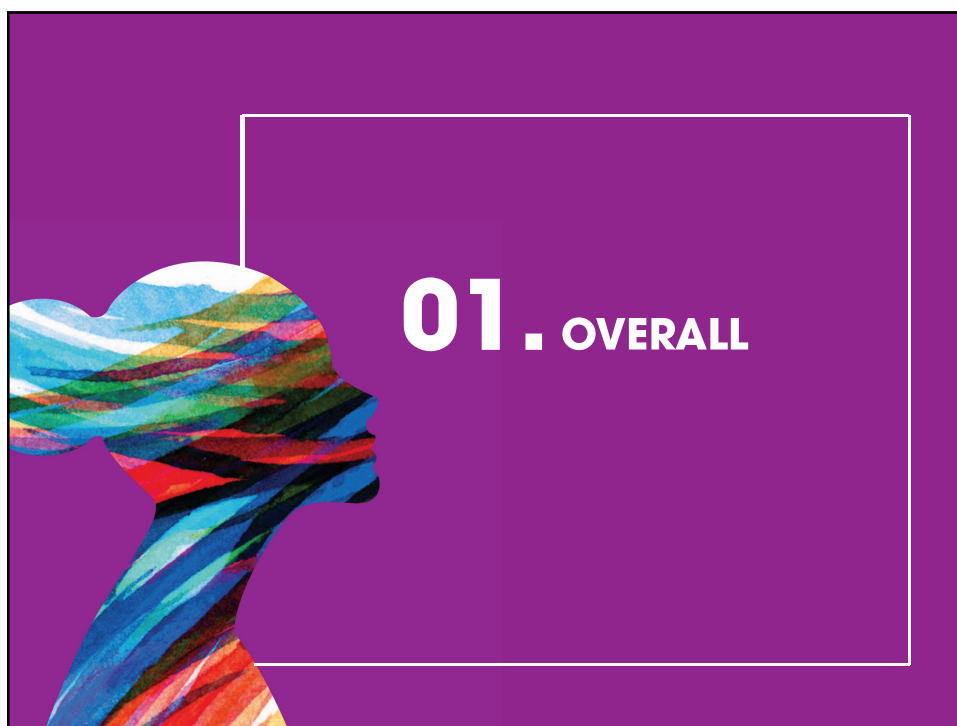




CONTENTS

- I. Overall
- II. The picture of women-owned businesses
- III. Assessment of local business environment from women-owned businesses' perspective
- IV. Covid-19: impact, response of women-owned businesses, supporting measures
- V. Supporting activities for women-owned businesses
- VI. Recommendations and conclusion





1. The introduction

**Context**

-  COVID-19 has plunged the global economy into crisis
-  The economic damage caused by COVID-19 to the Vietnamese economy in 2020 and 2021 is estimated at VND 847,000 billion, equivalent to USD 37 billion
-  The majority of women-owned businesses operate in the sectors hardest hit by the pandemic: traveling, accommodation, foods and beverages, retail and consumer services, etc.
-  Vietnam has many guidelines, policies and measures to control the epidemic and recover the economy, however, the implementation of some policies is not very effective.
-  The business environment still encounter obstacles

1. The introduction



Context



Progress in closing the gender gap has stalled in most countries. COVID-19 has created new responsibilities like childcare, home-schooling leading unproportionate effects on women



Promoting empowerment for women: Vietnam national strategy for gender equality: set targets in the economic and labor sectors (i) 2011-2020: Target 2: 30% of enterprises owned by women in 2015 and more than 35% from 2020. (ii) 2021-2030: Target 3: The ratio of female directors/owners of businesses and cooperatives will reach at least 27% by 2025 and 30% by 2030



2. Objectives



Identify general characteristics/features of women-owned business in Vietnam and overview of business environment

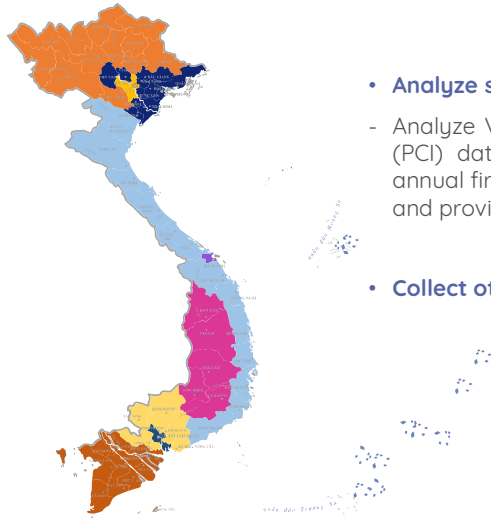


Identify impacts caused by COVID-19 pandemic on women-owned business activities, the responses and information accessibility of women-owned businesses on supporting policies issued by the Government in COVID-19 pandemic



Recommend solutions to improve business environment friendliness toward women-owned businesses

3. Methodology

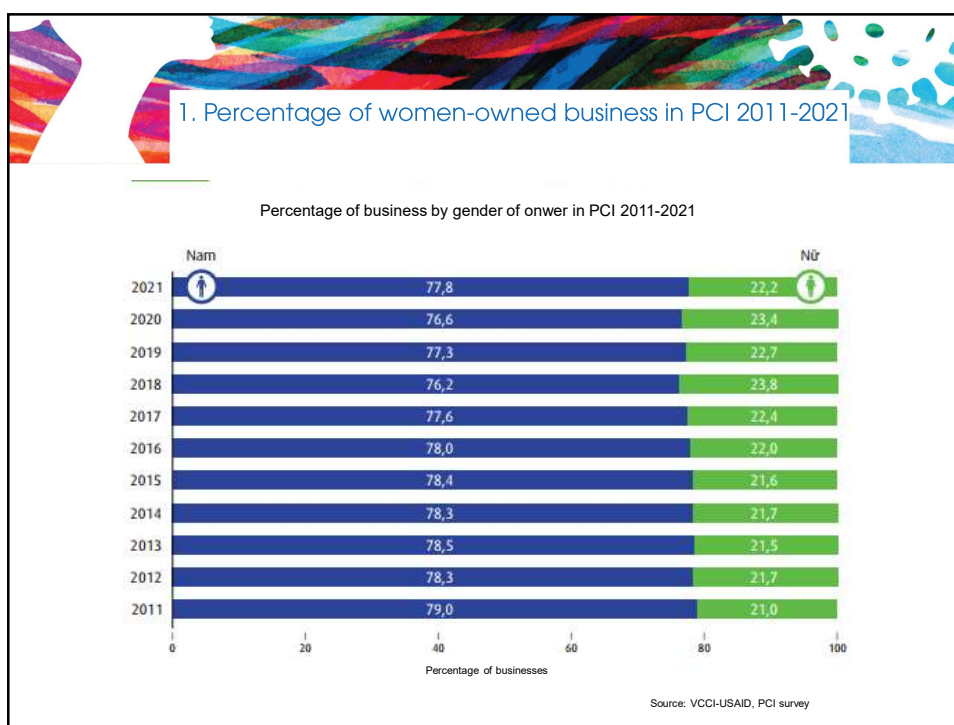


- **Analyze survey data**
 - Analyze Vietnam Provincial Competitiveness Index (PCI) data of **over 10,000 firms**. PCI is biggest annual firm survey by random sampling of 63 cities and provinces across the country.
- **Collect other sources of information**

