



National Institute for Vocational Training



VIET NAM VOCATIONAL TRAINING REPORT 2011



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FOREWORD

There are three pillars for sustainable economic development: (i) application of new technology, (ii) infrastructure development; and (iii) increasing quality of human resources, including those with vocational qualifications. The Vietnamese Government has also reiterated that increasing quality of human resources is one of three breakthrough solutions for implementing the Socio-Economic Development Strategy in the period 2011 - 2020. Developing and raising quality of vocational training is, therefore, a requirement set forth by the country, for the purpose of contributing to the enhanced quality of human resources and competitiveness of the overall economy.

With a goal to provide information to policy-makers, managers, vocational institutions, enterprises and laborers on Vietnam's vocational training status; and to international organizations with interest in and/or consideration for investment into vocational training fields in Vietnam, upon obtaining approval from General Directorate for General Department of Vocational Training, National Institute for Vocational Training (NIVT) has organized the development of the "Vietnam Vocational Training Report 2011". The Report is aimed to map out the overall "picture" of vocational training in Vietnam at present stage (updated as of December 2011); strengths, weaknesses and policy limitations on vocational training system, whereby to make recommendation for finalization of policy documents in the interest of enhancing effectiveness and efficiency of vocational training. However, due to time constraints, Vietnam Vocational Training Report 2011 is developed mainly on the basis of analysis of data published by competent authorities, such as General Statistics Office (GSO), Ministry of Labor, Invalids and Social Affairs (MOLISA)/ General Department of Vocational Training (GDVT). There might exist discrepancies among data published by different publishing agencies due to their different approaches, and these will be clearly explained in the report. Furthermore, by the time of publicizing the report (September 2012), some data and vocational training situation might be already different, but in order to ensure data consistency in terms of timeline, we do not use such different data in this report. In addition, the report also uses findings produced by some relevant surveys and thematic reports produced by GDVT.

Over and above foreword, the report is constituted of:

Part I: Key Findings.

Part II: Key Components of Vocational Training System (including 12 components).

Part III: Recommendations and Policy Implications.

Bibliography.

Appendices.

The report development process is joined by representatives of various departments within GDVT. Also, many workshops, forums, roundtables have been organized. Vietnam Vocational Training Report 2011 is developed within the framework of international cooperation between NIVT, German Federal Institute for Vocational Education and Training (BIBB) and GIZ Organization. Therefore, the report has received numerous comments in terms of ideas, content and formatting from these two organizations.

As it is drafted for the first time, Vietnam Vocational Training Report 2011 may not be able to avoid errors and mistakes. The drafting committee welcomes comments of all sorts from readers. Please forward such comments to NIVT at the following mail address: 100 Tue Tinh, Ha Noi, or via email: vien_khdn@yahoo.com.

Writing Committee

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The “Vietnam Vocational Training Report 2011” has been completed due to hard efforts by researchers of NIVT, active cooperation and support from various departments under GDVT, close and effective cooperation from GIZ Organization in Vietnam and German Federal Institute for Vocational Education and Training (BIBB).

The report is developed with the primary goal of providing information and evidence on vocational training to policy-makers, managers; vocational institutions, manpower training and development institutions, enterprises and laborers of Vietnam; international organizations with interest in vocational training in Vietnam. Furthermore, through the report development process, it is aimed to strengthen capacity for NIVT in terms of research and science management in the field of vocational training.

The report is developed by the authors team, including: Assoc.Prof.Dr. Mac Van Tien, MSc. Pham Xuan Thu, MSc. Nguyen Quang Viet, MSc. Nguyen Thi Hoang Nguyen, MSc. Mai Phuong Bang, BSc. Nguyen Thi Le Huong, MSc. Dang Thi Huyen, MSc. Nguyen Thi Minh Nguyet, MSc. Ha Duc Ngoc, MSc. Phung Le Khanh, BSc. Luu Tuan Anh, BSc. Nguyen Ba Dong and other reseachers of NIVT, and two international specialists (CIM), Dr. Steffen Horn and Mr. Michael Buechele, currently working in the Institute.

We would hereby like to express our sincere thanks to the general directorate of GDVT, especially Dr. Nguyen Tien Dzung – Director-General for his approval and direction given to us, and Assoc.Prof.Dr. Cao Van Sam – Deputy Director General, for his direct guidance and comments to the report right from the conceptualization stage through to report finalization. We highly appreciate active support and provision of information to the report by the leadership and collaborators of various departments under GDVT. In addition, we also highly appreciate the technical and financial support given by GIZ Organization in Vietnam and particularly direct support and comments provided by the following individuals: Dr. Horst Sommer (Coordinator for the Priority Area of Technical and Vocational Education and Training, Director of Programme Reform of TVET), Beate Dippmar (Senior Technical Advisor), Philipp Lassig (Technical Advisor) MA. Nguyen Dang Tuan (Project Coordinator) and other colleagues Programme Reform of TVET in Viet Nam Division of GIZ. We would like to thank for the effective collaboration of colleagues from BIBB, especially H.E. Manfred Kremer, former president and H.E. Prof. Dr. Friedrich Hubert Esser, President of BIBB, late Dr. Walter Matthias, H.E. Michael Wiechert...who have placed foundation for the collaboration between NIVT and German Federal Institute for Vocational Education and Training (BIBB) and conceptualization for Vietnam Vocational Training Report right from beginning years of collaboration; and Mrs. Ilona Medrikat and Mrs. Flemming Simone for their very specific technical support toward the report finalization. On this occasion, we also want to appreciate the active collaboration of vocational institutions, enterprises in terms of their participation in quick survey which provides valuable practical information for this report.

Last but not least, we would really like to express our great thanks to all researchers of NIVT, including both those named here and those without, for their active contributions in the process of formulation and drafting of this report.

Director

Assoc.Prof.Dr. Mac Van Tien

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ACRONYMS

ACMECS	Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy
ADB	Asian Development Bank
APQN	Asia-Pacific Quality Network
ASEAN	Association of Southeast Asian Nations
ASEM	The Asia–Europe Meeting
DACUM	Develop A Curriculum
DARD	(Provincial level) Department of Agriculture and Rural Development
DOET	(Provincial level) Department of Education and Training
DOLISA	(Provincial level) Department of Labor, Invalids and Social Affairs
EU	European Union
FDI	Foreign Direct Investment
GDVT	General Department of Vocational Training
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GSO	General Statistics Office
HCMC	Ho Chi Minh City
ILO	International Labor Organization
LILAMA	Vietnam Machines Assembly Association
MARD	Ministry of Agriculture and Rural Development
MCST	Ministry of Culture, Sports and Tourism
MOC	Ministry of Construction
MOD	Ministry of Defense
MOET	Ministry of Education and Training
MOF	Ministry of Finance
MOH	Ministry of Health
MOIT	Ministry of Industry and Trade
MOLISA	Ministry of Labor, Invalids and Social Affairs
MPI	Ministry of Planning and Investment
MPI	Ministry of Planning and Investment
NIVT	National Institute for Vocational Training
NOSS	National Occupational Skills Standards
NQF	National Qualifications Framework
NTP	National Target Program
NVQF	National Vocational Qualifications Framework

ODA	Official Development Assistance
SB	State Budget
SME	Small and Medium-Sized Enterprises
UNDP	The United Nations Development Programme
VC	Vocational College
VCA	Vietnam Cooperative Alliance
VGCL	Vietnam General Confederation of Labor
VINACOMIN	Vietnam National Coal and Mineral Industries Group
VINASHIN	Vietnam Shipbuilding Industry Corporation
VND	Vietnam Dong
VSS	Vocational Secondary School

KEY FINDINGS

Vietnam Vocational Training Report 2011 is structured into 12 sections. Although the report was developed on the basis of existing and, in some instances, incomplete statistical data, it has shown a “picture” with “multiple colors” on vocational training in Vietnam and also not merely the picture for 2011 but also that of the actual vocational training status in Vietnam at present stage. Through analysis, the report has found the following key observations:

1) Mechanisms and policies on vocational training are relatively consistent and well-articulated, but are yet to be ablished to increase the quality of vocational training

- After the birth of the Law on Vocational Training (2006), a relatively uniform and consistent legal system for vocational training has been established.
- Mechanisms and policies on vocational training have created an opportunity for vocational learning for all those who have actual demands for vocational learning to easily participate in vocational learning; and helped form and develop a pool of vocational trainers in both formal vocational institutions (vocational institutions) and vocational institutions in enterprises and vocational villages.
- Several policies have been elaborated and promulgated which prioritize vocational training for underprivileged groups such as ethnic minority people, the poor, and people with disability, as well as for demobilized soldiers, for laborers in regions which transform the purpose of land use, and for rural laborers. Vocational training for rural laborers (Decision No. 1956/QD-TTg) is a new policy with great significance for rural farmers in terms of raising their vocational

skills, contributing to increased labor productivity, income and poverty reduction in Vietnam.

- The State has put in place the policy for strengthening socialization in vocational training; and it mobilized various non-State sources for vocational training.

- However, mechanisms and policies for vocational training are not yet established enough to enable a strong development of vocational training. While mechanism and policies are issued, they are neither specific enough, nor are the implemented in practical terms.

2) The labor market is having strong impact on the vocational training system

- Although the population growth rate has decreased, population and the scope of labor are still very large. Vietnam’s population structure falls within the “young population” category, with the number of people less than 24 years of age accounting for more than one third of the total population. These are potential “inputs” for vocational institutions.
- Population and laborers are concentrated mainly in rural areas. Therefore, the vocational training universalization should be focused on rural laborers.
- Even though the share of laborers with technical expertise which is comprised of trained laborers and those with vocational qualifications in labor force tends to increase, its total amount remains low, and it is, failing to satisfy requirements of the economy and labor market. In particular, the share of laborers with technical qualifications among rural laborers is far lower than that in rural areas.

- The pay has started to reflect the true value of labor capacity, with trained laborers receiving a pay level which is 1.39 times higher than untrained laborers.

- Labor productivity of Vietnamese laborers has doubled since the 5 year period from 2005 to 2010. Nevertheless, labor productivity of Vietnamese laborers remains far lower than that of countries in ASEAN bloc and Asia.

3) The vocational institution network has developed widely and diversely but unevenly across different professions and regions.

- The number of vocational institutions, especially the one of the vocational centers (vocational centers), has increased rather rapidly in the last 10 years.

- The occupational groups for which many vocational institutions deliver trainings include mechanical engineering technology, electrical engineering technology, electronic engineering technology and information technology... However, few institutions, particularly vocational colleges, deliver trainings on occupational groups falling within agriculture area.

- Vocational institutions are unevenly distributed among socio-economic regions, economic zones and among local areas within each region. Vocational institutions, particularly vocational colleges and secondary vocational schools are mainly concentrated in urban areas.

- Non-formal vocational institutions tend to increase in quantity but still account for a low share of the total of vocational institutions and mainly deliver trainings on occupational groups with low investment level.

4) The pool of vocational managers has rapidly developed with improved quality, but their management skills still remain limited

- Vocational managers employed by the the Government, like in the Ministry and Departments of Labor or Invalids and Social Affairs have a high level of educational achievements and professional expertise. However, their foreign language capacities and specialization management skills are still limited. Compared against the requirements for development and enhancement of quality of vocational training, these managers at DOLISAs are yet to meet such requirements in terms of quantity, structure and quality. In particular, their managerial experiences and skills in vocational training are inadequate and require regular trainings.

- The pool of vocational managers in vocational institutions has been on rise, ensuring sufficient quantity as required by the function and organizational structure as regulated. Quality of these managers has improved in terms of both professional expertise and foreign language capacities. However, their modern institutional governance skills remain poor, with most of them yet to receive any training on how to manage vocational institutions. There has been not yet any institution in place which offers trainings to vocational managers.

5) Vocational teachers have rapidly grown in numbers; their performance has improved but not to a significant level they are yet to meet requirements of enhanced training quality.

- The pool of vocational teachers has rapidly increased. Their structure and quality have improved in terms of professional expertise, pedagogical and occupational skills, especially in vocational colleges and secondary vocational schools. However, compared against the requirement for increasing training size and quality, the current pool of vocational teachers has not yet met such requirements and it is imperative to strengthen training to improve performance of vocational teachers.

- There has been a shift in teaching practices from either pure theory teaching or pure practice teaching to an integrated teaching which involves both theory and practice.

- The low foreign language and IT capacities of vocational teachers have limited their abilities to update knowledge and technological advancements in their teaching.

6) The size of vocational admissions has rapidly increased, occupational groups have become more diverse but the share of streaming into vocational training still remains very low.

- A radical shift has been observed in vocational admission, from top-down quota assignment to admission registration based on actual training capacity of the host vocational institutions, demands of the society and apprentices themselves.

- While the size of vocational admission has increased, the proportion of vocational learning of less than one year still makes a big share. The structure of vocational students has observed a positive shift, with technical, technological and service occupational groups having high rates of admissions.

- Opportunities have been provided to all those with apprenticeship demands to study appropriate occupations. Emphasis has been placed on vocational training for policy beneficiaries, underprivileged groups in labor market.

- While the size of vocational admissions has increased, the proportion of lower and upper secondary graduates who continue into vocational training remains very low, failing to realize the goal of streaming set forth in the strategy for education development in the period 2001 - 2010.

7) The share of vocational graduates who work suitable with their training occupations and qualifications has

increased on a gradual and sustainable basis.

- Due to selecting occupations which are right and suitable with demands of labor market, graduates from vocational colleges and secondary vocational schools who can find jobs suitable with their training occupations and qualifications make up a significant share, especially those from vocational colleges. Occupations with a high rate of graduates finding jobs within their profession include welding, industrial electrical engineering, metal cutting, etc.

- The salary paid to laborers with vocational qualifications is higher than average wage and far higher than those with no technical skills.

- A proportion of vocational graduates choose not to work immediately but to continue with further studies or they wait for opportunities to continue studies in higher learning levels.

8) Infrastructure and equipment for vocational training have been strengthened but these are still inadequate, failing to meet requirements of enhanced quality of vocational teaching and learning.

- Compared against prevailing regulations, the construction areas of many vocational institutions, especially vocational colleges and secondary vocational schools, have been satisfied. However, such other conditions as practice workshops, dormitories for students, libraries...have in most cases neither met defined standards nor satisfied vocational learning demands of students; this concerns especially students in the secondary vocational schools.

- In most vocational institutions, except for those which receive new investments from National Target Program (NTP) and those

which enjoy support from ODA-funded projects, teaching and learning equipment remain obsolete, inadequate and non-uniform, especially those in poorer provinces.

9) Developing national occupational skill standards and organizing occupational skill assessment will form the basis for increasing training quality and creating conditions for vocational training to meet requirements of labor market.

- The development of national occupational skill standards is done using internationally advanced method, with the participation from enterprises and specialists in the field of vocational training. In essence, popular occupations have already had national occupational skill standards accompanied thereof.

- Initial improvements have been made in terms of establishing the pool of well-trained evaluators, who can undertake the tasks of evaluation occupational skills of laborers.

- While occupational skills evaluation for laborers in Vietnam are still in nascent stage and being piloted, there have been created opportunities for laborers to find jobs and enjoy better remunerations and at the same time for employers to make a more commensurate pay to their workers.

10) Vocational training quality accreditation – the first step in demonstrating “trademark” of vocational institutions, encouraging more equitable competition.

- Vocational training quality accreditation is a new exercise in Vietnam but its initial successes have been realized. Criteria and standards for vocational training quality accreditation are formulated using internationally advanced methods.

- A pool of well-trained accreditors has been established who can satisfy the regulated

standards and are able to undertake the tasks of accrediting quality assurance conditions of vocational institutions.

- The accredited vocational institutions will create trust for apprentices and employers as well. However, because the incentive policy has not been put in place, motivation has not yet been generated for vocational institutions upon accreditation.

11) While the financial resources for vocational training have been attended to, from resources allocation to utilization, these have not been done in a uniform and effective manner.

- Sources of financial investment for vocational training take diverse forms, including State Budget, contributions from trainees, vocational institutions, enterprises and foreign investment, of which, State Budget is, in an overall sense, still the main source and continues to increase.

- The spending from State Budget have been adjusted, with more priority on targeted groups (i.e. development of teaching staff, construction of high-quality vocational institutions, support for policy beneficiaries, underprivileged populations...). Overall speaking, however, this is still ineffectively and inefficiently done.

- National Target Programs have achieved initial successes and have impact on all operations of vocational training system, geared toward enhanced effectiveness and efficiency.

- ODA-funded projects have been bringing about positive influences, contributing to increased quality of vocational training in Vietnam.

12) Cooperation with corporate sector in vocational training has just been started but confirmed as a right track

- Vietnamese enterprises have developed rather rapidly with high demand for human

resources with vocational qualifications, but they have not yet paid attention to developing human resources for their own.

- Some enterprises have opened vocational institutions (mainly large enterprises) to take an active role in their human resources training and provision, but their capacity to supply human resources is still limited.

- Enterprises have taken initial steps in participating directly in vocational training activities at both macro and micro levels.

- Vocational institutions and enterprises have entered into many diverse and rich forms of mutually beneficial cooperation for the benefit of laborers and apprentices. However, this cooperation has not yet been actually sustainable because it is still based on traditional relationship instead of legally binding obligations and social responsibility.

- NIVT is currently conducting research to deliver the vocational training package for enterprises with the technical support from GIZ Organization.

13) International cooperation in vocational training has been increasingly strengthened but the capacity for international integration should be enhanced.

- In the context of Vietnam's deep and wide integration into international arena, international cooperation in vocational training has been strengthened and implemented both at macro level and in individual vocational institutions.

- The forms of international cooperation in vocational training are diverse and rich, ranging from raising capacity for policy-making to improving enabling conditions for quality assurance of vocational within the vocational training system.

- Vietnam has selected several countries which have been successful in vocational training development as strategic partner,

including Federal Republic of Germany. In recent past, the German Government has provided active and effective support to Vietnam through several vocational training projects.

- However, the capacity for international integration of vocational training system in general and of vocational institutions in particular remains limited. There is a wide gap between occupational and practical skills of Vietnamese laborers and that of developed countries in the region and worldwide. As such, strengthening and expanding international cooperation for the sake of increasing quality of vocational training as well as enhancing capacity for international integration of the vocational training system is of crucial importance.

14) Vocational training for rural laborers – a core highlight of vocational training in Vietnam

- Vietnam has paid attention to increase the quality of rural human resources through vocational training activities.

- The vocational training for rural laborers in accordance with the Scheme 1956 has recently been delivered by shown a prospect for meeting the expectations of rural laborers and society.

- The results of vocational training implementation under different models have been considered effective, with a high proportion of graduates finding suitable jobs, improving labor productivity and quality, contributing to poverty reduction in rural areas.

The findings presented in the report, albeit incomplete, will be a basis for adjusting relevant vocational training policies and practices.

1. OVERVIEW OF VOCATIONAL TRAINING POLICIES

In 2006, the National Assembly approved the Law on Vocational Training, paving a legal corridor for vocational training. In implementing this Law, State management agencies in respect of vocational training have promulgated relevant by-laws elaborating the regulations and putting forth the policies to foster vocational training at the satisfaction of direct technical manpower demands in the course of production and service provision to cater to the

industrialization and modernization of the country and international integration in terms of human resources for society.

1.1. Policies for apprentices

Overall policies

- This includes policy on direct admission and priority policy on admission consideration and admission exams by type of learner and region.

Box 1: Eligibility conditions to undertake articulated learning at different vocational levels

Eligibility conditions to undertake articulated learning at different vocational levels are regulated as follows:

1. Those who have certificates of elementary vocational training and diploma of upper secondary education graduation and above and have the need to upgrade to intermediate qualifications shall be eligible for consideration for admission.

2. Those who have a secondary vocational graduation diploma and have the need to upgrade to vocational college qualifications shall: (i) be directly admitted into such a higher course if they were ranked “good” in the diploma and (ii) have at least one year of work experience linked to the training specialization to be eligible to apply.

3. Those who have graduated from secondary vocational schools and vocational colleges, should they wish to articulate into another occupation so as to obtain the second diploma at intermediate or collegiate level shall be eligible to apply.

4. Those who have a graduation diploma on vocational training or equivalent, should they have demand, shall be eligible to articulate into intermediate level, specifically as follows:

- If they have upper secondary graduation diploma, they shall be directly admitted into articulation program, including supplementing occupational knowledge and skills to reach intermediate qualifications.

- For those who only have lower secondary graduation diploma, apart from the program which supplements occupational knowledge and skills as if they were upper secondary graduates, they have to complete the education program for upper secondary education level as regulated for secondary vocational level.

Source: Decision No. 53/2008/QĐ-BLĐTBXH dated 06/5/2008 of the Minister of Labor, Invalids and Social Affairs issuing the regulations on training articulation between vocational levels.

- Eligible to undertake articulated learning at different vocational training levels.

- Policies for exemption and reduction of tuition fees: (i) tuition fees will be reduced by 70% for pupils and students who study poisonous and hard occupations; (ii) by 50%

for pupils and students children of cadres and civil servants either father or mother who got an accident at work or an occupational disease leading to a regular allowance provided; graduates of lower secondary schools admitting to vocational learning.

Box 2: Incentive scholarship level for vocational learning

Incentive scholarship level for vocational learning shall be provided in the following principle:

- Incentive scholarship for vocational learning for pupils and students with learning achievements of outstanding level shall be at a minimum equal to current tuition fee ceilings which such pupils and students have to contribute to the host secondary vocational schools and vocational colleges.
- Incentive scholarship level for vocational learning for pupils and students with learning achievements of good level shall be higher than that for students with learning achievements of outstanding level.
- Incentive scholarship level for vocational learning for pupils and students with learning achievements of excellent level shall be higher than that for students with learning achievements of good level.

Specific amount of scholarships of each situation above shall be regulated by principal/rector of host secondary vocational schools and vocational colleges. For private institutions and foreign-invested institutions, the minimum amount of incentive scholarship shall be regulated by rector of such private institutions.

Source: Decision No. 70/2008/QĐ-BLĐTBXH dated 30/12/2008 of the Minister of Labor, Invalids and Social Affairs on incentive scholarships for vocational learning.

- Incentive scholarships for vocational learning: (i) Pupils and students with learning results of outstanding, good and excellent levels and the practicing results of outstanding level or higher in the scholarship-considering period shall be given consolation scholarships for apprenticeships. (ii) Pupils and students who have been awarded prizes in vocational competence competitions and have the practicing results of outstanding level or higher shall be given consolation scholarships for apprenticeships for that respective year.
- Underprivileged pupils and students who study at vocational institutions shall be eligible to secure a loan for apprenticeship training.
- Pupils and students shall enjoy an exemption and reduction of charges when they use public services in transport, entertainment, visits to museums, historical relics and cultural works.

Policies for rural laborers

- Apprentices who are rural laborers falling under the category of incentive policy beneficiaries for their devotions to the

revolution, the poor households, ethnic minority people, handicapped people, people whose farming land has been acquired, shall enjoy supporting fees for short-term apprenticeships, reduced allowances for meals and travel.

- Apprentices who are rural laborers shall be supported a fee for short-term apprenticeships, given a loan to do so.
- Rural workers of ethnic minority backgrounds falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, households with a maximum income equal to 150% of that of a poor household shall, when participating in vocational training courses of intermediate and collegiate levels, enjoy vocational training policies for ethnic minority students
- Rural workers who are doing a stable job in rural areas shall, upon completion of the vocational training, be supported a complete (100%) interest on loan secured for the vocational training course.
- Rural workers shall be entitled to secure a loan for creating self-employed jobs upon completion of vocational learning.

Policies for youth

- Shall enjoy the incentive credit policy for their vocational learning.
- Shall enjoy the incentive credit policy for training and nourishing young businesspeople to start business, and expanding craft village.

Policies for the poor

- Tuition fees shall be exempted for pupils and students from poor households and those households which have a maximum income equal to 150% of that of a poor household.
- Supporting fees for short-term apprenticeships and reduced allowances for meals and travel shall be given to poor apprentices who are rural laborers.
- Rural workers of ethnic minority backgrounds falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, and households with a maximum income equal to 150% of that of a poor household shall, when participating in vocational training courses of intermediate and collegiate levels, enjoy vocational training policies for ethnic minority students.

Policies for invalids, handicapped people and people with disability

- They shall be advised on which occupation they should study in accordance with the ability of a disabled/handicapped person.
- They are allowed to participate in studying a suitable occupation.
- Tuition fee will be exempted for apprentices whose labor power is reduced by 41% or higher.
- Tuition fee will be reduced by 50% for apprentices whose labor power is reduced by 31% to 40%.
- Apprentices who are war-invalids, disabled, handicapped people falling under category not enjoying salary or reduced allowance during their study at vocational

institutions shall enjoy scholarship for policy beneficiaries.

- Social subsidy is provide to the disabled, handicapped people whose labor power has reduced by 41% or higher and who are not enjoy salary or reduced allowance or scholarship during the course of vocational learning or supplemental vocational learning.

Policies for ethnic minority people

- Graduates from ethnic minority boarding lower secondary schools and ethnic minority boarding higher secondary schools, including community boarding schools shall be directly admitted to secondary vocational schools.
- Tuition fees shall be waived for pupils and students of ethnic minority backgrounds and from poor households and households which have a maximum income equal to 150% of that of a poor household.
- Supporting fees for short-term apprenticeships and reduced allowances for meals and travel shall be given to apprentices from ethnic minority backgrounds who are rural laborers or female laborers.
- Shall enjoy policy scholarships.

- Students of ethnic minority boarding schools shall enjoy the same incentive policy when converting to vocational learning (i.e. exemption of tuition fees and admission, examination charges; policy scholarships, bonuses for learning achievements, support for buying personal utilities, reduced allowances for travel back and forth once a year, support for buying learning stationeries, textbooks, learning materials...)

Policies for demobilized soldiers

Box 3: Vocational training policy for boarding ethnic minority students

- Tuition fees and admission, examination charges shall be exempted.
- A policy scholarship of 280,000 VND per month.
- Bonus given once per year depending on learning and practicing results: 120,000 VND for students with outstanding results, 180,000 VND for students with good results, 240,000 for students with excellent results.
- A reduced allowance given for purchasing personal belongings: not exceeding 360,000 VND per student for the whole course of vocational training lasting one year or higher; not exceeding 240,000 VND per student the whole course of vocational training lasting between three months and less than one year.
- A reduced allowance given for travel once each year (both forth and back).
- Annually, a reduced allowance is given to purchase learning stationeries. The level of reduced allowance is 50,000 VND per student per academic year for intermediate and collegiate levels; 30,000 VND per student per academic year for elementary level.
- A reduced allowance is given during lunar New Year and national holidays: For students who stay back, they shall receive a supporting amount of 10,000 VND/student/stay.
-

Source: Decision No. 267/2005/QĐ-TTg dated 31/10/2005; Joint Circular No. 65/2006/TTLT-BTC-BLDTBXH dated 12/7/2006

- Apprentices who are demobilized soldiers shall receive one-off support from the State to join vocational training.

- If they study at intermediate and collegiate levels, they shall, apart from policies for apprenticeships, study according to the procuring mechanism. If they study at vocational elementary school level, they shall be conferred an apprenticeship card.

- They shall be entitled to secure a loan for vocational learning.

- Apprentices who are female workers falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, ethnic minority people, handicapped people, people whose farming land has been acquired, women who lost jobs from enterprises, shall enjoy supporting fees for short-term.

- Supporting fees for short-term vocational learning shall be provided to the remaining female workers.

- Female workers are also given supporting fees for short-term vocational learning and to secure a loan for vocational learning.

