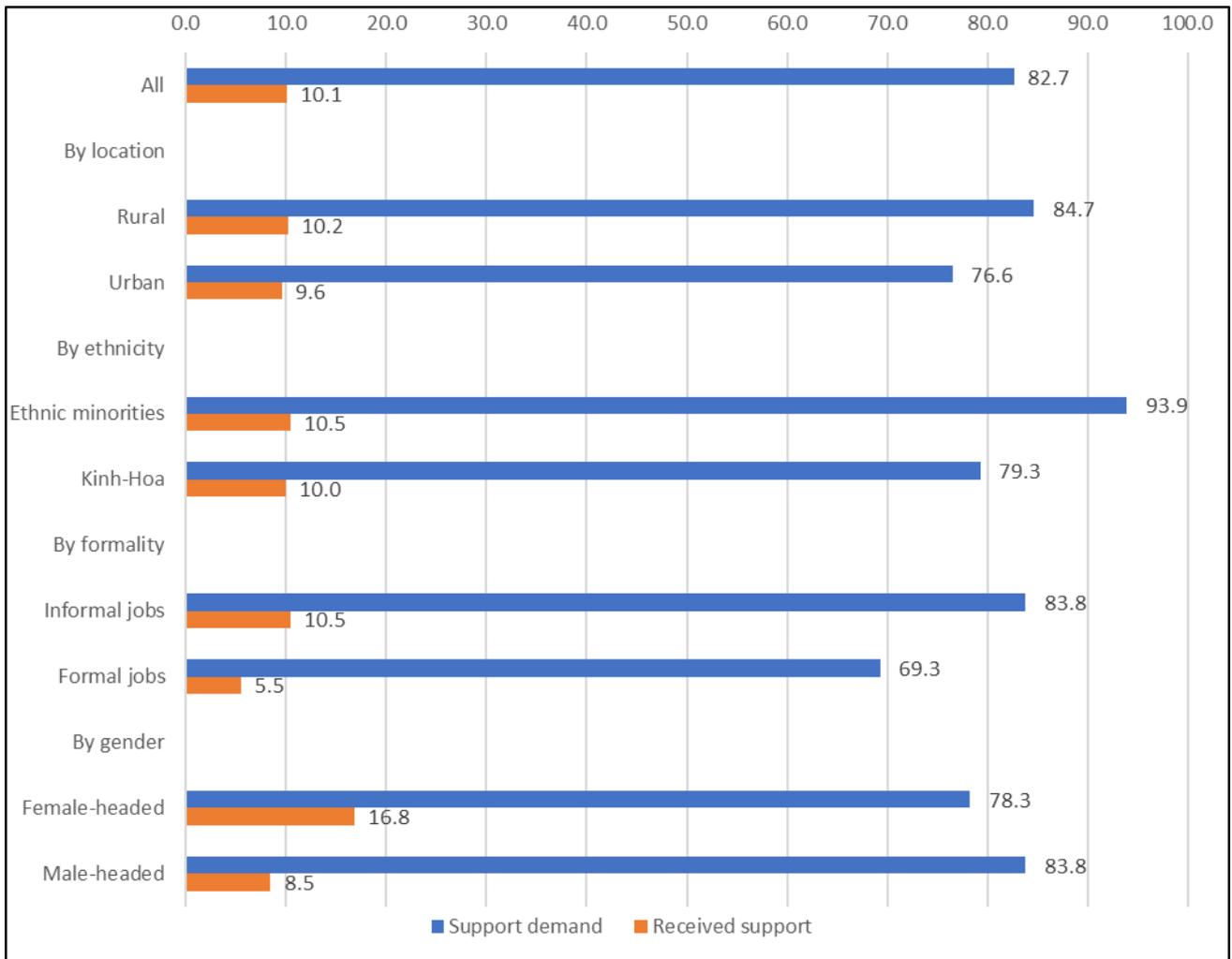
4.1. Support coverage: Only one in ten households received government support

Nine out of ten (89.9%) of respondents have not received support while 82.7% of respondents report they need assistance. Among those not yet receiving support, one-third report difficulties accessing the support application, especially in urban areas.

A positive report on the support delivery when the disadvantaged groups of those households having informal employment, in rural areas, being ethnic minorities, having female-heads, have higher shares of those receiving supports in comparison to the rest.

In comparison to the support demand, the support delivery has a small coverage. 82.7% of households report support demand. The disadvantaged groups of those households having informal employment, in rural areas, being ethnic minorities, have higher shares of those demanding for supports in comparison to the rest.

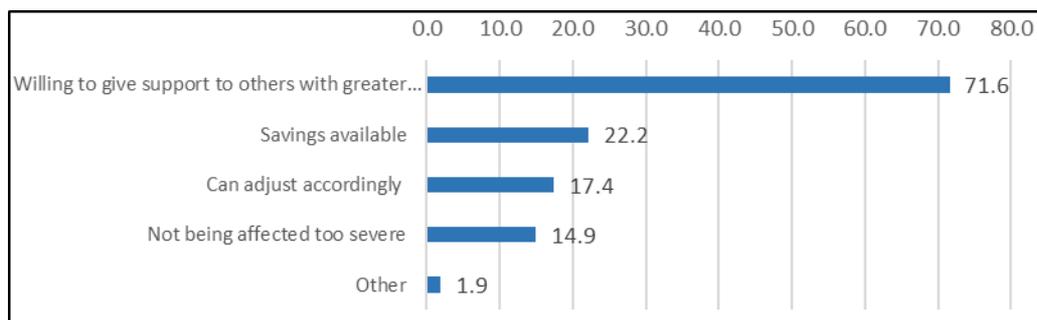
Figure 20. Policy support demand and delivery (% households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

A small number of households, 17.3% do not demand for policy support. Among those, 71.6% of them report the reason that they are willing to give supports to others with more severe difficulties. 22.2% of them confirm that they can rely on savings, or adjust consumption accordingly to the difficulties. 14.9% confirm that the difficult situation is not as severe much to request policy support.