4. Scope of the research

- The content of the PCI survey has a gender disaggregation of business owners
- Assessment of business owners by gender on all issues was not compared, but the survey result provides comparative figures of men/women on some major issues.
- Focusing on analyzing difficulties and obstacles for women-owned businesses, taking measures to overcome and promote the development of the women-owned business community





263.444 women-owned businesses

among

883.000 active businesses

Number of women-owned businesses by types of business by September, 2022

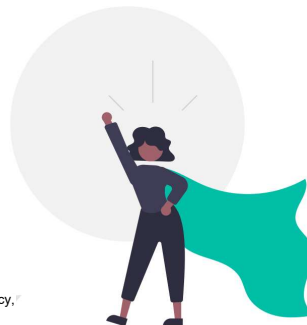
No	Types of business	Number of business	Percentage
1	Joint-stock companies	36.647	15,75%
2	Partnerships	12	0,005%
3	Multi-member Limited liability company	75.632	28,71%
4	Single-member Limited liability company	135.331	51,37%
5	Multi-member Limited liability company	9.451	3,59%
	Total	263.444	100%

Source: Business Registration Management Agency,
Ministry of Planning and Industry

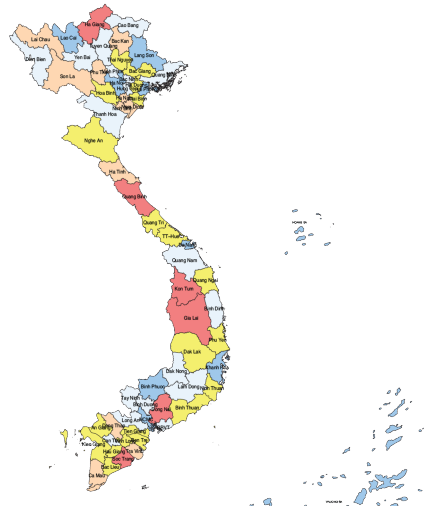
Figure: women-owned businesses by economic sectors

No.	Sector	Number	Percentage
1	Agriculture, forestry, aquaculture	3.146	1,19%
2	Accommodation and foods and beverages	13.548	5,14%
3	Finance/Banking/Insurance	2.472	0,94%
4	Wholesale/retail/car & motorbike repair	105.153	39,91%
5	Real-estate	10.204	3,87%
6	Warehouse transport	13.428	5,10%
7	Finance/Banking/Insurance	21.416	8,13%
8	Construction	5.289	2,01%
9	Science-Technology; consulting; design, advertisement and others	18.691	7,09%
10	Other services	3.361	1,28%
11	Education	9.615	3,65%
12	Mining	1.131	0,43%
13	Health and social assistance activities	1.971	0,75%
14	Manufacturing and processing industry	35.131	13,34%
15	Manufacture and distribution of electric, water, gas	2.902	1,10%
16	Employment services, tourism, rental of machinery and equipment, machine, equipment and other supporting services	14.322	5,44%
17	Art, games and entertainment	1.664	0,63%

Source: Business Registration Management Agency,
Ministry of Planning and Industry



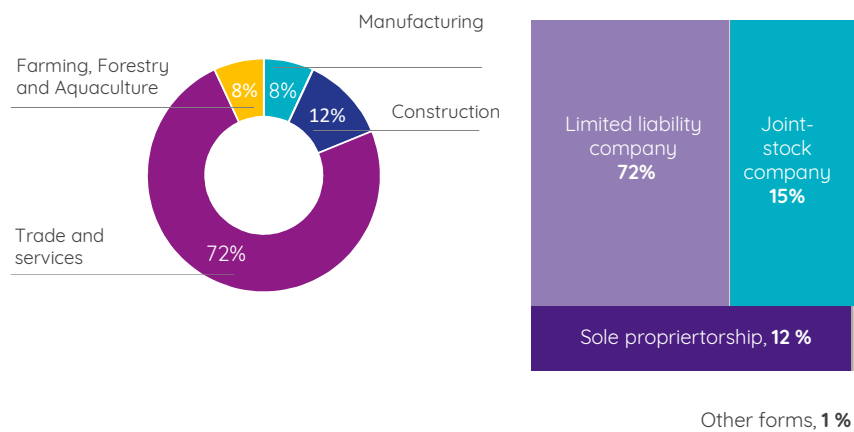
Distribution of women-owned businesses by cities/provinces



Top 10 cities/provinces with highest shares of women-owned enterprises

Provinces/City	Share (%)
Lâm Đồng	32.7
Tp. Hồ Chí Minh	32.5
Bình Dương	32.0
Tây Ninh	31.8
Kiên Giang	31.8
Tiền Giang	31.4
Bến Tre	31.2
Trà Vinh	30.9
An Giang	30.8
Long An	30.6

2. Features of women-owned businesses participating the survey



Unique pressures on Women: Social Prejudice

"Women are only good at doing housework. They do not know a thing about business stuff, management or regulation. Even if they do, it is unlikely that they can do it well"

"If women are assigned to take the leadership, they should be put in the second place. The top positions should belong to men"

"Women cannot concentrate as much of their time on work as men do, they had better focus on taking care of the family and the children instead"

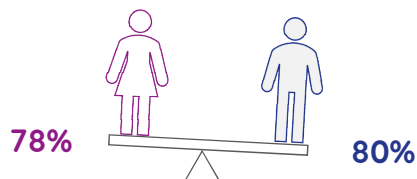
"Female entrepreneurs tend to be afraid of risks and do not dare to step forward or make a decision like men"



Owners have high education and various backgrounds

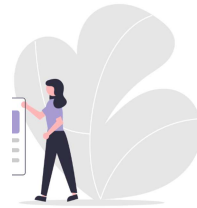
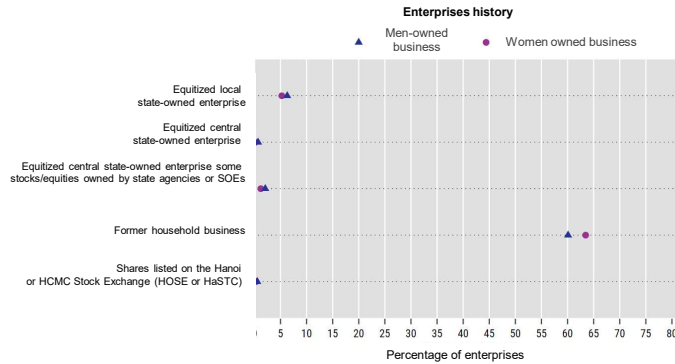


Nearly **78%** of female owners have bachelor and master degree in business administrative, compared to **80%** of male owners.