Policies for female apprentices

- Apprentices who are female workers falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, ethnic minority people, handicapped people, people whose farming land has been acquired, women who lost jobs from enterprises, shall enjoy supporting fees for short-term apprenticeships, reduced allowances for meals and travel.

- Female workers doing a stable job at the spot (at residence place) shall, upon completion of the vocational training, be supported a complete (100%) interest on loan secured for the vocational training course.

- Female workers of ethnic minority backgrounds falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, and households with a maximum income equal to 150% of that of a poor household shall, when participating in vocational training courses of intermediate

Box 4: Policy for supporting fees for short-term vocational learning for female apprentices

- Apprentices who are female workers falling under the category of incentive policy beneficiaries for their devotions to the revolution, the poor households, ethnic minority people, handicapped people, people whose farming land has been acquired, women who lost jobs from enterprises, shall be supported with a maximum of 3 million VND per person per course (the specific level of support will depend on occupation under consideration and actual timeframe for such a course).
- Apprentices who are female workers (both urban and rural areas) from households with a maximum income level equal to 150% of that of the poor household, shall be supported with a maximum of 2.5 million VND per person per course (the specific level of support will depend on occupation under consideration and actual timeframe for such a course).
- Other female workers shall be supported with a maximum of 2 million VND per person per course (the specific level of support will depend on occupation under consideration and actual timeframe for such a course).

Source: Decision No. 295/QĐ-TTg dated 26/02/2010 of the Prime Minister, approving the Scheme on “Support to Women’s Vocational Learning and Job Creation in the Period 2010 – 2015”.

- and collegiate levels, enjoy vocational training policies for ethnic minority students.
- Female workers shall be entitled to secure a loan for creating self-employed jobs upon completion of vocational learning.
- Female workers shall enjoy priority support in relation to trade promotion, product referrals upon their completion of vocational learning to join production and business as well as create self-employed jobs.

*** Policies for nominee apprentices**

- They shall be fully informed of nominee mechanism.
- They shall be provided scholarships/bursaries, waived tuition fees and enjoy other priority mechanisms in accordance with prevailing regulations of the State in the course of training period.
- Shall be received and assigned the task and the institution to work with upon their graduation.

1.2. Policies for vocational teachers/trainers

- Vocational teachers in public institutions shall enjoy salary policy and that on extra-time teaching. The salary for extra-time teaching is paid in advance by month or by semester and finalized by end of academic year (depending on specific conditions of respective institution during the course of operations).
- The teaching time of vocational teachers within the payroll of public vocational institutions will be accumulated to enjoy seniority allowances.
- Teachers who do the directing teaching in public institutions (not applicable for institutions under Ministry of Defense, Ministry of Public Security and Essential Agencies) shall enjoy Teacher Incentive Allowances.

Box 5: The timeframe for calculating the seniority allowance

The timeframe for accruing to the seniority allowance is defined as the total sum of the following items:

- Teaching and education time period during which the teachers contribute the compulsory social insurance in public education institutions;
- Teaching and education time period during which the teachers contribute the compulsory social insurance in non-public education institutions (for teachers who are currently teaching in public education institutions but who have previously taught in public education institutions);
- The working time which is eligible for accruing to seniority allowances in other sectors and occupations, including: the working time for which the salary is paid on the basis of ranking or titles in the following specializations; customs, court, procuracy, inspection, enforcement of civil judgments, forest protection service, Party inspection; and the working time which is eligible for accruing to seniority allowances in military, public security and essential agencies (if any);
- The time spent on accomplishing military obligations as regulated by law, before which the teacher was enjoying seniority allowance in the respective occupation;

The timeframe defined hereinabove does not include that defined in Clause 3, Article 2, Decree No. 54/2011/ND-CP.

Source: Decree No. 54/2011/ND-CP dated 04/7/2011 of the Government providing for the regime on seniority allowances for teachers.

- Teachers who perform managerial functions; teachers who perform Party and Union tasks on a pluralistic basis; teachers who teach practical skills in heavy, poisonous and hazardous occupations; teachers who are working on an internship and probationary basis, nurturing baby less than 12 months of age, shall be reduced the hours of teaching compared to standard teaching hours required
- Teachers who are yet to qualify shall be provided with training towards standard qualifications; teachers shall receive regular trainings; those teachers who are qualified already shall be given advanced training to upgrade their qualifications.
- Teachers and managers in specialized schools and those at particularly difficult socio-economic regions shall enjoy several types of subsidies and allowances as follows: incentive allowances; responsibility allowances; inducement allowances; mobility allowances; subsidies for study visits, professional nourishing; first-time subsidy...
- Teachers who teach practical skills in heavy, poisonous and hazardous occupations

shall enjoy allowances for such heavy loads, hazards and toxics.

- Vocational teachers who teach disabled, handicapped people shall enjoy specialized allowances. Vocational teachers and counselors who work with people with disability shall receive relevant training.
- Vocational teachers who teach rural workers in public vocational institutions located in mountainous, remote, boundary, coastal and island regions and those with a large number of ethnic minority residents shall be considered residing in staffing houses.

1.3. Policies for vocational institutions

- Support is given to vocational institutions which deliver vocational training to the poor in accordance with apprenticeship training contract procured by agencies for labor-invalids and social affairs (the specific amount of support is subject to actual occupation and training period as regulated by respective Provincial/Municipal People's Committees). Vocational institutions which are involved in providing vocational training to rural laborers shall be considered for

investment support in terms of vocational training infrastructure and equipment.

- Those vocational institutions which are eligible for selecting core occupations will be given focused and consistent investment into underlying conditions for the purpose of quality assurance of vocational training (including, infrastructure and equipment for vocational training, curricula, syllabus, teachers and managers).

- For the public vocational institutions in Central Highlands provinces and mountainous districts of provinces adjacent to Central Highlands: two vocational training facilities are given priority to invest on components in a unified fashion to ensure quality of vocational training on par with international standard; the remaining vocational colleges and secondary schools are to invest in a unified fashion on 2 to 5 occupations so that they can reach national standard; ethnic minority boarding vocational institutions and ethnic minority boarding faculties of vocational colleges and Vocational Secondary Schools are supported in investing into development; the existing district-level public vocational training centers continue to be supported in their investments.

- For the public vocational institutions in Mekong River Delta: unified investments are made to Vocational Secondary Schools and vocational colleges, each of which will have between 2 and 5 occupations that reach national standard, especially those occupations linked to the socio-economic development strategies of the region; a review is made to consider upgrading the technical education college to technical education university as and when it complies with eligibility requirements in accordance with prevailing regulations; a strengthened investment is made to three (3) ethnic minority boarding vocational secondary

schools and district-level public Vocational Training Centers.

- The key job referral and vocational training centers of the Youth Union are supported in investing into capacity-building and modernization with the funding coming under the Scheme on Support for Youth's Vocational Learning and Employment.

- Non-public vocational institutions shall enjoy the several policies, including, for example: (i) long-term lease of physical infrastructure with a preferred rent; (ii) to have clean land, i.e. upon completion of land acquisition, handed over or be entitled to rent it; (iii) to be exempted from registration fee when registering the right to land use, to ownership of land-attached assets; to be exempted from other fees and charges related to land use and land-attached assets; (iv) to enjoy incentives in terms of VAT, export and export tariffs in accordance with regulations of Law on Value Added Tax, Law on Import and Export Tariffs as well as the prevailing applicable regulations; (v) to enjoy incentives in terms of corporate income tax (CIT); (vi) To enjoy incentives of various forms with regard to credit for development investment of the State; and (vii); to enjoy partial or entire support for loan interests on investments into the area of vocational training.

1.4. Policies for enterprises involved in vocational training

- Enterprises shall be entitled to establish vocational institutions to train a pool of on-spot human resources for the cause of production and business of their own and the entire society.

- Enterprises shall be entitled to organize vocational training at their own discretion or enter into ventures and consortiums with vocational institutions to organize vocational training, conduct of research, production, application and technology transfer.

- Enterprises shall be supported by the State when receiving handicapped apprentices to undertake vocational learning and work for host enterprises.
- They are invited to participate in the appraisal council for vocational training curriculum, syllabus; teach, guide practice; and participate in developing the national occupational skill standards.
- Enterprises shall be entitled to deduct from taxable income the appropriate investments and expenditures in order to maintain operations of vocational institutions which directly serve the production and business activities of such enterprises; costs incurred for vocational training of the enterprises for laborers who are then recruited to work for the enterprises.
- Enterprises which put in place the framework for organizing vocational training in form of occupational transfer, workplace learning, and receiving poor people to work for such enterprises in the period of at least 24 months will be supported funding from State Budget.
- Enterprises shall enjoy the same policies as for non-public vocational institutions.
- Enterprises shall be entitled to participating in bidding and placing orders for vocational training.

1.5. Sources of investment for vocational training

Investments for vocational come mainly from two sources: State Budget and non-State sources.

State Budget: this includes three main items, i.e. recurrent expenditure, civil works funding and National Target Program funding.

- Source of capital for recurrent expenditure: public vocational institutions are given autonomy and accountability for

this source of capital. Detailed regulations regarding autonomy and accountability for vocational institutions are defined at the Decree No. 43/2006/ND-CP dated 25/4/2006 of the Government and its guiding circulars.

- Source of capital for civil works: this is implemented in accordance with regulations of Budget Law, Construction Law, Procurement Law and their respective guiding circulars on bidding in civil works.

Every year, the MPI agrees with the MOLISA to allocate investment funding for civil works for provinces, sectors (including investment funding for civil works for vocational institutions). For provinces and cities, people's committees of such provinces and cities will, upon obtaining approval from people's councils, decide the specific allocations for vocational institutions (i.e. projects). Ministries or sectors will decide on the budget allocation and assign budget estimates to vocational institutions.

- Source of capital under National Target Program: there are currently two projects under National Target Program on Employment and Vocational Training, (i) the "Renovation and Development of Vocational Training" Project; (ii) The Scheme on "Vocational Training for Rural Laborers".

Non-State sources: this include fees and charges collected from trainees; income from production, business, service, consulting, technology transfer of vocational institutions; investments, grants, donations from domestic and overseas organizations and individuals.

- Regarding fees and charges collected from trainees: Currently, the collection of vocational training fees is done in accordance with the Decree No. 49/2010/ND-CP dated 14/5/2010. The fees for continuing vocational training shall not exceed 150% of the level applicable for

formal vocational training of the same learning level and training occupational group.

+ Public vocational institutions shall utilize tuition fees in accordance with the regulations on financial autonomy and accountability for public administrative agency.

+ Non-public vocational institutions shall utilize tuition fees in accordance with the regulations on socialization policy for activities within the areas of education, vocational training, health, culture, sports and environment.

The income from production, business, service, consulting, technology transfer of vocational institutions: (i) for goods and services procured by State agency, the collection level shall be collected in accordance with cost norm regulated by State competent authorities; in case the goods or services procured have no applicable cost norms regulated by State competent authorities, then the collection level shall be determined on the basis of cost estimate appraised and agreed upon by financial authority at the same level; (ii) for goods and services delivered under the contract entered into with domestic and overseas organizations and individuals, and joint ventures, Corporations, the host vocational institution shall decide the situation-specific collection level in a principle of balancing costs and benefits with a certain margin.

- Investments, grants and donations from domestic organizations and individuals: this shall be implemented in accordance with prevailing regulations on investment, gifts and socialization policy for activities within the areas of education, vocational training, health, culture, sports and environment.

- Investments, grants and donations from domestic organizations and individuals:

these are important sources of financing for the development of vocational training as a supplement to the ODA sources. The financing mechanism for ODA projects shall be implemented in accordance with the Loan Agreement. Different ODA projects will have different financing mechanisms.

- These legislative documents as well as policies for vocational training have helped vocational training system grow and develop. The actual application of vocational training policies which are constantly updated, amended and refined will enable those with demands for vocational training to participate in vocational learning at the satisfaction of their own and the society's as well.

2. OVERVIEW OF LABOR AND EMPLOYMENT

2.1. Population

As of April 1st 2011, Vietnam's population stands at 87,610,947 people, of whom, 26,779,978 people are in urban areas (accounting for 30.6%), rural areas 60,830,969 people (accounting for 69.4%); males 43,347,731 people (49.5%), females 44,263,216 people (50.5%). The region with the biggest size of population is Red River

Delta, followed by North Central and Central Coast, and Central Highlands is the region with the smallest proportion of population (see Appendix 1).

On annual average, Vietnam's population increases by nearly one million people who participate in labor force, which creates a significant pressure on creating new jobs for laborers.

Table 1: Population structure by sex and age group

Unit: %

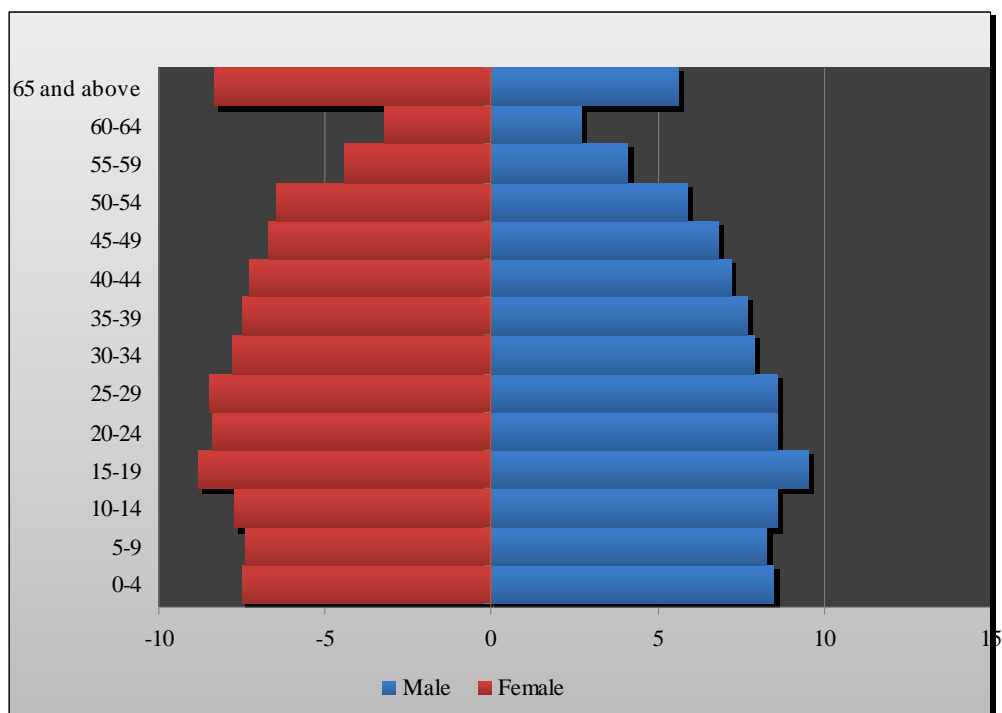
Age group	Total	Male	Female
Total	100.0	100.0	100.0
0-4	8.0	8.5	7.5
5-9	7.9	8.3	7.4
10-14	8.2	8.6	7.7
15-19	9.2	9.5	8.8
20-24	8.5	8.6	8.4
25-29	8.5	8.6	8.5
30-34	7.9	7.9	7.8
35-39	7.6	7.7	7.5
40-44	7.3	7.2	7.3
45-49	6.8	6.8	6.7
50-54	6.2	5.9	6.5
55-59	4.2	4.1	4.4
60-64	2.8	2.7	3.2
65 and above	6.9	5.6	8.3

Source: The 1/4/2011 Population Change and Family Planning Survey 1/4/2011, GSO

Vietnam population falls with the “young population structure” category, with the number of people falling within the age-group less than 24 years old accounting for

31.8%, the age-group less than 15 years old 24.1%.

Figure 1: Vietnam population pyramid by age group, 2011



Source: The 1/4/2011 Population Change and Family Planning Survey 1/4/2011, GSO

Of the population aged 15 and above, the number of people who have never graduated from primary schooling and are illiterate accounts for 17.27%. The educational attainments of population aged 15 and above are largely different between males and females as well as between urban and rural areas across learning levels; the higher learning level, the wider the difference.

2.2. Labor force

In Vietnam, there are two statistical indicators on labor force:

General labor force: this means labor force aged 15 and above.

Labor force within working age: males from 15 to 60 years old, females from 15 to 55 years old.

Labor force is comprised of people aged 15 and above who are currently working or unemployed.

As of 1/7/2011, Vietnam has 51,326 thousand people aged 15 and above falling under the labor force, accounting for 58.4% of the entire population, with 48.3% of females as compared to 51.7% of males. Labor force is mainly focused in rural areas (71.5%).

Table 2: Distribution of labor force by urban/rural and socio-economic region

Place of residence/socio-economic region	Labor force (1000 people)	Percentage (%)		
		Total	Male	Female
Country overall	51,326	100.0	100.0	100.0
Urban	14,643	28.5	28.6	28.4
Rural	36,683	71.5	71.4	71.6
Socio-economic region				
Northern Midlands and Mountainous Region	7,076	13.8	13.4	14.2
Red River Delta	11,371	22.2	21.5	22.8
North Central and Central Coast	11,092	21.6	21.2	22.0
Central Highlands	3,068	6.0	6.0	6.0
Southeastern Region	8,398	16.3	16.7	16.0
Mekong River Delta	10,320	20.1	21.2	19.0

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

As can be seen in the table above, labor force concentrates mainly in three regions, i.e. Red River Delta, North Central and Central Coast and Mekong River Delta. Thus, rural area and these three socio-economic regions are those requiring programs in place to make use of labor force, vocational training and job creation in years to come.

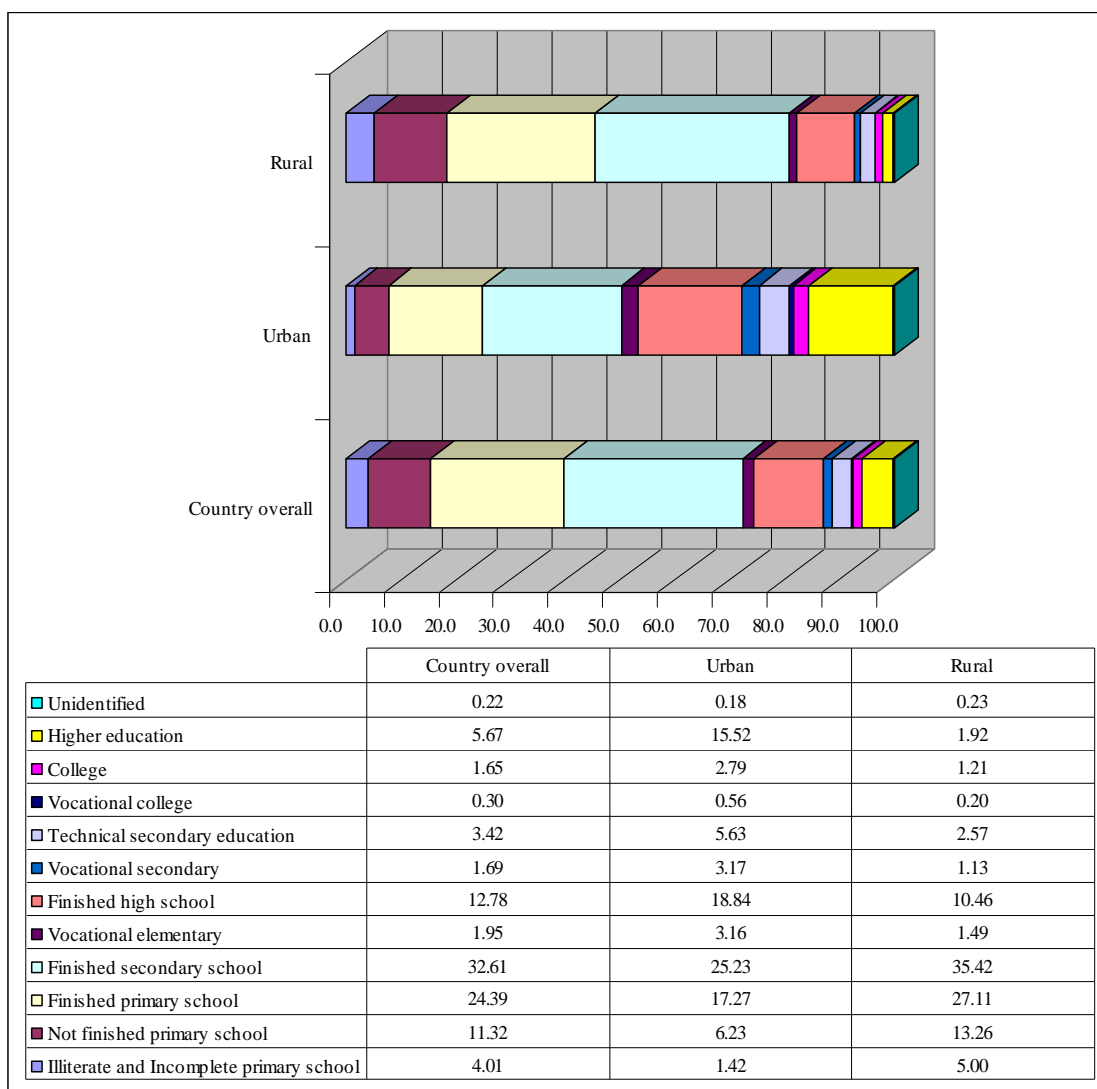
The rate of participation into labor force is 76.5% (compared to the population aged 15 and above). The rate of participation into labor force has a significant difference between males and females (81.3% of males

compared to 72.0% of females), and unevenly distributed among regions.

While the rate of participation into force is highest in two mountainous regions, i.e. Northern Midlands and Mountainous Region and Central Highlands (84.2% and 83.4%, respectively), this rate is significantly low in other regions (some 75-77%).

Around 14% of labor force has never graduated from primary schooling, including 4% never attending schools (illiterate).

Figure 2: Labor force by educational attainments, 2010



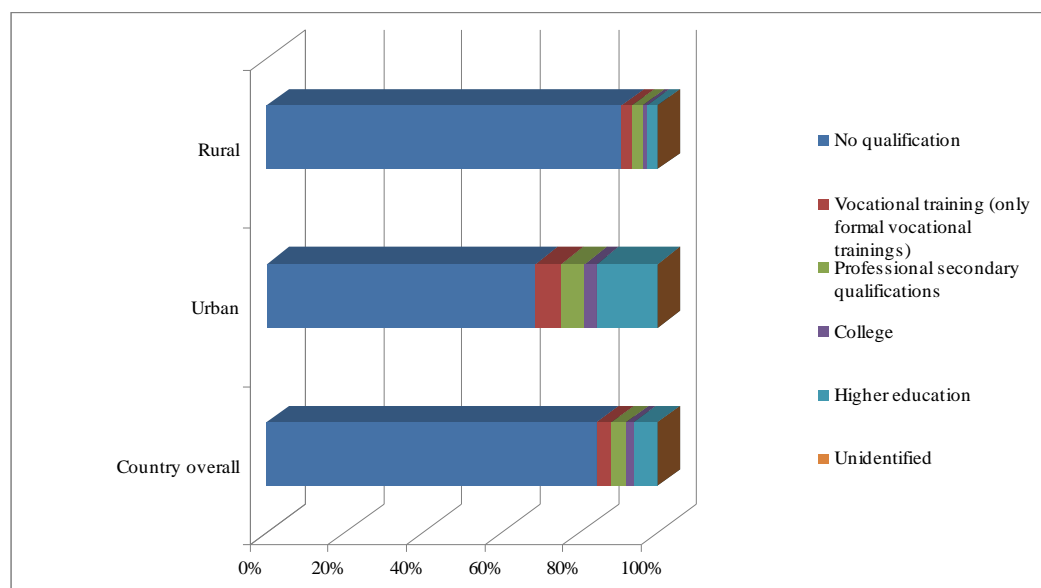
Source: Labor Force Survey 2010, GSO

vocational and less-than-three-month vocational training.

Currently, in Vietnam there remain two different ways of calculation for vocationally-trained laborers. According to the data consolidated by MOLISA, the vocationally-trained laborers include both formal and continuing vocational trainings, including also less-than-three-month vocational training and vocational training delivered in enterprises. According to that produced by GSO, however, this takes stock of only formal vocational trainings at elementary, intermediate and collegiate levels without taking into account the continuing

According to how data is consolidated by GSO, the proportion of trained laborers (also referred to as laborers with professional and technical expertise) of Vietnam in 2010 is by and large very low (15.5% or 7,888 thousand people, out of 51,326 thousand people falling within labor force), of which laborers with vocational qualifications are 3.94%. According to how the data is consolidated by MOLISA, the number of vocationally-trained laborers accounts for 32% of the total labor force.

Figure 3: Labor force aged 15 and above by urban/rural area and technical and professional qualifications



Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

There is an insignificant difference in qualifications between males and females, but the difference is quite significant between rural and urban areas. In urban area, the untrained labor force is 68.9%, whereas in rural area, this rate is huge at 90.7%.

As of 1/7/2011, labor force within working age of Vietnam is 46,457 thousand people, accounting for 90.5% of labor force aged 15 and above. Similar to general labor force, there is no discrepancy in qualification in working-age labor force between males and females, but there remains a significant difference between rural and urban areas (See Appendix 2).

2.3. Employed labor force

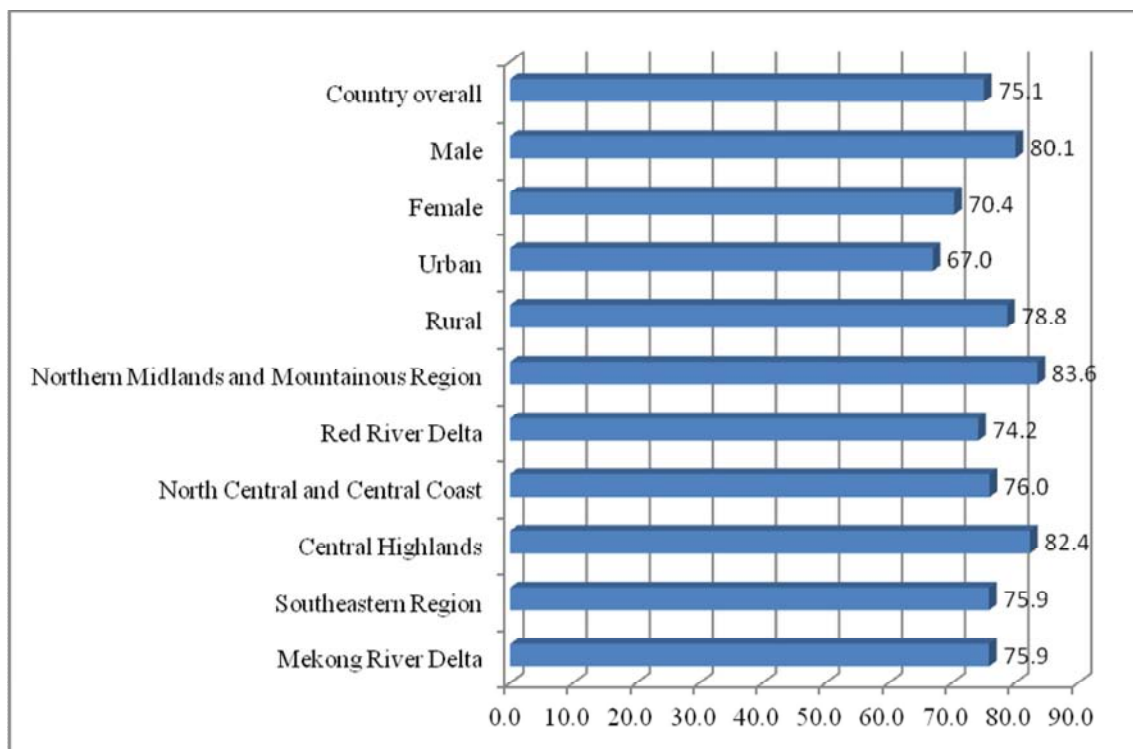
Employed labor force is comprised of people aged 15 and above within the labor force currently working in different sectors and fields of the national economy.