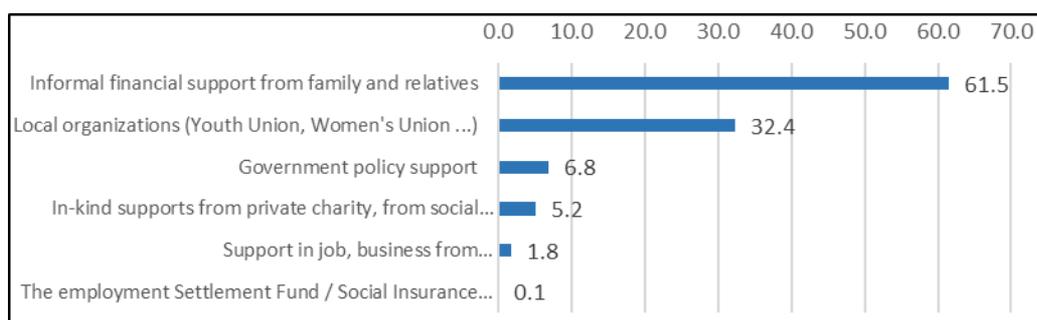
Figure 21. Reasons for no demand for policy supports (% of households having no demand for policy supports)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Among 10.1% of households receiving supports, two-thirds of them own the support from family and relatives. A third of them received support from local social organizations. Only 6.8% reports government policy support delivery.

Figure 22. Network of supports (% of households receiving supports)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

4.2. Difficult access to support

Among those not receiving any support yet, one in three of them report difficult access to the support application, especially in the urban areas. 38.1% of those in urban areas, and those disadvantaged households, having female-heads (30.8%) complained about the difficult barriers to apply for the support.

The main obstacle is the unqualified guidance by local officers. 13.5% of those households report that local officers give no concrete and helpful guidance. More complaints are from those being in the urban areas (23.2%), and having female heads (15.9%).

9.8% of them report that they cannot meet all requirements of supporting documents or filling all required information (see Box 17). More complaints are from those being poor (15%), and having female heads (13%).

Box 17. Different support implementation and difficult to access support

No helpful guidance by local officers for support application. I'm so angry. I raised my voice but no feedback. There is official news to support informal workers. I am an informal work being laid off. I asked the village head, and he told that only a small number of support applications should be on the list. I intended to go to the ward to ask if it was right. But I could not go through the quarantine checkpoint. They answered me that I had to ask the village head if I had any question.

Female, 45 years old, street vendor, Dong Nai, from Ha Tinh

The village head brought the application forms and gave them to the whole neighborhood. Some owners of good houses are given the application forms. For those migrants living in rented small rooms, only those who sell lottery tickets, with less than 1 million a month, can have application forms. Other migrants being street vendors and having no jobs, no income are not given the application forms. Here, they give support priority to local people first, and then the migrants.

Male, 40 years old, riding a tricycle, Ho Chi Minh, from Long An

At my place, the village head didn't even give out support application forms to all the rented rooms. He gave them to only migrant households, not single migrants, who have been laid off and had no income. The TV announced that all difficult migrants are supported but the local officers do not implement that support. In my friend's place, the village head set the limit of only 3 forms to be distributed. Then all migrants have to be voted for the selection. In a nearby place, the village head gave only 1 application form per room, despite how many laid-off workers living in that room.

Female, 30 years old, manicurist, Binh Duong, from Phu Yen

The hostel has 230 people, 115 small rooms, but so far no one has received any support, while our area has been blocked for nearly 2 months now. Only occasionally, some sponsors support rice and vegetables. I have heard that there is a Call Center 1022. I tried to call, but they have recorded the information and still have not seen anything. We're going to have nothing to eat here.

Female, 50 years old, selling lottery tickets, Phu Nhuan, Ho Chi Minh, from Nghe An

It has been 3 months and 20 days, my family has not worked and has no income but still has not received any support. I asked for support already and do not know why I receive nothing. Maybe I am not lucky enough. The village head said to me that I have to wait for the support announcement. But I already waited for months. There is no money in the house, so if I don't die from the epidemic, I will also die of hunger. I have some rice left, and I tried to cook soup only.

Female, 35 years old, street vendor, hair making, Ho Chi Minh, from Can Tho

The medical health officers already have the list of people living in the blocked and isolated area at the hostel. The local government, together with the local police also knows that list. So I do not understand why the village head asked us for a copy of supporting documents of all kinds, e.g. the residence certificate, the document of no income. But no photocopy shop is open due to Directive 16. So we do not have enough papers, we do not have support.