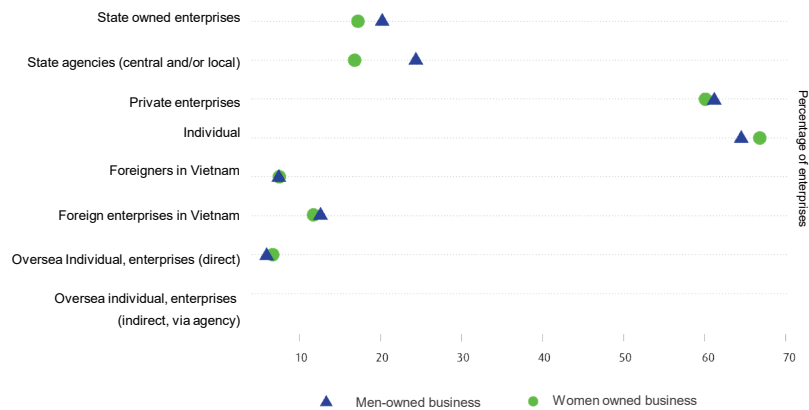


Mostly started as business household

- The majority, **61,3%** of businesses owned by women used to be business
- Only **4,6%** of enterprises are equitized from local SOEs, **0,5%** of enterprises are equitized from central SOEs
- Other types (enterprises with shares/capital contribution of the State, enterprises listed on the stock exchange) account for a very small proportion.

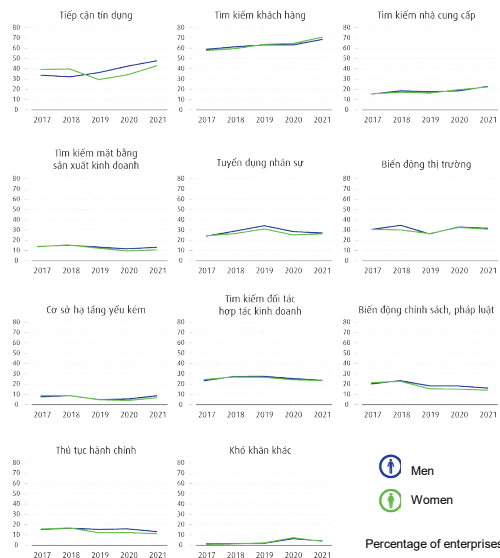


Customers/clients of women-owned businesses are mainly



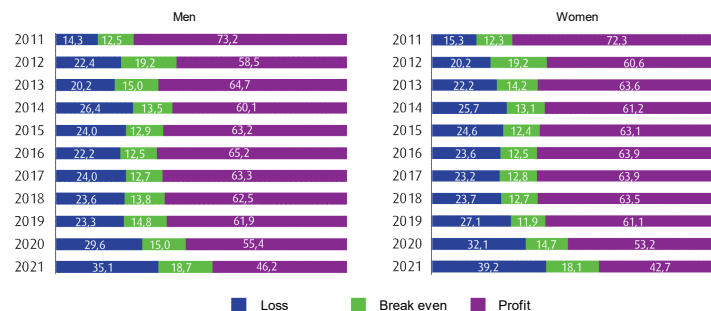
4. The four biggest challenges that women-owned businesses had to face

- Seeking clients/customers : **71%**
- Access credit capital: **43%**
- Market fluctuation: **31%**
- Seeking suitable personnel: **27%**



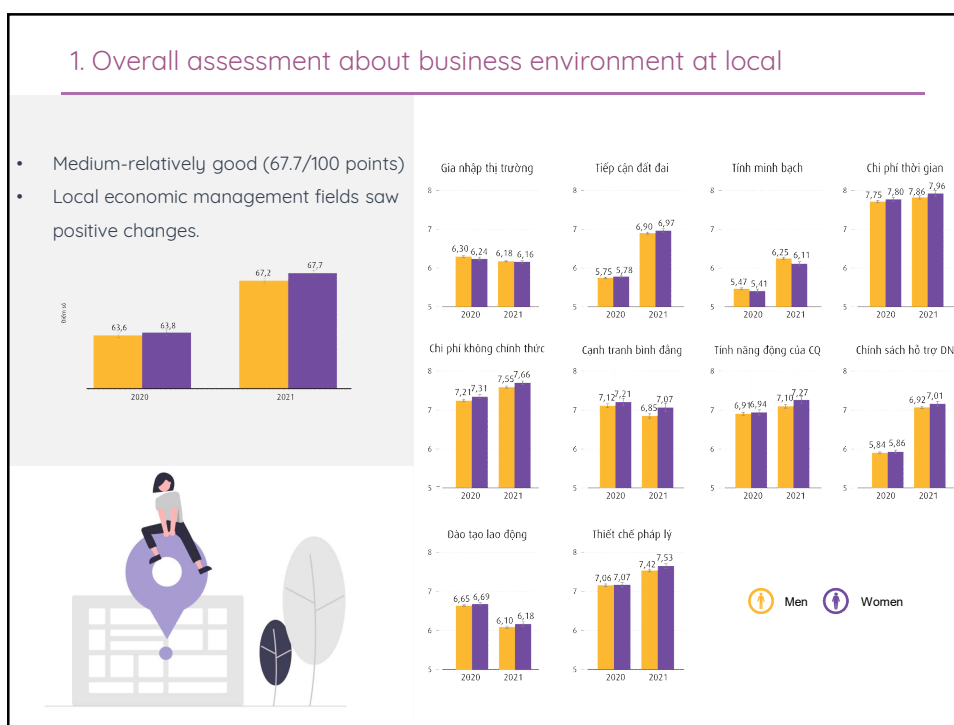
4. Business performance of women-owned businesses

- Decrease number of enterprises gaining profit: 2019 (**61,1%**), 2020 (**53,2%**), 2021 (**42,7%**)
- Increase number of enterprises suffering loss: 2019 (**27,1%**), 2020 (**32,1%**), 2021 (**39,2%**)
- Women-owned businesses had poorer performance than that of men-owned ones in recent 4 years.