As of 1/7/2011, 50,380 thousand people have jobs, of which 26,182.2 thousand people are male workers (accounting for 52%), females 48%. In this regard, there is

quite a balance between males and females across regions, with an exception of Southeastern Region and Mekong River Delta, where there is a difference of 10 percentage points between males and females. Employed labor force in rural area makes up a significant share (71.8%) (See Appendix 3). Labor force is mainly concentrated in Red River Delta, North Central and Central Coast, Mekong River Delta, three of which accounts for three fifths of employed labor force (63.8%); whereas the Central Highlands region claims a low percentage (6.0%).

The ratio of employed labor force to population aged 15 and above.

Figure 4: The ratio of employed labor force to population aged 15 and above (%)



Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

The ratio of employed labor force to population aged 15 and above is, as of 1/7/2011, 75.1%, and there is a significant difference between males and females (80.1% - 70.4%, respectively), urban and rural areas (67.0% - 78.8%). Northern Midlands and Mountainous Region (83.6%) and Central Highlands (82.4%) are the two with highest ratios, whereas the one with lowest ratio is Red River Delta (74.2%).

Employed labor force by technical and professional qualifications

According to GSO, of the total 50,380 employed labor force, 15.3% has been trained and there is a significant difference between urban and rural areas, with the trained laborers in urban area three times as high compared to rural area (31.2% and 9.1%).

Table 3: Employed labor force by technical and professional qualifications

	Total	Technical and professional qualifications (%)					
		No qualification	Vocational training	Professional secondary qualifications	College	University or higher	Unidentified
Country Overall	100.0	84.7	3.7	3.7	1.7	6.1	0.12
Male	100.0	83.0	5.6	3.3	1.2	6.7	0.11
Female	100.0	86.4	1.7	4.0	2.3	5.4	0.13
Urban	100.0	68.8	6.5	6.0	2.9	15.8	0.08
Male	100.0	66.4	9.3	5.0	2.1	17.2	0.06
Female	100.0	71.5	3.4	7.0	3.7	14.2	0.10
Rural	100.0	90.9	2.7	2.8	1.3	2.3	0.14
Male	100.0	89.6	4.2	2.7	0.8	2.6	0.14
Female	100.0	92.3	1.0	2.8	1.7	2.0	0.15

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Although the number of laborers who participate in vocational learning tends to increase, the vocationally-trained laborers only account for 3.7% of the total employed laborers. This suggests that a portion of laborers who, upon completion of vocational training, have continued to study at a higher learning level.

Employed labor force by economic nature

Most employed laborers work in private sector (85.8%), followed by those who work in “public sector” with 10.5%, then by “foreign-invested” enterprises with a very small share (3.1%).

Table 4: Employed labor force by economic nature

Unit: %

Economic nature	Total	% Male	% Female
Total	100.0	51.9	48.1
Public sector	10.5	55.1	44.9
Private sector	85.8	52.0	48.0
Foreign-invested sector	3.1	36.1	63.9
Unidentified	0.6	51.1	48.9
Urban	100.0	52.2	47.8
Public sector	20.9	53.7	46.3
Private sector	73.7	52.6	47.4
Foreign-invested sector	4.8	38.4	61.6
Unidentified	0.6	51.8	48.2
Rural	100.0	51.7	48.3
Public sector	6.5	56.7	43.3
Private sector	90.5	51.9	48.1
Foreign-invested sector	2.5	34.4	65.6
Unidentified	0.6	50.8	49.2

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

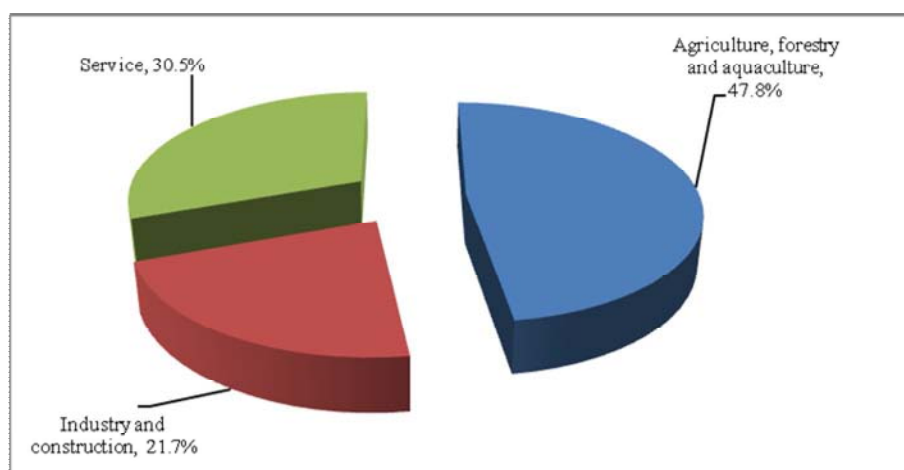
Of the total laborers currently active in the economy, the paid laborers only account for 33.51%, whereas the significant portion of self-employed and household workers makes up 62.82% (See Appendix 4).

Employed labor force by economic sector

Transformation of economic structure in an industrialized and modernized direction is a major guiding principle set forth by the Party and the State. This process will inevitably give rise to the share of labor in

industry – construction and service sectors and lower the share of labor in agriculture sector. The share of labor in agriculture, forestry and aquaculture sector currently makes up 47.8% (a reduction of 14.4% compared to that of 2000), labor in industry and construction sector accounts for 21.7% (an increase of 8.7% compared to that of 2000), and labor in service sector currently stands at 30.5% (an increase of 5.7% compared to that of 2000).

Figure 5: Structure of employed labor force by economic sector (%)



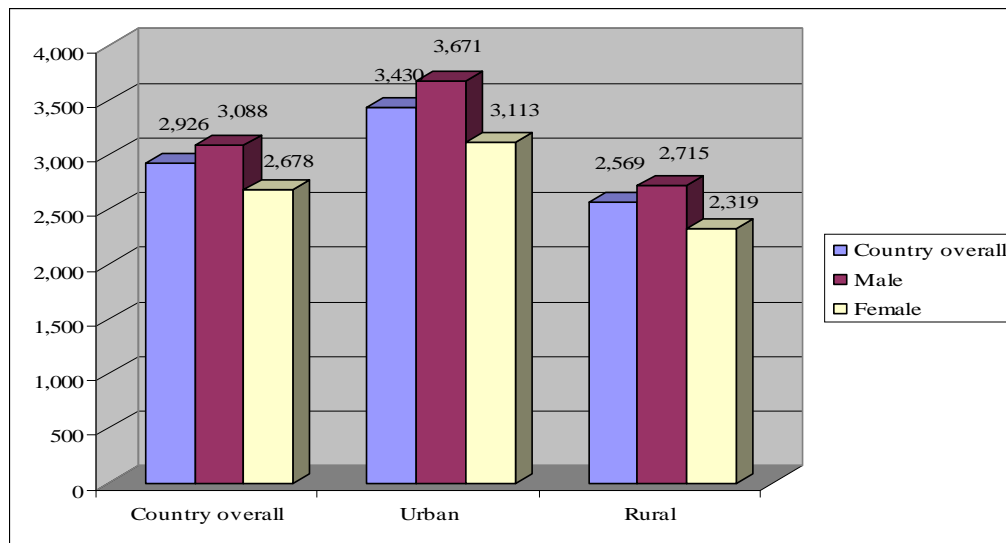
Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Of three economic sectors, in the “agriculture, forestry and aquaculture” and “service” sectors, female workers are almost equal to male counterparts; but in the “industry and construction” sector, there is a very large difference (63.2% and 36.8%, respectively). In urban area, the “service” sector develops strongly (58.1%), whereas the “agriculture, forestry and aquaculture” sector only accounts for 15.1%; and the opposite is true in rural area (60.6% and 19.8%) (See Appendix 5).

Average monthly income of paid workers

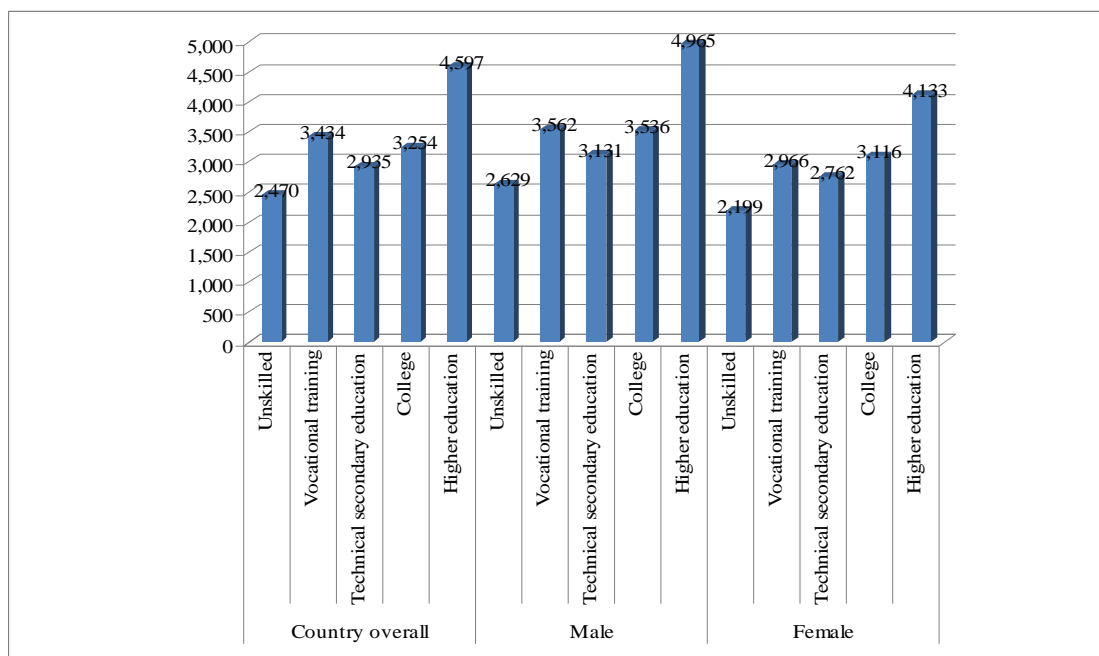
The “paid workers” in the analysis which follows are those falling under “paid work”, meaning those who are hired by other

organizations and individuals on the basis of the contract (i.e. Work contract, recruitment decision...) to perform one or a series of work towards realizing the goal set forth by such organization and/or individual, and in return to receive compensation in form of wage, salary or in-kinds. (Source: *Guidelines to Labor Force Survey 2011, GSO*). The average monthly income among paid workers stands at 2,926 thousand VND, with Hanoi and Ho Chi Minh City (HCMC) the two cities with highest level of average monthly income, urban area with higher income than rural area. In all socio-economic regions and places of residence alike, the level of income by males is all higher than that of females (See Appendix 6).

Figure 6: Average monthly income of paid workers by sex and urban/rural area*Unit: Million VND**Source: Labor Force Survey Report for the First 6 Months of 2011, GSO*

The average monthly income of paid workers who have undertaken vocational training is 3,434 thousand VND), followed by unskilled laborers at 2,470 thousand

VND). And across all levels of qualifications, the level of income by males is higher than that of female counterparts.

Figure 7: Average monthly income of paid workers by technical and professional qualifications*Unit: Million VND**Source: Labor Force Survey Report for the First 6 Months of 2011, GSO*

There is a difference in level of income among paid workers by economic nature and economic sector. The level of income of “foreign-invested capital” sector is highest (3,546 thousand VND), and the “non-public” sector lowest (2,592 thousand VND).

As regards the economic sector, the ‘service’ sector has the highest level of income (3,238 thousand VND), 1.5 times higher than “Agriculture, forestry and aquaculture” sector.

There is clear difference in level of income between male workers and female counterparts, especially in “foreign-invested capital” sector, with males earning 1,200 thousand VND per month higher than females. Although this is a sector with favorable conditions and attracting more female workers than males, the earning of females is still lower than that of males.

Table 5: Level of income among paid workers by economic nature and economic sector

Unit: Million VND

Economic nature/economic sector	Overall	Male	Female
Total	2.926	3.088	2.678
<i>Economic nature</i>			
Public	3.426	3.598	3.217
Non-public	2.592	2.786	2.204
Foreign-invested capital	3.546	4.304	3.118
<i>Economic sector</i>			
Agriculture forestry and aquaculture	2.080	2.310	1.717
Industry and construction	2.871	3.045	2.545
Service	3.238	3.402	3.038

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Labor productivity

Labor productivity is one among important economic indicators which reflects the efficiency of labor utilization and a determinant of economic growth in each country. In Vietnam, the issue of labor productivity and improving labor productivity has been receiving growing due attention in order to cater to research, policy-making, and development of plans for economic management and administration. In 2010, labor productivity of Vietnam is 38.8 times lower than Japan, South Korea 16.2 times, Malaysia 6.6 times, Thailand 2.3 times, China 1.9 times and Indonesia 1.4 times. (*Source: The Strategy for Vocational Training Development in the Period 2011-2020*).

2.4. Lack of jobs and unemployment

Lack of jobs

As of 1/7/2011, the number of people short of jobs in Vietnam is 1,369.8 thousand people, accounting for 2.8% of the total labor force, with the number of people short of jobs in rural areas 5 times higher than that in urban areas, and an insignificant difference between males and females. Mekong River Delta suffers the highest rate of job shortage (accounting for 4.3% of the total labor force of the region, or 400.1 thousand people). The number of people short of jobs within working age is 1,285.8 thousand people, making up 93.9% of the total people short of jobs.

Table 6: Workers short of jobs by place of residence and socio-economic region*Unit: Million People*

Place of residence/Socio-Economic Region	Overall	Male	Female
Whole country	1,369.8	718.8	651.0
Urban	220.9	114.7	106.2
Rural	1,148.9	604.1	544.8
Socio-Economic Region			
Northern Midlands and Mountainous Region	119.5	57.8	61.7
Red River Delta	384.2	183.5	200.7
North Central and Central Coast	329.1	182.6	146.5
Central Highlands	76.2	42.4	33.8
Southeastern Region	60.7	30.5	30.2
Mekong River Delta	400.1	222.0	178.1

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

The “private sector” and “Agriculture forestry and aquaculture” are still two main sectors with highest share of people short of jobs. In Vietnam, the unemployment rate in urban areas always stands high but the job shortage is mainly concentrated in rural areas. As such, the creating of non-

agricultural jobs; developing craft village, traditional occupations, and jobs for rural workers are all of crucial importance in the course of industrialization, modernization of agriculture, rural areas, transforming the structure of rural laborers at present stage.

Table 7: Workers short of jobs by economic nature and economic sector*Unit: Million People*

Economic nature/Economic sector	Overall	Male	Female
Total	1,369.8	718.8	651.0
<i>Economic nature</i>			
Public sector	19.0	12.6	6.4
Private sector	1,340.0	700.2	639.8
Foreign-invested sector	3.6	1.4	2.2
Unidentified	7.2	4.6	2.6
<i>Economic sector</i>			
Agriculture forestry and aquaculture	1,047.5	535.6	511.9
Industry and construction	129.3	88.4	40.9
Service	193.0	94.8	98.2

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Unemployment

The number of unemployed people aged 15 and above in Vietnam is 945.3 thousand, of whom male workers account for 42%; in urban area this number is 47.7%. Given characteristics of a developing country with a premature labor market, where most of laborers work in rural areas and in industrial zone, the rate of overall unemployment of Vietnam is rather low (around 2%).

Of the unemployed people, the number of young unemployed people (15-29) makes up 58.9% (See Appendix 8). The share of unemployment is mainly unskilled labor

(76.6%). The vocationally-trained laborers enjoy a lower rate of unemployment than those with university qualifications (5.8% and 7.8%, respectively) (See Appendix 9).

The unemployment rate of labor force within working age in urban area is 3.3%. These rates in urban area across regions are very different, with the highest in Ho Chi Minh City (4.5%); female unemployment is higher than that of males in almost all regions, which suggests an urgent need to take care of employment for females.

Table 8: Unemployment rate of the labor force by age group

Unit: %

	Overall	Place of residence		Sex	
		Urban	Rural	Male	Female
Country Overall	2.0	3.3	1.5	2.0	3.3
Age group					
15-19	4.2	9.1	3.3	4.2	9.1
20-24	4.8	8.0	3.7	4.8	8.0
25-29	2.5	4.0	1.9	2.5	4.0
30-34	1.2	2.2	0.8	1.2	2.2
35-39	0.9	1.7	0.5	0.9	1.7
40-44	1.0	1.7	0.7	1.0	1.7
45-49	1.1	2.0	0.7	1.1	2.0
50-54	1.6	2.9	1.1	1.6	2.9
55-59	2.5	4.5	1.6	2.5	4.5

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Although the overall status of unemployment in our country is not too serious, the status of unemployment among youth in urban areas is an issue worth attention (the unemployment rate of age-group 15-19 is 9.1% and age-group 20-24 is 8.0%). There are two main reasons, first of which is that young people lack experience and fail to consolidate their work skills. The second reason comes from the the fact that

labor market is supplemented with a pool of young workers every year (an additional million people), while the economy has yet to reach a growth rate appropriate enough to satisfy such a load of work demand. This labor force has great potential and, if left unused, will cause an equally great waste for the society when Vietnamese economy is currently in the stage of robust development.

3. VOCATIONAL INSTITUTION NETWORK

Vocational institution network is comprised of vocational colleges, secondary vocational schools and vocational centers (hereinafter referred to as vocational institutions) and other institutions which offer vocational training (i.e. other universities, colleges, centers participating in vocational training...) This section will focus on analyzing vocational institution network under the purview of State management in vocational training of Labor, Invalids and Social Affairs sector.

3.1. Actual status of vocational institution network

In implementing the Decision No. 07/2006/QĐ-BLĐTBXH, dated October 2nd 2006 on planning the network of vocational colleges, secondary vocational schools and vocational centers by 2010, vision by 2020, vocational institution network has been expanded, developed and distributed quite appropriately across economic sectors, regions and provinces.

As of the end of 2011, across the country there are 1,293 vocational institutions. Compared to 2001, the number of vocational institutions¹ has increased by almost four-fold (from 156 vocational institutions² in 2001 to 443 vocational colleges and secondary vocational schools in 2011); the number of vocational centers increased by 5.66 times (from 150 vocational centers in 2001 to 849 vocational centers in 2011). Each province has at least one vocational institution and some districts or district clusters have secondary vocational schools.

In other institutions which offer vocational training are included (i.e. other universities,

colleges, centers participating in vocational training) then vocational institution network of the whole country has 1,975 institutions, of which public ones account for 67.2%.

Implementing the Decision No. 1956/QĐ-TTg dated November 27th 2009 of the Prime Minister approving “the Scheme on Vocational Training for Rural Laborers by 2020”, the district-level vocational center network has been expanded. In 2011, there are 386 district-level vocational centers aimed to meet training demands for rural laborers.

Vocational institutions categorized by nature of ownership

Of the total of 1,293 vocational institutions, 836 vocational institutions are publicly owned (accounting for 64.6%), 457 vocational institutions are privately owned (accounting for 35.4%). Compared to 2001, the number of private vocational institutions has increased by more than 12% (an increase from 22.9% in 2001 to 35.4% in 2011).

Vocational institutions categorized by training level

Of the total of 1,293 vocational institutions, there are 136 vocational colleges, 308 secondary vocational schools and 849 vocational centers. Of 136 vocational colleges, 25 are newly established, 86 upgraded from vocational training schools or secondary vocational schools; and 25 upgraded from professional secondary schools as from 2001.

¹Vocational institutions include vocational colleges and vocational secondary schools.

² From 2006 and earlier, there were only vocational training schools and vocational centers.

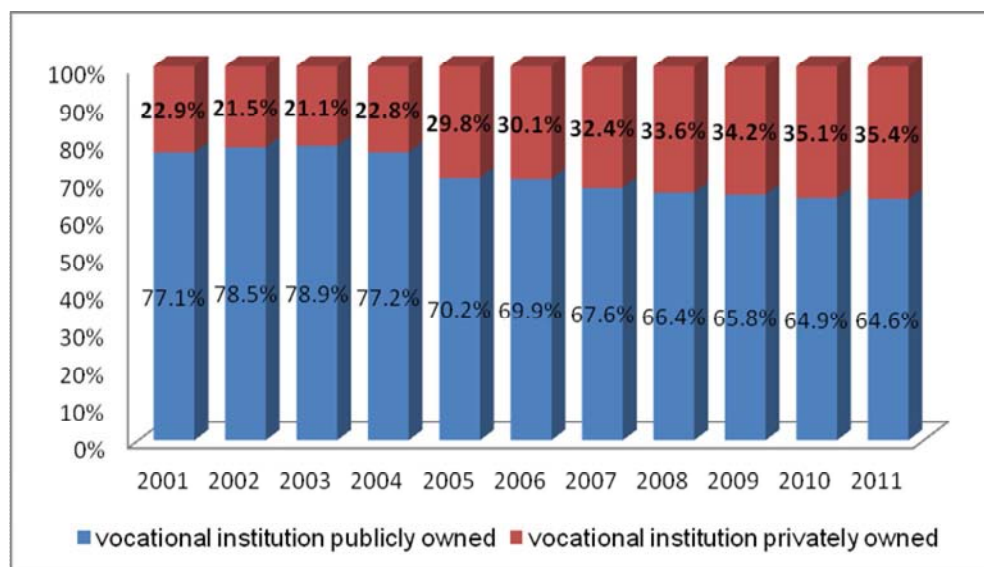
Box 6: Regulations on public and private vocational institutions

Pursuant to Article 39, Law on Vocational Training, 2006:

- Public vocational institutions shall be established, invested for infrastructure and equipment; and allocated budget for recurrent expenditures by the State.
- Private vocational institutions shall be established, invested for infrastructure and equipment; and allocated budget for recurrent expenditure by organizations or individuals.

Source: Law on Vocational Training, 2006.

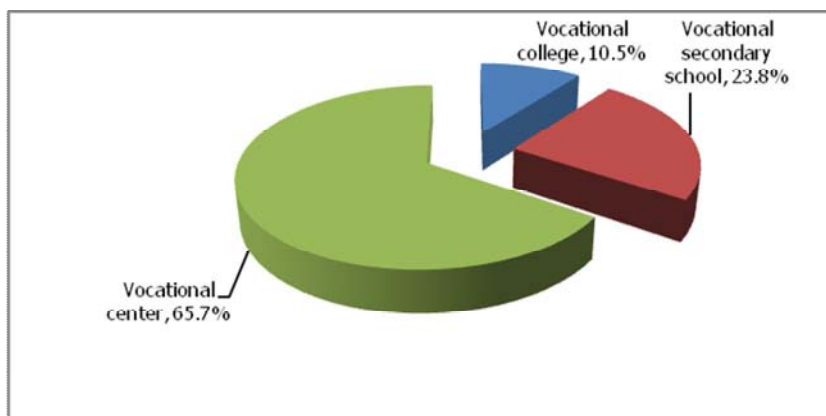
Figure 8: Vocational institution structure by ownership nature between 2001 and 2011



Source: GDVT

Given the present number of vocational colleges (accounting for 10.5% of the total of vocational institutions), the ability to supply highly-skilled workers is constrained. Therefore, in the coming time, it is necessary to continue developing vocational colleges, with focused investments on several high-quality colleges, especially those which reach regional and international standards³.

³ High-quality vocational institution is the one in which all current training occupations reach national standards or higher; regional level institution is the high-quality institution, in which at least three occupations reach standards set forth by advanced countries in ASEAN region; international level institution is the high-quality institution, in which at least 3 occupations reach the standards set forth by advanced countries in the world, accredited and recognized by international organizations.

Figure 9: Vocational institution structure by training level in 2011

Source: Department of Organization and Personnel - GDVT

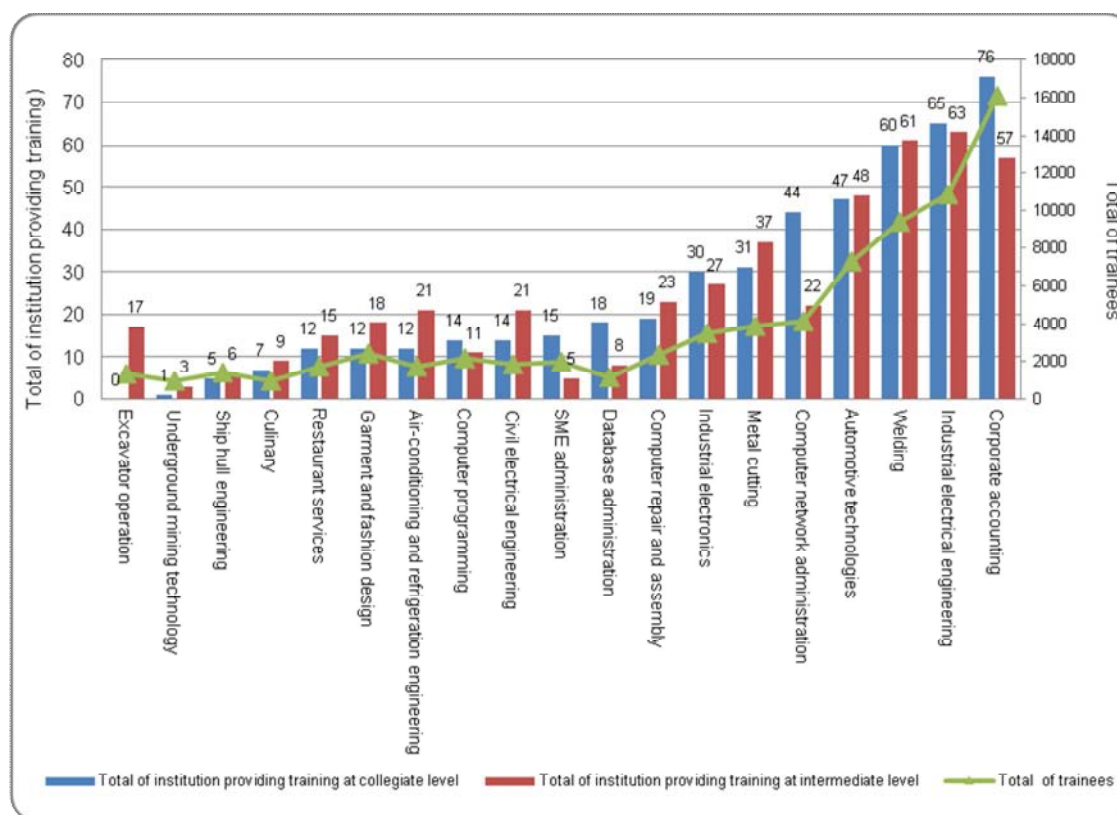
Vocational institutions categorized by training occupations

In 2011, the number of occupations at intermediate and collegiate levels in curriculum of 136 vocational colleges was 159. Of those 159 occupations, there were some occupations and occupational groups that were trained at both levels by many vocational colleges with very large number of trainees. These include, for example, the occupation group of Mechanical Engineering and Technologies (with main focus on some occupations like Welding, Metal Cutting, Automotive Mechanic, Ship Hull Engineering); followed by Occupation group of Electrical, Electronics and Telecommunication Engineering and Technologies (Civil Electrical Engineering, Industrial Electrical Engineering, Industrial Electronics); and then by occupation group of Information Technology (Computer programming, Computer repairing,

Computer assembly, Computer network administration...). The occupation which most vocational colleges provide training is Corporate Accounting (76 institutions providing training at collegiate level and 57 institutions providing training at intermediate level) and also the one with the largest number of trainees.

