

Technical and Vocational Education and Training (TVET) in Vietnam

A Brief Overview

*Internal Working Material of "Promotion of TVET in Vietnam"
Version: August 2008*



Vietnam has demonstrated an impressive performance with respect to economic growth and poverty reduction during the last 20 years. Yet, employment creation for the growing labour force remains a substantial problem for Government. Also, rapid growth, structural changes and the need of Vietnam to strengthen its position in the global and increasingly knowledge-based economy require a new profile of the workforce being technically up-to-date, highly qualified, adaptable, flexible and innovative. Combined this constitutes a heavy challenge to the system of technical and vocational education and training (TVET)¹.

Labour Market Background

In 2006, Vietnam had a labour force of 45.6 million, representing about 55% of the country's population of 85 million². Between 2000 and 2006, the labour force increased by 13%, and - with a population growth rate of 1.4% - it continues to grow. At the current moment, the Vietnamese labour market has to absorb around 1.3 million new labour market entrants every year³.

Table 1: Vietnam Labour market - Some base data and projections

Like all over Asia, the labour force participation rate in Vietnam is relatively high. What is remarkable and different from its neighbouring ASEAN countries is the narrow gender gap. Of the total labour force in 2006, 51.4% are male and 48.6% female representing a

	2000	2004	2006	2015	2020
Population (mio)	78.7		84.2	95.0	99.9
Labour Force (mio)	39.8	43.6	45.6	53.4	56.2
<i>of which male</i>	<i>20.5</i>	<i>22.4</i>	<i>23.5</i>	<i>27.8</i>	<i>29.3</i>
<i>of which female</i>	<i>19.3</i>	<i>21.2</i>	<i>22.1</i>	<i>25.7</i>	<i>26.9</i>
Employment (mio)	38.4	42.3			

* 2005

Source: ILO 2007a

¹ The term „TVET“ is understood here in an inclusive and overarching sense addressing all kinds of skills development initiatives and including public and private, formal, non-formal and informal training, provided by any kind of provider. In the case of Vietnam, it includes training under the management of both Ministries: Ministry of Labour, Invalids and Social Affairs (MoLISA) as well as Ministry of Education and Training (MOET).

² An estimated 84,2 million in 2005, see ILO 2007a.

³ Mac Tien Anh 2007.

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male participation rate of 82.3% and a female rate of 77.2%⁴. Of the total labour force, around 45% are between 18 and 34 years of age. Three quarters live in rural areas⁵.

Table 2 : Percentage of young unemployed among of total unemployed in 2005, in %

Age group	Total	Urban	Rural
15 – 19 yrs	15.2	7.3	27.7
20 – 24 yrs	33.8	32.1	36.4
25 – 29 yrs	18.2	21.6	13.0
Total 15 – 29	67.2	61.0	77.1

Source: MoLISA 2006a.

67% of all unemployed in 2005 were under the age of 29. This problem is particularly pronounced in rural areas. However, official statistics are unlikely to realistically capture the problem of un- and underemployment in Vietnam. In the absence of unemployment benefits, people cannot afford to stay unemployed. They must work to survive and try to find any kind of job to secure some income, mainly in the informal sector. In 2004, some 16.5% of the entire work force was involved in non-farm self-employment. Furthermore, underemployment⁷ is believed to be widespread particularly in rural areas, where a decreasing, but with almost 40% still overwhelming share of the employed work as self-employed farmers (cp. Table 3).

Work conditions in the informal sector are often precarious, and many people belong to what is called the “Working Poor”, i.e. employed persons living in a household whose members are estimated to live below the poverty line⁸. The ILO estimated the number of working poor in Vietnam at 16.2 million in 2002⁹.

Despite a high literacy rate not all new labour market entrants in Vietnam are well educated. According to results of the Vietnam Households Living Standard Survey (VHLLS) 2004, only 75% of children are likely to complete 9 years of schooling (lower secondary education), and only 57% upper secondary education (12 years). Public funds to targeted to help the poor don't always reach them. For children from rural areas and those coming from poor families educational chances are significantly fewer than for urban children and those from rich families¹⁰. According a recent United Nations Development Programme study, 35% of transfer payments go to the richest fifth of the population, as compared to 15% to the poorest quintile.

A particular concern for a growing economy such as Vietnam is the low level of technical/professional educational attainment of the workforce, which is significantly behind the Asian average. Only 5% of the workforce hold a tertiary degree, 20% have attended some kind of technical school and 75% are unskilled (Table 4). The situation is even worse

Un- and underemployment in Vietnam is high, but often hidden. According to official statistics, unemployment stood at 2,1% in 2005, being higher in urban (5,3%) than in rural areas, and slightly higher among women than among men⁶. Significant and a cause of concern is the high proportion of young people among the unemployed. As indicated in Table 2,

Table 3: Share of Workers employed by sector

Status	1998	2004
Inactive	15.3	17.2
Active	84.7	82.8
<i>of which</i>		
<i>government</i>	3.6	5.3
<i>state-owned enterprises</i>	2.6	3.1
<i>private enterprises</i>	10.1	17.0
<i>foreign direct investment</i>	1.1	1.3
<i>non-farm self-employment</i>	16.5	16.5
<i>farmers (self-employed)</i>	50.2	38.8

Source: World Bank 2007, Table 4.2, page 99.