03.

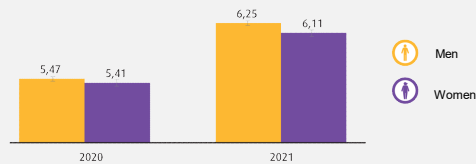
Overall of Business environment from women-owned businesses' perspective



2. The biggest obstacles that need to be improved

2.1 Transparency of the business environment

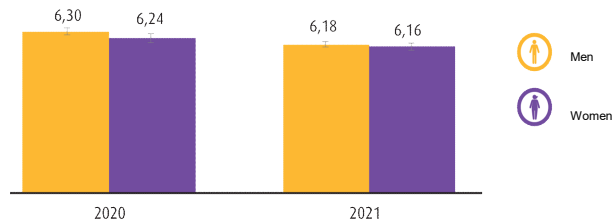
- Ability to access information and documents of state agencies at province level.
- Need to have a relationship with state agencies to access information and documents
- Information and usefulness of information on websites of provincial and municipal governments
- The extent to which businesses can anticipate legal policy changes that will affect their business
- Are the guidelines and policies of provinces and cities on creating favorable conditions for businesses stable and consistent?
- The role of local business associations in reflecting the opinions of the business community to the provincial government to create a more favorable business environment



2. The biggest obstacles that need to be improved

2.2 Market entry

- Business registration procedures;
 - Procedures for applying for a conditional business license;
 - Burden of Common Market Entry Costs.
- Even though the procedures for setting up a business and starting a business have been improved, yet it's not actually convenient, and still costly in terms of time and cost.

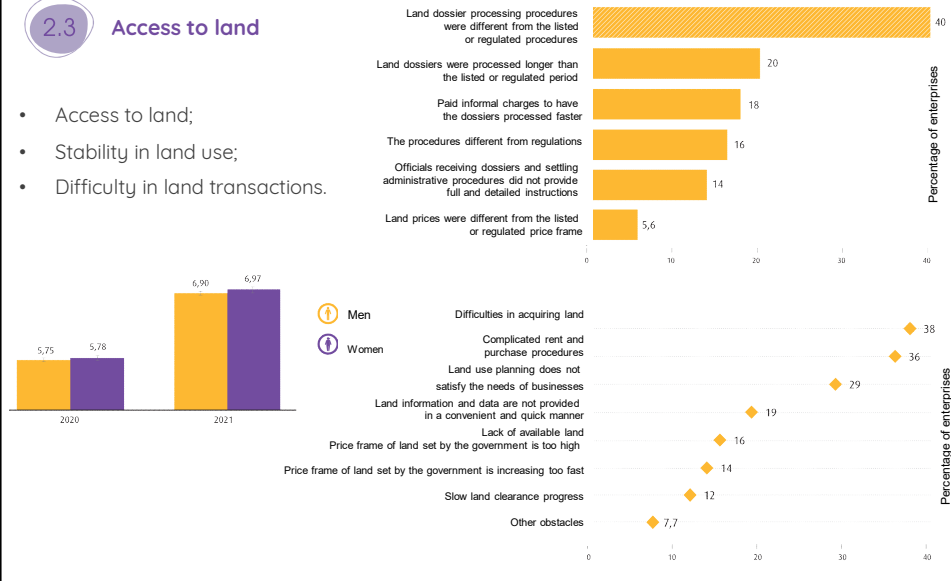


2. The biggest obstacles that need to be improved

2.3

Access to land

- Access to land;
- Stability in land use;
- Difficulty in land transactions.

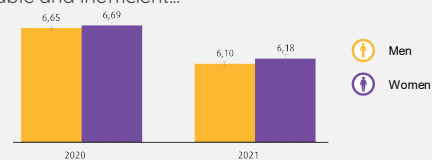


2. The biggest obstacles that need to be improved

2.4

Labour training

- Services provided by local governments (general education, vocational training);
- Enterprise expenses for training and recruiting workers;
- Recruitment of workers, quality of labor (graduated from vocational education institutions, workers meet the needs of enterprises...).
- The labor market has not kept up with the requirements of socio-economic development
- ✓ Education - training has not fully met the needs, especially training of high-quality human resources, new professions, future job skills.
- ✓ The link between vocational education institutions and enterprises, mobilizing investment resources is still limited.
- ✓ The structure of the labor market is still unreasonable and inefficient...



2. The biggest obstacles that need to be improved

2.4

Administrative procedures in many fields are still troublesome

Three areas with the most troublesome administrative procedures:



Tax: 28,24%

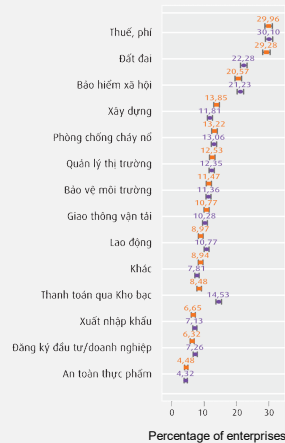


Land: 25,95%

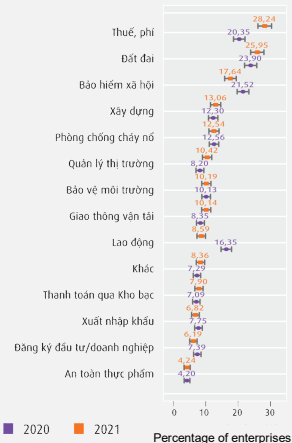


Social insurance: 17,64%

Chủ sở hữu là NAM



Chủ sở hữu là NỮ

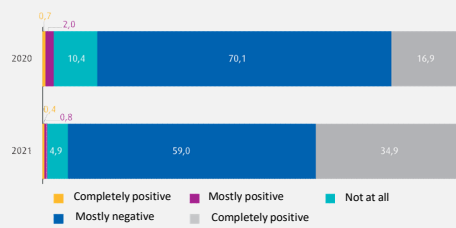
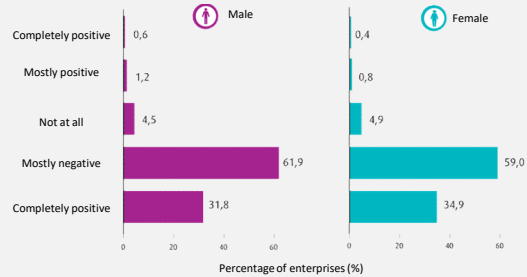


04.

