

# VOCATIONAL EDUCATION & TRAINING in VIETNAM

## BACKGROUND

### 1. DEVELOPMENT OF VET IN VIETNAM

Vietnam's vocational education and training (VET) system has changed markedly over the past two decades, particularly following the commencement of Doi Moi (renovation) policy in 1986. Whilst the economy of Vietnam was centrally planned, the Government of Vietnam (GoV) managed and financed all skills training, focussing on training workers, technicians and managers for state-owned enterprises (SOEs). During the early 1970s, education and training departments were created within various ministries. In 1978, the Department of Workers Training was separated from the Ministry of Labour, becoming the General Department of Vocational Training (GDVT), with responsibility for VET and reporting directly to the Cabinet Council. The number of VET schools peaked at 366 in 1980.

The 10 year period after the commencement of Doi Moi saw the decline of VET in Vietnam. The number of vocational training schools fell from 279 in 1987 to 129 in 1998. Demand for vocational trainees decreased as many SOEs closed down or laid off workers. Consequently, when foreign investment began to arrive in Vietnam, VET institutions were unable to respond to the demand for highly skilled workers.

GDVT merged into the Ministry of Higher Education and Professional Secondary Education in 1987, and then into the Ministry of Education and Training (MOET) in 1992. VET fell further into decline: educational policy makers underestimated the importance of VET as an essential factor for sustained economic growth, concentrating on higher education and basic education. In 1998 GDVT was separated from MOET and moved into the Ministry of Labour, Invalids and Social Affairs (MOLISA).

Since 2001, the GoV has been working to strengthen the VET system to respond to the increased demand for skilled workers. Vietnam's Socio-Economic Development Strategy for 2001-2010 declared that the proportion of the workforce holding professional qualifications should increase to 40%, with these targets incorporated into the Socio-Economic Development Plans. Under MOLISA's Master Plan for the Development of a Network of Vocational Colleges, Vocational Secondary Schools, and Vocational Training Centres, the number of students in technological schools who receive vocational training is targeted to increase 10% annually. The GoV claims that its efforts to promote VET have already achieved a ratio of vocational trained workers of 20% (VCCI).

The **Law on Vocational Training** (2006) defines the institutions and qualification levels in Vietnamese VET (see Attachment 1). Enforcement of this law and the shift of GDVT into MOLISA have strengthened VET in Vietnam. However, the existing system is complex and there is unclear demarcation of responsibility and accountability in VET between MOET which retains some policy functions, MOLISA, and other supervisory ministries. Vietnam's

VET system has changed frequently and has had several supervisory ministries, making it difficult to get reliable and comprehensive statistics. According to MOLISA, in 2008, in addition to the institutions in Table 1 below, more than 1,000 other training institutions (eg universities, colleges, professional secondary schools, and employment centres) provide vocational training. This group includes 8 technological universities and 100 colleges and professional secondary schools under the supervision of MOET. The number of VET institutions and students increases continuously.

## **2. GOVERNMENT OF VIETNAM: VET GOALS**

Economic modernisation and strong growth are driving Vietnam's demand for vocational skills which the domestic VET sector is currently unable to meet, in both quality and quantity. Vietnam's VET sector is not appropriately structured or resourced to deliver services at a level and standard that meets the needs of a modern economy and society.

The GoV has ambitious plans to address VET needs

- Its 2006-10 Socio-Economic Development Plan identified the need improve VET provision through the establishment of private VET institutions, encouraging training cooperation with quality foreign training institutions and fostering the opening of quality, accredited and wholly foreign-invested training institutions. By 2010, around 30% of the employable work force will have undertaken vocational training.
- In April 2009, GoV announced the allocation of 23 trillion VND (approx \$1.4 billion) to train one million rural workers a year by 2015, increasing the rate of skilled rural labourers to 50% by 2020. Rural workers will also be given information about employment trends, training programs and careers advice.
- In August 2009, GoV the project "Renewal and Development of Vocational Training System by 2020" which will expand and improve Vietnam's VET system to provide 90% of its eligible population (approx 25 million) with vocational training by 2020.
- The project aims to establish 230 vocational colleges and 310 vocational intermediate schools nationwide, and train 40,000 people to become vocational trainers. The scheme will require VND41 trillion (US\$2.29 billion), to be provided via the State budget, ODA, businesses and students.
- These investments in VET aim to double rural incomes by 2020.