⁴ ILOa 2007, Table 11.1.1.

⁵ MoLISA 2006a; GSO 2007.

⁶ GSO 2007.

⁷ Characterised here as employment that does not allow to earn a living, either because the number of hours worked or the wage earned is too low.

⁸ See ILO 2007a, p. 18.

⁹ Working poor at the US\$ 2 per day level, see ILO 2007a, Table IV.1.1.

¹⁰ VHLLS 2004, quoted in World Bank 2007, Table 1.3, p. 17.

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for the group of young people between 15 and 34, where the share of professionally/technically skilled is even lower than the average of the entire workforce¹¹.

Table 4: Technical/professional education and training background of labour force, 2004, in million

Educational background	Total	Rural	Urban	in %
unskilled	32,52	27,40	5,11	74.8
skilled without certificate	4,61	2,86	1,75	10.6
skilled with certificate	1,53	0,70	0,83	3.5
elementary (< 1Jahr)	0,42	0,25	0,17	1.0
vocational	2,03	1,04	0,99	4.7
academic	2,33	0,68	1,65	5.4
Total labour force	43,45	32,93	10,50	100.0

Source: MoLISA 2006a

The low levels of education and skills development among the Vietnamese labour force seriously affect the competitiveness of the economy. According to ILO figures, productivity of the Vietnamese labourers is very low, only half of the ASIAN average, albeit strongly growing during the last 10 years¹².



The shortage of a technically and professionally educated labour force also appears to increasingly create problems in the Vietnamese labour market, as the structure of employment and the educational profile of the labour force are changing. Deputy Prime Minister and Minister of Education and Training, Nguyen Thien Nhan stated that Vietnam had 2,182 vocational training centres but still couldn't supply enough properly skilled workers to cope with the demands of industry.

There are now 20.8 million young employees at the age of 15-34 years, representing 44.37 percent workforce of the country. Circa 60 percent of young employees do not have vocational qualification yet. It is estimated that only by the year 2015 most young people will have vocational qualification.¹³

As shown in Table 5, the shares of employment in industry and construction, and the service sector have markedly increased during the last ten years, to the disadvantage of employment in the agriculture, forestry and fisheries sector. In 2005 the latter still employed the majority (57%) of the labour force, followed by services (25.3%) and industry and construction (17.9%).

This sectoral change occurs in parallel with significant dynamics in the distribution of workers by employment sector. Between 1998 and 2004, for example, the share of workers employed in private enterprises increased by 7 percentage points, while farm employment dropped by almost 12 points (Table 3).

¹¹ Mac Tien Anh 2007.

¹² ILO 2007a, 34-35.

¹³ Nguyen Thi Hang, President of Vietnam Vocational Training Association, in: Employment and Social Affairs Magazine, 1st July 2008

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Table 5: Changes in the Employment Structure 1996-2005, in %

	1996	2000	2005
Total	100	100	100
Agriculture, Forestry & Fisheries	69.0	62.6	56.8
Industry and Construction	10.9	13.1	17.9
Services	20.2	24.3	25.3

Source: World Bank 2007, Table 4.1

All indicators suggest a significantly increasing demand in the labour market for skilled labour at different qualification levels in the near future. The World Bank recently analysing the Vietnamese labour market for higher education graduates¹⁴ came to the conclusion that as a result of inter-industry shifts towards technology intensive sub-sectors and general trends of skill deepening in the Vietnamese industry the economy will need an increasing number of skilled people in the future. While this general finding addresses different qualification levels

the results also suggest that middle and lower level professionals at craftsman level are in particularly high demand. A MoLISA/ADB business establishment survey in 2005 showed, for example, that 66% of all vacancies were posts for craftsmen, and that demand was highest in the exploitation industries, processing industries and in construction¹⁵. Another study expects that a high demand for TVET-level qualified personnel will arise in the following sectors and skill areas: construction, mechanics, transport sector, metallurgy, electronics, textile, tourism, office occupations, process-sing of fish and seafood, and IT¹⁶. According to representatives from the Ministry of Construction, there was a shortage of skilled workers in the sector; only 5.7 percent of two million labourers were trained. Constructors have to recruit untrained labourers including local farmers in the off season, which impacts on the quality of work and causes safety issues.¹⁷ Another example is reported by central Quang Ngai Province, where 8,000 trained labourers for steel rolling and processing are needed, but where there is no training center.¹⁸

Labour market institutions are still in the process of being set up. Since 1993, some 170 Centres for Employment Services have been established managed by the provincial Departments of Labour, Invalids and Social Affairs (DoLISA), the Vietnam General Confederation of Labour and other ministries and mass organisations. The quality of these Centres is very uneven¹⁹. It appears that so far there is no system of career guidance in the country, and employment exchange services only reach a very limited part of the actual labour movement. For example, the Vietnam migration survey of 2004 indicated that only 14% of labour migrants make use of the existing employment service centres²⁰.