However, up to 16 occupations belonging to the occupational groups on agriculture and mechanical engineering technology, including, for example cold processing, cold mechanical assembly, latch technique and some occupations falling under the group of oil and gas and exploration... are not on offer by any institution in 2011. There are nearly 50 occupations which only one vocational college provides training at intermediate level with a very limited number of trainees.

Figure 10: Some popular training occupations by training level and number of vocational colleges registering training⁴



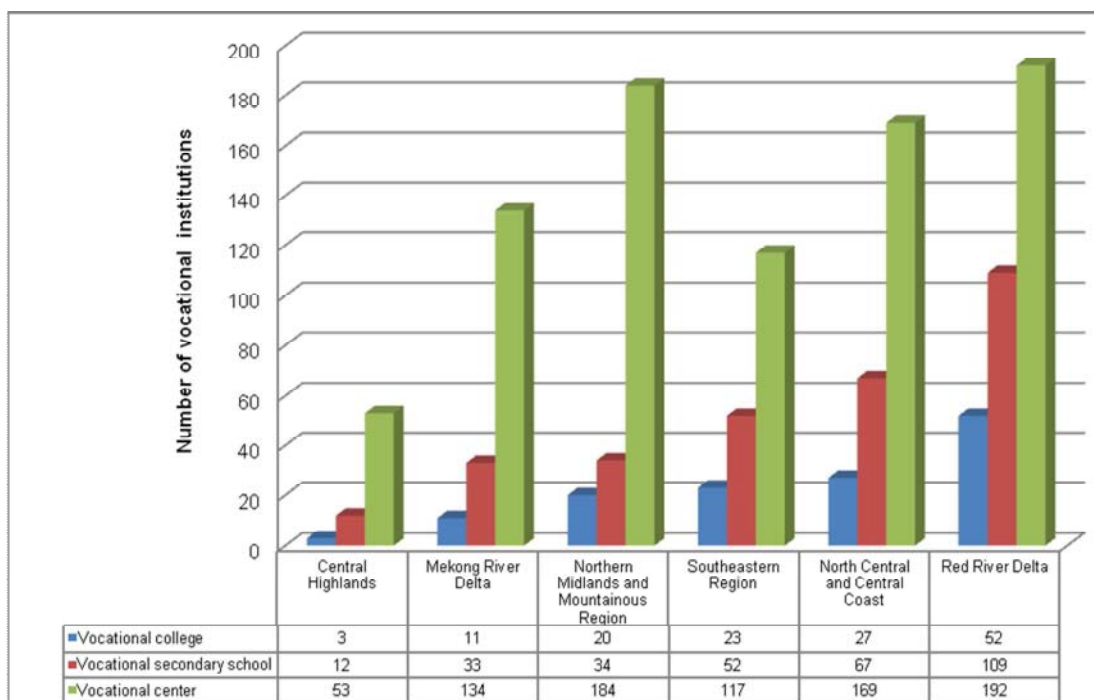
Source: Department of Legislation - GDVT

Vocational institutions categorized by socio-economic region

The vocational institution network in the past years have rapidly developed but concentrated mainly in delta urban areas. The number of vocational institutions in Red River Delta accounts for 27.3% of the total vocational institutions in the whole country, followed by North Central and Central Coast with 20.4%, and then Central Highlands with the smallest share, 5.3%. Red River Delta is the region with the highest number of vocational colleges of the whole country: 52 colleges, accounting for 38.2% of all vocational colleges across the country. On the contrary, Central Highlands region currently has only 3 vocational colleges.

⁴ Circular No. 17 /2010/TT-BLDTBXH issuing the table of training occupations at intermediate and collegiate levels at the Circular No. 11/2012/TT-BLDTBXH supplementing the list of training occupations.

Figure 11: Distribution of vocational institutions by socio-economic region in 2011



Source: Department of Organization and Personnel - GDVT

Vocational institutions categorized by key economic zone

- Northern Key Economic Zone:

The Northern Key Economic Zone was the area with high concentration of important industrial facilities, especially in Machinery manufacturing (at 90% of total national capacity), coal mining (at 90% total national production), construction materials, consumer goods production, electrical appliances (production of electric motor accounts for 74% production capacity of the whole country), electronic appliances, food processing, and that explained why in comparison with 2 other regions, the Northern Key Economic Zone has highest concentration of vocational institutions, of which the number of vocational colleges is almost double that of the Southern Key Economic Zone and almost triple that of the Middle Key Economic Zone.

Box 7: List of provinces and cities falling with Northern Key Economic Zone

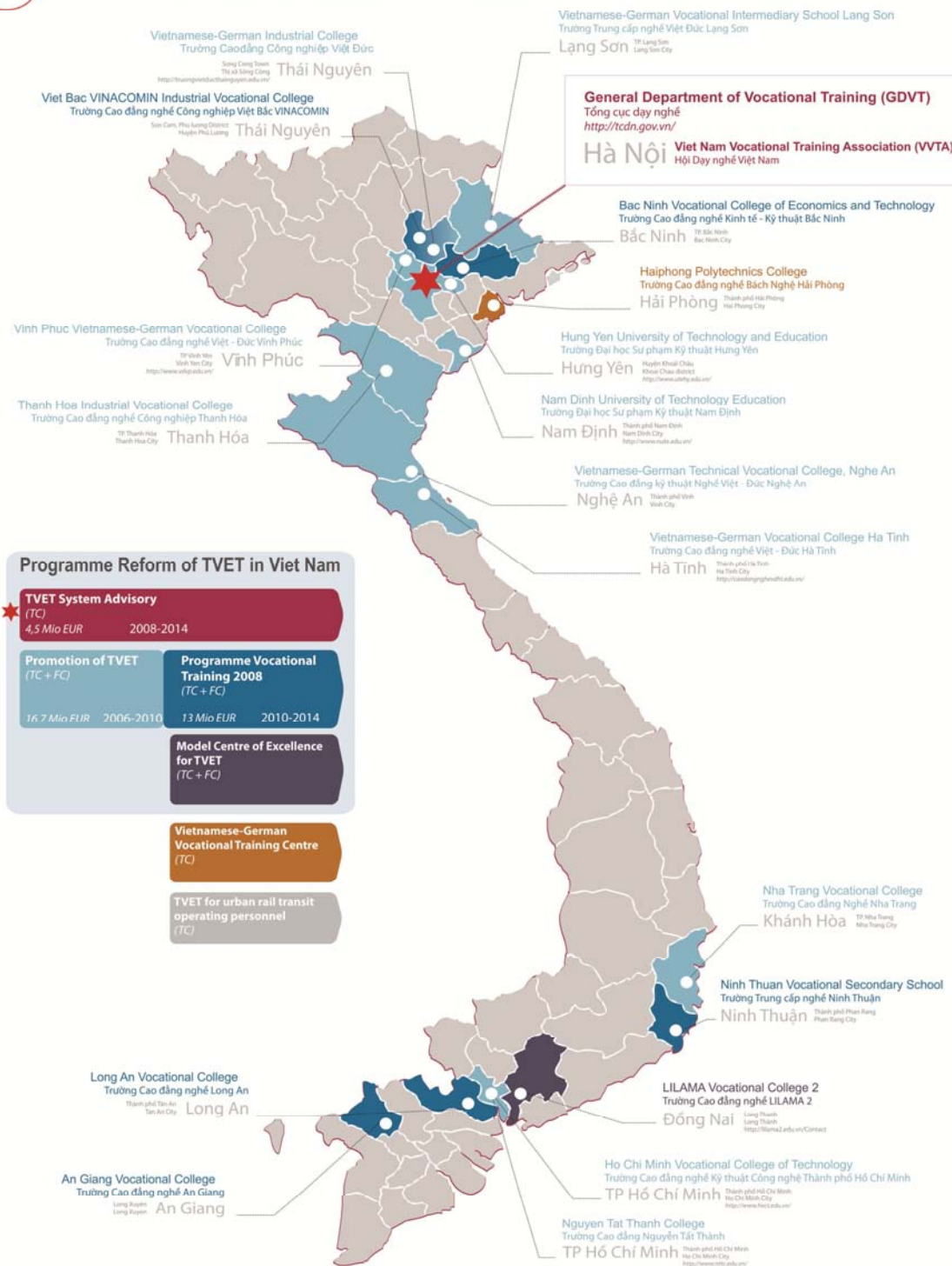
Northern Key Economic Zone is comprised of 7 provinces, cities directly under central authority: Ha Noi, Hai Phong, Quang Ninh, Hai Duong, Hung Yen, Vinh Phuc and Bac Ninh.

Source: Decision No. 145/2004/QĐ-TTg dated August 13th 2004 of the Prime Minister on key orientation for socio-economic development for Northern Key Economic Zone by 2010 and vision to 2020.



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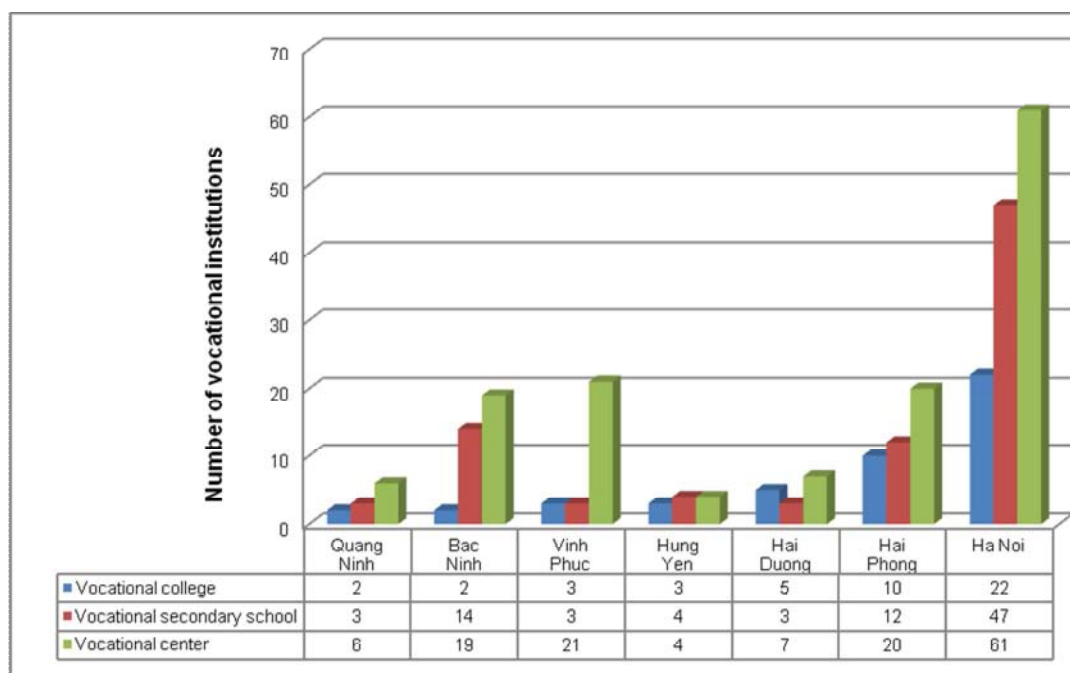


The Northern Key Economic Zone has a very strong vocational institution network, which has been developing quite stably comparing to other regions in the country. These vocational institutions have a long-standing history and experiences in organization of training; many vocational institutions directly under ministries or central government's administration are strong highly concentrated in the region; the vocational institution network was developed fast and diversely in term of types of ownership and types of training. In recent years, vocational institutions network was planned and adjusted in order to suit the requirements of demand for skilled technical human resource who directly participate in production in industrial and processing center of Northern Key Economic Zone.

The city with the fastest pace of growth was still Hanoi, from 08 vocational colleges in 2007 to 22 in 2011.

The strong growth of vocational colleges from upgrading strong vocational schools and establishment of new colleges in accordance with Law on Vocational Training has facilitated the efforts to promote the training of highly-skilled direct human resources. However, according to some survey results and the forecast of demand for trained labors of this region, the supply capacity of trained workforce from vocational institutions network was still weak, especially those at intermediate and collegiate levels⁵. Meanwhile, the structure of current training occupations needs to be adjusted in accordance with occupation structure in practical production, business and service activities and demand for skilled labor for local and adjacent industrial and processing zones.

Figure 12: Vocational institution networks Northern Key Economic Zone in 2011



Source: Department of Organization and Personnel - GDVT

⁵ Source: General Department for Vocational Training, Overview Report: "Development of labor force through vocational training to meet demands of enterprises in Northern Key Economic Zone".

- *Middle Key Economic Zone:*

As of the end of year 2011, the Middle Key Economic Zone had 87 vocational institutions (accounting for 27.8% that of the whole country), mainly concentrated in Da Nang with 24 vocational institutions, of which there were 4 vocational colleges (out of total 12 vocational colleges in the whole region). The vocational institutions under the management of central ministries and sectors are mainly concentrated in Da Nang and Thua Thien Hue.

Given 12 vocational colleges (accounting for 13.8%) and 25 vocational secondary schools (accounting for 28.7%), the number of vocational institutions in this region are

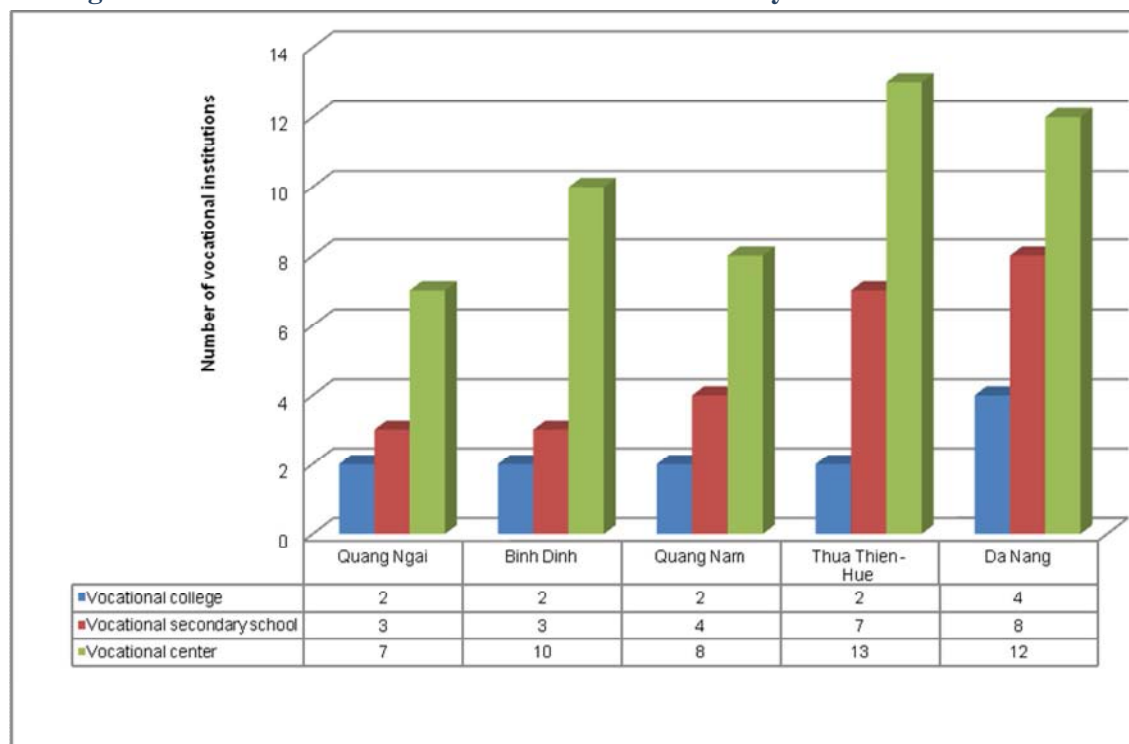
mainly vocational centers that only offer elementary level training. Therefore, up until now, basically the labor force in this region is low-skilled labors, with low technical expertise. According to statistics in 2007 of Employment Department under MOLISA, the share of laborers with college qualifications and above in Middle Key Economic Zone is lowest in all three zones (7.5%), and share of trained workers was also lowest (36.3%). Currently, the Middle Key Economic Zone is attracting a large number of big projects, both domestic and international. Therefore the demand for highly-skilled human resources is very strong in this region.

Box 8: List of provinces and cities falling with Middle Key Economic Zone

Middle Key Economic Zone is comprised of 7 provinces, cities directly under central authority: Da Nang, Thua Thien Hue, Quang Nam, Quang Ngai and Binh Dinh.

Source: Decision No. 145/2004/QĐ-TTg dated August 13th 2004 of the Prime Minister on key orientation for socio-economic development for Northern Key Economic Zone by 2010 and vision to 2020.

Figure 13: Vocational institution network of Middle Key Economic Zone in 2011



Source: Department of Organization and Personnel - GDVT

The Middle Key Economic Zone is the region with high demand for human resources development. Youth people in the region have a long-standing reputation for being studious, hardworking and having little differentiation in terms of training in the society. Therefore, vocational institutions here have a plentiful source for recruitment into vocational training. However, vocational institution network in Middle Key Economic Zone is very small and unevenly distributed, with vocational institutions mainly concentrated in Thua Thien Hue and Da Nang.

- Southern Key Economic Zone:

The Southern Key Economic Zone is one of the most dynamic economic zones, with high and sustainable economic growth, and truly is the driving economic zone of the whole country. The vocational institution network in Southern Key Economic Zone has been increasingly developing in accordance with government master-

planning, with the birth of strong vocational institutions in local industrial and processing zones. These institutions have begun the first step to satisfy the demand of highly-skilled labor force of who can directly participate in production activities in industrial, processing hubs and labor market of Southern Key Economic Zone.

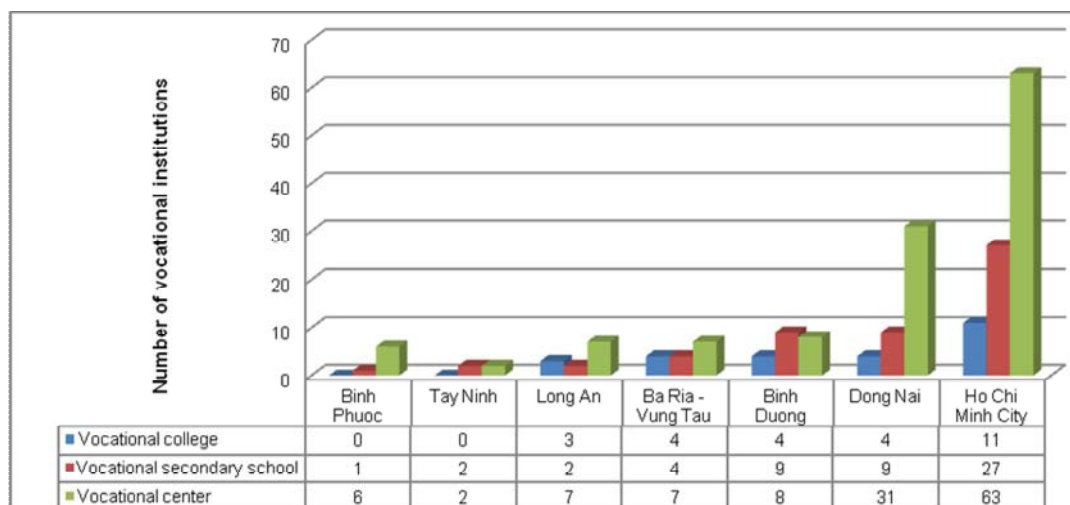
As of the end of 2011, there are 204 vocational institutions all over the region. However, the number of vocational colleges only accounts for 12.7%, with a high percentage of vocational centers at 60.7%. The vocational institution network is distributed unevenly, with a main concentration in Ho Chi Minh City. More particularly, more than 40% of vocational colleges in the region are concentrated in Ho Chi Minh City. Only two provinces Binh Phuoc and Tay Ninh currently do not have any vocational college.

Box 9: List of provinces and cities falling with Southern Key Economic Zone

Southern Key Economic Zone is comprised of 7 provinces, cities directly under central authority: Ho Chi Minh City, Dong Nai, Ba Ria – Vung Tau, Binh Duong, Binh Phuoc, Long An.

Source: Decision No. 145/2004/QĐ-TTg dated August 13th 2004 of the Prime Minister on key orientation for socio-economic development for Northern Key Economic Zone by 2010 and vision to 2020.

Figure 14: Vocational institution networks Southern Key Economic Zone, 2011



Source: Department of Organization and Personnel - GDVT

Vocational institutions categorized by management level

Centrally-managed Vocational institutions include vocational institutions directly under the ownership of ministries and sectors (i.e. State-Owned Corporations and Groups) and other associations such as VCA, VGCL...

In 2011, the number of vocational institutions and other educational institutions

which participate in vocational training under central management is 215, including 199 institutions directly under the ownership of ministries and sectors (mainly under such ministries as MARD, MOC, MOND, MOIT, MOT) and 16 institutions under other associations.

Table 9: The number of central level vocational institutions in 2011

Unit: Institution

N o	Ministry, Sector and Association	Vocational college	Secondary vocational school	Vocational center	Other institutions offering vocational training	Total
1	MOET	1	0		6	7
2	MOLISA	3	1		4	8
3	MOND	4	22		2	28
4	MCST	5	0		5	10
5	MOC	6	2		9	17
6	MOT	7	6		4	17
7	MOIT	9	0		29	38
8	MARD	16	5		14	35
9	Corporations and Groups	5	16		13	34
10	VGCL	3	8	1		12
11	VCA	2	1	1		4
	Total	62	62	2	89	215

Source: Department of Organization and Personnel - GDVT

- Locally-managed Vocational institutions are categorized by ownership nature:

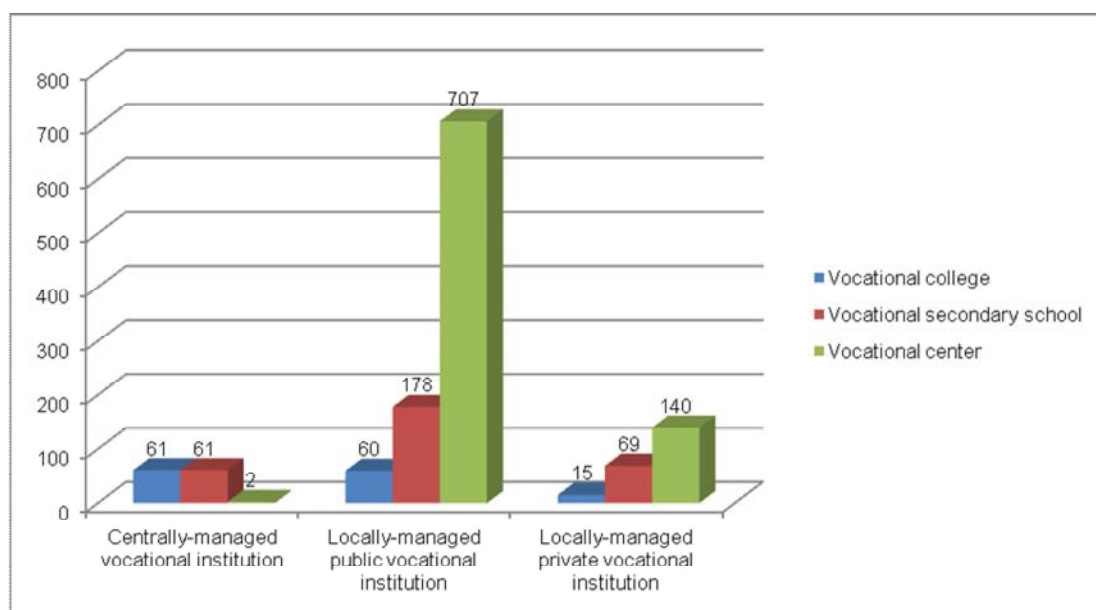
+ Locally-managed public vocational institutions include those directly under the ownership of provincial departments and sub-sectors (i.e. DOLISA, DOET, DARD...), People's Committee of Districts, Provinces/Cities and Provincial Associations such as Provincial Women's Association, Provincial Cooperatives Alliance, Provincial Farmers' Association... The total of locally-managed public vocational institutions is 943, including 59 vocational colleges, 177 secondary vocational schools and 707 vocational centers.

+ Locally-managed private vocational institutions include those under ownership of private enterprises. The total of locally-managed private vocational institutions is 224, including 15 vocational colleges, 140 secondary vocational schools and 707 vocational centers.

It can be seen that, centrally-managed vocational institutions are mainly vocational colleges and secondary vocational schools. On the contrary, vocational centers are mainly managed by local authorities and are primary public vocational centers.

Figure 15: Vocational institution structure by management level, 2011

Unit: Institution



Source: Department of Organization and Personnel – GDVT

3.2. Overall assessments on vocational institution network

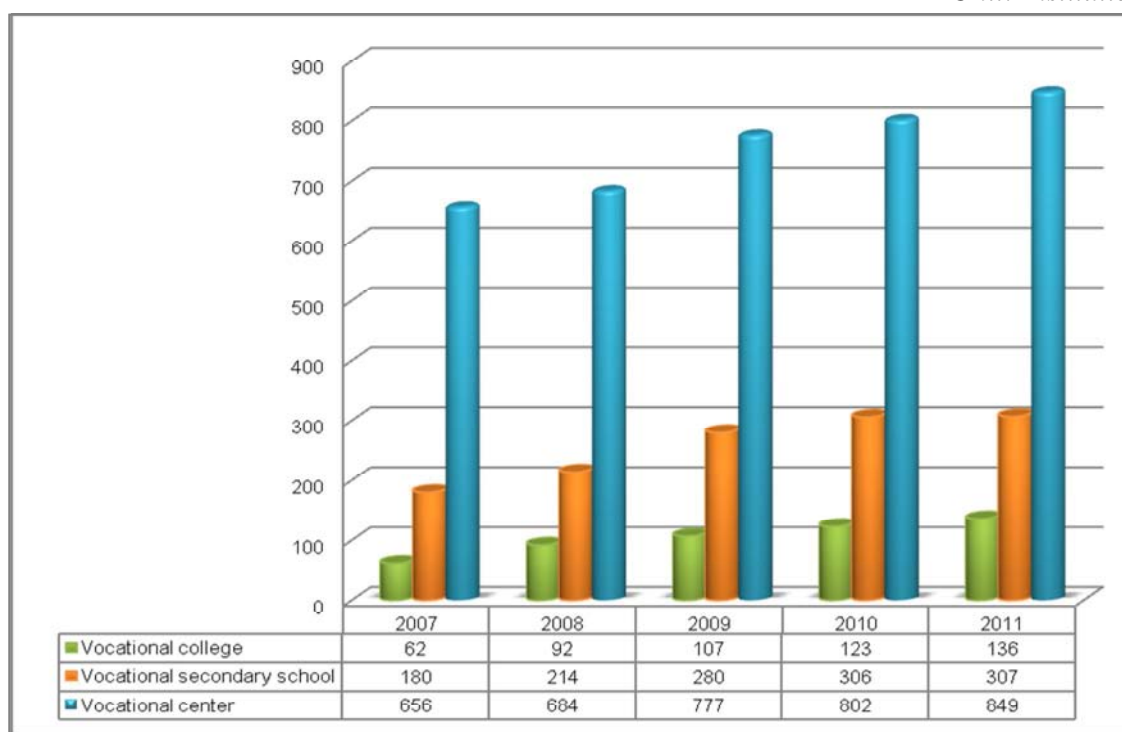
Together with achievements made by vocational training sector in general, vocational institution network from 2001 to date, especially from the implementation of Law on Vocational Training has witness significant achievements as well.