## **3. FACILITATING FOREIGN PARTICIPATION**

The GoV recognises that participation from foreign providers is essential to improving VET in Vietnam. To facilitate foreign participation across all areas of education, the GoV issued for consultation a **Draft Decree on Cooperation and Investment in Education and Training Involving Foreign Partners**. Cooperation and investment, including training programs, establishment of educational institutions and opening foreign representative educational offices) will be encouraged in the a wide range of fields including IT, telecommunications, precise mechanics, industry maintenance, food technology, electronics and electronic commerce, natural science, engineering, technology, health, environment, agriculture, tourism, business management, accounting, finance, international law and foreign languages.

Under the **AANZFTA**, Vietnam has made several commitments to further open its VET sector to foreign providers by allowing for 100% foreign-invested VET entities and expanding the WTO-committed fields of study they can deliver (eg building, construction, computer science, information systems, engineering, environmental, surveying, manufacturing, health, nursing, pharmacy, community services, land and marine resources, animal husbandry, culinary and hospitality, transport). Vietnam has also agreed to reduce the experience requirement for Australian VET teachers from 5 to 3 years.

#### **4. INTERNATIONAL ASSISTANCE TO VOCATIONAL EDUCATION IN VIETNAM**

Various multilateral and bilateral donors have provided technical and financial assistance to VET in Vietnam since the late 1990s (particularly the ADB, Germany, Korea and Japan)

ADB, together with the French, Japanese and Nordic aid, supported MOLISA's Vocational and Technical Education Project (1998 to 2008) which established 15 schools, developed skills standards for 48 occupations, introduced an accreditation system and piloted labour force information systems and a national testing and certification program. A planned further loan for the Skills Enhancement Project will assess the relevance of the VET sector to the labour market, and develop a long term strategy to improve skills training

The International Labour Organization, in partnership with MOLISA, is implementing the Labour Market Project, launched in 2008 with US\$ 18.3 million funded by European Union. The project will run until late 2010, developing labour market information centres within MOLISA and provincial authorities, strengthening the quality of VET teachers, and developing national skill standards in one industrial sector.

German Technical Cooperation (GTZ)'s Project on Promotion of Technical and Vocational Education and Training (2006 to 2010) advises GoV on labour-market oriented skills training for sectors with potential for growth and employment, assisting with curricula reform; improving teaching and learning materials and in-service teacher training.

The Korean International Cooperation Agency has supported skills development since 1994 eg support for Hanoi Vocational Training Centre (equipment for electronics, automobile maintenance and refrigeration training and training of teachers) and support for the Korea-Vietnam Industrial Technology Institute, a technical engineering school (equipment, technical expertise and designing curricula and education materials).

Japan International Cooperation Agency has assisted the Hanoi Industrial College and constructed and equipped provincial VET centres through the Grass-roots Human Security Fund.

International VET projects in Vietnam are detailed at **Attachment 2**.

