



**Brief overview of the Government of Vietnam's Decree 86/2018/ND-CP
on foreign cooperation and investment in education
(replaces the Decree 73/2012/DN-CP)**

The government of Vietnam's *Decree 86/2018/ND-CP* on foreign cooperation and investment in education (*Decree 86*) took effect on 1 August 2018. *Decree 86* replaces *Decree 73*, and applies to foreign cooperation and investment activities in education in Vietnam from early childhood education, school to high education sectors (excluding vocational education and training, which is regulated by *Decree 48* and expected to be replaced by the end of 2018).

This overview outlines main areas as well as comparison of *Decree 86* over *Decree 73*. An English version of *Decree 86* is attached for more details. MOET is drafting a circular to provide more details or guidance on implementation of *Decree 86*. Department of Education and Training will provide updates once the circular is introduced.

Decree 86 regulates foreign cooperation and investment activities in the forms of:

- **Joint education with foreign partners** in early childhood education and at school level; (this is a new component compared with *Decree 73*);
- **Joint training with foreign partners** at the tertiary level;
- **Foreign-invested education institutions** at all education levels; and
- **Representative offices** of foreign education institutions and organisations.

The cooperation and investment activities under *Decree 86* are open to all fields of study, except those relating to national security, defence, politics and religion.

I. Authority to approve

1. *Joint education (to deliver integrated Vietnamese and foreign program) at kindergarten and school levels*

- *The Department of Education and Training (DOET)*¹ Director shall approve joint education, in consultation with *Ministry of Education and Training (MOET)*.
 - *MOET* shall approve the integrated Vietnamese and foreign program under the joint education.

2. *Joint training (twinning programs) at tertiary level*

- *The Minister of Education and Training* shall approve joint training at bachelor, master and doctorate levels.
- *Presidents* of Vietnam National University Hanoi, Vietnam National University HCMC, Thai Nguyen University, University of Hue, and University of Da Nang and *Rectors* of the autonomous universities (listed in attachment) shall approve joint training at bachelor, master and doctorate levels at their institutions.
- *Minister of Education and Training* has specific provisions on joint training conducted via online and blended learning mode.

¹ Each province in Vietnam has a Department of Education and Training (DOET) that is responsible for administration of schools

3. Foreign-invested education institutions

- *Foreign-invested education institutions* under *Decree 86* refer to institutions delivering short course training, kindergartens, schools, universities and branches of foreign-invested universities in Vietnam.
- The licencing process for foreign-invested education institutions involves three steps (outlined below), requiring approval from different authorities.

3.1 Investment registration certificate

Investment registration certificates are issued in accordance with Investment Law, including for:

(i) Foreign invested universities

The agency responsible for issuing the investment registration certificate (according to the Investment Law) shall submit the application to the *Ministry of Planning and Investment*, who will then consult with MOET and other relevant agencies to create a submission to the Prime Minister for investment approval.

(ii) Branch of a foreign invested university

The agency responsible for issuing investment registration certificates shall seek an appraisal from MOET.

(iii) Institutions delivering short course training, kindergartens and schools

The agency responsible for issuing investment registration certificates shall seek an appraisal from the relevant DOET in the jurisdiction.

3.2 Establishment licence

Authority to approve the establishment:

- *Prime Minister* regarding foreign invested universities;
- *MOET Minister* regarding kindergartens and schools established by diplomatic missions;
- *MOET Minister* regarding branch of foreign invested universities; and
- *Chairman of city/province People's Committee* regarding institutions delivering short course training, kindergartens and schools in the province and city of jurisdiction.

3.3 Operation approval

Authority to approve operation:

- *MOET Minister* shall approve operation of foreign invested universities and branch of foreign invested universities, and
- *DOET Director* shall approve operation for institutions delivering short course training, kindergartens and schools.

Once the operation approval is granted, the foreign-invested education institution can begin student recruitment and program delivery.

4. Representative offices

- The *Minister of Education and Training* will approve establishment of representative offices of foreign education institutions or organisations.
- After having establishment approval, the institutions/organisations will register the operation with DOET in the province/city where the representative office is located.