¹⁴ See World Bank 2007.

¹⁵ World Bank 2007, page 157.

¹⁶ Bich Thuy/Dormeier Freire 2004.

¹⁷ in: Vietnam needs radical vocational training reforms, 31st May 2008 (source: TBKTSG, SGGP), p.2

¹⁸ *ibid*, p2

¹⁹ ILO 2007b.

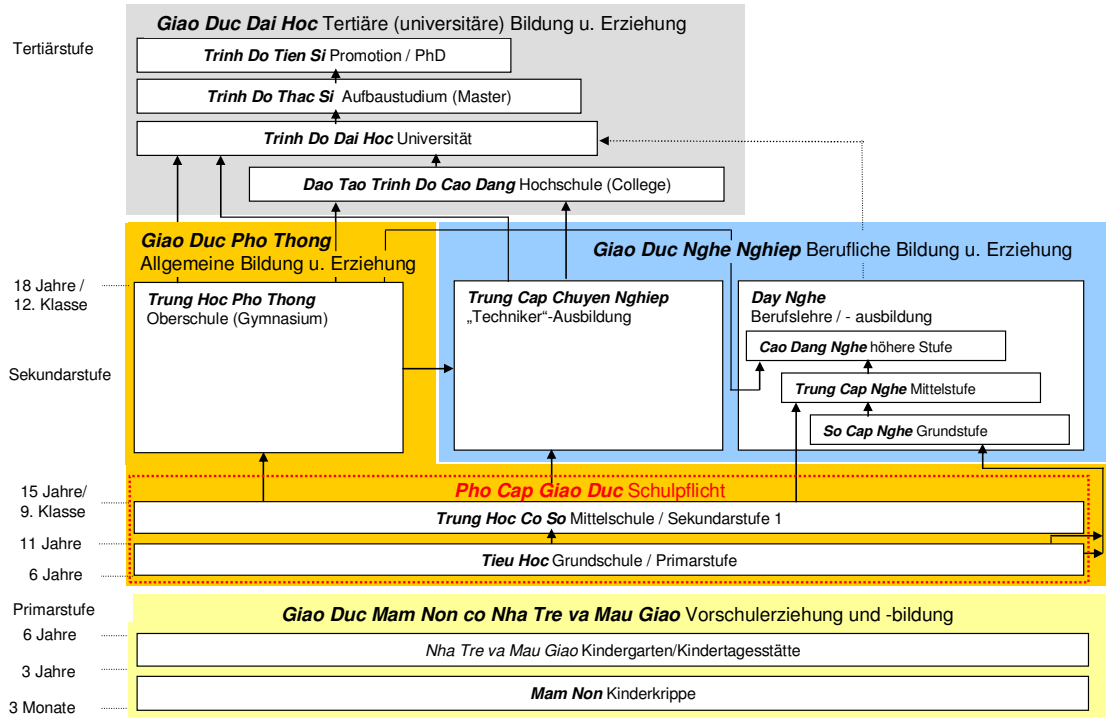
²⁰ 2004 Viet Nam Migration Survey, quoted in ILO 2007b, page 5.

The TVET System

Structure and access

Vietnam's system of technical and vocational education and training is characterised by a rather diversified, and currently not integrated, provider structure comprising parallel formal, non-formal and informal delivery structures.

Erziehungs- und Bildungssystem Vietnam



What may be labelled “formal” TVET includes various programmes at secondary education level regulated²¹ by the Ministry of Labour, Invalids and Social Affairs (MoLISA), General Department of Vocational Training (GDVT), or by the Ministry of Education and Training (MoET) (cp. Chart above). Training institutions are owned and financed²² by a variety of different actors, including provincial and district governments, different central ministries, mass organisations, trade unions, companies and private institutions. Around 30% of all institutions under GDVT and 20% of all technical schools managed by MOET are private.

²¹ This regulation is called *state management* in Vietnam and includes mainly responsibility for policy and legal development, sector planning and monitoring and quality assurance (such as standard setting, curriculum development, accreditation)

²² This kind of ownership is also called *direct management*.