Female, 40 years old, office worker, Da Nang

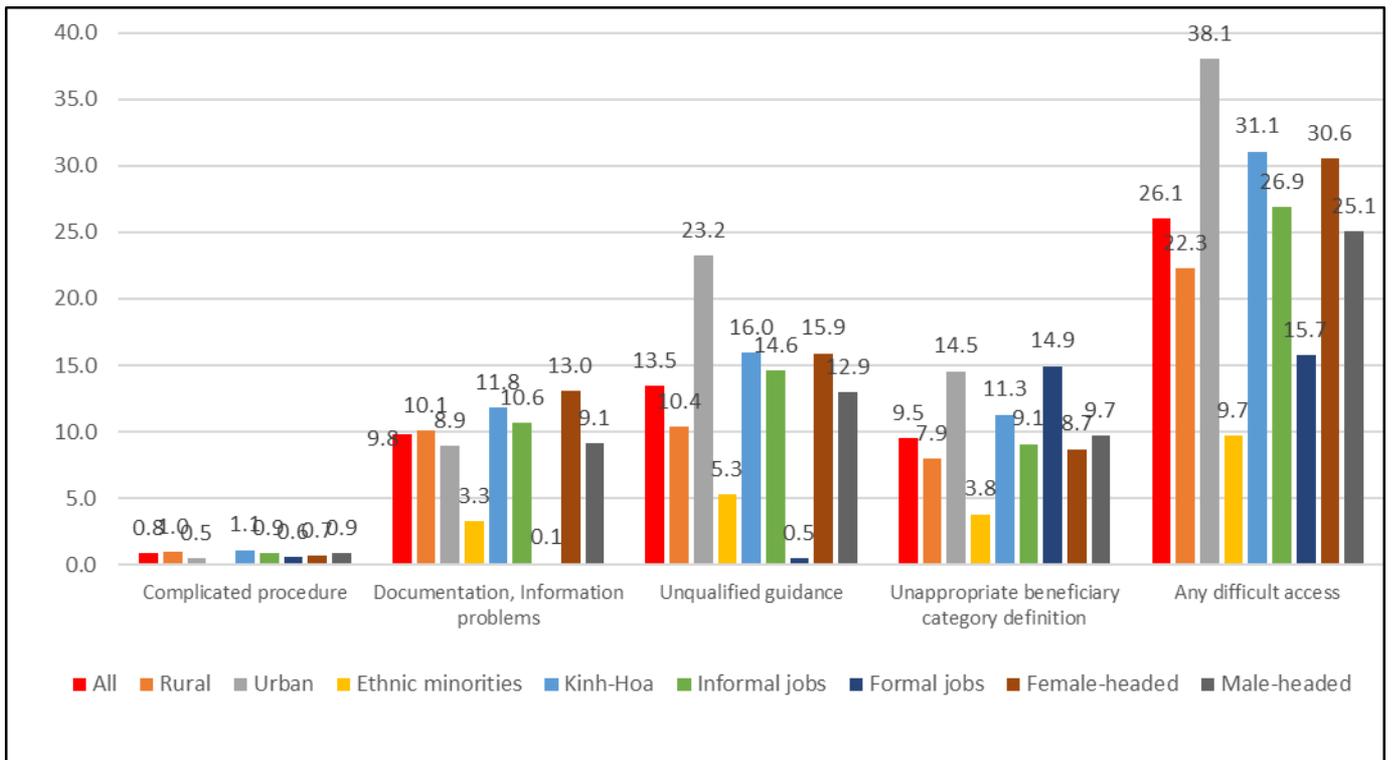
Hanoi announced social distancing on short notice, so we didn't have time to go back to our hometown. Here all the poor workers have lived for tens of years. The village head asked for a certificate that had no support from my hometown in order to put me on the support list. How can I go back to my hometown to apply for a certificate that I haven't received support in my hometown? I am not allowed to do it due to the Hanoi regulation. I think that migrant workers should receive support in the city. The support is to keep migrant workers staying in the hostel. Therefore, it should require certification by the innkeeper and the neighborhood group only.

Male, 35 years old, porter for hire, Long Bien, Hanoi

Source: The survey on impact assessment of COVID-19 in July 2021

Another 9.5% said that they are found themselves as being policy beneficiaries but not being well defined in the current categories. They report that the failure in the support application that the local officers refused their beneficiary status. More complaints are from those being in urban areas (15%), and in the formal sectors (15%).

Figure 23. Difficult access to policy support (% households having no policy support yet)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

4.3. Missing beneficiaries

There are beneficiaries that seem to be missed out of the support beneficiary category. Qualitative research finds that migrants who are stuck in the city are very vulnerable and have no other choice. They even cannot afford to travel back to their hometown. Therefore, they are the most vulnerable group who should receive the prioritized support.

Four groups report that they are missed in the list of beneficiaries of the Government’s second support package⁴. Many interviews confirm the difficult situation of these groups: (1) migrants without residential registration (see Box 18), (2) small informal household businesses, those are not categorised as informal workers, but labeled as household businesses which are not registered, doing small businesses such as

⁴ The second support package was approved in 2021 as in Resolution No. 68/NQ-CP dated July 1, 2021 of the Government on urgent COVID-19 pandemic prevention and control measures and Decision No. 23/2021/QĐ-TTg dated July 7, 2021 by the Prime Minister on policy support for workers being impacts by the pandemic. The first support package was approved in 2020 as in Resolution No. 42/NQ-CP dated Apr 9, 2020 of the Government on urgent COVID-19 pandemic prevention and control measures.

food processing, noodle shops (see Box 19), (3) those being homeless but hiding from the authority (see Box 20), and (4) those falling into no income due to COVID-19 before the date when the decision on social distancing was issued.

Box 18. Migrants having no support even having an extremely difficult situation

The village head said that I am not eligible for support because I do not have a temporal residence, not KT3. I have lived in this area for 5 years now. When I came to rent the room, I gave my identity card to the owner to apply for a temporary residence. That's all that I had been told to do. No other officer requested anything else.

Male, 40 years old, motorbike taxi driver, Di An, Binh Duong, from Ha Tinh

I was told that the informal worker having no income like me, must have a household registration certificate or a temporary residence certificate to be certified by the police to receive support. I live in a blocked area, without income and running out of food. I asked for support but the answer is no. It is not my fault for no temporary residence. It's because the landlord and the village head do not help me with the paperwork. I have lived here for 4 years already.

Male, 50 years old, porter for hire, Go Vap, Ho Chi Minh, from Nghe An

Source: The survey on impact assessment of COVID-19 in July 2021

Box 19. Small household business having no support even having an extremely difficult situation

After 2 waves of COVID-outbreak, I have not received single support. In 2020, my household business was severely affected, so I asked the tax officer in charge of my area, they said "My family is not subsidized because this phase only supports non-taxpaying business households". Then I thought about why I paid taxes, contributing to the local budget but I had no support during the difficult period. In 2020, I face too many difficulties, then I stopped paying taxes. In 2021, I asked again if my household was entitled to any support. The local officers replied that only business households with tax codes so I could not have because I did not pay taxes. Until now I have not received any support from the local authorities.

Male, 43 years old, small restaurant, Dong Nai, local resident

Source: The survey on impact assessment of COVID-19 in July 2021

Box 20. Homeless people

I do not have money to rent a place. I wander through the day. In the evening, I go to the market to find a place to sleep. I also do not have anything to know about the news or anything. I just wandered around to earn any money by carrying the porters in the market and then asking for food. I am used to it for years. The other day, the market is closed. I also saw someone passing by, and give me a mask, and some food. I am told that the street has to be empty, and I am not allowed to walk around. Going home is far away and expensive. I do not want to return to the countryside. Once, a woman told me to go to the Center, supported by the authority, with other homeless people, and they would take care of them for a few months. But very restrained, I stayed for more than a week and escaped. In that Center, eating is not too bad, not delicious, strict regulation and not allowed to go out. Some people in that Center are crazy. It was uncomfortable so I didn't want to stay, but there they said to stay for a while in the outbreak, and then they wanted me to return to the countryside.