Vocational institution network has developed widely across the country. Compared to 2001, the number of vocational

institutions has increased by 2.84 times (from 156 vocational training schools in 2001 to 443 vocational colleges and secondary vocational schools in 2011); the number of vocational centers has increased by 5.66 times (from 150 vocational centers in 2001 to 849 vocational centers in 2011). Thanks to socialization in vocational training, the number of privately-owned vocational institutions has rapidly increased in the last few years.

Figure 16: Vocational institution network in the period 2007 – 2011

Unit: Institution



Source: GDVT

However, vocational institution network has not yet been connected with the national and local socio-economic development strategies, with inappropriate distribution among regions. The vocational institution network has not yet been planned by occupation, with vocational institutions currently operating in a way which diversifies training occupations, without focus on specialized occupations. High-quality vocational institutions are yet to be established, especially those which reach international standards. Across regions, there have been no major vocational training center established which can make a breakthrough in terms of quality of labor force for respective provinces within the region.

The majority of institutions and centers are still located in urban areas, concentrated industrial zones and key economic zones. Rural areas, especially remote and mountainous areas, have very few vocational institutions, with 163 districts to date having no district-level public vocational centers (including 20 poor districts in accordance

with Resolution 30a⁶; 10 districts with the rate of poor households between 30 - 50%; 31 poor districts in mountainous, border, island areas). Therefore, they have not been able to facilitate local residents in their respective areas to enjoy vocational training, at the same time faced challenges to realize guiding principle on lifelong learning. The structure of occupations in curriculum still shows many shortcomings, with the main focus on training such occupations as corporate accounting, welding, metal cutting, civil electrical engineering, industrial electronic engineering, computer administration, repair and assembly... On the contrary, occupations of production and services in agriculture, forestry, aquaculture, fishery are not yet focused in their training, although Vietnam's key export commodities mainly come from these industries.

⁶ The list of 61 country poorest districts is defined in accordance with the Resolution 30a/2008/NQ-CP of the Government dated December 27th 2008 on the Program on Supporting Rapid and Sustainable Poverty Reduction for 61 poor districts.

4. VOCATIONAL MANAGERS AND TEACHERS

4.1. Vocational managers

Vocational managers in ministries and sectors

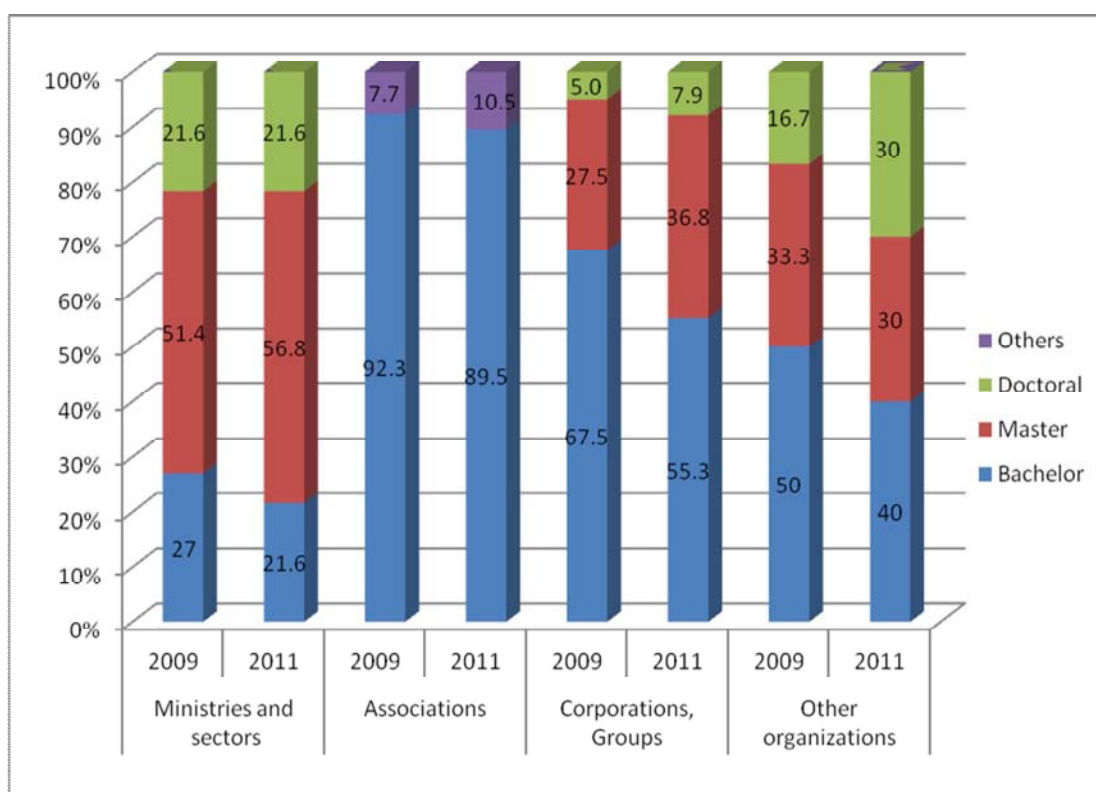
Vocational managers in ministries and sectors in this report include those in charge of vocational training in various ministries

(i.e. MOIT, MARD...), Corporations, Groups, associations (Vietnam Farmers' Association, Vietnam Women's Association...) and other organizations (not inclusive of managers in GDVT).

With regard to training qualifications

Figure 17: Qualifications of vocational managers in ministries and sectors

Unit: %



Source: Department of Organization and Personnel - GDVT

In terms of training qualifications, vocational managers at ministries have the highest qualifications with 100% of them being bachelor's or higher, of which more than 70% have postgraduate qualifications and this rate is nearly 80% in 2011.

Unlike ministries, vocational managers in associations have other qualifications other than bachelor's (not master's or doctoral qualifications). They are mainly artisans and

highly skilled technicians. While the share of managers with other qualifications is not big, it tends to increase from 8% in 2009 to nearly 11% in 2011.

This reality indicates that associations are more likely to develop and utilize vocational managers with a wealth of experiences and high technical skills. On the contrary, ministries, sectors, Corporations and other such organizations still tend to develop and

utilize vocational managers on the basis of training qualifications they obtain from vocational institutions.

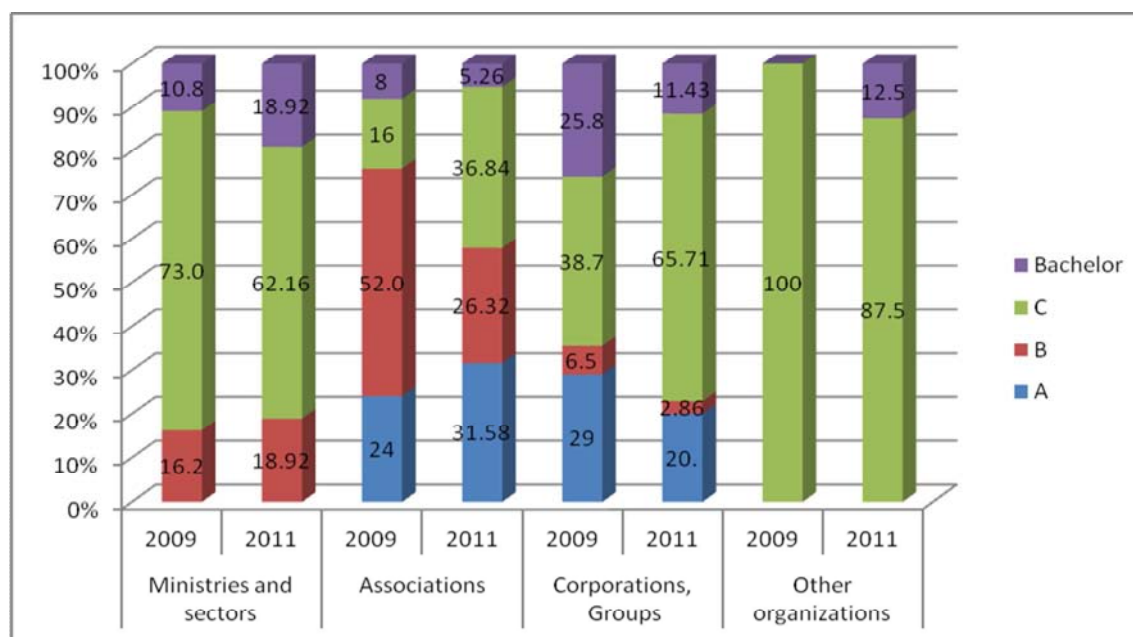
With regard to foreign language competence

100% of vocational managers have foreign language qualifications of certain type. This is especially true of ‘other organizations’, where vocational managers have quite a high level of foreign language competence (C level or higher), and 100% have C level or higher in 2011 (including 12.5% bachelor’s). This is also a tendency within ministries and sectors. This reality shows that foreign

languages have been playing an increasingly important role for the performance of tasks among vocational managers. While it is not a standard or the most important eligibility condition, foreign language is becoming a more and more objective requirement; it is an indispensable supplemental skill for state managers in regard to vocational training. More particularly, within the context of increasingly wide and deep integration into international arena such as today’s, it requires vocational managers to be conversant with foreign languages if they are to perform tasks more effectively.

Figure 18: Foreign language qualifications of vocational managers in ministries and sectors

Unit: %



Source: Department of Organization and Personnel - GDVT

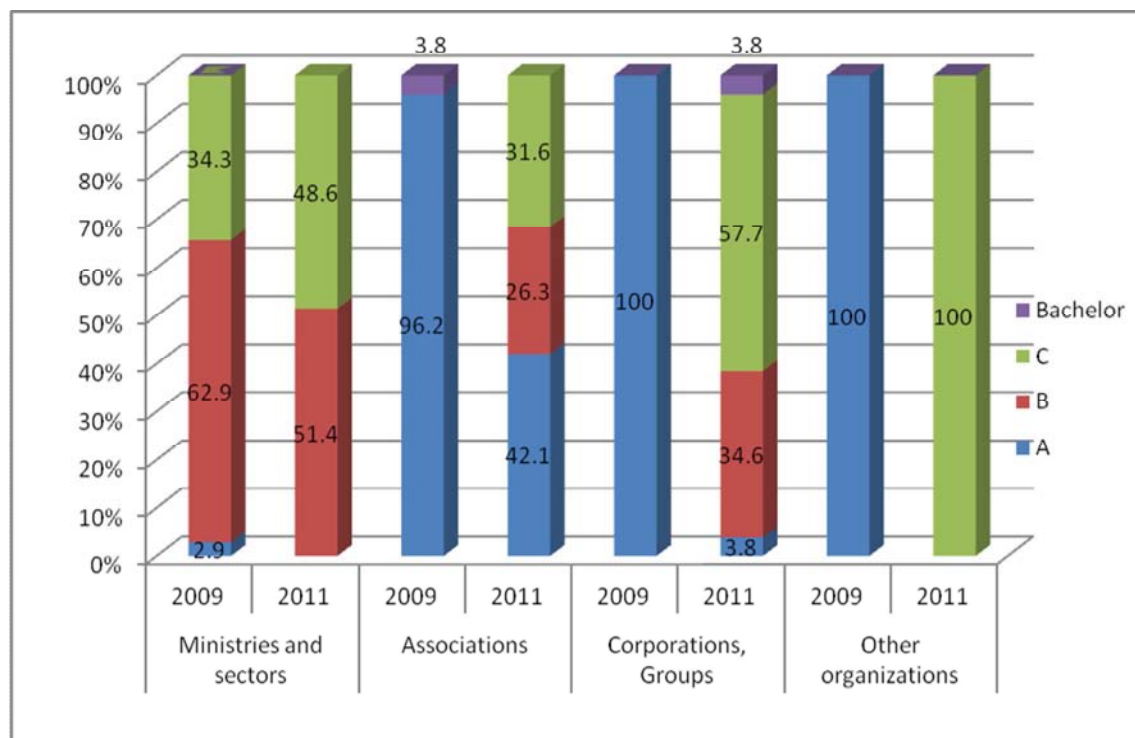
Information technology competence

As with foreign language competence, IT literacy is a very important supplemental skill for vocational managers as they frequently work on computers, Internet, electronic communication, toward E-Government. As such, raising IT literacy for vocational managers has been always taken care of.

In 2009, most of the managers at associations, Corporations and Groups have A-level certificates, but till 2011, a drastic increase is witnessed in the number of people awarded with B and C – level certificates. This is especially true of ‘other organizations’, where 100% of managers have C-level certificates.

Figure 19: Information technology qualifications of vocational managers in ministries and sectors

Unit: %



Source: Department of Organization and Personnel - GDVT

Vocational managers in Departments of Labor, Invalids and Social Affairs (DOLISAs)

Managers who work at provincial department level in this report are those who manage vocational training divisions at local level.

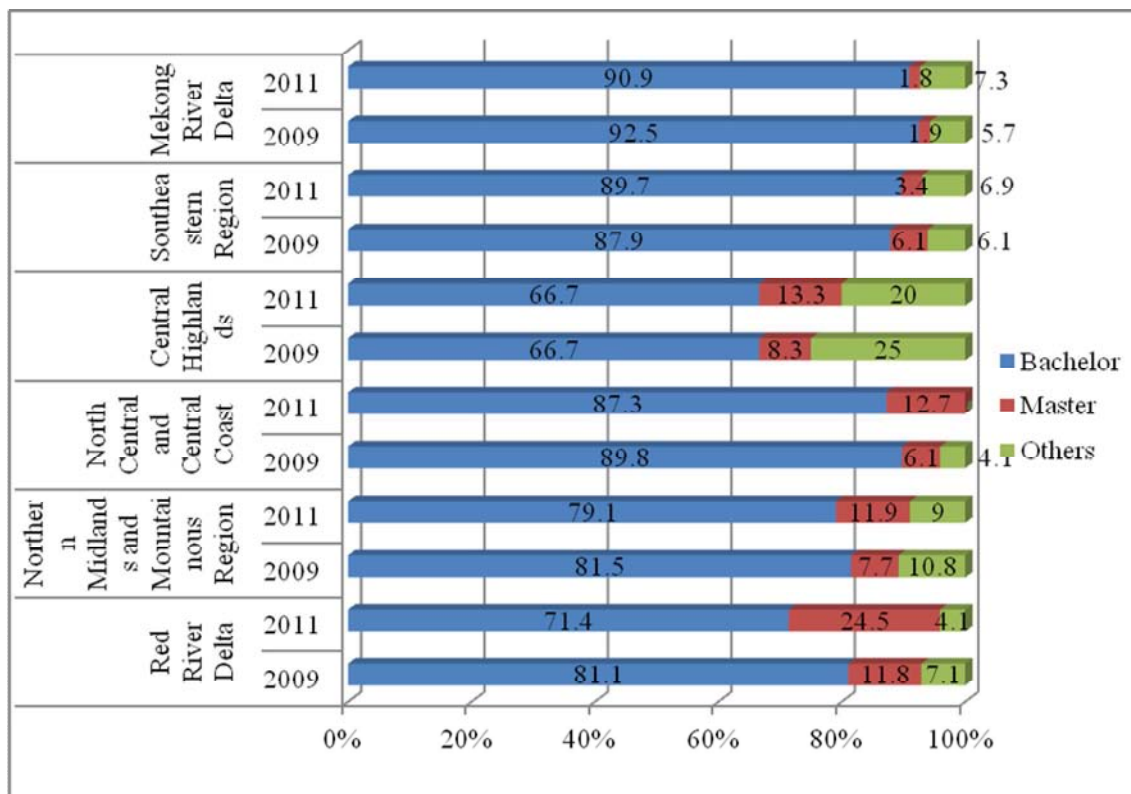
With regard to training qualifications

CBQLDN Vocational managers in all provinces and cities across the whole country have master's degrees as the highest

qualifications. In 2009, North Central and Central Coast still have managers who have other qualifications. By 2011, however, this region has no manager with other qualifications and is supplemented by managers with master's qualifications. While the share of managers with other qualifications in Central Highlands has decreased from 25% in 2009 to 20% in 2011, this is still a high figure compared to the whole country.

Figure 20: Qualifications of vocational managers at DOLISA (vocational training division) by socio-economic region

Unit: %



Source: Department of Organization and Personnel -GDVT

Foreign language competence

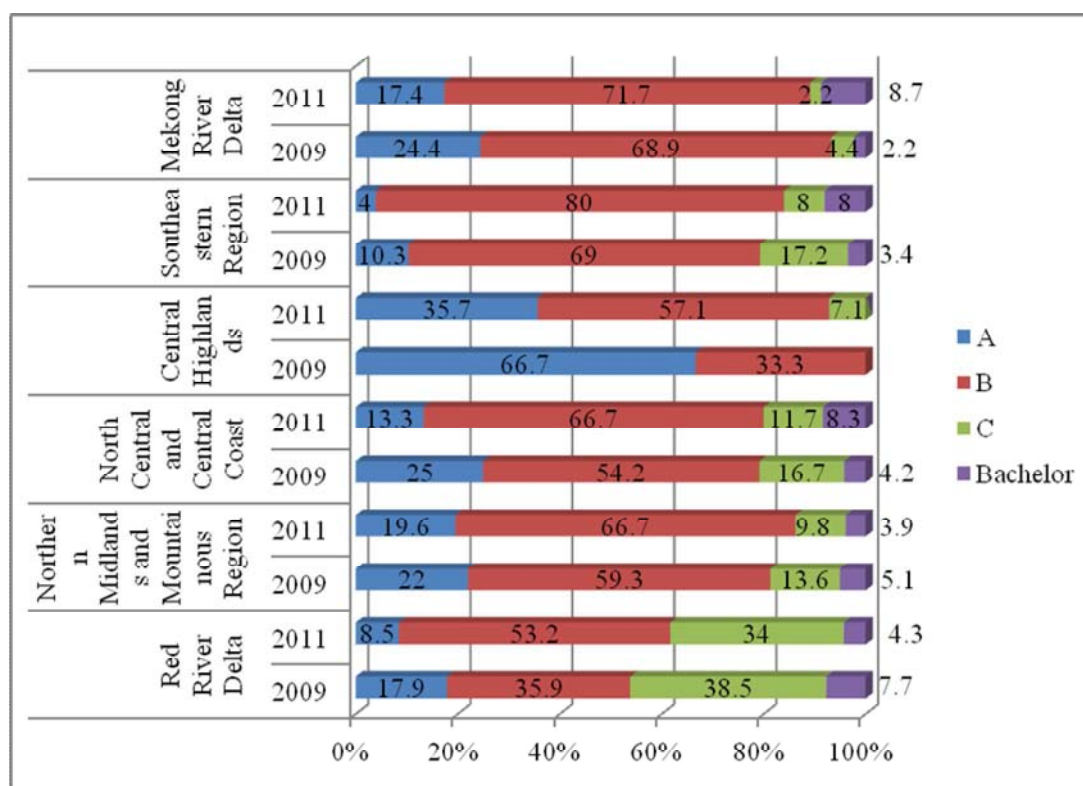
Foreign language competence of vocational managers at provincial department level has significantly increased in the period 2009-2011 as reflected through the increasing number of managers with B-level qualifications. More particularly, in some regions, the share of managers with

Bachelor's qualifications has increased substantively.

This reality suggests that DOLISAs have put in place incentive policies for their managers to participate in training courses to enhance their foreign language competence for better performing the tasks assigned to them.

Figure 21: Foreign language competence structure of vocational managers at DOLISAs by region

Unit: %



Source: Department of Organization and Personnel - GDVT

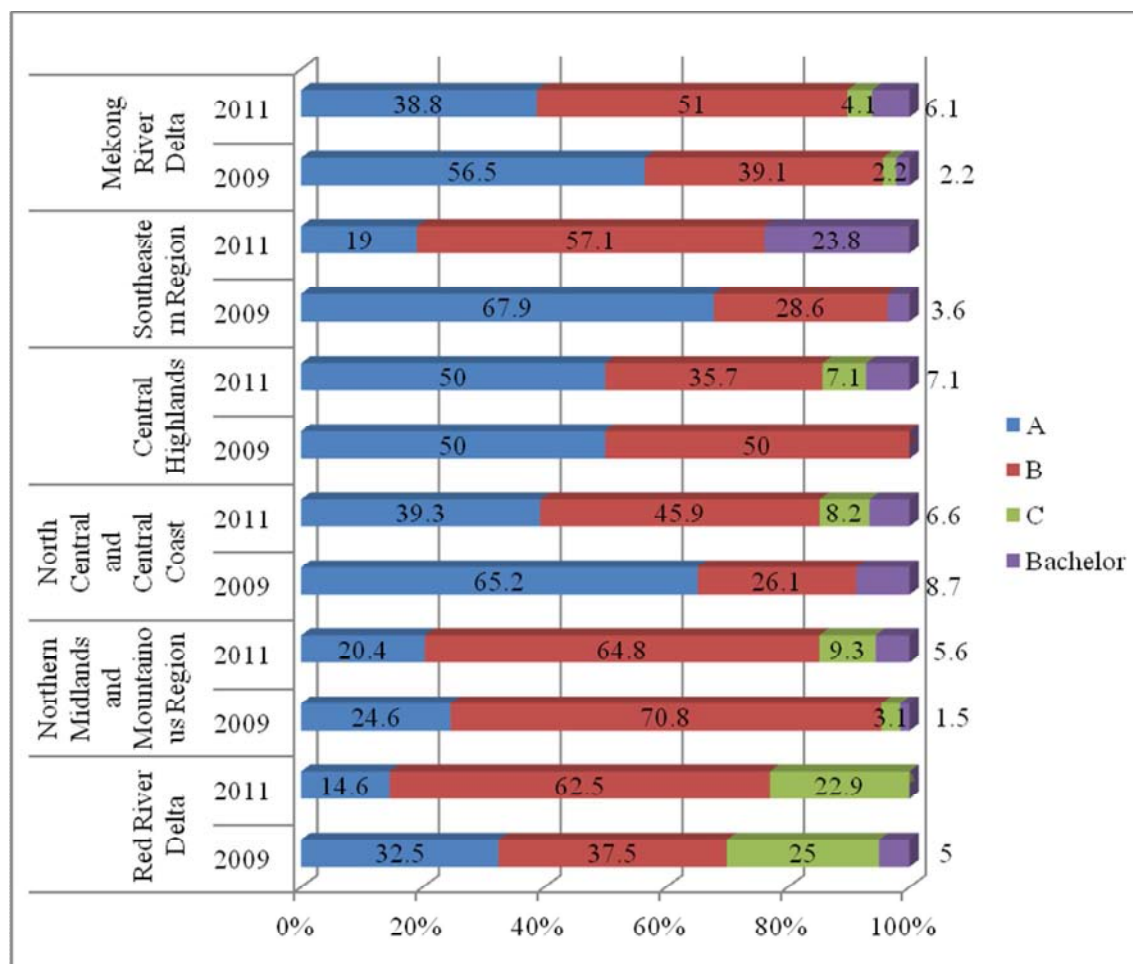
Information Technology Competence

Along with foreign language literacy, IT is a very necessary soft skill for the management. The structure of IT qualifications has seen a robust change in a way which constantly decreases the

proportion of people with A-level certificates and likewise increases those with B and C – level certificates in IT. Not until 2011 did Red River Delta have A, B and C-level certificates, whereas in 2009 this region had 5% of vocational managers with bachelor's qualifications.

Figure 22: IT competence structure of vocational managers at DOLISAs by region

Unit: %



Source: Department of Organization and Personnel - GDVT

Managers in vocational institutions

Managers in vocational institutions are comprised of those who work in professional divisions in service of training in vocational institutions such as training, science research, student affairs, corporate relations... and teachers who take the pluralistic task of professional management such as subject group leader, faculty manager...(these people will enjoy an additional allowance coefficient for management tasks).

To ensure that the training activities in vocational institutions are carried out in compliance with regulations, vocational

managers in vocational institutions play a very important role. To ensure effective mobilization and utilization of resources to cater to training activities and development of vocational institutions, vocational managers at vocational institutions are required to be highly competent in professional expertise, management, IT and foreign language literacy...

Professional and technical qualifications

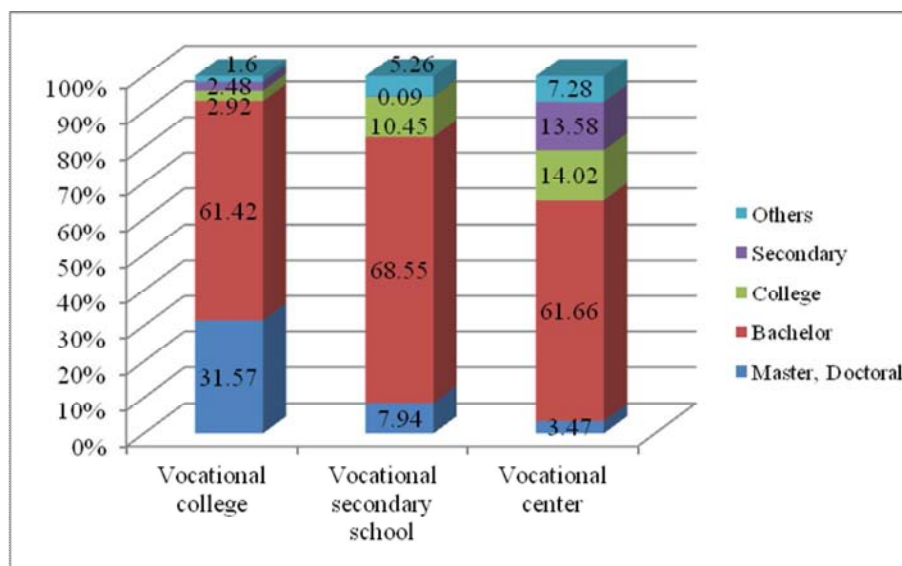
In recent years, most vocational managers at vocational institutions have college and university qualifications or higher. In

vocational colleges, 93% of managers have college and university qualifications or higher, in secondary vocational schools, this rate is 77.47% and vocational centers, it is 65.12%. Vocational managers are mainly

teachers in vocational institutions or other training institutions, thus they have certain experience in training management and are designated in accordance with defined functions and organizational structure.

Figure 23: Professional qualifications structure of vocational managers at vocational institutions

Unit: %



Source: Department of Organization and Personnel - GDVT, 2010.

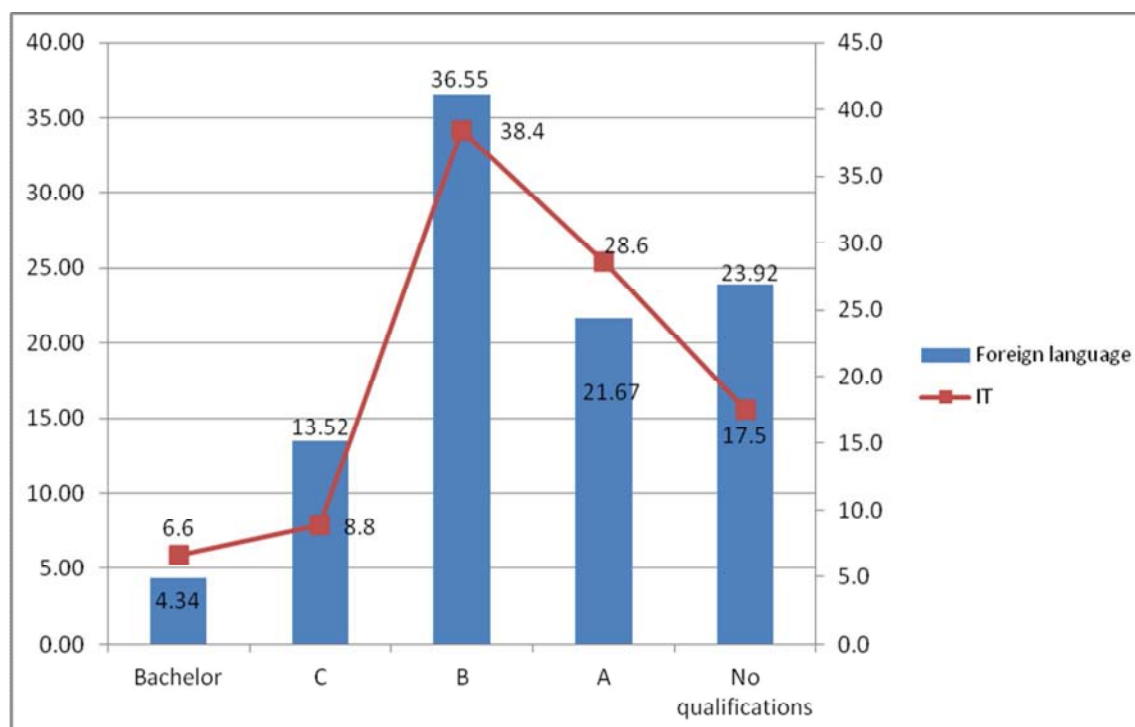
Foreign language and competences

Vocational managers in vocational institutions have paid attention to foreign language to enhance their competences. 76% of vocational managers in vocational institutions have certain foreign language competence (i.e. foreign language certificates), 6% of vocational managers in vocational colleges have bachelor's qualifications in foreign language, and this overall rate in vocational institutions is 4.4%.