## **5. VIETNAM'S SKILLS SHORTAGES**

*Compiled by Austrade*

### **Sectors**

ICT

Electronics

Healthcare

Tourism

Aviation

Shipbuilding

Manufacturing

Waste treatment

Financial services – banking, insurance, securities

### **Skill areas:**

English language

Nursing

Pharmacy

Hospitality

Pilot training

Accounting and auditing

Machine operation

Component manufacture and assembly

Engineering – design and development

Computer literacy and programming/Software engineering

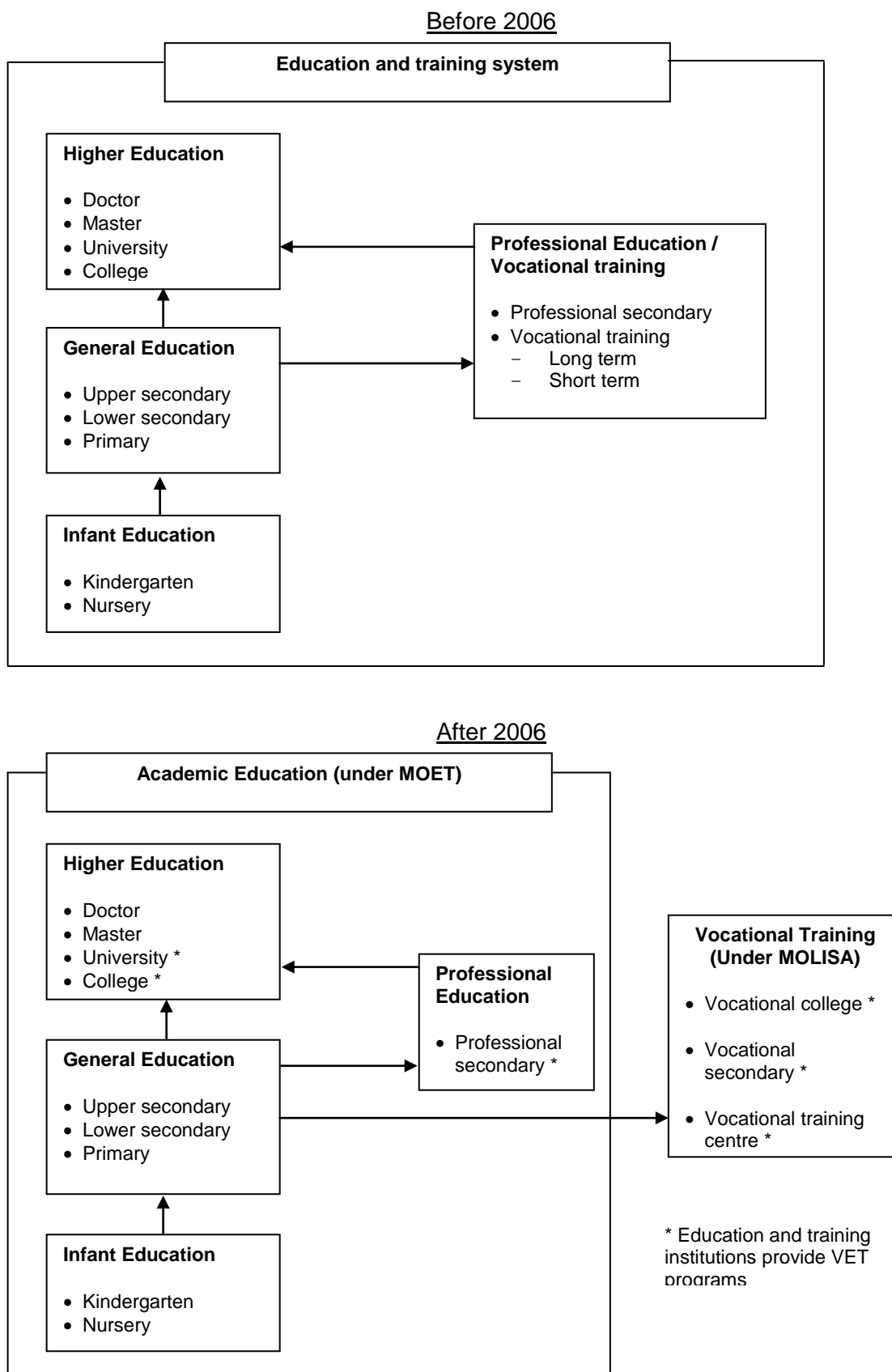
Management: decision-making, leadership, delegation, motivation