Male, 56 years old, Ho Chi Minh, from An Giang

My team has 5 kids. We used to stay at the inn, but this month, the money ran out and the innkeeper didn't let us stay. We went out here, slept in the sewers. The construction site stopped the project, and left the sewers empty. I know the news about COVID. The police don't let people walk around outside, they don't let them do anything outside. When I went to the street, the police chased me and said I would be fined. I don't have the money to pay the fine. Even knowing that I might be arrested, but running out of money, I went out to carry heavy construction wastes for some little money in the evening. So that I could still have money to buy some instant noodles and vegetables. I can't go back to my hometown, because I don't have money, and the road is blocked. I have a phone. Sometimes I ask for 1 hundred and 2 hundred with some previous order providers, in order to buy food.

Male, 18 years old, Hanoi, from Son La

I'm used to it, I've been wandering for decades, it's okay. I stay on-street, to earn money. I can go wherever I want, which is not allowed if I stay at the Center for those being homeless. But this time a lot of people spread the disease, so they told me to follow them to be vaccinated, to have food, and sleep in an empty school. They said it is a pandemic, it was deadly. So I am not allowed to wander around, but stay in school until the pandemic was over. That's good for me. But I do not like it.

Female, 61 years old, homeless, Ho Chi Minh

Source: The survey on impact assessment of COVID-19 in July 2021

The report notes that groups are temporarily falling into poverty due to job and income loss caused by COVID-19, especially young working families (under 25 years old) with young children, especially single mothers/fathers, no savings and migrant workers who have the burden of paying rent in the city. They face barriers unable to receive cash support to meet immediate needs such as living expenses, rent, especially nutrition costs for young children (under 3 or 6 years old). Despite many efforts to deliver cash transfers to these groups of households, in different cities, some cases still report that they are not supported because they have been affected even only 2 weeks before the date when the decisions on quarantine and social distancing were issued (see Box 21).

Box 21. No support due to a job loss before the quarantine decision was issued

I went to the local head to ask for help. He asked for the papers to prove when I lost my job. I tried to get one document from the restaurant owner, and submitted it to him. The local head said that it was 2 weeks before the date when the decision on social distancing was issued. But the restaurant had no orders due to COVID, so it had to close. Now I don't have any savings, nor do I get any less money from the landlord. After paying for the house, I don't know how to manage it.

Female, 32 years old, 1 child, Hanoi

Source: The survey on impact assessment of COVID-19 in July 2021

4.4. Support delivery

Most of the respondents chose the monetary support through advanced modes of delivery, except for in-kind support in the blocked areas and to the old and disabled households (see Box 22).

Box 22. Support delivery through bank transfer or in-kind delivery for the blocked area

I want to receive support through my bank account, to avoid contacting in receiving cash which would spread disease in the community. I prefer support in kinds, e.g. rice, medicine, necessities. Because I am living in the quarantine area, I can not do online shopping anyway. I have to ask local officers to deliver food for me, but not always free officers to do such a favor.

Female, 30 years old, waitress at a beer bar, Dong Nai, from Can Tho

I have to transfer money via my bank account to buy food and then the shop will deliver food at the quarantine checkpoint. The local officer will bring food to my room. So I would like to receive support via a bank account.

Female, 33 years old, preschool teacher, Binh Duong, from Thanh Hoa

I'm old. I can't buy anything myself. Sometimes when someone passes by, I often have to ask them to buy things for me. Sometimes I sit all day and see noone to ask for help. I hope to receive support in kinds, rice and other food.

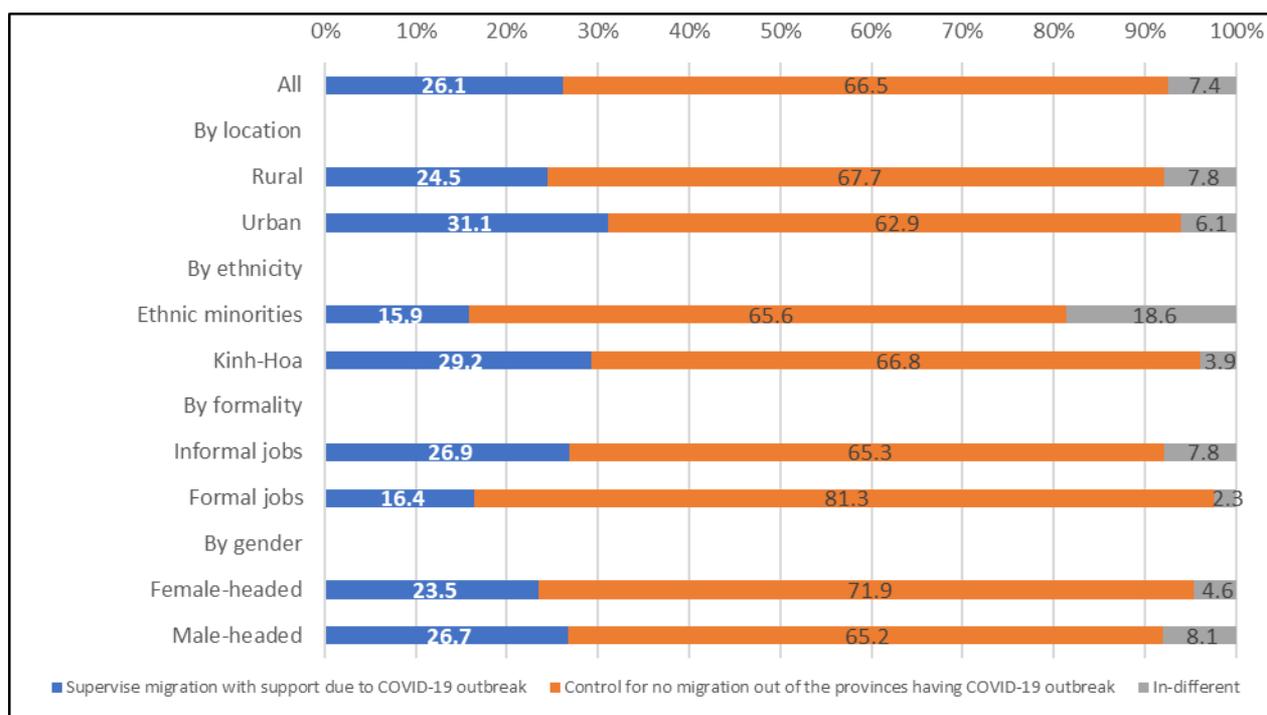
Male, 75 years old, lives alone, Phu Nhuan, Ho Chi Minh, from Nghe An