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Table 6: Synopsis of the (formal) TVET landscape

	Short programmes (less than 1 year)	Long term programmes (1-3 years)
Enrolment	under GDVT: 1.08 million (2006)	under GDVT: 260.000 (2006) under MOET: 550,000 (2007)
Qualification	Vocational Certificate	Vocational and technical diploma
Institutions	<p>under GDVT (2007): 40 Vocational Colleges 232 Vocational Secondary Schools 599 Vocational training centers <i>about 30% of institutions are private</i></p> <p>under MOET: 272 Technical Secondary Schools 228 Colleges und Universitäten <i>about 25% of institutions are private</i></p> <p>Other (non- and informal) TVET provision: <i>(Labour exchange and vocational counselling offices, craft villages, training provided by companies, etc.)</i></p>	
Occupational areas	226 vocations in the following occupational sectors: Industrial production, construction, agriculture, health, tourism, transport.	

Source: MoLISA 2006b; Information provided by GDVT and MOET/Department of Technical and Vocational Education

With the Vocational Training Law of 2006, a new three-tier qualification structure was introduced in the MoLISA/GDVT administered TVET system, structured into vocational *elementary* level provided in vocational training centres, vocational *secondary* level provided in secondary vocational schools, and vocational *diploma* level in vocational colleges (see also Table 7). In parallel to the GDVT system run the programmes in the technical secondary schools under MOET and various technical and vocational programme at secondary level provided in colleges and universities under the MOET. Training is currently provided in a total of 226 vocations in the occupational areas of industrial production, construction, agriculture and health (see Table 6).



Theoretically, the new qualification structure provides for vertical permeability in the system and is also supposed to allow graduation from TVET into higher education. However, this system of permeability is not yet fully implemented. In particular the interfaces between TVET and higher education still need to be agreed upon between MoLISA and MOET.

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Table 7: Qualification levels in the (GDVT administered) TVET system

Level	Institution	Certificate	Entry qualification	Duration
<i>Vocational elementary level</i>	Vocational training centres	Vocational certificate	none, or according to needs of the labour market	below one year (short courses)
<i>Vocational secondary level</i>	Vocational secondary schools	Vocational secondary diploma	Grade 12 complete	1 - 2 years
			Grade 9 complete	2,5 - 3 years
			Grade 9 complete with vocational certificate and 2 years work experience	1,5 - 2 years
<i>vocational college level</i>	Vocational college	Vocational college diploma	Grade 12 complete	3 years
			Graduation of vocational secondary or technical secondary school	1,5 - 2 years
			Technical secondary school plus 2 years work experience	1 - 1,5 years

Source: Minh 2005

Enrolment in the formal system grew substantially during recent years. Between 2001 and 2006 the number of students within the GDVT administered system alone doubled, from 526,000 to almost 1,340,000, of which more than 1 million were students in short courses. In 2007, GDVT was responsible for 871 TVET institutions in total including 40 vocational colleges, 232 secondary vocational schools and 599 vocational training centres²³. MOET at the same time managed around 272 technical secondary schools and 228 colleges and universities that were also delivering TVET level programmes²⁴ providing TVET for some 550,000 students. With increasing access to TVET, the share of the labour force with TVET qualification grew from 13,4% in 2001 to almost 20% in 2006²⁵.

The Vietnamese TVET environment further includes more than 800 other providers (for example employment service offices) offering short term training courses. Formal apprenticeship training also exists legally but is hardly implemented. Another important mode of training is informal training, mainly on the job training, which is formally not recognised at the current moment.

While access is constantly improving, equity of access remains an issues. Access to TVET for the highest income quintile is almost double (5,5%) that of the lowest income quintile (2.9%) according to Vietnam Living Standard Survey of 2002. Furthermore, the likelihood of getting access to TVET is significantly lower for rural youth, ethnic minorities, unregistered migrants and people with disabilities²⁶.

Quality/relevance

Probably the most severe problems of the Vietnamese TVET system are related to quality and relevance of the training, i.e. the training is not oriented on the demands of the labour market and does not produce the skills needed by industry. At a online conference on May 31, 2008, Deputy Minister of Labour, War Invalids and Social Affairs, Dam Huu Dac, said the cooperation between schools and businesses was loose, and that vocational schools offered training courses based on their own resources and capacity, not on the demand of

²³ MoLISA 2007b.

²⁴ Information provided by MOET, Department of Technical and Vocational Education.

²⁵ MoLISA 2007b.

²⁶ GSO/MOH 2004; Vietnam Development Report 2007; VHLSS 2002.

requirements of corporations. Deputy Prime Minister and Minister of Education and Training, Nguyen Thien Nhan, added that training curricula were often impractical and most teachers, among over 30,400 teachers nationwide, were unqualified.



Surveys and other studies suggest a substantial degree of dissatisfaction of employers with skills and competencies of the formally qualified workforce. The Investment Climate Assessment conducted by the World Bank found that 22% of businesses consider the shortage of adequately skilled labourers a major constraint of doing business in Vietnam²⁷. Furthermore, the fact that despite of skilled labour shortages a relatively high share of TVET graduates are among the unemployed²⁸ may indicate a mismatch between the skills of

TVET graduates and what is needed in the labour market. ADB labour market surveys indicated that workers lacked in particular practical skills and work experience²⁹.

