



Australian Government
Australian Education International

**OVERVIEW of VIETNAMESE GOVERNMENT'S
DECREE 73/2012/ND-CP
on FOREIGN INVESTMENT in EDUCATION and TRAINING**

The Vietnamese Government's *Decree 73/2012ND-CP*, under *Investment Law (2005)*, took effect on 15th November 2012. *Decree 73* replaces *Decree 06*, and applies to foreign investment and cooperation projects in education and vocational training (VET) in Vietnam including foreign-invested tertiary institutions, schools and kindergartens, twinning programs, and representative offices of foreign education institutions.

This overview outlines some of the main areas covered by the decree. It should be read in conjunction with "Overview of the legal framework affecting the provision of foreign education in Vietnam", August 2012 at <https://aei.gov.au/international-network/vietnam/publications/pages/publications.aspx>.

Forms of foreign investment in education:

Foreigners may invest in the establishment of the following forms of education institutions:

- 100% foreign-owned education institutions;
- Joint venture education institutions between domestic and foreign investors.

Foreign-invested education institutions are considered to be Vietnamese legal entities, which are subject to Vietnamese laws, from the date of approval.

Capital investment requirements for foreign-invested education institutions:

- *Decree 73* specifies the minimum investment capital at each level of education and training. For example:
 - o A foreign-invested university must secure minimum investment of VND 150 million, approximately AUD \$7,500 per student
 - o A foreign-invested kindergarten must secure minimum investment of VND 30 million, approximately AUD \$1,500 per child.

Duration of foreign-invested education institutions, twinning programs and representative offices:

- Foreign-invested education institutions will be licensed to operate for a maximum of 50 years, with an extension of 20 years, subject to Government approval.
- Twinning programs must not exceed five years, and must be extended at least six months before the licence elapses.
- A representative office of a foreign education institution will be licensed for five years, with the possibility of extension.

Authority to approve establishment of:

- **Twinning programs**

- The *Minister of Education and Training* shall approve twinning programs at diploma, bachelor, master and doctorate levels¹;
NB: *Presidents* of Vietnam National University, University of Thai Nguyen, University of Hue, and University of Da Nang may approve twinning programs at diploma, bachelor, master and doctorate levels at their institutions.
- *Directors of Departments of Education and Training (DOET)* shall approve twinning programs at intermediate level;
- *The Minister of Labour, Invalids and Social Affairs* shall approve VET twinning programs at diploma level;
- *Directors of Departments of Labour, Invalids and Social Affairs (DOLISA)* shall approve VET twinning programs at intermediate level;

- **Foreign-invested education institutions**

- The *Prime Minister* shall approve establishment of universities;
- The *Minister of Education and Training* shall approve establishment of
 - Colleges (under MOET authority); and
 - pre-schools, primary schools, middle schools and high schools, when the establishment is requested by a foreign diplomatic mission or inter-government international organization;
- The *Minister of Labour, Invalids and Social Affairs* shall approve establishment of VET colleges (under MOLISA authority);
- *Provincial People's Committees* shall approve establishment of
 - short-term training institutions;
 - high schools;
 - multi-level education institutions which include high schools, (except for the compulsory education institutions prescribed in Clause 2 of *Article 39* of the decree); and
 - VET institutions (under MOET authority).
- *District-level People's Committees* shall approve establishment of
 - pre-school education institutions;
 - primary schools;
 - middle schools; and
 - multi-level education institutions (which do not include high schools).

- **Representative offices**

- The *Minister of Education and Training* shall approve establishment of representative offices of foreign education institutions.
- The *Minister of Labour, Invalids and Social Affairs* shall approve establishment of representative offices of foreign education institutions engaged in VET.

¹ Levels of education in Vietnam and the authorising ministries are outlined in the "Overview of the level framework affecting the provision of foreign education in Vietnam", August 2012.

Enrolment of Vietnamese students into foreign-invested education institutions:

- **Tertiary**
 - o the Vietnamese government puts no limitation on the percentage of Vietnamese students at foreign-invested universities and colleges.
- **Schools**
 - o primary and middle schools: 10 per cent limit on Vietnamese pupils;
 - o high school: 20 per cent limit on Vietnamese pupils.
- **Pre-school**
 - o Vietnamese children under five years of age are not allowed to enroll in foreign education programs.

Teaching staff:

- *Decree 73* outlines requirements for teaching staff in terms of qualifications, teaching experience, and the teacher/ student ratio for each level of training, for example:
 - o Foreign teachers must have at least five years of experience to be allowed to teach twinning programs at Vietnamese institutions or at foreign-invested schools, colleges and universities.
 - o For tertiary education institutions, 60% of course modules must be delivered by permanent teachers, and 80% of teaching staff must hold postgraduate degrees.

Floor space

- *Decree 73* lays down requirements for floor space at each level of education. For example:
 - o universities must provide 25 square meters space for each student
 - o schools which is located in urban areas must provide 06 square meters space for each student and schools which is located in rural areas must provide 10 square meters space for each student.

Curriculum

- Twinning programs must include curriculum developed by both Vietnamese institutions and their foreign partners. These programs can issue Vietnamese or foreign degrees.
- The *Minister of Education and Training* will determine compulsory subjects for Vietnamese citizens in foreign-invested institutions.

Language of tuition

- Twinning programs which lead to foreign qualifications must be delivered in the foreign language i.e. not taught in Vietnamese or with translation into Vietnamese.
 - o Translation into Vietnamese is acceptable for study programs that lead to Vietnamese qualifications.

Quality assurance

- **Twinning programs:**
 - o Either the foreign partner institution or the twinning program must be accredited in their home country.

 - **Foreign-invested education institutions:**
 - o Foreign-invested education institutions are entitled to issue or request the issuance of:
 - qualifications of the Vietnamese national education system in accordance with Vietnamese law;
 - A qualification issued by a foreign education institution must comply with that country's law and be accredited by relevant Vietnamese agencies (to be determined by MOET)
 - o Foreign-invested education institutions must register for nationwide accreditation of their qualifications with the Ministry of Education and Training or the Ministry of Labor, War Invalids and Social Affairs.
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Disclaimer

The Australian Government assumes no responsibility for any reliance on information contained in this overview. In addition to doing their own market research and due diligence, foreign education providers seeking to operate in Vietnam, or other foreign investors in education, should seek independent professional legal and other advice.