COVID-19 AND WOMEN-OWNED BUSINESSES

1. Impacts of COVID-19 on women-owned businesses

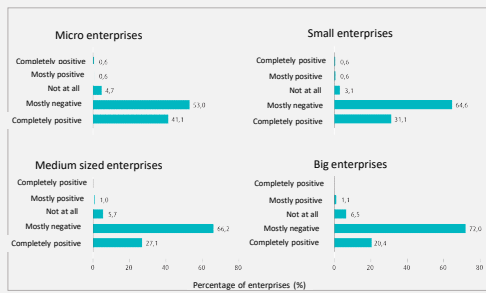
- Adverse impacts to most businesses;
- Most **93,9%** women-owned businesses said they were negatively affected in 2021



- 2021 impacts are worst than 2020

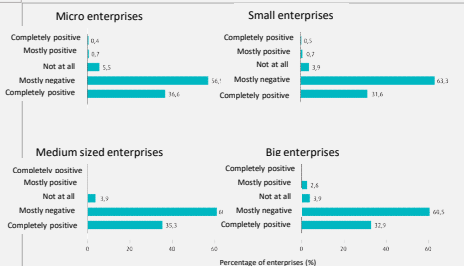
1. Impact of COVID-19 on women-owned businesses

Impact on women-owned businesses in all industries, according to labor size, capital size are very negative

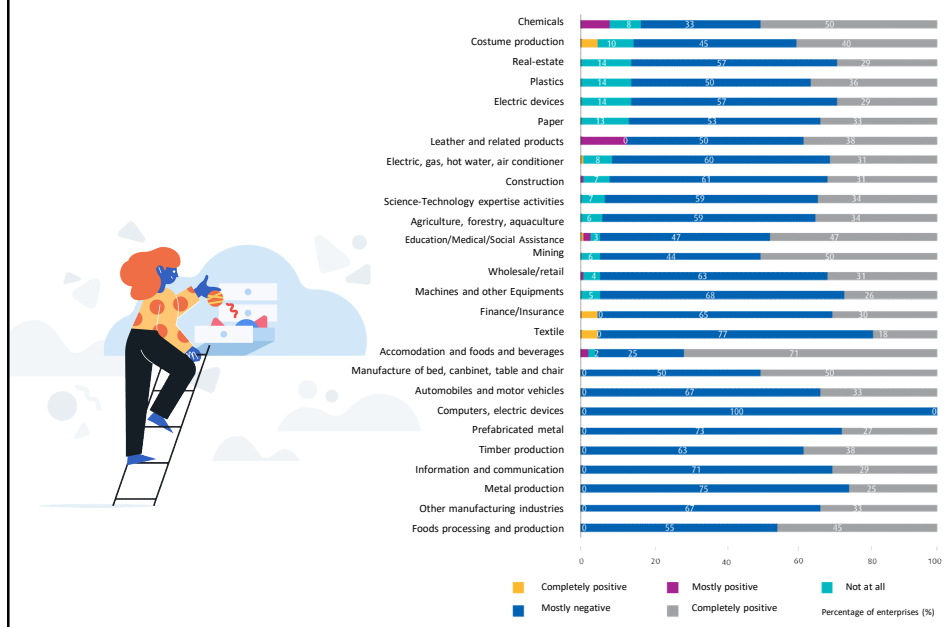


Impact on women owned businesses by employment size

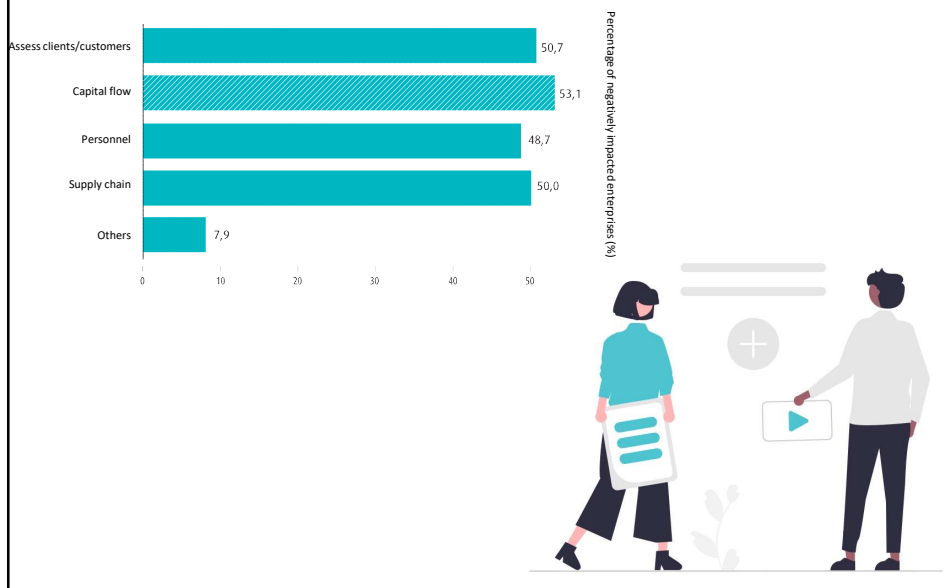
Impact on women owned businesses by total equity capital size



Negative impacts to women-owned businesses in all sectors



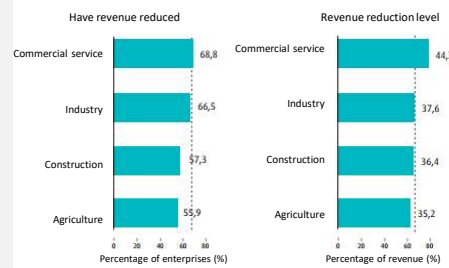
2. Main difficulties of women-owned businesses caused by COVID-19



3. Impacts of COVID-19 on revenue of enterprises

- Decline in two years (compare 2020 and 2019):
- The percentage of women-owned businesses had declined revenue was higher than that of men-owned ones
- The revenue decline of women-owned businesses was also higher

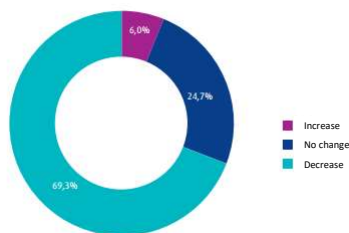
Impacts of COVID-19 on revenue in 2020 compared with 2019 of businesses by gender of owners



3. Impacts of COVID-19 on revenue of enterprises

- Revenue estimates in 2021 were **lower** than in 2020
- Very few of them (**6%**) saw increase in their revenue.