Major reasons for the quality and relevance problems in the system include:

- Outdated and inflexible curricula, which are not in tune with labour market demands;
- Low technology standards in training institutions. According to MoLISA³⁰ only 20% of all TVET institutions have modern equipment;
- Inadequate qualifications of TVET teachers, in particular shortage of practical skills;
- As described below, a financing system that rewards quantity of training instead of quality;
- Insufficient cooperation between TVET institutions and industry; insufficient participation of employers in TVET;
- Low reputation of TVET.

Major steps towards improving relevance have already been made by consolidating the qualification structure into the new three tier system (see Table 7). In parallel, a new system of occupational standards, standard-based curriculum development and assessment is currently been developed and implemented mainly with support from the ADB-led *Vocational Training and Education Project*. According to the new procedures, standards are developed according to the DACUM method with participation from the world of work. To improve the standards of training institutions, the government is currently channelling substantial capital investments into the rehabilitation of training institutions.

But major challenges remain. Nguyen Thi Hang, President of Vietnam Training Association, addressed six key challenges³¹:

- (1) Policy and legal regulations should be established in order to provide incentives for young people and [TVET] employees. At the same time, awareness of importance of the vocational training should be raised.
- (2) The network of vocational training institutions should be enlarged – namely in disadvantaged and under-developed areas to allow improved access to TVET for young people and untrained employees.

²⁷ World Bank 2007, 102

²⁸ VHLSS data for 2004 show that the share of skilled workers with certificate and vocational secondary school graduates among the unemployed were higher (8.26%) than their share among the employed (5.99%). See World Bank 2007, 105.

²⁹ World Bank 2007, 171.

³⁰ MoLISA 2007b, page 5

³¹ Source: Employment and Social Affairs Magazine, 1st July 2008

- (3) TVET curricula should be updated more frequently and training programs should be more flexible.
- (4) De-facto qualified workforce have no access to certificates through skills evaluation at the work-place.
- (5) Policy and legal regulations for vocational teachers need to provide more incentives and development opportunities.
- (6) Central Ministries and the industry should collaborate closely with local governments to improve access to TVET.

A specific issue is the development of industrial human resources for foreign companies in Vietnam. Foreign direct investments have been crucial for the successful combat against poverty and are key for the economic and social development of Vietnam. Junichi Mori (UNIDO, Vietnam Country Office) and Nguyen Thi Xuan Thuy (Vietnam Development Forum) argue that shortage of good instructors seem to be the most decisive condition for the low quality of TVET Programmes.³² Given that in Vietnam advanced technology in many cases is firstly provided by foreign investors and then transferred to employees and clients of FDI enterprises the question arises, how to speed up spill-over of knowledge and technology from FDI enterprises to TVET institutions. The problem here, however is, how to facilitate co-operation in this respect between TVET institutions and foreign companies. Obviously incentives are necessary to stimulate a cooperative environment for both sides. The project for strengthening training capability for technical workers in Hanoi Industrial College can be a good example of collaboration between higher vocational education and enterprises. The project received manufacturing orders from enterprises to acquire practical skills and techniques. Under instructions of experts students produced many products, samples, and manufacturing tools ordered by FDI and local enterprises. In addition, the project also implemented an internship program in enterprises.

In a tele-conference held by the Ministry of Labour, Invalids and Social Affairs (“Enterprises Cooperate with vocational trainings centres”, Vietnam News, 03.06.2008) Deputy Prime Minister Nhan affirmed the importance of school education and practice at enterprises. So far, about 40 percent of enterprises have co-operated with vocational training centres of which 37.1 percent have signed contracts. 28.6 percent of companies received TVET students for internships.

Financing

The general knowledge about cost and expenditure in TVET in Vietnam is very weak, constituting a severe constraint to realistic sub-sector planning. A recent GTZ study³³ has characterised major funding structures as follows:

Only public TVET institutions receive substantial public funding to cover both recurrent and capital costs. However, actual allocations per student appear to decline. For *long-term programmes* regulated under GDVT institutions receive public funding allocated through a per-capita quota system. The budget norm per training place is 4,3 million VND per annum, while actual allocations are often lower. *Elementary level TVET* which is provided in short courses is not part of the quota system. Vocational training centres only receive little base funding from their parent sponsoring organisation. Underfunding, therefore, appears to be more severe in elementary level TVET than in higher level. All institutions receive some subsidies to capital investment, GDVT regulated institutions mainly under the *Strengthening Vocational Training Capacity* Component of the National Target Programme Education. Until to date, allocations per school are rather low and untargeted.