Source: The survey on impact assessment of COVID-19 in July 2021

4.5. Support for migration

26.1% of households think that the local government should provide migration support due to the COVID-19 outbreak. Meanwhile, 66.5% report that the government should provide supports for all staying within the provinces having COVID-19 outbreaks, and control for no migration out of such provinces.

Figure 24. Perception on migration choices due to COVID-19 outbreaks (% households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Those supporting the migration option have considered the difficult situation of migrants in the provinces having the COVID-19 outbreaks. They support the formally organized migration, because of the worry for the infection due to the unorganized migration flows (see Box 23). Therefore, they request the official quarantine period after traveling, the free quarantine places organized by the local government, the free

transportation organized by local government, free COVID-19 tests, and the traveling report request on each migrant.

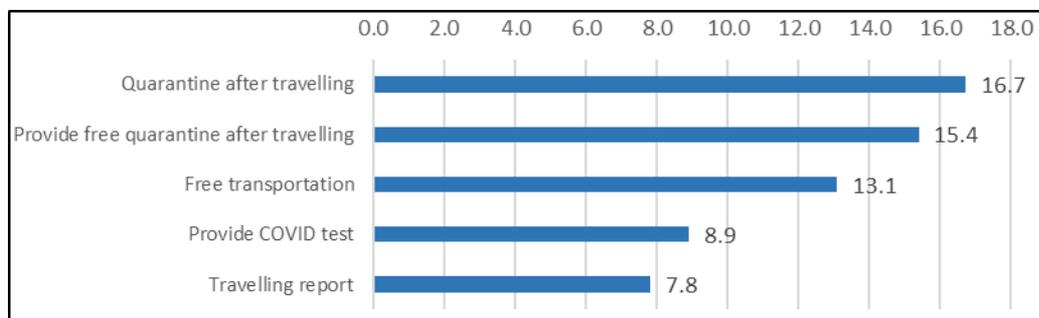
Box 23. The risk of infection from uncontrolled mass migration out of the provinces with COVID-19 outbreak was considerable

I'm starting to get scared today. Because yesterday, it was discovered that there were 2 cases in my group who were infected. My group traveled by motorbikes from Binh Duong to our hometown. Currently local officers have been tracing the people who came into contact with those 2 friends. We just arrived 2 days ago, but there are already 15 F1 people. My group has more than 50 people, who traveled from Binh Duong, and arrived all over my province. These two friends, when we met in the pandemic area, did not have symptoms. But after arriving in the homeland for 2-3 days, they developed the disease. If people are not strictly controlled and quarantined for enough days, it is also very dangerous to spread the disease. I'm also worried, hope that I did not talk to these two, I'll be fine.

Male, 30 years old, migrated from Dong Nai to Nghe An

Source: The survey on impact assessment of COVID-19 in July 2021

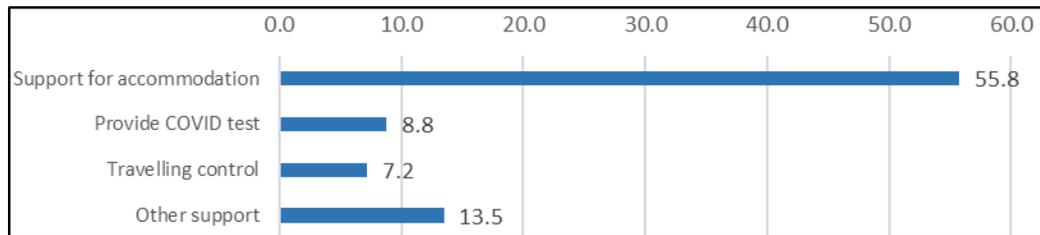
Figure 25. Recommendation on policy action to support the migration flows due to COVID-19 outbreaks (% of households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Those, who do not support the migration option, have been worried about the infection due to the migration flows. However, they acknowledged the difficult situation of migrants in the provinces having the COVID-19 outbreaks. Therefore, these households request support for migrants, including supports for accommodation (55.8% of households), in-kind support for living in the quarantine (13.5%), COVID-19 test (8.8%), and traveling report (7.2%).

Figure 26. Recommendation on policy action to control the migration flows due to COVID-19 outbreaks (% of households)



Source: Our calculation based on the survey on impact assessment of COVID-19 in July 2021

Migrants who are stuck in the city are very vulnerable and have no other choice. They even cannot afford to travel back to their hometown. Therefore, they are the most vulnerable group who should receive support.

Box 24. Migrants are the most vulnerable in the city with COVID-19 outbreaks

When the new pandemic broke out, my family also considered returning to my hometown to avoid the pandemic. The main reason is that we have no more money. However, in order to return to my hometown, I have to pay for a quick test and then a concentrated isolation fee. Each in the household costs 5.5 million dong. It would be 11 million for my wife and me. I tried to earn some money for that payment, but I failed. Now the city does not allow us to go back to our hometown. We ran out of money and food. Now we live by some instant noodles from local officers.

Male, 40 years old, lorry driver, from Gia Lai, stuck in Dong Nai

A month ago, my whole family, my husband and I, and 3 children, especially a 20-month-old child, have to try to live through the day. At this time, I feel the dead-end when we have to eat only salted fish sauce. We have to pay for the rent because I am very afraid of my 3 children having nowhere to live. In my head, I never expected help from any one of my relatives and friends. Because I know everyone is suffering right now. My wife and I work as unskilled construction workers to raise 3 children. We do not dare to take a day off. Now, I have been unemployed for a month. I can only look forward to support.