II. Quality assurance and accreditation

Article 4. Quality assurance and accreditation provides general provisions on quality assurance and accreditation requirements as below.

- The joint education and training between Vietnam and foreign countries and the operation of foreign-invested educational institutions in Vietnam shall comply with Vietnam's current regulations on quality assurance.
- The educational institutions that are engaged in joint education and training with foreign partners and the foreign-invested educational institutions in Vietnam shall carry out accreditation in accordance with the current regulations of Vietnam.
- The foreign curriculum to be integrated and delivered in the joint education programs should be accredited or recognised by the home legislative/authorised agencies. For example, TEQSA for Australian higher education qualifications and institutions and ASQA for vocational education and training qualifications and institutions.

Twinning programs/joint training programs at bachelor, master and PhD level:

- Foreign curriculum delivered in the twinning programs should be accredited or recognised by the home legislative/authorised quality assurance agencies.

Foreign invested institutions:

- There is no particular information or article in the decree covering specific requirements for quality assurance and accreditation of foreign invested institutions and programs they deliver.

III. Other details

Joint education at early childhood education and school level

- To deliver integrated Vietnamese and foreign school programs to Vietnamese students in Vietnam.
- This is open to private Vietnamese schools and kindergartens in partnership with legal and accredited educational establishments abroad.
- The foreign curriculum to be integrated must be accredited by authorised agencies in their home countries.
- The examination and recognition of graduates must be in line with Vietnamese and foreign countries laws. Graduates from the joint education program at upper secondary level must be granted with a school graduation certificate of both Vietnam and the foreign country.
- Vietnamese teachers in joint education programs must meet training standards of the corresponding school grade as prescribes by Vietnamese regulations. Foreign teachers must have Bachelor Degree qualifications in Teaching and pedagogical certificates or equivalent.
- Teachers in joint education programs in foreign languages must meet foreign language proficiency requirements and not be lower than Level 5 of 6 in the Foreign Language Proficiency Framework applied for Vietnam or equivalent.
- The licence for joint education programs will be valid for five years and may be extended but with each extension not surpassing five years.

Joint training/twinning program at bachelor, master and PhD level

- Can be delivered in partnership between Vietnamese and foreign statutory and accredited higher education institutions.
- Mode of delivery can be in class, online, or through blended learning. This is the first time the online and blended learning mode for transnational education is covered and recognised in a legislation.
- The *Minister of Education and Training* shall have specific provisions on twinning programs delivered via online and blended learning mode.

- Twinning programs which lead to foreign qualifications must be delivered in foreign languages i.e. not taught in Vietnamese or with translation into Vietnamese.
 - *Translation into Vietnamese is acceptable for study programs that lead to Vietnamese qualifications.*
- The licence for twinning programs will be valid for five years and may be extended but with each extension not surpassing five years.

Foreign-invested education institutions

- Amendments that may have negative impacts:
 - *Compulsory subjects*
The *Minister of Education and Training* shall regulate compulsory political and cultural subjects and contents for Vietnamese students in foreign invested institutions including kindergartens, schools, universities and university branches. This will significantly increase study loads for students and the compliance burden for providers.
However, it is not clear how MOET will enforce the delivery of compulsory subjects. The circular that MOET is drafting may provide more details.
 - *Minimum investment capital for*
 - (i) A foreign invested university: VND1000 billions (USD\$45 million) which is tripled over previous requirement of VND300 billions (USD15 millions), exclusive of land expenditure
 - (ii) branch of a foreign invested university: VND250 billions (USD\$11.5 million), exclusive of land expenditure
 - (iii) for arrangement with already set up facilities by rental or contributed in kind by Vietnamese partner, the minimum investment capital should be 70% of the above
- Amendments that may have positive impacts:
 - Number of Vietnamese students that foreign invested kindergartens and schools can admit for their foreign education programs must be lower than 50% of the total students who participate in the previously mentioned program at the institution. This is a significant lift from 0% for kindergartens, 10% for primary schools and 20% for secondary schools regulated by *Decree 73*.
 - Accepting rented facilities to set up university campus; and
 - Raising the requirement for a ratio of PhD qualified lecturers to 50% (from 35%) in a foreign invested university. This is a good indication of expectation for quality improvement.
- Reporting requirements for foreign invested institutions
 - By 30 November each year, foreign invested institutions should submit annual reports to government agencies regarding their overall stage of development. The reports should cover operation, organisational structure, staffing, enrolments and commencements, teaching and learning, student performance, graduate numbers, graduation ratio, number of diplomas issued, financial statements, challenges and advantages during operation and recommendations. The reporting should be submitted both online and via hardcopy.