In vocational centers, up to 24% of vocational managers do not have any foreign language competence, which have big impacts on management in context of increasing international integration in vocational training among vocational institutions.

Figure 24: IT and foreign language competence structure of vocational managers in vocational institutions

Unit: %



Source: Department of Organization and Personnel - GDVT, 2010.

Although IT has become more and more popular in daily activities of agencies, organizations as well as families and individuals, to date, still 17.5% of vocational managers in vocational institutions do not have any IT competence. Most of these people are artisans, highly skilled technicians of traditional occupations, who undertake pluralistic task of management in their own vocational institutions.

Overall, although foreign language and IT competences of vocational managers have increased to some extent, compared against requirements of vocational training

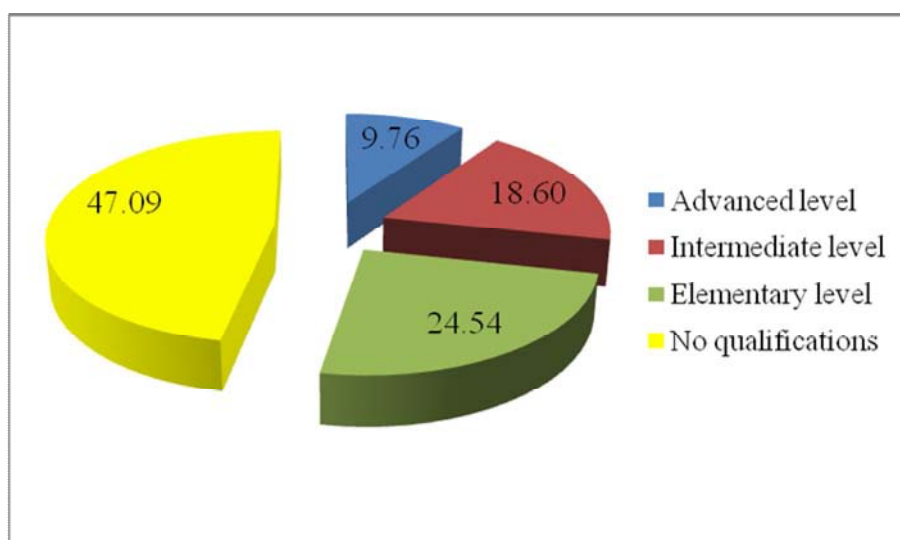
development, their abilities are still limited in practical terms, causing many obstacles in proficient use of foreign language and IT into management tasks.

Political reasoning and State management competences

As regulated, vocational managers in vocational institutions at vice-dean level or higher are obliged to have undertaken the training courses in political reasoning and State management. In reality, however, still 47% of managers have not yet had political reasoning qualifications.

Figure 25: Political reasoning qualification structure of vocational managers at vocational institutions

Unit: %



Source: Department of Organization and Personnel- GDVT

In terms of training on vocational management

The training on vocational management for vocational managers in vocational

institutions has always been taken care of at different levels and in vocational institutions themselves. The capacity-building courses, including those on managerial capacities, are regularly organized.

Table 10: Management competence structure of vocational managers in vocational institutions, 2010

Unit: %

	Managers with certificates on vocational training management		Total vocational managers
	Number	%	
Vocational college	742	29.69	2499
Vocational secondary school	682	26.00	2623
Vocational centers	825	25.99	3174

Source: Department of Organization and Personnel - GDVT

As has been analyzed above, most training managers in vocational institutions undertake managerial tasks on a pluralistic/part-time basis and they promote themselves from teachers so they do have

experience in training but their management experiences are limited. Currently, nearly 70% of vocational managers in vocational colleges have not yet had certificates on vocational training and these rates in

secondary vocational schools and vocational centers are in the neighborhood of 74%.

4.2. Vocational teachers

This report only mentions vocational teachers of vocational colleges, secondary vocational schools and vocational centers.

Vocational teachers come from different sources. Some are graduates of technical education universities or colleges. A large

share of them includes those who have professional and technical qualifications before and receive further training in technical and pedagogical skills to become vocational teachers. Some teachers who teach practice sessions are recruited and selected from highly skilled workers and artisans...so their capacities are very different accordingly.

Table 11: A summary of vocational teachers in vocational institutions

Unit: Person

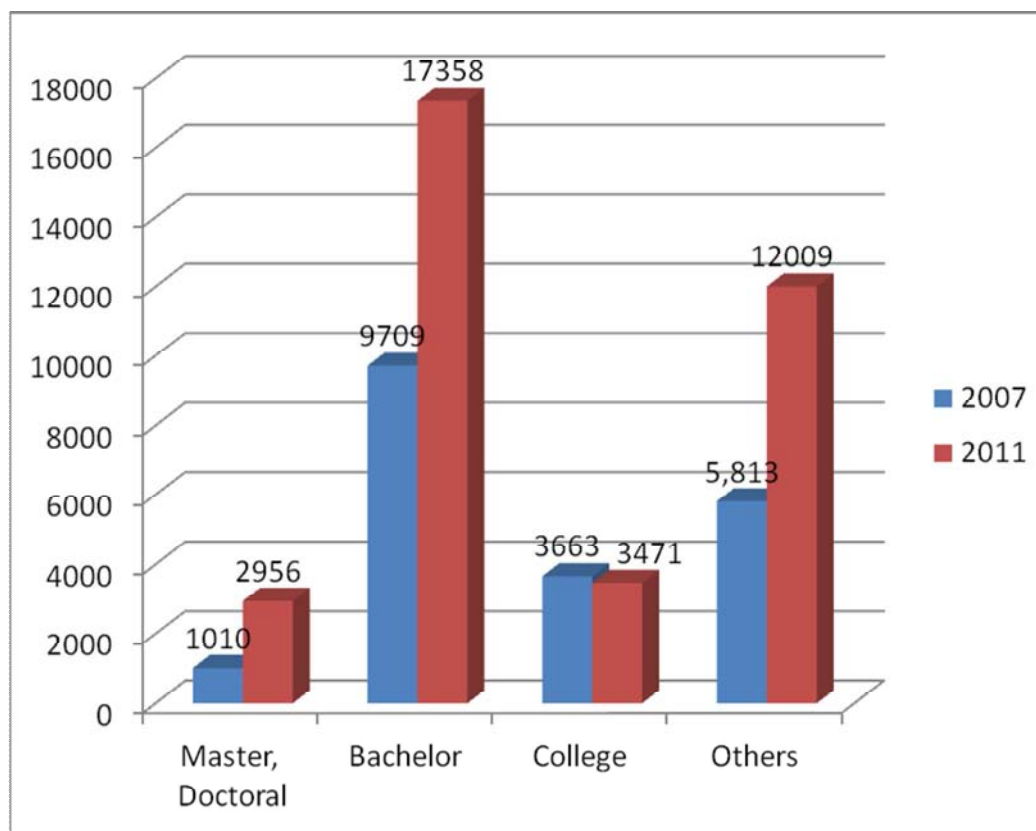
	Total permanent teachers		Female teachers		Ethnic minority teachers		Teachers of general subjects		Vocational teachers	
	2007	2011	2007	2011	2007	2011	2007	2011	2007	2011
VC	4,678	12,807	1,059	3,715	56	87	772	2210	3,906	10597
VSS	9,583	11,412	2,063	2,543	108	220	1,160	1775	8,423	9637
Vocational Center	5,934	11,575	1,643	1,636	67	280	263	142	5,671	11433
Total	20,195	35,794	4,765	7,894	231	587	2,195	4,127	18,000	31,667

Source: Department of vocational teachers and managers - GDVT, 2011

- As of December 2011, in the whole country, there are 35,794 vocational teachers across vocational colleges, vocational secondary schools and vocational centers, of which, 12,807 teachers are from vocational colleges, 11,412 from vocational secondary schools and 11,575 from vocational centers.

Compared to the number of teachers in vocational institutions in 2007 (20,195 teachers), in 2011, the number of vocational teachers in vocational colleges, vocational secondary schools has increased by 1.7 times.

In terms of professional qualifications

Figure 26: Professional qualifications of vocational teachers between 2007 and 2011*Unit: person**Source: Department of vocational teachers and managers - GDVT*

In recent years, vocational teachers have increased in terms of both quantity and quality, especially professional and technical qualifications. The number of vocational teachers with master's qualifications in vocational institutions is 2,956 people (in 2011), with the number of people with this qualification in vocational colleges increasing by 6.14 times from 2007 to 2011.

However, between 2009 and 2011, in implementing the scheme on vocational training for rural laborers, vocational institutions have mobilized a great many vocational trainers who are artisans and highly skilled workers from enterprises to get involved in vocational training, therefore the number of vocational trainers with other qualifications in vocational centers has

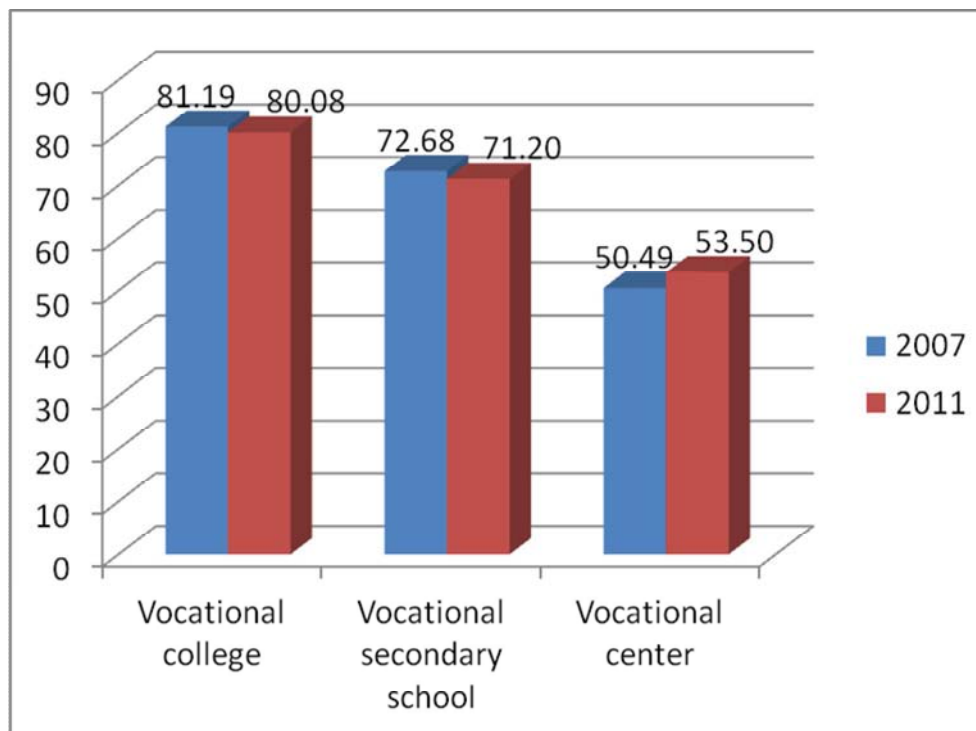
significantly increased, especially in two years, 2010 and 2011.

In terms of pedagogical skills in vocational training

In order to meet capacity requirements set forth for vocational teachers in recent time, GDVT has elaborated and promulgated the frame program on pedagogical skills in vocational training for vocational teachers at intermediate and collegiate levels; frame program on pedagogical skills in vocational training for vocational teachers at elementary level; training program on teaching skills for vocational teachers and six programs on nourishing pedagogical skills for vocational teachers to reach international standard, i.e. City&Guilds

Figure 27: Qualified vocational teachers in terms of pedagogical skills

Unit: %



Source: Department of vocational teachers and managers - GDVT

In terms of pedagogical skills: The share of vocational teachers who have undertaken training on pedagogical skills in vocational colleges is 80.8%, in secondary vocational schools 71.2%, and vocational centers 53.5%.

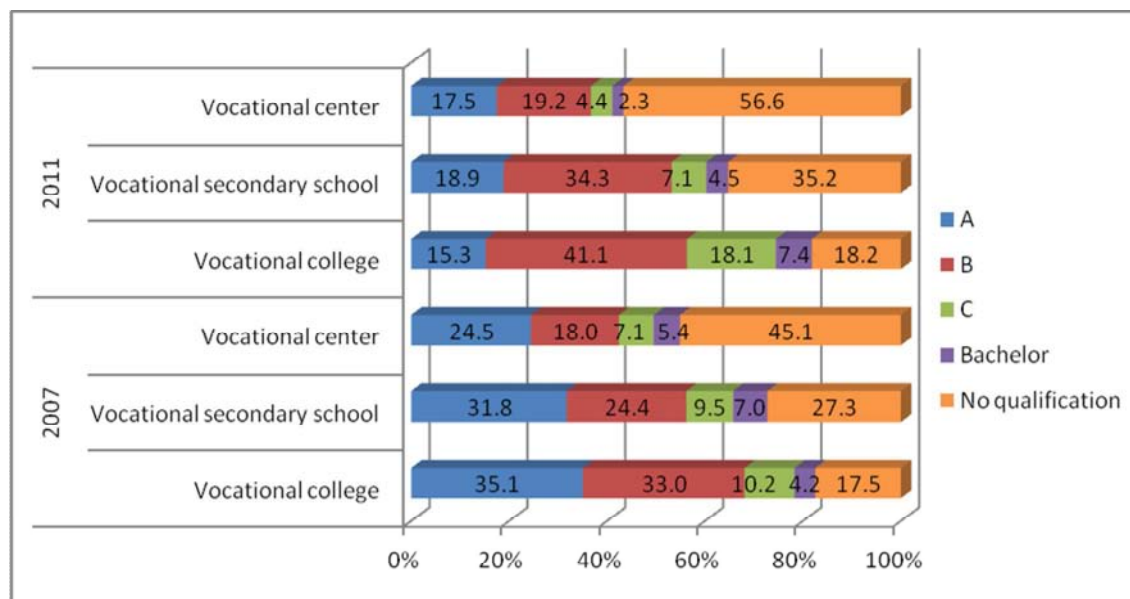
In terms of vocational skills: Of the total 83% of teachers who are currently teaching practical and integrated contents, only 57.8% of teachers have met the occupational

skill standards (4/7 or equivalent and higher).

In terms of foreign language competence

Figure 28: Foreign language competence structure of vocational teachers in vocational institutions

Unit: %



Source: Department of vocational teachers and managers- GDVT

Overall, foreign language competence of vocational teachers in vocational colleges, secondary vocational schools have remarkably increased, but mainly from A-level qualification to B-level qualification.

From 2007 to 2011, the number of vocational teachers with B-level qualification in vocational colleges has increased by nearly 10%, in secondary vocational schools more than 10%. The proportion of C-level and bachelor's qualifications in foreign language remains very limited, with 2011 observing just above 7% of vocational teachers in vocational colleges with bachelor's qualifications and more than 18% with C-level foreign language qualification.

- The share of vocational teachers without foreign language qualifications has decreased in vocational colleges, secondary vocational schools but increased in vocational centers. The vocational teachers without foreign language qualifications are mainly those highly skilled workers in traditional craft villages involved in

vocational training and those from mountainous and ethnic minority areas.

Of the vocational teachers in vocational colleges currently, 81.76% have A-level IT qualification or higher, with C-level and bachelor's accounting for 15.5%".⁷

4.3. Overall remarks

Key achievements

Along with the development of vocational institution network, the size and structure of training occupations, vocational teachers and managers have also developed in terms of both quantity and quality, contributing to confirming position and role of the vocational teachers, implementing the task of vocational training to cater for the cause of industrialization, modernization and socio-economic development of the country. The size of vocational teachers has rapidly grown, with secondary vocational schools

⁷ Source: Department of vocational teachers and managers - General Department of Vocational Training

and vocational colleges increasing by 1.7 from 2007 to 2011.

Attracting high-quality resources such as artisans, highly-skilled workers currently working in enterprises; scientists to participate in vocational training in order to establish a pool of vocational teachers with diverse and rich qualifications is of crucial importance.

The training for enhancing pedagogical and occupational skills, professional expertise as well as foreign language and IT literacy for vocational teachers and managers has been focused and renovated in training content and method for the sake of enhancing quality of vocational training.

Constraints

- Vocational managers are yet to be professional and experienced in vocational training management. The number of vocational managers at local level is limited, failing to match the assigned tasks (on average each bureau has 4 managers), and inexperienced in the field of vocational training. 65% of vocational managers across

vocational institutions have yet to receive training on vocational training management. No specialized institution has been put in place which offers training to vocational managers.

- Vocational teachers are lacking in quantity (with the ratio of converted students to teachers being 26:1), and limited in occupational skills and competences.

- Vocational teacher training institutions are unevenly distributed, with very limited number of institutions in Mekong River Delta and Northern Region on one end and a large contribution in Red River Delta on the other.

- Science research, foreign language and applied IT competences among vocational teachers are still limited. Therefore, their ability to keep themselves updated of new knowledge and technology is yet to be satisfactory.



Teachers and students at Bac Ninh Vocational College of Economics and Technology

5. ADMISSION AND GRADUATION

The main content of this section will provide information on vocational admission and graduation at collegiate level. Also, the section will present a brief overview on student streaming post lower secondary and upper secondary so that one can see the trend of students going into vocational training.

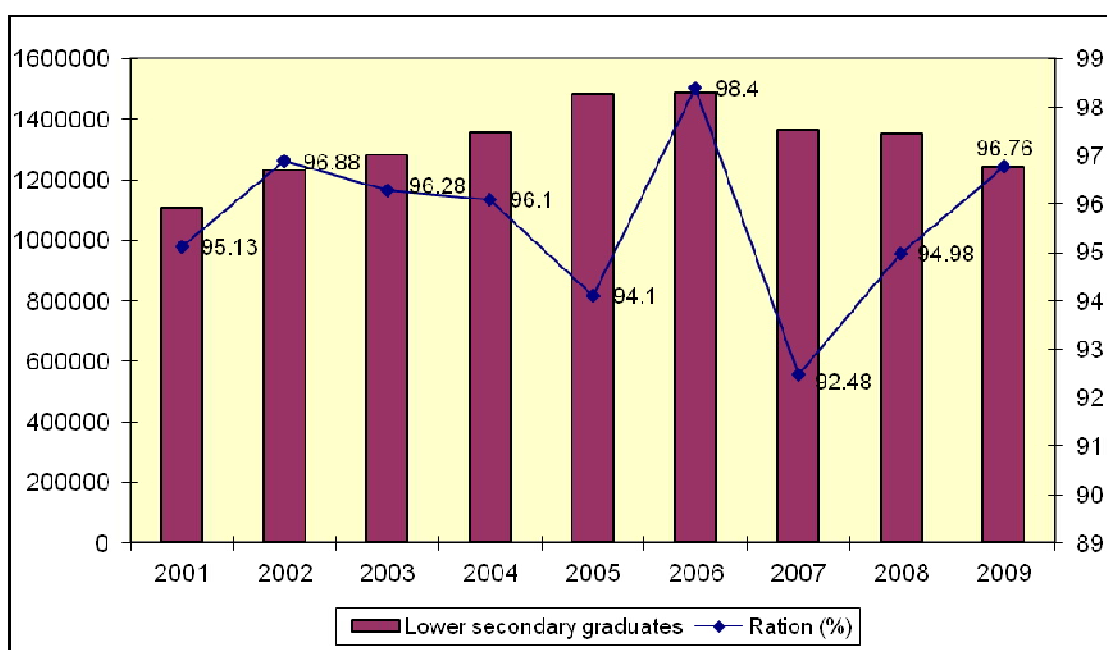
Due to many reasons, GDVT at present only collects and manages data on admission in general and is only able to disaggregate data by some indicators such as region, ownership nature of the institution, training level and information on some key training disciplines and specializations. For graduates, at the moment only information on college graduates together with data on the rate of employed graduates post the training in some key disciplines and specializations is collected. As such, the 2011 admission data is yet to analyze characteristics of individual apprentices or to reveal the information on graduates at

vocational intermediate and elementary levels.

5.1. An overview of student streaming after lower secondary and upper secondary schools

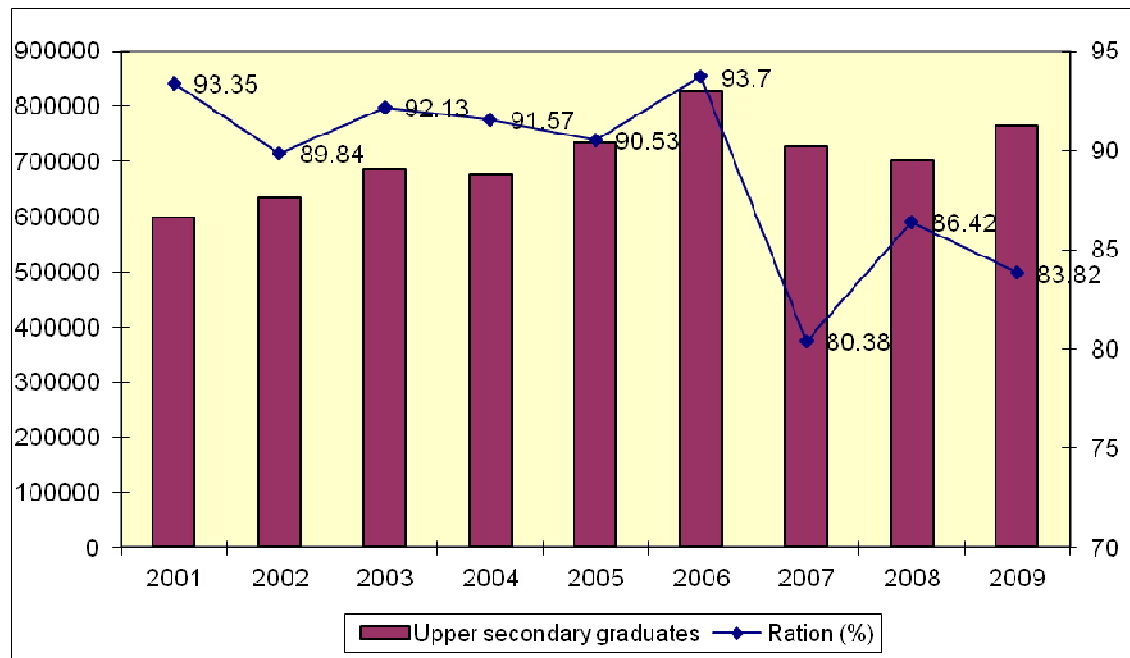
Traditionally, in Vietnam, graduates of lower secondary schools will mainly continue into upper secondary schools, supplemental upper secondary level in continuing education centers (CECs). In 2007 – 2008 academic year, the proportion of graduates of lower secondary schools across the country who continue into upper secondary schools, supplemental upper secondary schools reaches nearly 80%, and only a small percentage of students goes in vocational institutions (i.e. 2.5% into vocational institutions and 1.8% into professional secondary schools); and the remaining 17.5% (an equivalent of 275,000 graduates) do not continue to study.

Figure 29: Number and percentage of lower secondary graduates



Source: Vietnam Strategy for Education Development 2011 - 2020

Figure 30: Number and percentage of upper secondary graduates



Source: Vietnam Strategy for Education Development 2011 - 2020

Most upper secondary graduates often sit for the entrance exams into university and college; only those who do not pass the exams will choose to study in professional secondary schools or vocational institutions because of the psychology in favor of degrees in the society at large. The remainder may stay home to review lessons and prepare for the following year to sit for the entrance exams again or seek jobs to do.

According to statistics of 2007 – 2008 academic year, 43.8% graduates of upper secondary schools enter universities and colleges; 30.3% into professional secondary schools.

streaming post lower and upper secondary education into vocational training in Vietnam with that of some other countries in the world suggests that this rate in our country is still low.

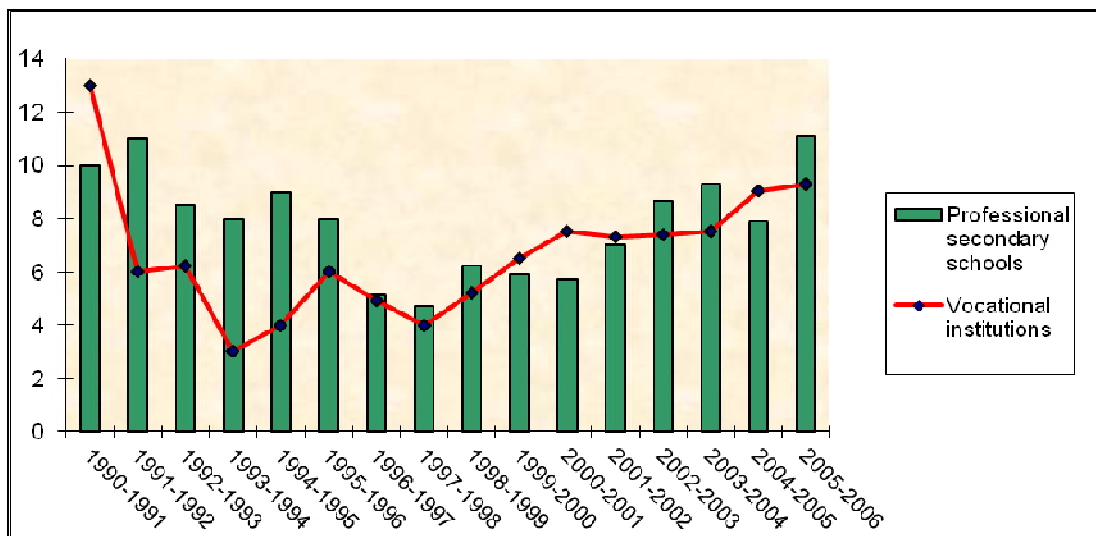
Box 10: Assessment of implementation result of several key objectives in student streaming in Education Development Strategic Plan 2001-2010

The Report on Implementation Results of basic objectives set forth in the Education Development Strategic Plan 2001-2010 has recognized that one of the *unmet objectives* is "to attract graduates of lower secondary schools into vocational institutions at 15%, into professional secondary schools at 15% by 2010". The baseline data for these figures in 2008 are only 2.5% and 1.8%, respectively. The same Report recognized that one of the *met objectives* is "to attract graduates of upper secondary schools professional secondary schools at 15% by 2010". The baseline data for this figure in 2008 is 30.3%.