42-year-old male, informal worker from Binh Phuoc village, stuck in Dong Nai

Source: The survey on impact assessment of COVID-19 in July 2021

4.6. Information support to increase vaccination coverage

Currently, many unofficial negative news against vaccination on the Internet (see Box 25). Therefore, information for vaccination usefulness should be pushed through the local mass organizations to increase the vaccination readiness of local people.

Box 25. People's worry when hearing unofficial negative news against vaccination

Two days ago, the whole neighborhood registered to vaccinate. But if they call me to get the Chinese vaccine, I won't get it. I heard from the Internet that the Chinese vaccine can cause death. All my friends and company say that they won't get the Chinese vaccine. We are young, so if we have better resistance, we will recover on our own. I choose to be vaccinated, anyway, mainly for the sake of the community.

Male, 25 years old, worker, Ho Chi Minh, from Long An

The company registered the list for vaccination, so all workers were vaccinated from the first round. After the injection, many people had fever and fatigue, but it did not last long. I am too scared if there were no vaccinations in the company with hundreds of people living in the same place. I have only had 1 injection. Next month is the time to get the 2nd dose. Last time, I got Astrazeneca's shot. They said that the 2nd shot is fine with another vaccine brand. I was a bit scared when I heard that. Because from the news from the Internet, it can potentially affect health. There is no research on mixing these two vaccines.

Female, 30 years old, worker, Binh Duong, from Phu Yen

Source: The survey on impact assessment of COVID-19 in July 2021

5. PROMOTING ROBUST, SUSTAINABLE AND INCLUSIVE RECOVERY – RECOMMENDATIONS

A phased approach should be employed in reopening

- Until a large proportion of the population is vaccinated and community immunity is reached, vulnerable households still face considerable challenges due to social distancing measures, including lockdowns due to COVID-19 outbreaks, especially in big cities. The fast spread of the pandemic and its big impact on the economy and society requires that comprehensive measures to combat the pandemic and promote a robust, sustainable and inclusive recovery. With regards to the reopening strategy, a phased approach should be employed to reduce pressure on the health care system, thus ensuring that recovery is sustainable. The strategy should meet at least two preconditions: (i) vaccination rates at high levels that approaching reach community immunity; and (ii) the ability to enforce the application of new normal safety standards by all people, institutions and enterprises. Experience so far shows that premature opening without achieving these preconditions will be successful and/or unsustainable, and often involves high-cost actions to deal with the resurgence of the virus.

On vaccines and vaccination

- *Simplifying pre-vaccination screening to speed up the vaccination process*

The process of pre-vaccination screening as implemented involves a number of redundant elements that slow down the process, yet exclude numerous otherwise eligible people. The Ministry of Health has recently simplified it to accelerate the vaccination campaign. The guidelines may need to be further modified to conform better to commonly adopted international practices.

- ***Modifying the vaccination priority list to ensure that elderly and immune-compromised people are vaccinated first***

The list of priority groups for vaccination as stipulated in Decision 3355/QĐ-BYT on the “Plan to implement the COVID-19 vaccination campaign in 2021 – 2022” by the Ministry of Health dated July 8, 2021 includes 16 priority groups. The list is too long, and as a result, many younger people leapfrogged ahead of old people and people with weakened immune systems. It is therefore important to modify the priority list in such a way to ensure that older and immune-compromised people are vaccinated first.⁵ Appropriate measures should be implemented to ensure that the priorities are strictly followed at the local level. To this end, vaccination information is being entered into the national digitized system, and therefore it should be relatively easy to monitor whether the priorities are followed and to devise corrective actions.

- ***Encouraging people to get vaccinated with an effective communication campaign***

As there is a significant proportion of people that still have vaccine “hesitancy” or “selection,” there is a need to implement a national campaign against vaccine hesitancy that would involve communication innovations (for example celebrities getting vaccinated and delivering PR messages).

- ***Increasing vaccines supply to meet demand in both the short and longer term***

The Government is rightly prioritizing the increase of vaccine supplies, including through vaccine diplomacy. In the medium and longer term, attention needs to be placed on developing (i) the national technological capacity needed for receiving vaccine technology transfer and (ii) the national vaccine production strategy and related legal and policy frameworks.

⁵ The benefits of vaccinating old people and those with weak immune systems are quantified in simulations implemented recently by a number of researchers (Source: <https://tiasang.com.vn/-dien-dan/Chien-luoc-tiem-vaccine-cho-Viet-Nam-28452>)

On support to vulnerable groups of the population

- ***Immediately issuing a new cash assistance program of approximately 5% of quarterly GDP (of approximately VND 77 trillion) to be disbursed over the final months of 2021***

The impact of the pandemic in Vietnam in general and in the fourth wave, in particular, are immense. In response, the support package should be adequate to protect vulnerable people from this massive economic shock. As the challenges are unprecedented, and the Government was recently given extraordinary power by the National Assembly, and can consider issuing *immediately a cash assistance program equivalent to 5% of quarterly GDP* (approximately VND 77 trillion) to be financed by the central government and disbursed over the final months of 2021.

The quickest way to deliver this support is to provide an immediate cash child benefit for all (i) children under 6 years old (about 11 million children) upon presentation of the child's birth certificate; (ii) pregnant women; (iii) elderly people from 60 years (about 11.5 million older people) including the elderly from 80 years of age or older that are beneficiaries of regular cash assistance that are without pension also based on identification documents; (iv) people with disabilities; and (v) any other group of people that commune-level governments define as having fallen into deprivation. There should be minimal administrative requirements, including application of a digital system for self-registration of eligible individuals and local government verification (building on the good experience from Dong Nai), and digital tools in delivering the cash assistance to beneficiaries. The cash assistance can be made on a monthly basis or one-time payment, for a period of at least 3 final months of 2021 and the amount can be linked to minimum subsistence requirements according to Decree 20/2021/NĐ-CP (replacing Decree 136/2013/NĐ-CP).