Disclaimer

The Australian Government assumes no responsibility for any reliance on information contained in this overview. In addition to having 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.

LIST OF VIETNAMESE AUTONOMOUS UNIVERSITIES

No	Name of University	Vietnamese Name	Website
1	Vietnam National University Hanoi	Đại học Quốc gia Hà Nội	http://www.vnu.edu.vn
2	Vietnam National University, Ho Chi Minh City	Đại học Quốc gia Thành phố Hồ Chí Minh	http://www.vnuhcm.edu.vn/
3	Thai Nguyen University	Đại học Thái Nguyên	http://tnu.edu.vn/
4	University of Danang	Đại học Đà Nẵng	http://udn.vn/
5	Hue University	Đại học Huế	http://hueuni.edu.vn/
6	Can Tho University	Trường Đại học Cần Thơ	https://www.ctu.edu.vn/
7	University of Economics Ho Chi Minh (UEH)	Trường Đại học Kinh tế Thành phố Hồ Chí Minh	http://www.ueh.edu.vn/
8	National Economics University	Trường Đại học Kinh tế Quốc dân	http://en.neu.edu.vn/
9	Hanoi University	Trường Đại học Hà Nội	http://www.hanu.vn/vn/
10	Foreign Trade University	Trường Đại học Ngoại thương	http://ftu.edu.vn/
11	Ho Chi Minh Open University	Trường Đại học Mở Thành phố Hồ Chí Minh	http://www.vnuhcm.edu.vn/
12	Vietnam University of Commerce	Trường Đại học Thương mại	https://tmu.edu.vn/
13	Hanoi University of Science and Technology	Trường Đại học Bách khoa Hà Nội	https://en.hust.edu.vn/
14	Da Nang University of Economics, University of Danang	Trường Đại học Kinh tế, Đại học Đà Nẵng	http://due.udn.vn/vi-vn
15	Ho Chi Minh City University of Law	Trường Đại học Luật Thành phố Hồ Chí Minh	http://www.hcmulaw.edu.vn/
16	Ton Duc Thang University	Trường Đại học Tôn Đức Thắng	http://tdt.edu.vn/
17	University of Finance and Marketing	Trường Đại học Tài chính-Marketing	http://cic.ufm.edu.vn/
18	Vietnam National University of Agriculture	Học viện Nông nghiệp Việt Nam	http://www1.vnua.edu.vn/
19	Ho Chi Minh University of Industry	Trường Đại học Công nghiệp Thành phố Hồ Chí Minh	http://www.hui.edu.vn/vi
20	Ho Chi Minh City University of Food Industry	Trường Đại học Công nghiệp thực phẩm Thành phố Hồ Chí Minh	http://hufi.edu.vn/
21	Electric Power University	Trường Đại học Điện lực	http://www.epu.edu.vn/
22	Posts and Telecommunications Institute of Technology	Học viện Công nghệ Bưu chính Viễn thông	http://portal.ptit.edu.vn/
23	University of Hanoi Industrial Textile	Trường Đại học Công nghiệp dệt may Hà Nội	http://hict.edu.vn/
24	Can Tho University of Medicine and Pharmacy	Trường Đại học Y Dược Cần Thơ	http://ctump.edu.vn/
25	Tra Vinh University	Trường Đại học Trà Vinh	http://tvu.edu.vn/
26	University of Economic and Technical Industries	Trường Đại học Kinh tế - Kỹ thuật Công nghiệp	http://uneti.edu.vn/