Source: Report on Implementation Results of basic objectives set forth in the Education Development Strategic Plan 2001-2010

Figure 31: Student streaming post lower secondary schools and post upper secondary school into vocational institutions and professional secondary schools

Unit: %



Source: Dang Danh Anh, *Career Orientation Education in Viet Nam*, 2010

In Taiwan, the education system is divided into two distinct streams, where only 20% lower secondary graduates will go into upper secondary and 80% of this will go into vocational training. In Indonesia, in the past few years, Indonesian government has decided to gradually decrease the rate of lower secondary graduates going into upper secondary schools in likewise gradually increase the rate of lower secondary graduates into vocational training. In 2007, the rate of lower secondary graduates who go into upper secondary schools is only 57% and the remaining 43% goes into vocational training.

In China, one can see a “revolution” in successfully streaming students post lower secondary education into vocational training, reducing from 90% of students post lower secondary education into upper secondary schools in 1979 – 1980 to 43.3% in 1995 - 1996. The remaining 56.7% goes into vocational training⁸.

In European countries, the share of lower secondary graduates who go into vocational training is very big, as shown in the following table:

⁸ Source: Nguyen Duc Tri, *Vocational Training*, 2011.

Table 12: The percentage of streaming students post lower secondary education in some European countries

Unit: %

No.	Country	Vocational training	General education
1	Austria	81	19
2	Hungary	73	27
3	Germany	72	28
4	Netherlands	70	30
5	Belgium	61	39
6	Norway	58	42
7	Denmark	57	43
8	France	54	46

Source: Upper Secondary and Professional Teacher Development Project, MOET, 2010

One of the specific objectives set forth in Vocational Training Development Strategy 2011 - 2020 is to deliver vocational training to increase the rate of trained laborers to 40%, an equivalent to 23.5 million people by 2015 (with intermediate and collegiate level being 20%) and 55% by 2020, an equivalent to 34.4 million people (with intermediate and collegiate level being 23%)⁹. As such, attracting graduates into vocational training is a big challenge to meet objective defined in Vocational Training Development Strategy 2011 - 2020.

5.2. Admission

The year 2007 is the first year of applying the quota on vocational training according to registration of admission quota among vocational institutions, on the basis of training capacity of the host institution, demands of society and apprentices. In addition, this is also the first year of implementing vocational training by three training levels instead of by short-term versus long-term vocational training.¹⁰

⁹ Decision No. 630/QĐ-TTg of the Prime Minister

¹⁰ Conditions and foundations for registering admission quota are defined in Decision No.

The apprenticeship admission is done mainly on the basis of admission consideration. For the collegiate level only, it is possible to apply either admission exams or a combination of admission exams and admission consideration. Data presented in the sections that follow is drawn from the Report on Vocational College Admission and Graduation in 2011 by GDVT.

Admission applicants

Admission by training level

In 2011, there are 221,366 apprentices are admitted into vocational colleges and vocational secondary schools (with 79,737 apprentices in vocational colleges and 141,629 apprentices in vocational secondary schools), an increase of 1.77 times compared to the year 2001. The number of entrants in

468/2007/QĐ-BLDTBXH dated April 6th 2007 of the Minister of Labor, Invalids and Social Affairs: "Regulations on determining admission quota and procedure for registering admission quota in vocational training in 2007" and Official Letter No.199/TCĐN-KHTC dated April 6th 2007 of Director-General of General Department of Vocational Training guiding implementation of the Decision No. 468/QĐ-BLDTBXH dated April 6th 2007.

non-public vocational institutions in 2001 is 2,500, accounting for 2% of the total entrants for long-term vocational training. In 2010, the number of entrants is 43,656, accounting for 15.76% of the total entrants into vocational secondary schools and vocational colleges.

While in 2001, the number of entrants into short-term vocational training is 761,200, by 2011, the number of entrants at elementary level and less-than-three-month vocational training reaches up to 1,552,125 people (including 453,100 entrants as rural

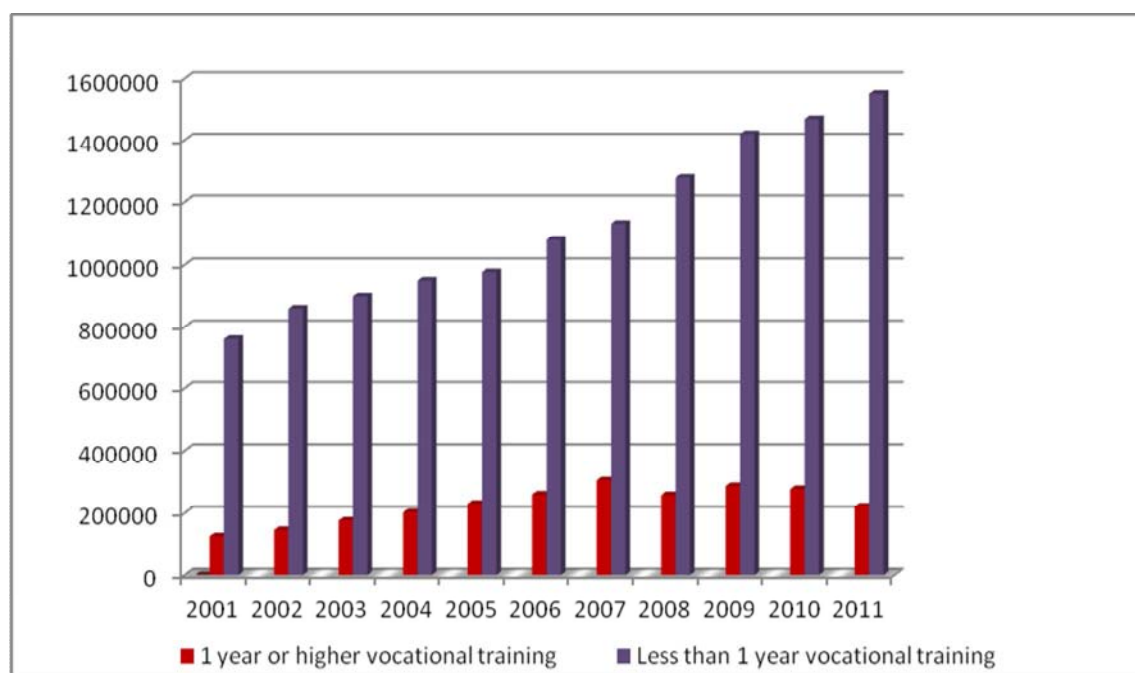
laborers), an increase of more than two times compared to 2001.



Students at Nha trang Vocational Training College

Figure 32: Vocational training admission by training level in the period of 2001-2011

Unit: Person



Source: GDVT

The number of entrants for 1 year or higher and less-than-one-year vocational training¹¹

has been constantly strongly growing in both public and non-public institutions. The number of entrants grows by 5% per annum on average. In particular, after the National

¹¹ The long-term vocational training from 2001 to 2006 and vocational training intermediate and collegiate levels from 2007 till present are commonly referred to as one-year-or-longer vocational training; Short-term vocational training from 2001 to 2006, vocational training at vocational elementary level, and continuing

vocational training from 2007 till present are commonly referred to as less-than-one-year vocational training.

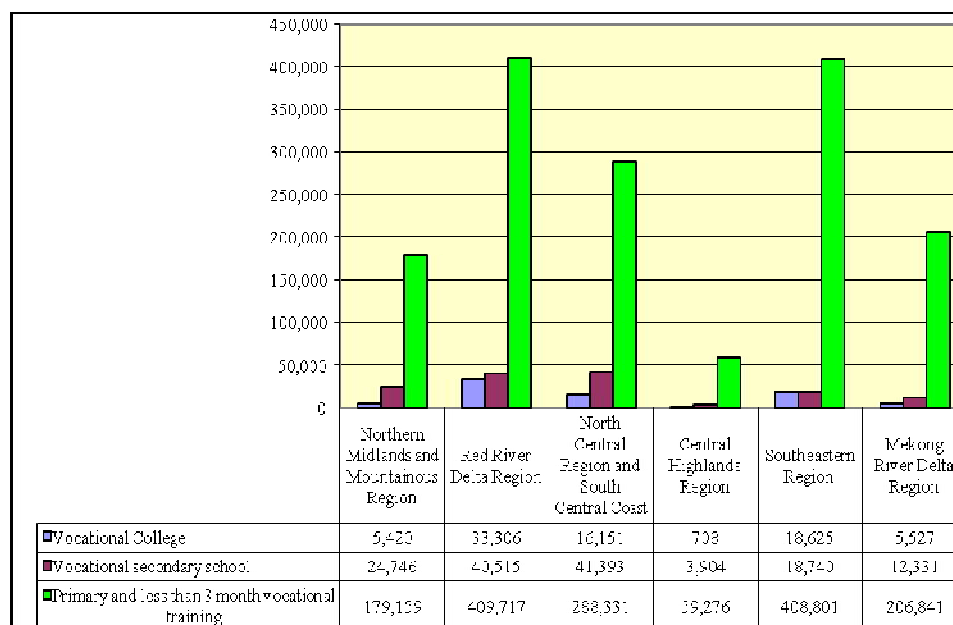
Assembly approves the Law on Vocational Training, which states that “Vocational training has three levels, i.e. elementary, intermediate and collegiate. Vocational training includes formal and continuing vocational training”, in 2007, the size of entrants into vocational colleges and vocational secondary schools has significantly increased. This is also the first year of applying the vocational training admission according to registration of admission quota among vocational institutions, on the basis of training capacity of the host institution. The size of entrants for the two above-mentioned training levels has remained quite stable in recent years, whereas the size of entrants into vocational elementary schools and less-than-one-year vocational trainings tends to rapidly increase, especially from 2009, with the birth of the Decision No. 1956/QĐ-TTg of the Prime Minister approving “the Scheme on Vocational Training for Rural Laborers by 2020”.

Admission by Socio-Economic Region

Of the total of vocational training entrants, the share in Red River Delta Region makes up a highest percentage with 33.35%, followed by Northern Midlands and Mountainous Region with 13.63%, then North Central Region and South Central Coast 25.99%; Southeastern Region 16.88%; Mekong River Delta Region 8.06%; and Central Highlands Region 2.09%.

Generally, the number of admission entrants by socio-economic region is relatively commensurate with the vocational institution network in respective region. For Northern Midlands and Mountainous Region, however, the number of admission entrants is limited, not commensurate with training capacity of training institutions (please refer to data in Figure 11 on distribution of vocational institutions by socio-economic region in 2011).

Figure 33: Number of Admission (Number of enrollment) by socio-economic region and training level in 2011 Unit: Person



Source: Vocational Training Admission and Graduation Report 2011, GDVT

- *Admission by policy beneficiaries in vocational training*¹²

According to the report of 45/63 provinces/cities:

- The total number of collegiate entrants by policy beneficiaries in vocational training is 18,529, of which there are 352 nominee entrants¹³, 5,172 entrants with devotions to revolution, from poor households, people of ethnic minority backgrounds, disabled people, people of whom farming land is acquired; 2,855 entrants in form of training order, and 10,150 entrants eligible for credit loans¹⁴.

- The total number of intermediate entrants by policy beneficiaries in vocational training is 60,187, of which of which there are 4,162 nominee entrants, 19,422 entrants with devotions to revolution, from poor households, people of ethnic minority backgrounds, disabled people, people of whom farming land is acquired; 11,047 entrants in form of training order, 25,555 entrants eligible for credit loans.

- The total number of elementary entrants by policy beneficiaries in vocational training is 303,315 (accounting for 19.54% of the total entrants at elementary level nationwide), of which, there are 147,667 entrants with devotions to revolution, from poor households, people of ethnic minority backgrounds, disabled people, people of

whom farming land is acquired; 155,648 entrants who are rural laborers. Apprentices enjoy some incentive conditions and support depending on their characteristics as have been in section 1.

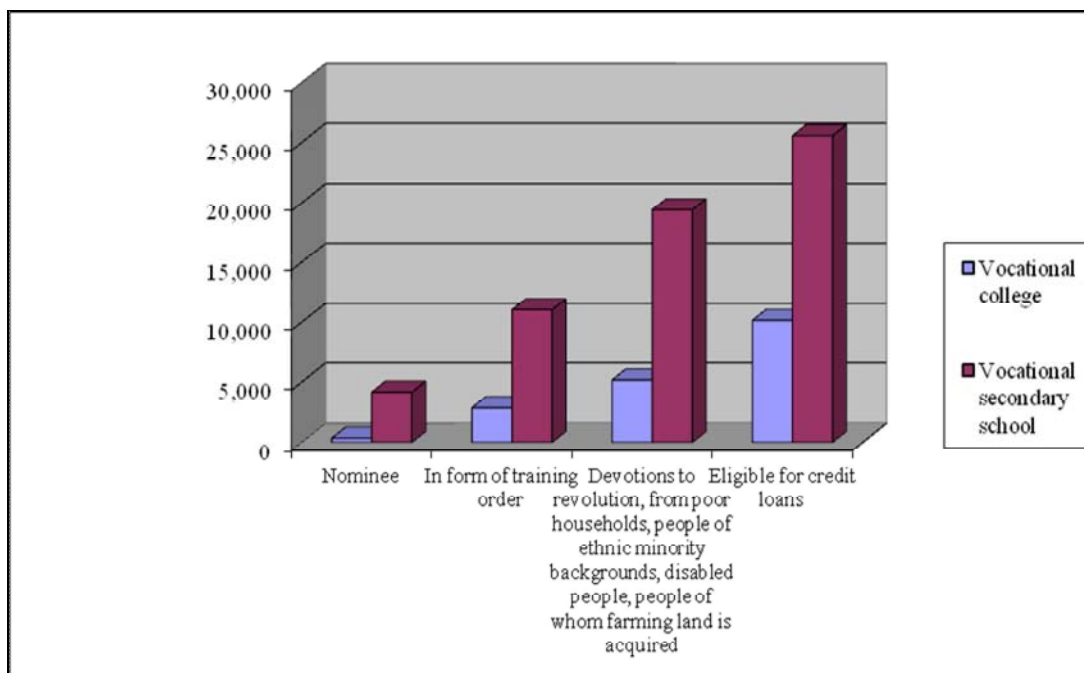
¹² Vocational Training Admission and Graduation Report 2011, General Department of Vocational Training

¹³ The provisions on learner nomination are defined at the Decree No. 134/2006/ND-CP dated November 14th 2006, issuing the Regulations on nomination into educational institutions at university, college, professional secondary levels of national education system

¹⁴ In accordance with the Decision No. 157/2007/QĐ-TTg of the Prime Minister.

Figure 34: Number of Admission into vocational secondary schools and vocational colleges by policy beneficiaries in vocational training

Unit: Person



Source: Vocational Training Admission and Graduation Report 2011, GDVT

- Admission at vocational college by training occupation

The number of applicants registering in admission of 2011, according to data collected from 136 vocational colleges is 100,187 applicants (including both intermediate and collegiate levels), under 159 training occupations.

Of 159 training occupations open for admission registration, 19 occupations have more than 1,000 students, accounting for 75.4%; the remaining 140 occupations only have 24.6% of students. These occupations falling under the group of Mechanical Engineering Technology occupations, (i.e. Welding, Metal cutting, Automotive technologies, Ship hull engineering) enjoy

the largest share of entrants with more than 23,000 students; following by the Group of Occupations on Industrial electrical engineering, electronics and telecommunications (i.e. Civil electrical engineering, Industrial electrical engineering, Industrial electronics with the participation of more than 18,000 students; and then by the Information Technology Group (Computer programming, Computer repair and assembly, computer network administration...) with the participation of more than 9,000 students. However, the occupation with the largest number of apprentices is corporate accounting with the participation of more than 16,000 students.

Table 13: The number of admission applicants into vocational colleges by some popular training occupations and training level in 2011*Unit: Person*

No	Occupation	Intermediate level	Collegiate level	Total of two levels
1	Underground mining technology	50	950	1,000
2	Culinary	425	575	1,000
3	Database administration	865	285	1,150
4	Excavator operation	0	1,330	1,330
5	Ship hull engineering	750	685	1,435
6	Air-conditioning and refrigeration engineering	620	1,105	1,725
7	Restaurant services	860	900	1,760
8	Civil electrical engineering	800	1,095	1,895
9	SME administration	1,755	215	1,970
10	Computer programming	1,300	880	2,180
11	Computer repair and assembly	1,130	1,250	2,380
12	Garment and fashion design	1,160	1,270	2,430
13	Industrial electronics	1,855	1,660	3,515
14	Metal cutting	1,823	2,080	3,903
15	Computer network administration	3,040	1,115	4,155
16	Automotive technologies	3,838	3,435	7,273
17	Welding	4,383	5,020	9,403
18	Industrial electrical engineering	5,683	5,185	10,868
19	Corporate accounting	11,820	4,275	16,095
	TOTAL OF 19 OCCUPATIONS	42,157	33,310	75,467
	The 140 remaining occupations	9,060	15,660	24,720
	Total of 159 occupations	51,217	48,970	100,187

Source: Department of Legislation - GDVT

It can be seen that the registration of admission numbers has created autonomy and accountability for institutions. However, it is important to make policy adjustments to limit admission into those occupations with abundant laborers in labor market; and at the same time put in place incentive policies to encourage institutions and apprentices to

register for learning more specialized occupations with heavy workload and toxic work conditions.

5.3. Graduation

- Graduation exams of vocational college students

Essentially, according to rules of law, institutions are allowed to organize exams and produce graduation test items themselves. Since 2010, in order to increase quality of exams, GDVT has for the first time organized graduation exams in vocational colleges using a common item bank for 7 occupations, in 2011 for 15 occupations (out of the total of 66 occupations in the graduation exams). As such, in two years, 2010 and 2011, in the same vocational college, the organization of graduation exams for vocational colleges is done in two ways: using common test bank and using test items produced by the host institution itself.

- Vocational institutions organize the exams using the common items from an items bank¹⁵: The common test items are compiled in a unified format, on the basis of the test format produced by ASEAN Skills Competition. GDVT assigns some institutions to take the lead and work with other institutions to compare, validate test items, with the participation from experts coming from businesses. The contents of the test include two main parts: compulsory and elective, the former of which belongs to compulsory subject matters and training modules within the vocational training frame curriculum of each occupation, accounting for 70% of the test content, an equivalent of 70% of total scores of the entire test; the latter accounts for 30% of the test content, equivalent to 30% of total scores of the entire test, falling within elective subject matters and training modules, developed by the host institution itself on the basis of

training program of such a respective institution.

- Institutions organize the exams using their own test items: The graduation test items for each occupation are compiled by each host institution. Each occupation includes ten theory tests and 10 practice tests, the contents of which are based on the training program of each occupation and host institution.

In 2011, there were 101 institutions organizing vocational college graduation exams of intake 2, including 78 vocational colleges and 23 colleges and universities which offer collegiate-level vocational training. Of this, 75 institutions organized graduation exams using this common test item bank (an increase of 31 institutions compared to 2010).

Of the total of 57,955 vocational college students in intake 2, the number of students eligible for graduation exams is 52,506, or 91% of the total. Of the total number of students eligible for graduation exams, 49,055 students successfully passed the exams, or 93.43%. The rate of graduation under common test bank is higher than that using test items produced by the host institutions, with 95.71% and 90.73%, respectively. Please refer to data presented in the table below for more detail.

¹⁵Starting from the second year, institutions used the common test items for popular populations for which the test item bank has been developed by General Department of Vocational Training and only organized exams separately for the occupations without a common test item bank.

Table 14 : The number and percentage of vocational college graduates in intake 2

	Total	Graduates using common test bank	Graduates using institution-produced items
Number of vocational college students of intake 2	57955	29591	28364
Number of students eligible for graduation exams	52506	28438	24068
Percentage of students eligible for graduation exams	90.60	96.10	84.85
Number of students successfully graduated	49055	27218	21837
Percentage of students successfully graduated	93.43	95.71	90.73

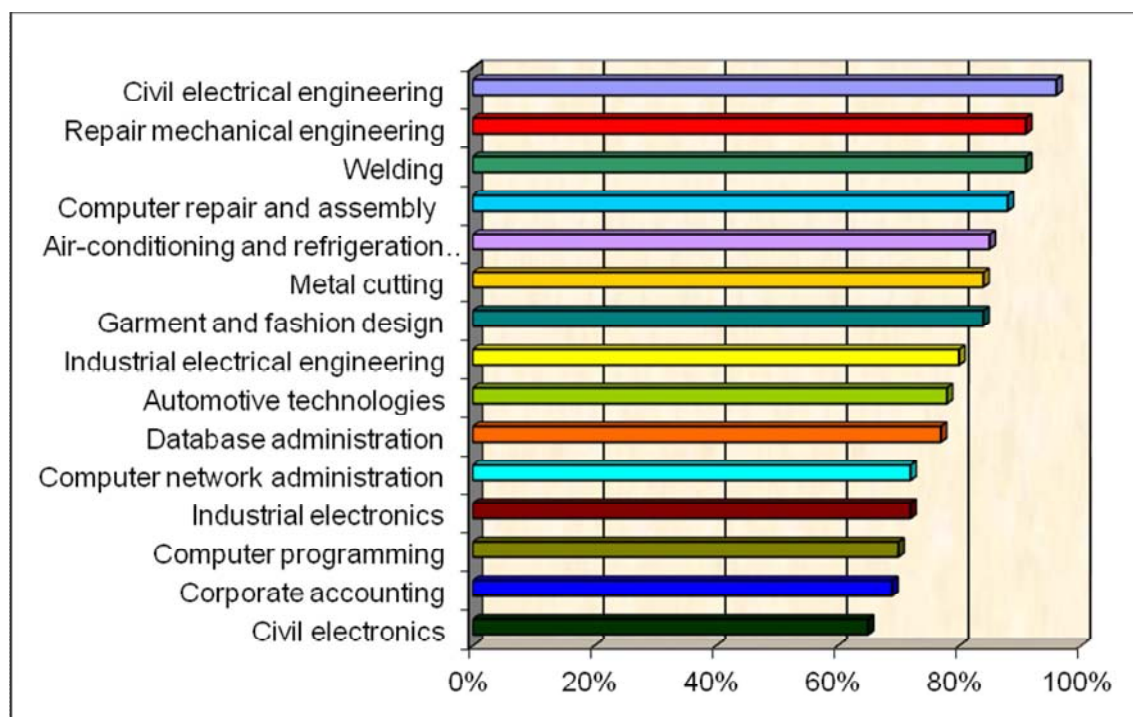
Source: Department of Formal Vocational Training: GDVT

- Employment rate of students upon graduating from vocational colleges

During the organization of graduation exams, vocational colleges invited enterprise representatives to participate in scoring exams and selecting students upon their graduation, therefore the rate of students

who can find jobs right after graduation is quite high. According to data reported by above-mentioned 101 institutions, the employment rate of students who do the right job after graduation is 80.1%. Many institutions reach 96% of graduate students able to find jobs immediately.

Figure 35: The employment rate of students upon graduation from vocational institutions using the common items bank in 2011



Source: Vocational Training Admission and Graduation Report 2011, GDVT

However, the employment rate of graduate students in 2011 in 7 occupations using the common items bank is lower than that in 2010, especially in the following occupations: industrial electrical engineering, automotive technologies and

industrial electronics. The tough economic status coupled with negative impacts of instability of global economy is one of the reasons leading to the reduction in the employment rate among graduate students, as compared to 2010.

Table 15: The employment rate of graduates in 7 occupations using common test item bank

Unit: %

No	Occupation	2010	2011
1	Industrial electrical engineering	87	80
2	Welding	92	91
3	Automotive technologies	90	78
4	Metal cutting	89	84
5	Computer network administration	77	72
6	Industrial electronics	85	72
7	Corporate accounting	74	69

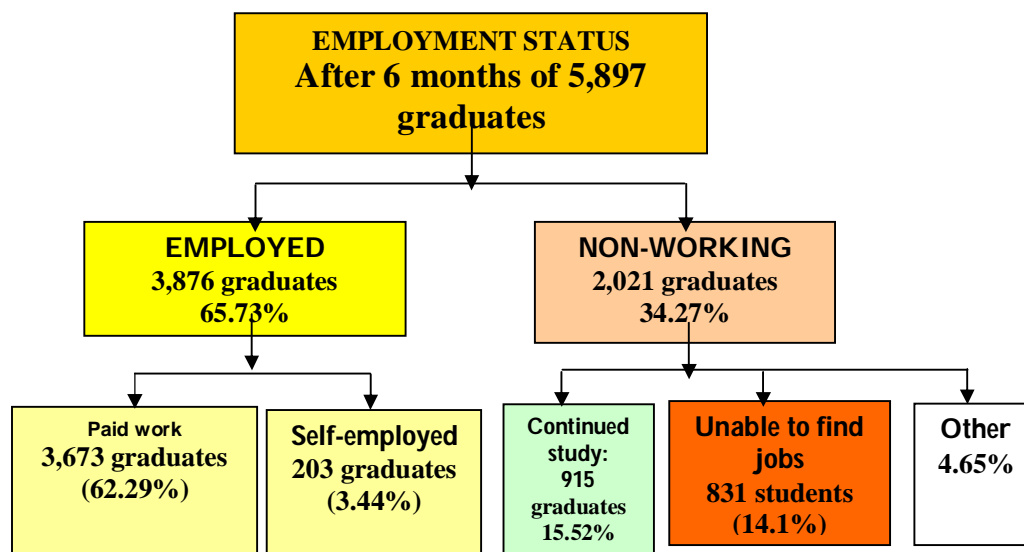
Source: Vocational Training Admission and Graduation Report 2011, GDVT

Survey results of employment status among graduate students after 6 months

Within the framework of “Vocation Training Renovation in Vietnam” Program, from 2009, GIZ and NIVT have worked together to conduct a research project on employment

status among graduate students after 6 months. The following diagram will display the key findings obtained from the survey on graduates in 2011:

Diagram 1. Status of economic activity among graduate students in 2011



Source: Survey findings on graduates in 2011 under the GIZ project

The employment status of 5,897 graduates 6 months from their graduation (including both intermediate and collegiate levels) is as follows. The number of graduates who are currently working is 3,876, with the employment rate being 65.73% of the total (95% of this figure are paid workers). The proportion graduates currently not active at work is 34.72%, including 15.52% continuing their studies, mainly to articulate into higher level right in their host institution. 831 graduates can't find jobs, representing 14.1%. The number of graduates who are inactive at work but do not provide specific information is 4.65%.

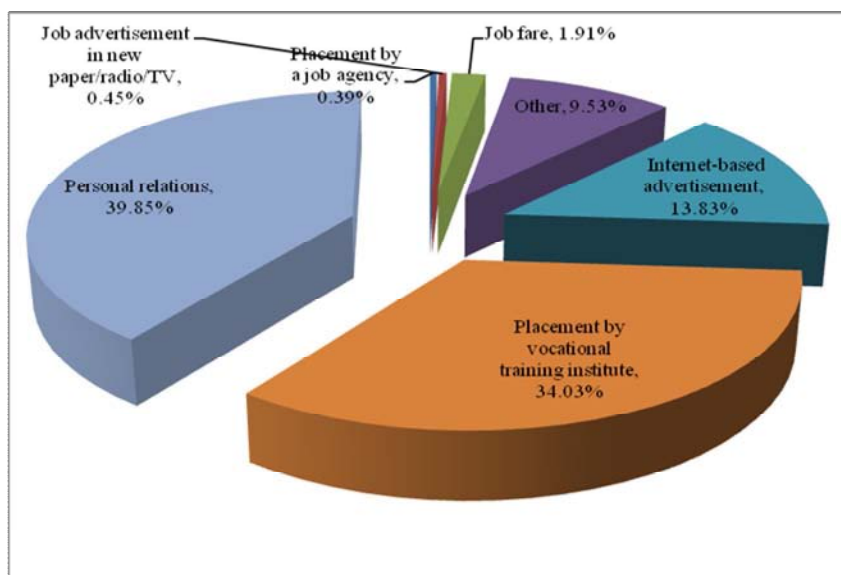
- Ways to find jobs among graduates

As shown by survey findings, given 6 job-finding ways already listed, around 40% of respondents claim that they have jobs through personal relations. This is a popular job-finding method which is maintained, due to cultural characteristics and social relations among Vietnamese people. However, this rate tends to go down compared to similar surveys previously conducted.¹⁶

¹⁶ According to survey findings of graduates after 1 year (Tracer survey) conducted by National Institute for Vocational Training within the framework of Labor Market Survey Program in 2006, under the auspices of ADB, the rate of finding jobs through “personal relations” is 44%, through job referral centers is 39.5%.