The scale of this support package is similar to the levels of support packages provided by several neighboring countries during the first round of lockdowns in 2020. Households receiving temporary assistance will spend a large proportion of the assistance amount on domestically produced goods and services, adding to final demand and generating incomes for local businesses. The cash assistance program will counteract the shortfall in aggregate demand that would otherwise arise as a result of the fall in consumption spending and decelerating economic growth. The assistance program would be financed by Government borrowing, which would mobilize cash balances left dormant by the fall in consumption, which is a form of forced saving. Because these cash balances are dormant, Government domestic borrowing would be neither inflationary nor a burden on the

balance of payments. In fact, because the economy is operating below capacity, the assistance program will be partly self-financing, as the increase in economic activity resulting from it would generate additional tax revenue.⁶

• ***In the medium term, accelerating the reform of social assistance policies and programs to make them more inclusive and shock-responsive, by***

- Accelerating the implementation of the Master Plan for Social Assistance Reform and Development (MPSARD) approved in 2017 to expand *regular cash assistance to all that are in vulnerable categories, such as, people with disabilities and their carers (most of them are women), young (under 3 or 6) children and elderly (60-79 years of age) without a pension, pregnant women and single-parents working in the informal sector;*
- Transforming *existing emergency cash transfer schemes based on idiosyncratic risks into programs that address risks affecting large numbers of people, for example natural disasters, pandemics and economic crises.* This can be implemented by developing and applying triggers that would (i) be based on clear *large-scale emergency criteria (based on the level of impact of large-scale natural disasters, pandemics and economic crises on large numbers of people)* and (ii) allow the application of *an automatic increase in the coverage of, and benefit levels for,* the above-mentioned vulnerability-based categories of the regular cash assistance programs as well as any other group of people that commune-level governments define as fell into deprivation.
- The additional cost of the increase would be financed by a “Contingency Fund”, at both central and local government levels) that would be (i) allocated funds from government budget (at both levels) regularly/annually, (ii) accessed/utilized *only* when the above-mentioned *large-scale emergency* criteria are met, and otherwise would be *accumulated*. The Central (National Contingency) Fund will be used to provide larger central government matching grants to provinces and cities, especially those with limited financial resources, affected heavily by the pandemic to increase coverage and accelerate implementation.
- *Moving away from a residence-based social assistance system, which excludes Vietnamese migrant workers, to the one that is based on national citizenship,* for example through applying a digital system – based on the national digital ID system – for eligible beneficiaries to self-register, local governments to verify and central government’s M&E. This digital system, if combined with the application of digital payment tools, could help not only transparent management and implementation of the social assistance programs but also deliver cash assistance to beneficiaries quickly and safely.

⁶ More details are provided in: Jonathan Pincus’s “*Viet Nam Can and Should Finance a Larger Cash Assistance - Fiscal Stimulus Program without Fear of Inflation*”, forthcoming.

- ***Building on the experience of HCMC in helping deliver essential goods (foods and other daily necessities) to households in lockdown areas***

Considering allowing online shopping/e-commerce platforms, including workers of suppliers of online shopping/e-commerce platforms and shippers to operate in a “safe mode” by providing vaccination to workers of suppliers of online shopping/e-commerce and shippers, making requirements and training them to strictly follow safety standards such as keeping distance, avoiding contacts, wearing masks, using hand sanitizers, etc.

- ***Effectively helping migrant workers to stay where they are and protect them from deprivation***

The central government needs to issue an immediate ban on evictions (of migrant-workers, especially those that fall in the categories of the above-proposed cash assistance program) in affected areas and landlords can apply for rent replacement grants from the local governments. The grants could be provided after the verification of the applications by local governments on the eligibility of the renters and/or applying the self-selection methods such as making grants based on categories of housing and (and/or as proportions of) rent value (low housing quality or low rent value often means low-income renters).

- ***Considering implementing a paycheck replacement program through larger companies in affected areas.***

The objective of the paycheck replacement program is to prevent workers from leaving, both to prevent the spread of the virus and to reduce costs for businesses later, as firms will not be able to restart quickly because they will have to recruit and train another cohort of workers. So, it is worthwhile for the government to work with large and medium-sized firms (because they have the capacity) to provide loans to replace at least 50% of the earnings of workers during the idle period. If the company can demonstrate that the wages have been paid the loans will be forgiven after the crisis is over.

- ***Making the best use of digital technologies to combat the pandemic***

Like in other areas, digital technologies would help to substantially cut down transaction costs associated with eligibility verification and delivery of cash handouts to recipients. The latter is a big challenge during times of lockdown, and when there is a need to reach out to people in remote areas in a rapid manner.

Accelerating digital transformation increases transparency and also facilitates post-inspection. To this end, the digitized citizen database, which was officially launched in July 2021 can be leveraged. So can be popular apps with over 40 million users such as Blue Zone or “So suc khoe dien tu” (E-Health Book), which can integrate social assistance components. Internet banking and mobile money should be used to the maximum extent possible.

- ***Improving the coordination across central and local governments***

There needs to be greater consistency and coordination between the central government and local policy. This is a national crisis that requires strong national leadership, both in establishing principles and procedures, and in financing to ensure that the government has an equal capacity to respond. Frequent and unexplained changes in regulation and procedures complicate implementation and undermine compliance. Rules and procedures must be consistent and simple to understand and follow and communicated widely using all available channels. As many local authorities have taken matters into their own hands, we have seen various quarantine and lockdown strategies, some of which have imposed unnecessary hardship on the public and undermine the government’s credibility. Central government financing of social assistance and other measures can help ensure that local authorities apply the central government strategies and regulations more consistently.

- ***Effectively dealing with emerging issues***

The social assistance/social care program, besides the cash assistance, should give special attention to emerging issues of hunger and homelessness, which have been on the rise in big cities because of lengthy lockdowns and disruption of the food supply chain. The problem of mental health has also been rising and should be dealt with properly.

- ***Increasing training of laid-off and informal workers with digital skills***

Vietnam can learn experiences from some countries in the region to provide workers, formal and informal, with training in digital skills by leveraging advances in digital technologies, including widely used platforms such as Zoom, YouTube, etc. Developers of training content can be provided with financial incentives, depending on the number of trainees.