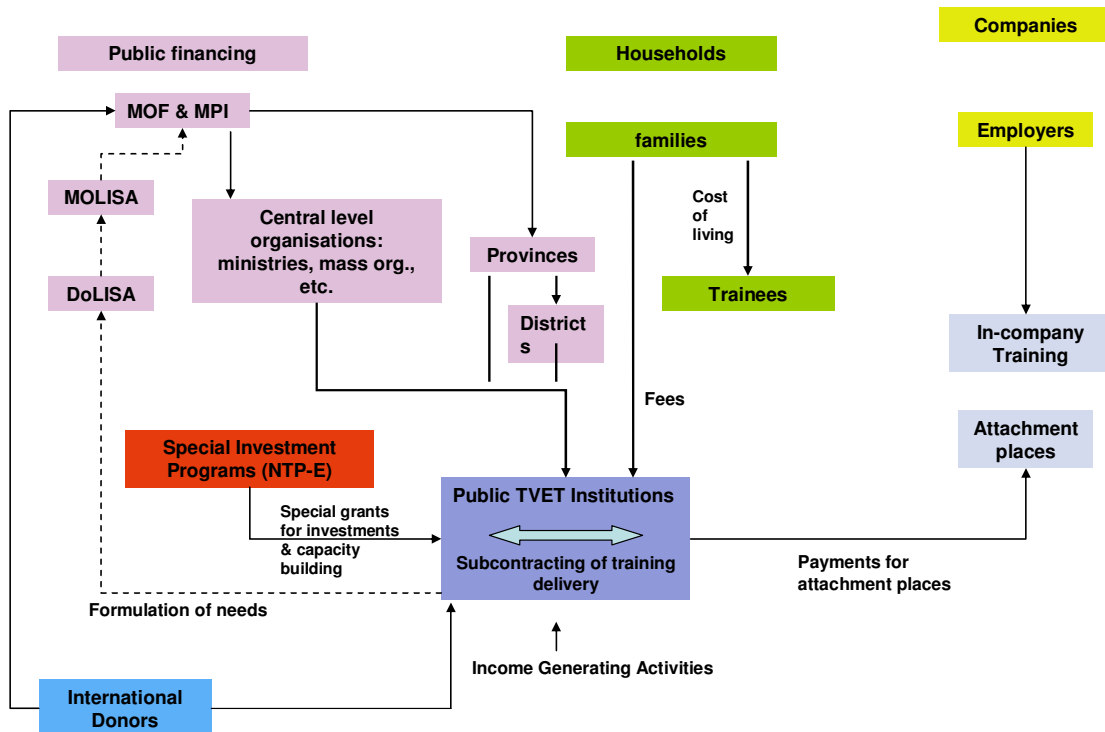
³² Mori, Junichi and Nguyen Thi Xuan Thuy: Development of Industrial Human Resources for FDI-oriented Industrialization in Vietnam, UNIDO Vietnam Country Office and Vietnam Development Forum

³³ Franz 2007.

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Due to a rather intransparent way of budget allocation and reporting, there is no solid information about aggregate public spending on TVET at the moment, nor reasonably accurate knowledge about unit costs and cost implications of the envisaged increase in enrolment and training quality during the next years.

Core Flow of Funds in Public TVET System (under MOLISA)



In view of declining public per capita allocation *tuition fees* have developed into the single most important source of income for TVET institutions. As fees public institutions are capped (120,000 VND/month) most TVET institutions try to maximize enrolment in order to increase institutional revenues. The current financing framework thus creates incentives to increase enrolment numbers at the expense of training quality.

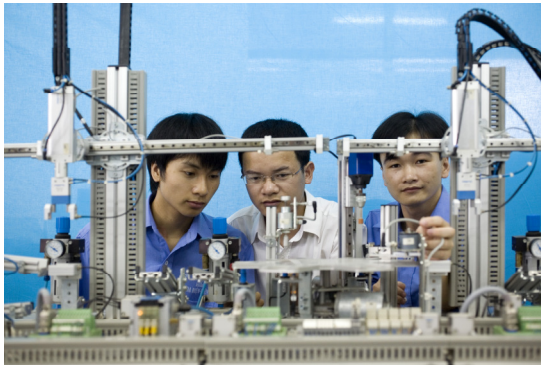
Trainees from marginalised and poor households are exempted from paying fees, and institutions are compensated by government through a variety of special programmes for marginalised groups (poor families, war orphans, etc.).

Other income sources including from Income Generating Activities (IGAs) appear to be marginal, overall. Selected TVET institutions have received funding from international donor programmes.

Private training providers, which have been growing in number during recent years, are usually fully self-financing. The main source are tuition fees. They do not receive any regular state funding. In line with the *socialization* policy, the Vietnamese Government explicitly encourages the establishment of non-public training providers and has already established a sound legal basis for private institutions (including commercial schools) to develop. Nevertheless, the growth of the private TVET sector appears to fall short of expectations due to ineffective implementation of existing support policies, lack of competitiveness of private

providers vis-à-vis the state training sector and a generally low reputation of private relative to public providers among the population.