## **6. AUSTRALIAN EMBASSY ENGAGEMENT IN VET**

Following the visit to Vietnam of Minister Simon Crean, who identified the potential to increase Australia's involvement in VET in Vietnam, the Embassy convened a roundtable discussion with the ADB, World Bank ILO, UNIDO and GTZ in October 2009. DEEWR subsequently drafted the Strategy to guide Australian government engagement on VET in Vietnam, coordinating the efforts of DFAT, DEEWR, AusAID and Austrade at Posts in Hanoi and Ho Chi Minh City. An internal Working Group meets to consider progress against the Strategy

Enhancing VET linkages is an element of the Action Plan for the Comprehensive Partnership between Australia and Vietnam. The VET delegation to Vietnam is an agreed outcome of the Joint Trade and Economic Cooperation Committee

**Attachment 1: VET system in Vietnam before and after 2006**



Source: Education Law (2005) and the Law on Vocational Training (2006).

## VET qualifications in Vietnam

Level	Vocational Training Institutions	Other Education and Training Institutions	Required training period	Pre-requisite	Award	Supervisory Authority
College	Vocational colleges	Universities, Colleges	1 – 2 years	Professional/vocational secondary graduates	College diploma	Ministry of Education and Training (MOET); Ministry of Labour, Invalids and Social Affairs (MOLISA)
			2 – 3 years	Upper secondary school graduates		
Secondary	Vocational colleges, Vocational secondary schools	Universities Colleges Professional secondary schools	1 – 2 years	Upper secondary school graduates	Professional/Vocational secondary education diploma/intermediate certificate	
			3 – 4 years	Lower secondary school graduates		
Primary	Vocational colleges, I schools, and training centres	Universities, Colleges, Professional schools, Employment Service Centres	3 months – 1 year	Youth, unskilled workers	Elementary Certificate	

Source: Law on Vocational Training (2006)

### VET institutions

- **Vocational colleges** are eligible to deliver training in all three qualification levels  
**Vocational secondary schools** and vocational intermediate and professional secondary schools are entitled to deliver training at elementary and intermediate levels
- **Vocational training centres** are permitted to train at primary levels  
Other educational and training schools and centres such as universities, colleges, professional secondary schools, and employments service centres can also provide VET programs if they register their programs.

### Vietnamese Vocational Schools/Program and Students (2005-2008)

		2005	2006	2007	2008
<b>Number of training institutes</b>		<b>&gt;1,640</b>	<b>&gt;1,869</b>	<b>&gt;1,936</b>	<b>&gt;2,028</b>
Vocational school	College	236	262	62	90
	Secondary			104	214
	Other			138	40
Vocational centre		404	607	632	684
Other		>1,000	>1,000	>1,000	>1,000
<b>Number of students</b>		<b>1,207,000</b>	<b>1,340,000</b>	<b>1,436,000</b>	<b>1,538,000</b>
Long term	College	230,000	260,000	305,500	60,000
	Secondary				198,000
Short term		977,000	1,080,000	1,131,000	1,280,000

Source: Data from MOLISA (December 2008)

## Attachment 2

### ODA-FUNDED VET PROGRAMS

Compiled by AusAID Vietnam, September 2009

No	Source of Funding	Project Name	Total of Budget	Major Activities	Duration Starting-Ending	Project Owner
<b>I.</b>	<b>Completed Projects</b>					
1	Swiss government (ODA)	Strengthening of Vocational Training Centres (SVTC)	USD 6.4 million	<b>Major activities:</b> Curriculum development in modules; enhancement of instructional skills; organizational and management development; staff capacity strengthening; upgrading of equipment 37 VTCs in 7 cities/provinces benefited from the Project	1994-2008	MOET/MOLISA
2	German government (ODA)	Vocational Education Programme in Vietnam (3 phases)	USD 16 million	<b>Objective:</b> To enhance capacity and labour demand oriented training of vocational training centres within Vietnam vocational training system Investment for 3 vocational institutional (Hung Yen technical Teachers' Training University; Vietnam – Germany Vocational College in Nghe An province; Vietnam-Germany Technical Vocational College in Song Cong, Thai Nguyen province)	1996-2006	MOET
3		Partnership for Capacity Enhancement of Vocational Instructors of Vietnam (cooperated w/ Inwent, Germany)	n/a	Training of vocational teachers of 5 selected schools; developing and training a network of trainers of trainers, and vocational instructors, on curriculum development and applying modern teaching materials	2001-2005	GDVT
4	Korean government (ODA)	Assistance Project for two Vocational Training Schools	USD 5 million	Capacity enhancement; training of managerial and instructional staff; providing equipments for two vocational schools (Hanoi Vocational College of Industry and Quy Nhon Vocational College)	1996-1999	People's Committee of Hanoi and Binh Dinh province
5		Nghe An Vocational School Construction Project (2 phases)	USD 8 million	Newly and completely construct the Vietnam-Korea Vocational College. This is a model of high-quality vocational school that approaches the regional standards	1997-2008	People's Committee of Nghe An province

