

COMPULSORY SOCIAL INSURANCE SCHEME IN VIETNAM

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**UPDATE
WEF 1 JAN 2026**

Engaging labor employment in Vietnam requires contribute compulsory Social Insurance (SHUI) on monthly basis.

Compulsory SHUI in Vietnam includes three key components, in particulars:

- Social Insurance (SI) ● Health Insurance (HI) ● Unemployment Insurance (UI)

THRESHOLD FOR SOCIAL INSURANCE (SI) & HEALTH INSURANCE (HI)

Threshold for monthly SIHI contribution are capped at 20 times of the minimum basic salary.

Currently, the minimum basic salary in Vietnam is **VND2,340,000 (USD95)** regulated under Decree 73/2024/NĐ-CP, lead to threshold for SI & HI contribution is **VND46,800,000** per month (equivalent to USD 1,800), effective from 1 July 2024.

On 1 July 2025, Law on Social Insurance introduce new concept "**referral salary**" to replace "**minimum basic salary**" to set the threshold for monthly SIHI contribution.

Currently, referral salary is **VND 2,340,000** and equal to minimum basic salary. It is supposed to be changed from time to time by Vietnam Government.

THRESHOLD FOR UNEMPLOYMENT INSURANCE (UI)

UI contribution is capped at 20 times of the regional minimum salary.

From 1 January 2026, new regional minimum salary is applied is applied following Decree 293/2025 issued by Government on 10 Nov 2025.

The regions corresponding to minimum regional salary is defined in Appendix issued along with Decree 293/2025.

Region	VND per month (USD equivalent)	UI Threshold
#1	5,310,000 (205)	106,200,000 (4,085)
#2	4,730,000 (182)	94,600,000 (3,640)
#3	4,140,000 (160)	82,800,000 (3,185)
#4	3,700,000 (140)	74,000,000 (2,850)

Region #1 include metropolitan areas, central cities such as: Hanoi, Ho Chi Minh, Danang etc.

(to be continued)



The increase in minimum regional salaries signals an improvement in living standards in Vietnam, especially within its fast-moving and evolving economy. All enterprises operating in Vietnam should consider these changes by reviewing their current salary structures and evaluating the cost-benefit balance of employment. This process not only demonstrates goodwill toward employees but also supports the company's overall growth strategy.

KEY SUMMARY OF SHUI SCHEMES IN VIETNAM

ITEMS	VIETNAMESE	EXPATRIATE																														
Condition of employment	No requirement	Obtaining Work Permit																														
Employment	Probation (maximum 60 days) Labor contract (definite or indefinite-term)	Normally no probation Labor contract (definite-term based on WP)																														
SHUI Contribution <i>EE / Employee</i> <i>ER / Employer</i>	<table border="1"> <thead> <tr> <th>SHUI</th><th>EE</th><th>ER</th></tr> </thead> <tbody> <tr> <td>SI</td><td>8%</td><td>17.5%</td></tr> <tr> <td>HI</td><td>1.5%</td><td>3%</td></tr> <tr> <td>UI</td><td>1%</td><td>1%</td></tr> <tr> <td>Total</td><td>10.5%</td><td>21.5%</td></tr> </tbody> </table>	SHUI	EE	ER	SI	8%	17.5%	HI	1.5%	3%	UI	1%	1%	Total	10.5%	21.5%	<table border="1"> <thead> <tr> <th>SHUI</th><th>EE</th><th>ER</th></tr> </thead> <tbody> <tr> <td>SI</td><td>8%</td><td>17.5%</td></tr> <tr> <td>HI</td><td>1.5%</td><td>3%</td></tr> <tr> <td>UI</td><td>N/A</td><td>N/A</td></tr> <tr> <td>Total</td><td>9.5%</td><td>20.5%</td></tr> </tbody> </table>	SHUI	EE	ER	SI	8%	17.5%	HI	1.5%	3%	UI	N/A	N/A	Total	9.5%	20.5%
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SHUI Contribution (Cont')	<p>Threshold of SI & HI contribution is 20 times of "referral salary" i.e. VND 46,800,000 (equivalent to USD1,800) (*)</p> <p>(*) From 1 Jul 2025, referral salary is VND 2,340,000 and equal to minimum basic salary regulated in Decree 73/2024/ND-CP. It is supposed to be changed from time to time by Vietnam Government.</p> <p>Threshold of UI contribution is 20 times of "regional minimum salary" i.e. VND 106,200,000 (equivalent to USD4,085) applicable to Region #1 (**)</p> <p>(**) From 1 Jan 2026, new regional minimum salary is revised increasingly following Decree 293/2025/ND-CP. And the corresponding region can be found in Appendix of such Decree.</p>																															
Ongoing Compliance	<p>SHUI is contributed on MONTHLY basis, no later than the last working day of each month.</p> <p>Any changes relating to new-hire, resignation, increasing, decreasing salary, sickness claim, maternity claims etc. must be informed to Vietnam SHUI authority on time.</p>																															