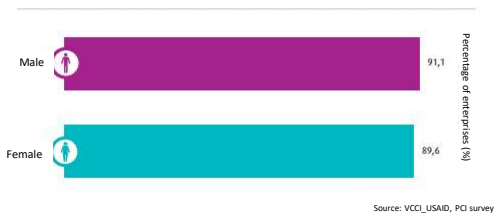
Revenue estimates of women-owned businesses in 2021 compared with 2020 due to impacts of COVID-19



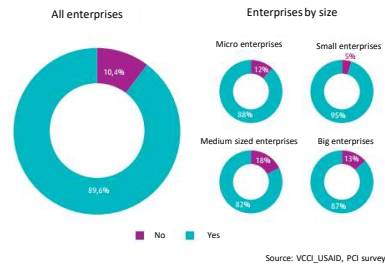
4. Impacts on workers in enterprises

- A very large proportion (approx. **90%**) of businesses were compelled to have their workers quit their job
- this figure in women-owned businesses was lower than in men-owned ones, being **89.6%** and **91.1%** respectively)

Percentage of businesses dismissing workers in 2021 by gender of owners

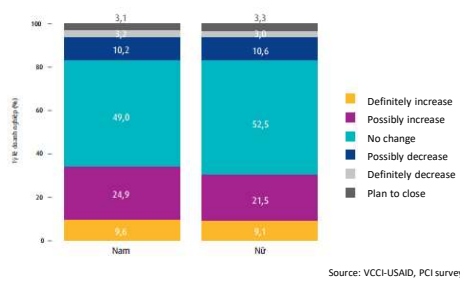


Percentage of women-owned businesses dismissing workers in 2021 due to impacts of COVID-19



5. Women-owned businesses expectation

Business plan in the next 2 years of businesses by gender of owners



- Optimism plummets

16.9% of enterprises plan to reduce their business size or close, the highest rate in the past 10 years.

About half (52.5%) of enterprises want to stay the same, try to maintain the business at the current size

The number of women-owned businesses newly established and dissolved in 2021 and 9 first months of 2022

No.	Type	2021	9 first months of 2022
1	Newly established	34.681	36.009
2	Dissolved	5.706	4.742

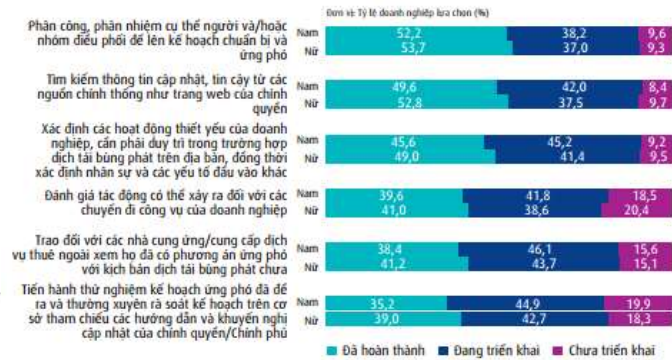
Source: The data was provided by Business Registration Management Agency - Ministry of Planning and Industry

6. Response measures

- Women-owned businesses did adopt lots of response measures:
- + to ensure safety of workers,
- + to maintain continuous operation,
- + to cope with pandemic break-out

- Regarding all implemented measures, women-owned businesses saw higher completion rate than men-owned ones.

Sự chuẩn bị ứng phó của doanh nghiệp do phụ nữ làm chủ với việc bùng phát dịch bệnh COVID-19



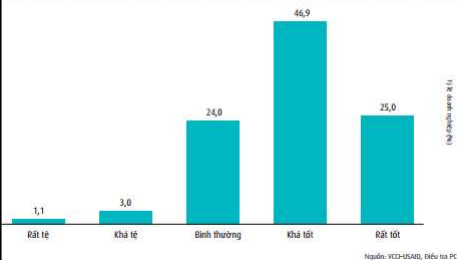
Nguồn: VCCI-USAID, Điều tra PCI

7. Assessments of businesses on pandemic response activities of government

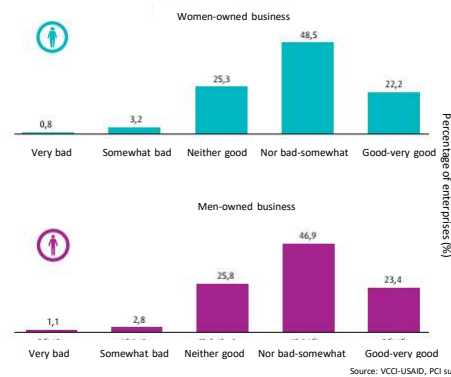
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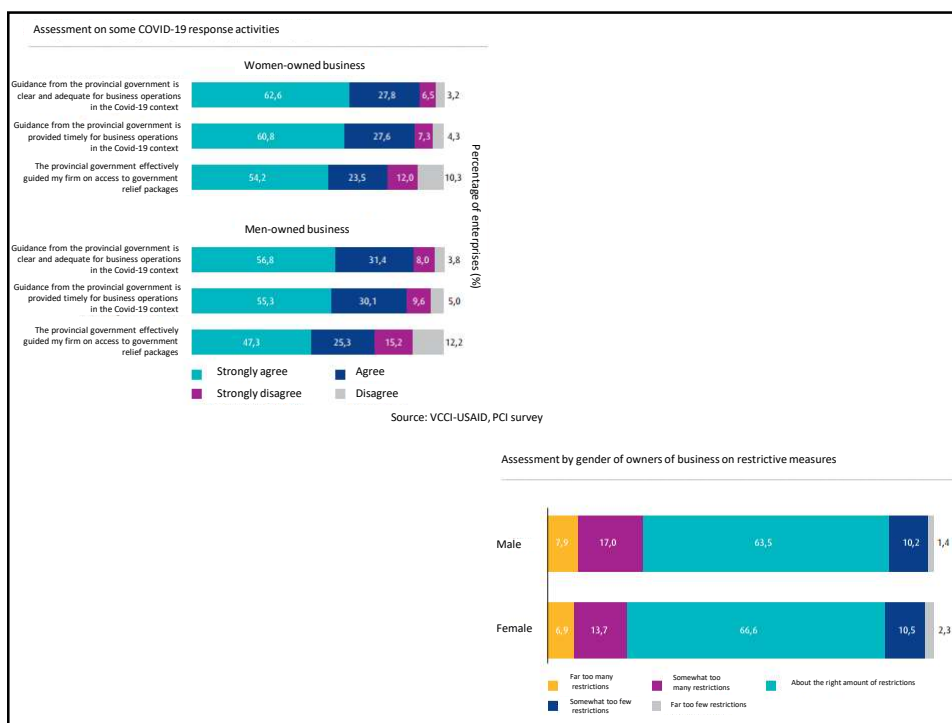
Positive assessment