With the exception of state-owned enterprises, the preparedness of companies to invest in training is still low, but appears to develop slowly. On the one hand, it is a widespread practice, for example, that TVET institutions provide financial compensation for training related costs to companies if these accept trainees for attachment. Companies are also involved in selling training opportunities directly to young labour market entrants. Allegedly, it is common practice in the garment industry that school leavers undergoing short term skills training in company-owned training facilities pay tuition fees during an initial training period, and also accept wage deductions during the first months of productive work in the factory until they are considered fully productive.



Figures are lacking, but it appears that on the other hand large and often foreign companies as well as companies involved in technologically advanced production are more likely to invest in training, either through company-based training facilities³⁴ or through buying staff upgrading programmes in the training market. In the case of advanced and specialised skill areas, companies are even prepared to pay training fees well above the normal tuition rates in the TVET market. There is also an increasing trend that sector and

professional organisations embark on initiatives to organise training (for example in the textile sector and in the field of mechatronics). Although the Government explicitly encourages employer-based training³⁵, attractive incentive packages are still lacking.

Governance issues

A major governance and management problem in the Vietnamese TVET system is the imprecise division of responsibilities between MoLISA and MOET. A system reform in 1998 transferred the state management responsibility for TVET from the Department of Technical and Vocational Education in MOET to the General Directorate for Vocational Training (GDVT) in MoLISA. MOET kept the responsibility for higher technical education. However, also the technical secondary education programmes remained with MOET. These are at post-junior secondary level programmes, content-wise similar to the vocational secondary programmes under MoLISA. Furthermore, the delineation between MoLISA and MOET college-level programmes appears fuzzy and disputed. This situation causes duplication of training offers and confusion among the beneficiaries. At the moment, effective coordination mechanisms between the TVET departments in MoLISA and MOET do not exist.

Significant responsibilities for planning and the implementation of regulations and policies rest with the provincial Departments of Labour and Education respectively (DoLISAs and DOETs). At all administrative levels, the relatively intransparent public financial management system with its in-built de-linkage of policy making and budget allocation is a serious impediment to effective and target-oriented TVET planning and policies implementation³⁶.

With the new Education and TVET Acts in 2005 and 2006 respectively, TVET institutions enjoy a relatively high degree of autonomy, for example with respect to enrolment and

³⁴ MoLISA (2007b, Art. 3.1) counts a total of 143 training institutions attached to enterprises in Vietnam, however, also mentioning that mainly the large corporations run own centres.

³⁵ Cp. Chapter V of the Vocational Training Law 2006.

³⁶ Franz 2007, section 3.2.

recruitment, programme planning and financial management. However, lack of management skills at training-institution level often tend to prevent public TVET institutions to use their newly gained scope of responsibilities in a productive, innovative and development-oriented manner. Capacity building of TVET management staff at all levels still is a matter of priority.

At the current moment, there is no institutionalised participation of non-governmental stakeholders in the governance of TVET. However, some initiatives have started to create stakeholder advisory and management bodies at school level in the context of individual, usually donor-financed programmes operating at the TVET institution level.

The Way Ahead

The Government of Vietnam is well aware of the deficiencies of the current TVET system and its inadequacy to respond to the needs of a rapidly growing and modernising economy that strives for increasing international competitiveness. It has therefore engaged itself in a major reform of the TVET system that aims at increasing access and equality to access, revamping the system towards demand- and market orientation, improving the quality of training, raising levels of qualifications, as well as increasing financial resources and securing sustainability. It is planned to increase the share of technically and vocationally skilled people to 26% of the workforce in 2010 and 40% in 2020. According to recent statements of cabinet members, the target for 2020 has now even been increased to 50%³⁷.

Concretely, on the reform agenda are the following major targets and goals, which were formulated in a range of recent policy papers and decisions³⁸ (see also Table 8) :

- Increase of total enrolment in the GDVT administered system from 1.34 million in 2006 to 1.7 million in 2010.
- Relative increase of the share of higher level long-term training programmes, from 20% currently to 30% in 2010 and 50% in 2020. This means an absolute increase of college-level enrolment of 96,500 training places between 2007 and 2010, and 105,000 training places at vocational secondary level³⁹;
- Extension of the number and establishment of a network of public TVET institutions (under GDVT) including focal schools and satellite schools, while emphasis will be given to schools at higher qualification levels. The target is to have 90 vocational colleges by 2010 and 250 by 202; 70 vocational secondary schools in 2010 and 400 in 2020, of which 40 are focal schools and three satellite schools which will reach international standards, and 750 vocational training centres. It is planned that each province and city will have at least one vocational college or secondary school and each district (or provincial city) at least one vocational training centre.