6	ADB, NDF (Nordic Development Fund), AFD (Agence Francaise de Development) (Loan); JICA (grant)	Vocational and Technical Education Project (VTEP)	USD 121 million	To make the vocational and technical education system more market oriented; improve management and institutional capacities; develop 15 key schools in vocational training system. The VTEP had thorough impacts on the whole system, from macro management (laws and policies, market orientation, capacity enhancement, etc) to specific key schools, contributing to expand the training scope and improve initially training quality, meeting the demand of labour markets.	1999-2008	MOLISA
<b>II. Ongoing Projects</b>						
1.	Germany, KWF loan	Vocational Training Programme (2 phases)	EUR 11.3 million	<b>Objective:</b> Upgrade and provide adequate training equipment for targeted training areas at modern level in order to train high-qualified and skilled technicians and workers that could meet the demand of labour markets in key economic areas <b>Major activities:</b> (i) curriculum development; (ii) Training of managerial and instructional staff; (iii) Provision of equipment for 11 selected vocational schools	2007-2009	MOLISA
2	German government, Technical Assistance	Promotion of Technical and Vocational Education and Training – Systematic Consultation (2 phases)	USD 2.4 million	<b>Objective:</b> To enhance skilled workers training in order to help enterprises in sectors with growth potential and employment opportunities have an adequate supply of qualified skilled workers	Phase 1: 2006-2007 Phase 2: 2008-2011	MOLISA
3		Vietnamese-German Financial and Technical Cooperation “Program Vocational Training 2008”	EUR 11 million	The project will build up 5-7 VET institutions that meet criteria established by GTZ. An open competition process will be used to select the final 5-7 institutions for the project (2-3 to be located in economic zones and offer training in high priority skill areas, 2-3 to be located in disadvantaged areas, and 1-2 for non-public institutions that fulfil the criteria).	2008-2011	MOLISA
4	AFD, Loan	Modernization of 4 vocational training centres	----	Modernization of 4 vocational training centres: Vietnam-Soviet Mechanic and Worker training centre No.1, Hai Phong training centre of Industry; Dong Nai vocational training centre; Mechanic and worker training centre No.,4	1999-2009	MOLISA
5		Development of 3 High-Performance VET Institutions	EUR 20 million	Support of upgrading of 3 VET institutions (one vocational secondary school and two vocational colleges) to meet regional standards with new approaches for delivering vocational training. These institutions will be centres of excellence and serve as model colleges for the country	2010-2014	MOLISA