Assessment of enterprises about the Government response to the COVID-19 outbreak up to date



Assessment of enterprises about the provincial governments response to the COVID-19 outbreak in 2021





8. Supporting policies to help enterprises overcome crisis

The Government has issued many groups of policies

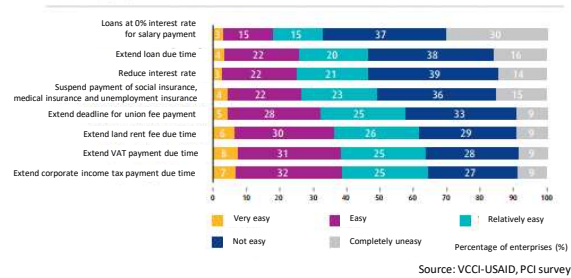
1. Urgent and fundamental policies for disease control
2. Exemption and reduction of taxes, fees, charges and financial pressure to support businesses, households and organizations affected by the epidemic
3. Ease difficulties, support enterprises, cooperatives and households to stabilize production - trading, recover and create momentum for development, especially in areas heavily affected by the COVID-19
4. accelerate the disbursement of public investment capital and accelerate the progress of important national investment projects
5. Expanding currency, ensuring liquidity in the money market, reducing lending rates, stabilizing operating interest rates at low levels
6. Social Security

8. Supporting policies to help enterprises overcome crisis

➤ Problems:

- Majority policies are designed and implemented in the direction of averaging across localities, industries, and sizes, with less consideration of their influence and resilience.
- Resources are limited, yet outweigh the number of beneficiaries, the benefits from the policy are spread.

Women-owned businesses' evaluation on ease of access to support policies



- Many support policies have a complicated review process, the conditions to receive the policy are unclear, and the processing time is long due to the influence of social distancing regulations.
- The policies to support businesses to overcome COVID-19 pandemic mentioned above are gender-neutral, not based on gender impact assessment and gender inclusion.

05.

SUPPORTING ACTIVITIES FOR WOMEN-OWNED BUSINESSES

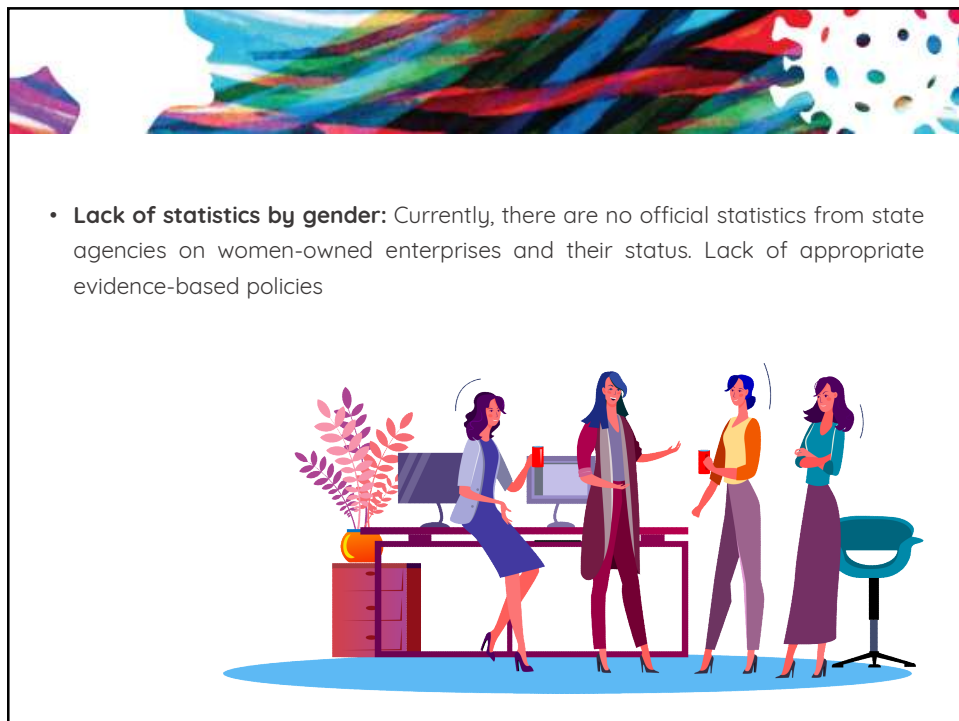
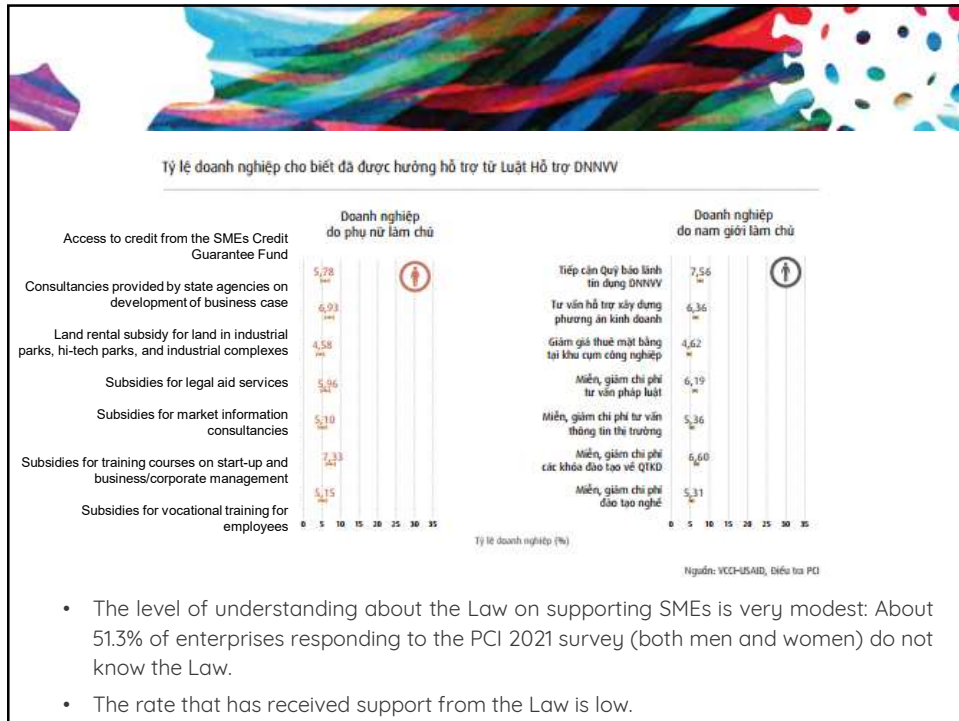


