Vietnam’s economy is booming. In recent years many people were able to find new employment. However the on-going integration into the world market also bears risks. As traditional family structures are loosening in the process, the demand for social security rises.

**CHALLENGES**

Social policy plays an important role in Vietnam. The main objective of the Vietnamese government is the integration of all population groups into society. An ambitious target was set to provide social security to half of the working population by 2020. Because not all Vietnamese benefit equally from current economic growth, the government decided on developing a modern social security system, following the model of Germany. At present, the statutory system includes health insurance, maternity leave and accident insurance.

High levels of unpaid receivables to the national social security are posing as a main obstacle to the extension of insurance services. The practice to collect social security contributions from employees instead of holding the employer responsible for paying contributions directly is tolerated in particular by state-owned enterprises. An even greater challenge poses the fact that more than two third of the population work in the informal sector and therefore have no social security coverage. Specific target groups, especially ethnic minorities, are hardly documented by the security system, as they are very rarely insured by law but are also too poor to insure themselves voluntarily.

Especially large wealth disparities and poverty are labelled as the problems at heart of stagnating societies by the OECD and other international organizations.

**APPROACHES**

As a response to these great challenges in Vietnam, the HSF strives to make economic development socially more sustainable. The goal is to implement a broader and more inclusive access to social security systems. With regard to the Sustainable Development Goals 2030 the United Nations also emphasize the potential of the implementation of social security for greater equality.
(SDG Target 10.4). The project directly addresses this goal.

A starting point is the support of a dialogue between civil society, politics and government on the topics of socio-politically relevant legislative recommendations as well as the support of the Institute of Labour Science and Social Affairs (ILSSA) for generating policy recommendations.

Participants of workshops, seminars, trainings, conferences as well as study trips and research increase their knowledge about international standards in the field of social security. The organization of dialogue forums offers a platform to many different interest groups to enable a better exchange between civil society, politics and think tank employees. The project work therefore contributes to a qualitative improvement of drafted policy recommendations of government think tanks in the field of social security.

These are intended to be included in overarching strategies of social politics or incorporated into legislative proposals that will then be adopted by the National Assembly.

**EFFECTS**

The policy recommendation that has been developed in cooperation with the project partner already had direct impacts on Vietnamese social politics. Based on ILSSA's guidelines a new legislation on social insurance was passed and labour law has been revised. Consequently, today every Vietnamese employee qualifies for statutory social benefits. A major achievement for developing and transition countries such as Vietnam. Often small accidents in everyday life, such as a work accident or an illness, are enough to throw families back into poverty and hardship.

Policy recommendations that have been jointly drawn up with ILSSA not only lead to improved benefits but also to improved access to social allowance for many people. Previously disadvantaged groups, such as ethnic minorities, are for the first time covered by social security. Consequently their quality of life has improved noticeably. Above all they are insured against any unforeseen events. This allows families e.g. to put financial means, originally reserved for emergencies, towards education for their children.

Apart from material assistance, also policy recommendations were implemented to improve the integration of disadvantaged groups into society. Thus for the first time people with disabilities receive support in search for employment. A regulation has been issued to ensure that public transport has to comply with standards for accessibility in the future. Also public transport must implement standards for barrier-free accessibility in the future.

**OUR PARTNERS**

The Institute of Labour Science and Social Affairs

Vietnam National University

Organisation for Economic Co-operation and Development