6	Korea, Loan from ECCC	Construction of 5 Vocational Colleges	USD 35 million	Complete construction of 5 high-quality vocational training schools in 5 cities/provinces of Hanoi, Quang Ninh, Quang Ngai, Binh Duong and Ca Mau, in order to contribute into the development of Vietnamese vocational training system.	2007-2012	MOLISA
7	Danish government, ODA	Provision of Teaching Equipment to Dung Quat Vocational Intermediate School	USD 3.85 million	Capacity enhancement and provision of equipment for Dung Quat Vocational School in order to train skilled workers, meet the market's demand and improve training effectiveness	2003	GDVT/MOLISA
8	JFPR/JICA	Demand-driven skills training for poverty reduction in the Mekong River Delta	USD 1.3 million (USD350k from VN matching fund)	<b>Objective:</b> To improve access to vocational training services, employment and self-employment for the poor and disadvantaged groups in Tra Vinh and Soc Trang provinces to help reduce their poverty	2008-2011	MOLISA
9	Belgian French - speaking community (APEPE)	Capacity building to vocational teachers and managing staff	EUR 446,000	Building capacity for vocational teachers and managing staff in 3 key vocational schools in Phuc Yen, Da Nang, Vinh Long	2009-2011	MOLISA
<b>III</b>	<b>Relevant Projects</b>					
1	ADB, Loan	Upper Secondary and Professional Teacher Development	USD 34 million	Objective: Teachers' training, accreditation and certification (including the development of occupation skill standards for teachers)	2007-2012	MOET
2	EU	ILO Labour Market Project "Better Information for Creating Jobs and Developing Skills in Vietnam"	EUR 11.7 million	Overall goal: Support the development of human resources in Vietnam and enable the economy to continue attracting investments to provide jobs and income-earning opportunities. Specific objectives in vocational training: Increase the quality of vocational teachers in order to provide high-quality training to meet the demand for skilled workers of the industries at all training levels (at both state and non-state sectors)	Dec 2007- Dec 2010	MOLISA
3	EC	Vietnam Human Resources Development in Tourism Project	EUR 10.8 million	Objective: To upgrade the standard and quality of human resources in the tourism industry through supports in developing skills standards to meet the occupational demands, and providing training courses and testing	Feb 2004- Jun 2008	Vietnam National Administration of Tourism
4	Dutch government (NUFFIC),	Dutch Vocational Training Program	n/a	Objective: Institutional development, capacity building and structural collaboration and networking between selected schools	2002-2009	Ministry of Agriculture and Rural

	ODA			9 schools participated in the project		Development
5	Spanish Agency for International Cooperation	Vietnam-Spain Cooperation in Social Affairs (cooperation project between MOLISA and Spanish Agency for International Cooperation)	n/a	<ul style="list-style-type: none"> <li>- Support to complete the legal documents system on vocational training and quality accreditation</li> <li>- Support in training for disadvantaged groups (developing proposals, piloting the training model for disadvantaged groups in some localities such as Hoa Binh, Gia Lai, Long An provinces, etc)</li> <li>- Conduct surveys on self-assessment of teaching quality at 20 vocational colleges and intermediate schools</li> </ul>	2007-	MOLISA
6	Luxembourg government	Hospitality and Tourism Development in Vietnam (3 phases)	EUR 2.991 million	<ul style="list-style-type: none"> <li>- Completing the training curriculum for Hotel and Tourism occupational skills (English-Vietnamese bilingual)</li> <li>- Building and furnishing a boutique hotel and classrooms at Hue Tourism Intermediate School</li> <li>- Training staff for tourism sector</li> </ul>	Feb 2003-Sept 2006	Vietnam National Administration of Tourism
<b>IV.</b>	<b>Project Pipeline (GDVT)</b>					
1	EU	English teaching and learning capacity enhancement in vocational training schools	EUR 10 million (soft loan)	To enhance English teaching and learning capacity for about 15 vocational training schools	2009	GDVT/MOLISA
2	JICA	Assessment of vocational skill levels according to the national vocational standards for 20 trades in Vietnam	n/a	Assessment of vocational skill levels for vocational training units, labourers (medical workers, nurses) sent to Japan, graduates from vocational training schools, workers at a number of national or international businesses	2010-2012	GDVT/MOLISA
3	Korea (KOICA)	Technical assistance to national vocational skills assessment system	USD 3.6 million	vocational training managing units at central and provincial levels, graduates from vocational schools, business workers	2009-2012	GDVT/MOLISA
4	French government		EUR 20 million, Loan	Vinh Phuc, Thanh Hoa	n/a	
5	ADB	Skills Enhancement Project			n/a	