- ***Providing innovative solutions to ensure inclusive online learning***

The digital divide shows up more clearly in the lockdown times. Even in big cities, many households cannot afford a computer or laptop per child. It is worth considering providing cheap smartphones and tablets (ideally produced/assembled by domestic firms) and free wifi access to disadvantaged children. This can be done in a cost-effective way through a self-selection process. Over the medium to long term, it is important to accelerate the implementation of the Government-initiated program for the universalization of smartphones, including by mobilizing the domestic firms that produce/assemble smartphones as well as domestic e-payment/mobile money service providers to join the program and prioritizing the remote/EM areas, vulnerable migrant workers' children. The engagement of domestic firms in these programs will also help these firms to grow into more productive and competitive players in domestic and international markets.

6. CONCLUSION

The survey confirmed that Vietnamese households are hit hard by the fourth wave of COVID-19 in 2021. The findings summarizing the voices of vulnerable people and policy recommendations drawing on these findings serve as inputs to the Government's efforts in refining policy actions and their implementation to protect the livelihoods of vulnerable households, those seriously falling into food shortage and immediate needs such as living expenses, rent, especially nutrition costs for young children (under 3 or 6 years old). Those falling into poverty due to job and income loss caused by COVID-19, especially young working families (under 25 years old) with young children, especially single mothers/fathers, no savings and migrant workers who have the burden of paying rent in the city, are the most vulnerable households.

To this end, Anticipatory, Adaptive and Agile governance approaches and innovations of the Government and the Vietnamese people have been key to Viet Nam's success in crushing the COVID-19 pandemic and limiting its negative socio-economic impacts.

APPENDIX. SAMPLING

The sample of households interviewed by phone in August 2021 includes 500 households, drawn with stratified random sampling from the list of 1,000 households, who were interviewed in the second round of RIM (abbreviated as RIM 2⁷) conducted in October 2020. In turn, the RIM 2 sample of 1,000 households was drawn, also with stratified random sampling, from the list of 45,838 households of VHLSS 2018. As such, both samples are nationally representative⁸ for most of the questions asked in these phone surveys.

To increase the efficiency of the surveys, certain strata of the population were oversampled. In RIM 2, the population was stratified by two criteria: (i) sectors where household's members work; (ii) ethnicity of household's head. In this round, households with members working in heavily affected sectors and ethnic minority households were oversampled.

Specifically, heavily affected sectors are defined as industries, in which the reduction in the average income of their workers between the second quarter of 2020 and that in 2019 is higher than the double of median of the average income decline for all 2-digit level industries in the same period. This information was derived from the analysis of Labor Force Survey (LFS), respective rounds. The corresponding factor of oversampling was the number of household's members working in respective sectors. This means, for example, that if households A and B have 2 and 1 members working in heavily affected sectors respectively, the probability of household A being selected into the sample is double that of household B, although household B might be actually selected while household A will be not selected because of the randomness of the selection process. As there are numerous households in VHLSS 2018

⁷ The first round of Rapid Impact Monitoring of the COVID-19 pandemic (abbreviated as RIM 1) was conducted in April and May 2021, the time of the first outbreak

⁸ To be representative, a sample should meet two criteria: (i) it is randomly drawn from the underlying population; (ii) the standard error is relatively small to ensure accuracy of the estimates of variables of interest. The latter in turn equals the standard deviation divided by the square root of the sample size. While the first criterion is strictly met in all rounds of RIM, the sample sizes of 1,000 and 500 appear to be sufficient for the representativeness at the national level for most of the variables (i.e. questions asked in the surveys), for which the variation across answers was not too large (alternatively, the numerator is reasonable relative to the denominator in the formula for the calculation of the standard error).

that do not have any members working in the heavily affected industries, such oversampling factor is added by unity (i.e. +1) to ensure that probability of selection of any household is greater than zero.

With regard to ethnicity, the ethnic minority households are oversampled with a factor that ensures the targeted proportion of ethnic minority households in the sample is approximately 30 percent. Consequently, the final oversampling factor of household i ($oversmpl_{i,RIM2}$) is:

$$oversmpl_{i,RIM2} = (N_{i,affindus} + 1) * Ethnic_i \quad (1)$$

where $N_{i,affindus}$: the number of members of household i working in heavily affected industries.

$Ethnic_i = \frac{0.3}{meanfethnic} = 1.748874$ if the household head belongs to any ethnic minority group and =1 if otherwise. This means that an ethnic minority household is approximately 1.75 times more likely to be selected into the sample than a household from the Kinh majority group.

$meanfethnic$ is the percentage of ethnic minority households in total population in VHLSS 2018.

In the survey conducted in August 2021, the sample was stratified by two criteria. Using the first criterion on the COVID-19 health risk, the economy is classified into 2 groups: living in provinces with strict restriction measures (i.e. with the application of the Directive 15/CT-TTg dated March 27, 2020 or the Directive 16/CT-TTg dated March 31, 2020) or not. The second criterion aims to capture variation across the economy by the COVID-19 market risk: the economy is classified into two groups of industries – heavily affected sectors, which include manufacturing, tourism, restaurants, hotel, passenger transportation, and trading; and the rest.

Then the oversampling factor of household i is:

$$oversmpl_{i,svy2021} = Local_i * Indus_i \quad (2)$$

where: $Local_i$, $Indus_i$ are the oversampling factors for location and industries where the household head lives and works.

$Local_i = 7$ if the household head lives in provinces where the Directive 15/CT-TTg dated March 27, 2020 or the Directive 16/CT-TTg dated March 31, 2020 has been applied during the period from May to July 2021, and $Local_i = 1$ if otherwise.

$Indus_i=7$ if the household head works in the heavily affected sectors as defined above, and $Indus_i=1$ if otherwise.

Then sampling weight of household i in the August 2021 survey is the product of the three factors - the inverse of the oversampling factors in RIM 2 and in this round of the survey, and sampling weight in VHLSS 2018 ($hhweight_{i,VHLSS2018}$). The last factor is readily available from VHLSS 2018 dataset. Formally, sampling weight of household i in the August 2021 survey is calculated as in

$$hhweight_{i,svy2021} = hhweight_{i,VHLSS2018} * \left(\frac{1}{oversmpl_{i,RIM2}} \right) * \left(\frac{1}{oversmpl_{i,svy2021}} \right) \quad (3)$$