➤ **About policies**

- Law on Supporting Small and Medium Enterprises 2017
- Decree No. 55/2019/ND-CP dated June 24, 2019 on legal support for SMEs
- Decree 39/2018/ND-CP dated 11/3/2018 detailing some articles of the Law on Support for SMEs
- Decree No. 80/2021/ND-CP dated August 26, 2021 of the Law on Supporting SMEs
- Decree No. 55/2019/ND-CP dated June 24, 2019 of the Government on legal support for SMEs
- Circular 49/2019/TT-BTC dated August 18, 2019 guiding the management and use of state budget to support human resource development for SMEs
- And some other documents

➤ **There were still outstanding issues in policies and assistances provided to local SMEs**

- Promulgating legal documents, projects and programs to implement the Law is still slow
- Only 10 provinces have developed and issued Resolutions, Programs, Plans, and Schemes specifically for women-owned SMEs in their area.
- The local business development scheme/program does not mention specific goals for women-owned businesses, some localities have mentioned but only cited the priority principle to support women-owned businesses in the Law on SME Support, not offering detail solutions.
- Some policies to support SMEs facing difficulties in implementation
- Resources to support SMEs are limited and limited in terms of implementation.
- SMEs have limited capacity, have not had close cooperation with authorities, organizations and associations for support; have not actively getting information; lack of resources to participate in reciprocal support from the state budget...
- Decree No. 39/2018/ND-CP guiding the implementation of the Law still has some problems, there are some policies that are not specific enough for local governments to implement in practice.
- Regulations on business support are also specified in other documents, which lead to overlapping and confusion when applying





1. Increase support for business recovery in the new normality

- Local authorities should prioritize women-owned businesses in support programs, provide support to enable them to equally access credit
- Localities should improve the implementation of support measures introduced by the Government to assist businesses in the crisis caused by COVID-19, especially in term of transparency of information and procedures
- The Government should identify suitable goals for each period to develop financial support packages which are big enough to timely meet criteria, benefit the right targets, with adequate implementation time and coverage to produce results as expected.
- The Government should review the implemented financial support policies to consider expand the beneficiaries, level and time of support. Focus should be placed to improve efficiency of communication and implementation activities of the issued support policies.
- The Government, businesses and stakeholders should together promote digital transformation
- Governments at different levels should promote, associations should connect and businesses themselves should actively seek domestic supply chains and opportunities to promote domestic market
- State agencies, business associations should timely provide market information while enterprises should actively control and mitigate risks of market fluctuation
- Business associations, clubs and representative offices should strengthen their support to business linkage, market expansion for their members. Propose to the government solutions, ideas to support enterprises actively adapt, rapidly recover and stably develop

2. Improve laws and policies to encourage women entrepreneurship and promote women-owned businesses

- Assess the efficiency of the Law on Support for SMEs, especially regarding the information access, support provision method and support benefiting of women-owned SMEs and thereby amend and revise this Law;
- The Government is recommended to consider including the facilitation and promotion of women-owned businesses in the Decree on improving business environment and national competitiveness for gender equality in economic sector, contributing to the fulfillment of sustainable development goals;
- For other policies and regulations, gender impacts and gender mainstreaming should be carefully assessed.



“Enterprises are not interested because policies are not attractive. **Policy needs to change** a lot to encourage the business community.”

Ms. **Thái Hương**,
CEO of TH Group



<https://news.zing.vn/ba-thai-huong-nguoi-ta-bao-toi-chem-gio-sua-ba-sach-thi-ai-ban-post818964.html>

3. Improve implementation efficiency of current supports for SMEs

- At local level, there should be detailed implementation plan and objective independent assessment on the task fulfillment;
- Improve quality of the national Portal for SME support
- Strengthen connection between women entrepreneurs, business clubs/associations, financial institutions to support businesses



4. Improve the business environment, facilitate improvement in the most inadequate aspects

➤ Reform administrative procedures, reduce the burden of compliance costs

- Improve quality of administrative procedures, review and eliminate unnecessary ones, simplify administrative procedures and optimize their implementation, reduce troublesome implementation of administrative procedures. promote technology application, modernize management methods
- Timely complete development of digital database and national land information system which is concentrated, consistent, uniform, multi-purpose and of continuous connection.
- Reduce conditions for business, minimize difficulty for enterprises when applying for certificate of eligibility for business operation, business registration and practice certificates.

➤ Improve conditions for market entering

- Reform and promote digitalization, simplify procedures for market entering and improve business environment
- Review to eliminate conflict, overlapping and outstanding regulations which are no longer suitable and hinder business development
- Revise application forms and procedures of certification to reduce burden for both businesses and state agencies.

4. Improve the business environment, facilitate improvement in the most inadequate aspects

➤ Strengthen publicity and transparency

- Local agencies better perform their responsibilities to provide information as requested by businesses, transparently publish and facilitate businesses in accessing information, actively notify them when there is any change in provincial laws and policies (via online forms/website).
- Representative organizations should be more active and state agencies should call for their comments and distribution in policy making process to improve the regulations and create favorable conditions for businesses.

➤ Improve worker training quality to assist businesses to find suitable personnel

- Research and develop appropriate training programs, improve human resource quality
- Improve vocational education, labour training institutions ; follow policies on need-based vocational training and attachment to the job provision; vocational training based on enterprises' demands and vocational training in student diverging to attract young workers . ensure that vocational training and orientation facilities would not strengthen the gender bias and pattern in career orientation and student diverging.
- Build up strong relations between vocational training with enterprises and labour markets at levels

5.The Government considers development of strategy for women-owned business development

➤ Objectives

- Improve the environment, opportunities and conditions for development of women entrepreneurs and engage all stakeholders in the Strategy implementation;
- Increase the percentage of women-owned businesses;
- Increase the percentage of female workers corresponding to the labour force scope.




➤ Execute support measures at local and central levels in order to encourage and promote women startups, including:


- Create favorable environment for the development of women entrepreneurs
- Provide systematic support for development of women-owned businesses
- Develop infrastructure to support and promote development of women entrepreneurs
- Promote, develop networks and provide comments for policy making





*May businesswomen achieve
more success in doing
business and become
inspirational leaders!*





BÁO CÁO

**KIÊN CƯỜNG
VƯỢT SÓNG**

KẾT QUẢ ĐIỀU TRA CÁC DOANH NGHIỆP
DO PHỤ NỮ LÀM CHỦ DƯỚI TÁC ĐỘNG CỦA ĐẠI DỊCH COVID-19
BRAVING THE WAVES: SURVEY RESULT ON COVID-19 IMPACTS
ON WOMEN-LED ENTERPRISES

Thank you!

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