The distribution of schools in the country will ensure that all regions and provinces are served appropriately to their population and their economic structure thus supporting equity of access and availability of skilled labour in growth areas.

³⁷ Viet Dong 2007.

³⁸ Important documents include the Report of the State of TVET during the Phase 2001-2006. Aims and Activities for the Development of TVET until 2010 of May 2007 (Reference is based on the German Translation: Bericht über den Stand der Berufsbildung in der Phase 2001-2006, Ziele und Massnahmen zur Entwicklung der Berufsbildung bis 2010. (Translated by VietVision for TVET Project); and the Announcement of the Decision of the Approval of the "Planning for the Development of a Network of Vocational Colleges, Vocational Secondary Schools and Vocational Training Centres until the Year 2010 and Orientation until the Year 2020" of October 2006 (Reference based on German Translation: Entscheidungsschreiben über Genehmigung der „Planung zur Entwicklung eines Netzes der Berufscolleges, Berufsschulen der Mittelstufe und Training Centers bis zum Jahre 2010 und Orientierung bis zum Jahr 2020“. MOLISA Nr.: 07/2006/QH-BLDTBXH, Hanoi, 2. Oktober 2006. Veröffentlicht in der Law Gazette Nr. 43/44 am 23.10.2006. (Translated by VietVision for TVET Project.)

³⁹ MoLISA 2006b.

Table 8: Synopsis of TVET targets under GDVT

	2007	2010	2020
Enrolment (total number)			
college level	29,500	126,000	
secondary level	275,000	380,000	
elementary level	1,100,00	1,194,000	
Share of total enrolment (in %)			
college level	2.1	7.5	15
secondary level	19.6	22.5	35
elementary level	78.3	70	50
TVET Institutions (number)			
Vocational Colleges	55	90	250
Vocational secondary schools	232	270	400
<i>of which</i>			
<i>focal schools</i>		40	80
<i>satellite schools</i>		3	10
Vocational training centres	616	750	900

Source: MoLISA 2006b

- Renovation of the qualification structure and establishment of occupational standards and standard-based, modular curricula. Development and distribution of modern learning and teaching aids. Facilitation of permeability between different qualification levels.
- Increase of number of technical teachers in order to reach a teacher/student ratio of 1/20⁴⁰. Upgrading and provision of further training to teachers and TVET managers. By 2010, all TVET teachers will have attained full qualification. 10% of all teachers in vocational colleges and secondary schools will have a post-graduate qualification. This ratio will increase to 30% by 2020.
- Improvement and consolidation of the system of TVET teachers education. Establishment of a center for training and further training of school manager.
- Major physical investments for the modernization of vocational colleges and vocational secondary schools. It is intended that by 2010, investments have been done in 60% of these schools. In 2020, investments will have been completed in all schools.
- Reform of the financial framework for TVET through “socialisation” of training costs. This means concretely a flexibilization and possible increase of training fees (while poor and marginalised groups will continue to be exempted or supported through loan schemes), stimulation of private investment of TVET including privatization/equitization of existing public schools and new private investments, increase of employers’ investment in TVET, increase of income of TVET institutions through commercial activities (income generating activities).
- Introduction of new TVET delivery schemes, in particular in conjunction with industry. Modes of cooperative TVET are currently being discussed.
- Development and implementation of an accreditation system.
- Decentralisation to lower administrative levels and TVET institution level.
- Promotion of the use of IT, and promotion of research in TVET.
- Promotion of internationalization of TVET in Vietnam.

These targets and goals appear to be well in line with international developments, and legal and regulatory initiatives and activities so far indicate a high commitment of government to approach the challenges and implement the envisaged reform steps. A major step forward was, for example, the adoption of the Education and Vocational Training Acts in 2005 and 2006 respectively. These acts set the framework, among others, for the introduction of far-reaching management autonomy at TVET institution level, incentive policies for facilitating the growth of private training providers, the introduction of the three tier-qualification system, and others. Furthermore, with the development of a system of occupational standards and modular curricula, supported by foreign donors, an important step was undertaken towards

⁴⁰ It is currently around 1/25.

quality improvement and quality control. Conceptual work in the areas of accreditation, financing and other important reform fields in ongoing.

An increasing number of cooperating partners are supporting the TVET reform in Vietnam. The German cooperation is about to complement its existing interventions (*Promotion of TVET Programme*) with a new project to assist the TVET system reform. The ADB plans to continue its substantial involvement in the field of quality assurance and support to selected training institutions. The ILO is about to start a programme financed mainly by the European Commission, which intends to focus on the development of a labour market information system, and support to other TVET reform and capacity building activities. Further donors include the Dutch NUFFIC (concentrating on forestry training), the EC (tourism training), and a new programme funded by Korea.

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