According to the Research Project on “The Process of Transforming from School to Labor Market” conducted by National Institute for Vocational Training (in collaboration with ILO and Department of Employment – MOLISA), 60% of young people surveyed claim that they have found jobs through “personal relations”, 27% through Internet and other mass media channels.

Figure 36: Ways to find jobs among graduates



Source: Survey findings on graduates in 2011 under the GIZ project

Graduates are referred by the host training institution to jobs and therefore the success rate through this path is quite high as well, up to 34%. This suggests the effectiveness in supporting graduates to find jobs through connecting and nourishing the relationships between the institution and business. What is noteworthy is the significant proportion of graduates finding jobs through Internet-based advertisement (14%), way higher than traditional advertisement channels such as T.V, newspapers. As such, Internet has a profound impact on graduates. Not many graduates choose to find jobs through commercial job referral services or job transaction floor, which is really an issue worth considering with regard to operations of intermediaries within labor market.

- Rate of graduates who can find jobs suitable with their training occupation

Also according to survey findings, the overall rate of graduates who can find jobs suitable with their training occupation in all surveyed training occupations is 88.94%, with some occupations reaching over 90%. Please refer to table 16 which summarizes the rates of graduates who can find jobs

suitable with their training occupation in 10 occupations with the largest numbers of respondents.

- Wage

During the graduation practicum, many students, especially outstanding ones, are committed by the receiving enterprise to offer the job upon graduation. The report of 101 above-mentioned institutions states that the starting salary of graduate students is on average in the range of 3.0 – 3.5 million VND per month (three times higher than overall minimum wage of 1.5 million VND and 1.5 times higher than minimum wage applicable for enterprises in region 1¹⁷). According to survey findings under GIZ project, the average wage paid for graduates after 6 months is 3,387,700VND per month¹⁸. The data also shows that there is a discrepancy in salary level among different training occupations, with technical occupational groups enjoying higher salary,

¹⁷ The minimum wage level is regulated at Decree No. 70/2011/ND-CP dated August 22nd 2011

¹⁸ The data is calculated based on the responses on accurate income from 1,595 graduates participating in the Tracer Study on graduates after 6 months under GIZ project.

around 3.5 million VND per month (Electrical engineering technology, electronics and telecommunications, Mechanical engineering technology and

computers), whereas the service-based occupations such as hospitality, restaurants enjoy a lower salary level at 2.2 million VND per month on average.

Table 16: The rate of graduates finding jobs suitable with training occupation and average wage level¹⁹

No	Training occupational groups	The rate of graduates finding jobs suitable with training occupation (%)	Average wage per month (1,000 VND)
1	Electrical engineering technology, electronics and telecommunications	91.96	3695.8
2	Mechanical engineering technology	93.85	3565.7
3	Accounting and Audit	78.34	2992.6
4	Information Technology	83.46	3348.6
5	Business	84.27	3389.2
6	Hospitality	91.04	2242.3
7	Pharmacy	88.68	2647.8
8	Fabric, leather, fiber, footwear production and processing	100.00	2500.0
9	Computer	94.74	3473.7
10	Architectural & Civil Engineering Works	96.77	3005.3
	Overall	88.94	3387.5

Source: Survey findings on graduates in 2011 under the GIZ project

Overall remarks on graduation status can be arrived at as follows: a high proportion of graduate students with right jobs upon graduation has reflected high demands of labor market for direct production workers, especially those with prior vocational training background, and confirmed that the vocational training at collegiate level has initially met the requirements in terms of quality of labor force set forth by businesses and society at large.

Many institutions have effectively carried out the career-orientation and established inter-linkage between training institutions and enterprise, so that they can effectively provide job referral services for graduates and contribute to increasing their reputations, creating more favorable conditions for vocational training admissions.

¹⁹ Training occupations and occupational groups are regulated in the Circular No. 17/2010/TT-BLDTBXH issuing the list of training occupations at intermediate and collegiate levels; and Circular No. 11/2012/TT-BLDTBXH supplementing the list of training occupations.

6. INFRASTRUCTURE AND EQUIPMENT FOR VOCATIONAL TRAINING

The component on “infrastructure and equipment for vocational training” in this report is built on the survey data of GDVT in 2011 at 75 vocational colleges and 107 secondary vocational schools in 6 different socio-economic regions across the country.

Table 17: Number of vocational colleges and vocational secondary schools participating in the survey on actual status of infrastructure and equipment by socio-economic region

No.	Region	Number of institutions	
		Vocational colleges	Vocational secondary schools
1	Northern Midlands and Mountainous Region	15	10
2	Red River Delta	25	29
3	Southeastern Region	11	14
4	Mekong River Delta	6	17
5	North Central and Central Coast	16	30
6	Central Highlands	2	7

Source: Department of Infrastructure and Equipment, GDVT

6.1. Infrastructure in vocational colleges and vocational secondary schools

Prevailing regulations on infrastructure standards

Currently in Vietnam, the assessment of infrastructure conditions in vocational

training is done on the basis of standards in accordance with the Decision of MOLISA and MOC. The issuance of applicable standards is based on parameters on area by region (i.e. urban or non-urban), magnitude of training and sex (of apprentices).

Table 18: Prevailing regulations on infrastructure in vocational training

No	Particulars	Prevailing regulations
1	Land area of the whole institution	20,000m ² in urban area; 40,000m ² in non-urban area ^(*)
2	Area of theoretical learning room	1.5m ² / learning seat ^(*)
3	Area of practice workshop	4÷6m ² /practice seat ^(*)
4	Dormitory for:	
	- Male students	3.5m ² /student ^(**)
	- Female students	4.0m ² /student ^(**)
	- Foreign students	6÷7m ² /student ^(**)
5	Library (traditional library, e-library)	
	- Bookstore	2,2 m ² /1,000 books ^(**)
	- Reading room for students	(1.5÷1.8) m ² /seat ^(**)
	- Reading room for teachers and other staff members	(2,0÷2.4) m ² /seat ^(**)
6	Head Office and Administrative Area	
	- Room for head master	(20÷25)m ² /room ^(**)
	- Room for depute head master.	(12÷15)m ² /person ^(**)
	- Area for administrative staff and officers	(4÷4.5m ²) ^(**)
7	Canteen/Cafeteria	1.12m ² /seat with 300 seats. ^(**)
		0.99m ² /seat with 500 seats. ^(**)
8	Sports facilities with roof	0.13÷0.17m ² /student and designed with the dimensions of 24mx12m; 36mx18m (36÷54)m ² ^(**)

Notes:

(*) In accordance with the Decision No. 71/2008/QĐ-BLDTBXH dated December 30th 2008 of the Minister of MOLISA

(**) In accordance with Vietnamese Building Standards TCXD VN 60: 2003 “Vocational institution – design standard” issued in line with the Decision No. 21/2003/QĐ-BXD dated July 28th 2003 of Minister of Construction.

Current status of infrastructure conditions of vocational colleges and vocational secondary schools

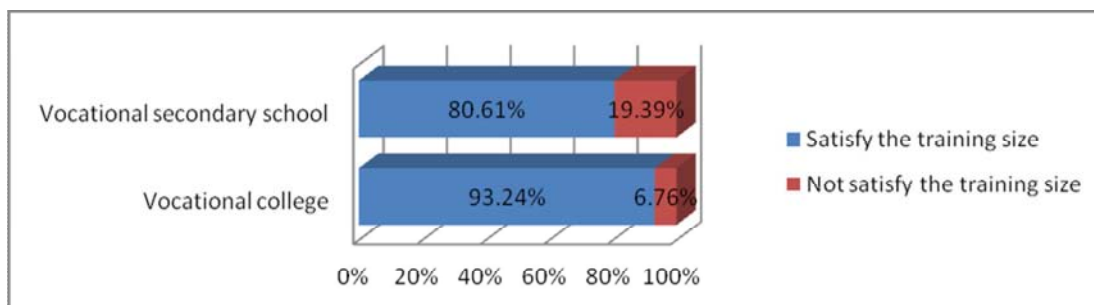
Total floor area

Generally, vocational institutions in Vietnam currently have floor areas in compliance with regulated standards. In implementing guidelines and policies of the State in planning and development of vocational

training, local governments have created lots of conditions for vocational institutions to grow and develop. In particular, many institutions located in provinces and cities

are arranged in high-level ground, near centers or main roads. In most of provinces, the support is provided to land acquisition in a timely and accelerated manner.

Figure 37: Actual area used relative to defined standard in vocational colleges and vocational secondary schools



Source: Department of Infrastructure and Equipment, GDVT, 2011

As some institutions provide vocational training related to the field of agriculture and forestry economics, they are located in provinces with strong development in forestry economy. Because of this, they require a very large area of land for use, with some using more than 300ha (including also experimental garden and forest).

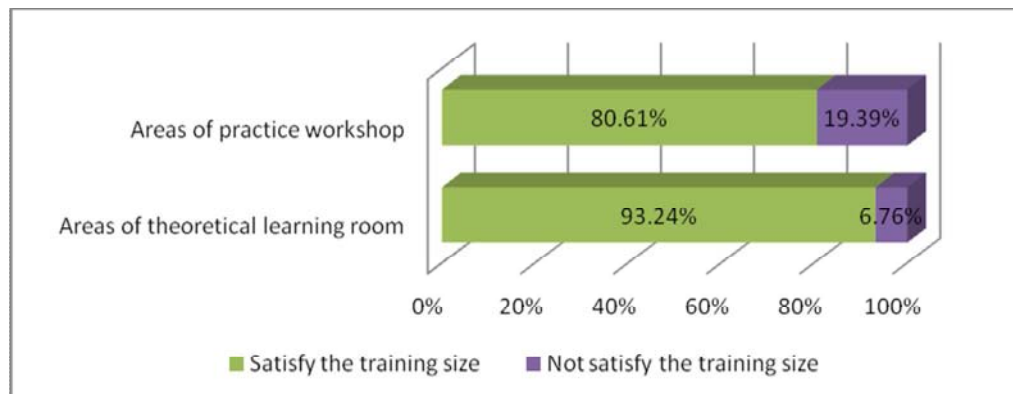
Secondary vocational schools can essentially meet criteria on floor area. However, in the period 2005 – 2011, many vocational training centers are upgraded to vocational secondary schools. As the upgrading requires many higher standards to be met, many institutions have difficulties in approval process, leading to the delay in requesting for land availability. Some institutions obtain approval from local

government in terms of land entitlements but have difficulties in land acquisition, leading to the fact that in reality the land area is yet to meet the pre-defined standard.

Area of theoretical learning room, practice workshop compared to prevailing regulations

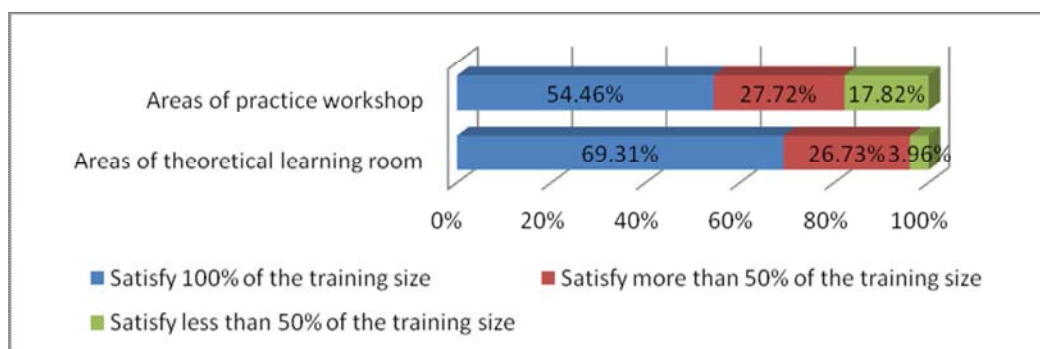
While the total land area is a prerequisite condition, the area for theoretical learning room and area for practice workshop are a sufficient condition in terms of infrastructure to cater for vocational training in Vietnam. The proportion of vocational colleges with area for theoretical learning room and area for practice workshop which meets vocational training demands is higher than that of secondary vocational schools.

Figure 38: Areas of theoretical learning room and practice workshop compared to defined standard and training size in vocational colleges



Source: Department of Infrastructure and Equipment - GDVT, 2011

Figure 39: Areas of theoretical learning room and practice workshop compared to defined standard and training size in secondary vocational schools



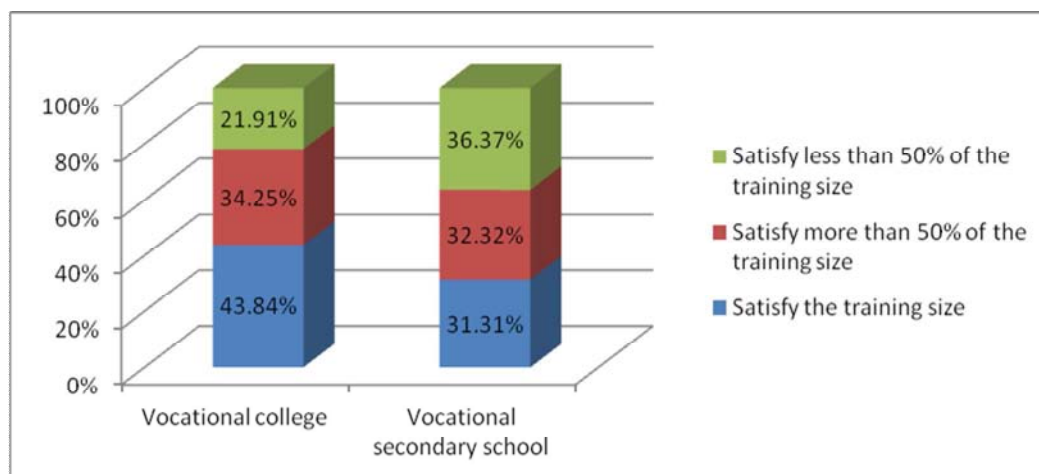
Source: Department of Infrastructure and Equipment - GDVT, 2011

Areas of dormitory and library

Vocational colleges and vocational secondary schools in most cases meet requirements with regard to total area as analyzed hereinabove. However, in terms of the area of dormitory for students, they are yet to satisfy the applicable regulations or demands of students. The proportions of vocational colleges and vocational secondary schools whose area of dormitory meets the requirements of training size are 43% and 33%, respectively. In fact, most institutions have sufficient areas for building

additional dormitories, but they have financial constraints such that they could not build new dormitories for students. Most institutions mainly relying State Budget for their investment because their equity capital is limited and largely prioritized for teaching infrastructure and equipment. Nevertheless, this is just a small amount, so they could not invest into dormitory. Moreover, dormitories of many institutions also fall short on facilities for recreational activities. This has a significant impact on training quality in vocational institutions and therefore requires regular inspection and monitoring.

Figure 40: Dormitory area compared to training size of vocational colleges and vocational secondary schools

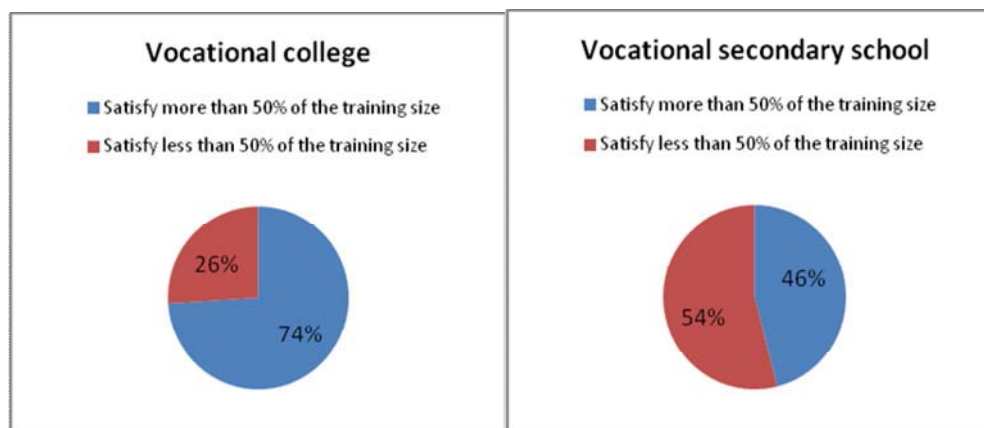


Source: Department of Infrastructure and Equipment, GDVT, 2011

By the same token, area of library – which helps students obtain information and access learning materials for extra-time studies, is currently yet to meet demands in both vocational colleges and secondary vocational schools. The number of vocational colleges with library area which can meet over 50% accommodation demands accounts for 74% and this figure in

secondary vocational schools is only 46%. Although information technology has now developed and students can access online materials, many materials can only be provided by traditional library. This has not yet been satisfied by institutions to learning needs of trainees.

Figure 41: Library area compared to standard and training size



Source: Department of Infrastructure and Equipment, GDVT, 2011

Constraints and difficulties

- A vast majority of institutions fail to meet requirements in terms of areas of classroom and lecture hall as per regulations.

- Some institutions do not have their own premises and have to rent lecture hall and office rooms. For this reason, the locations are scattered with many training venues, making it difficult to carry out training

activities, not to mention the fact that many local governments have not set aside land for the local institutions. Many institutions which are provided with land still find it hard to carry out the land clearance so that the construction against the plan is still delayed, thus causing negative impacts on the training process.

- Libraries of smaller institutions can only accommodate 1% of student demands with a very limited number of book titles. Some institutions do not have libraries to address the need of conducting research and exploring materials for students and trainers as well. Most institutions are yet to have in place the electronic libraries.

- The practice workshop for students are yet to meet the training needs, with a very small floor area which is inadequate for installing equipment and arranging practice seats for students; yet to satisfy standards in construction design such as lighting, firefighting, ventilation, load standards...

- The dormitories of most institutions are currently able to accommodate on average only 15% of on-campus regular students. Many institutions do not have area set aside for cultural and sports activities.

6.2. Vocational training equipment in vocational colleges and vocational secondary schools

For occupations which receive focused investments, 80% of the equipment are newly invested, which accommodate the requirements defined by the frame curriculum. For institutions which receive support from ODA-funded projects, equipment are invested in a unified fashion and by occupation. In particular, those institutions which are invested to provide training programs in line with regional standards, equipment for certain training occupations have been modernized.

Apart from equipment procured from foreign manufacturers, many institutions have mobilized their own resources and creativity of lecturers and facilitators to explore and produce self-made equipment of high quality. These varieties of equipment have been highly appreciated in the third Self-produced Vocational Training Equipment Contest in 2010. In this contest, there are 236 contesting equipment produced by 124 vocational institutions across the country, an increase by 2% relative to 2005. These varieties of equipment are used for providing training in popular occupational groups, including, for example, mechanics, electrical engineering, electronics, mechatronics... and specialized occupational groups such as arts, health, environmental protection.... They are of diverse category, ranging from simple teaching aids to equipment which apply advanced micro-processing and programming technologies, sophisticated software. More noticeably, some products are not simply the equipment but used for training multiple occupations. The large number of contesting equipment from many training occupational groups suggests that the movement for producing self-made equipment across the country is increasingly growing in vocational institutions, ranging from popular occupations to more specialized ones which received less attention in the past.

In vocational secondary schools, due to limited resources, the investment for vocational training equipment is still spread, with obsolete equipment accounting for 60%, by and large. Nevertheless, there is no case where the 'vegetarian' teaching is observed as was done before 2005.

Difficulties

Equipment is one of the crucial factors for ensured quality of vocational training

provision. At present, however, this is still lacking for almost all vocational institutions.

In terms of quality of vocational training equipment

For many occupations, training equipment are rather obsolete, especially those in institutions located in more difficult provinces. While many institutions are invested in core occupations or covered by ODA-funded projects and hence equipped with state-of-the-art equipment on par with regional standard, overall speaking, many vocational institutions still have to use old equipment and outdated technology. In many

cases, due to large training size, a combined use of old and new equipment is required to meet vocational teaching and learning needs. This has an overall impact on quality of vocational training.

In terms of quantity and category of equipment

The quantity of equipment in support of practice learning is in most cases unable to meet the practice demands of students as well as the requirements of frame curriculum. The ratio of converted student to equipment is still high; therefore the quality of practice among students is low.

Box 11: Regulations on the list of minimum equipment for teaching welding occupation

Item 2, Clause 3, Article 2, Circular No. 43/2009/TT-BLDTBXH states that:

The list of minimum equipment for teaching welding occupation at intermediate level includes the minimum equipment which the vocational institution is required to have in order to organize teaching and learning activities for a practice class including a maximum of **18** students, in accordance with frame curriculum for intermediate level vocational training promulgated by MOLISA at the Decision No. 47/2008/QĐ-BLDTBXH dated 02/5/2008.

Box 12: Regulations on the list of minimum equipment used for teaching the Mechanical Material Subject

Subject Title: Mechanical Material

Subject Code: MH 09

Training Level: Intermediate

Use for a practice class including a maximum of 18 students.

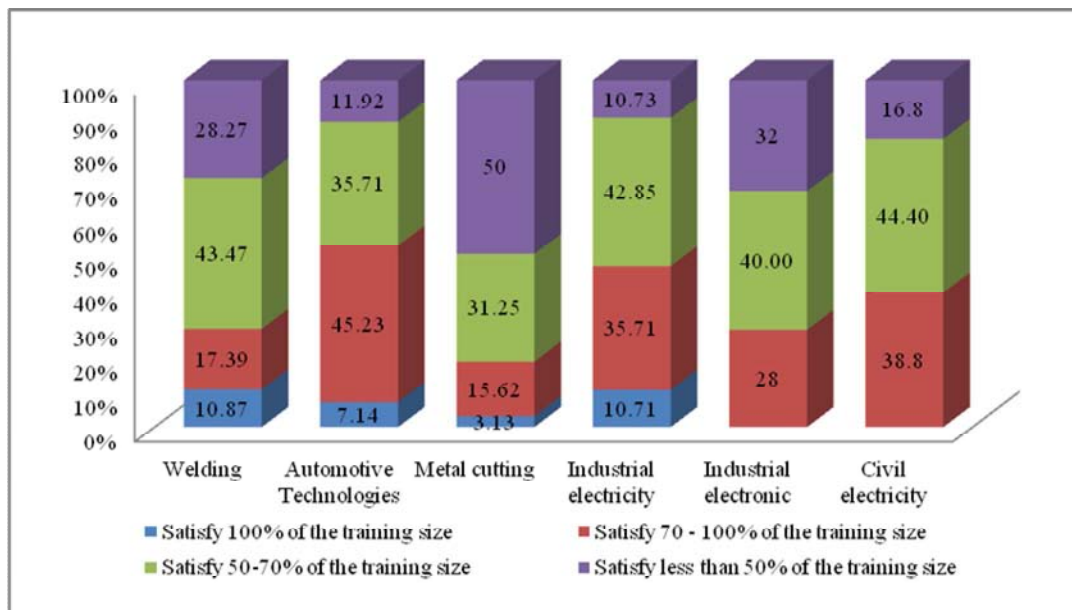
No	Equipment Name	Unit	Quantity
1	Hardness Testing Machine	Machine	1
2	Kiln Equipment	Set	1
3	Draw Testing Machine	Machine	1
4	Compression Testing Machine	Machine	1
5	Bend Testing Machine	Machine	1
6	Twist Testing Machine	Machine	1
7	Two-Stone Sharpener	Machine	1
8	Heat-Treating Furnace	Furnace	1
9	Metal Sheet Lamination Machine	Machine	1

Source: Table 3, Annex 1, Issued with Circular No. 43/2009/TT-BLDTBXH dated 31/12/2009

occupational groups such as Welding, Automotive technologies...the category and quantity of equipment which can meet training size are limited. Very few vocational colleges can satisfy 100% of training size, with most of them satisfying

just over 50% of training size relative to promulgated standards and regulations. In particular, of total vocational colleges which provide training in metal cutting occupation, 50% colleges can satisfy less than 50% of training size.

Figure 42: The extent of satisfying training equipment to defined standard and training size by some popular training occupations in vocational colleges

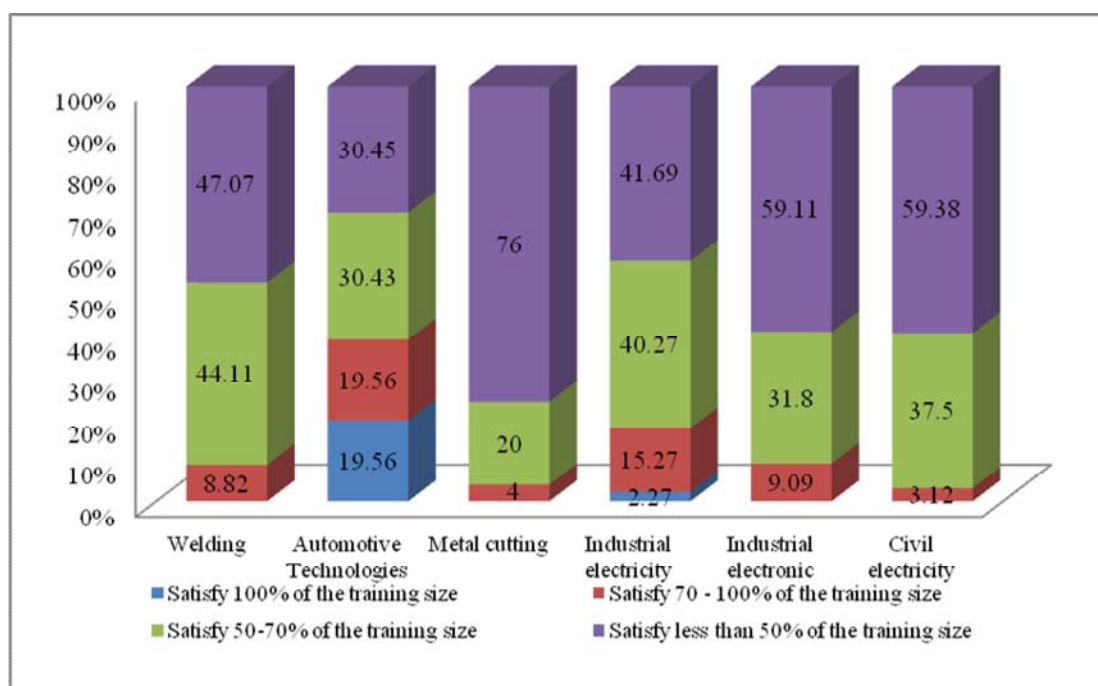


Source: Department of Infrastructure and Equipment, GDVT, 201

By the same token, secondary vocational schools have very limited number of equipment used for vocational training. The share of schools which can satisfy 100% of training size is just very little. In most cases, because of their difficult conditions, secondary vocational schools can only

accommodate less than 50% of training size in terms of equipment. Many schools try to increase study shifts in order to reduce student density but this is only a temporary solution.

Figure 43: The extent of satisfying training equipment to defined standard and training size by some popular training occupations secondary vocational schools

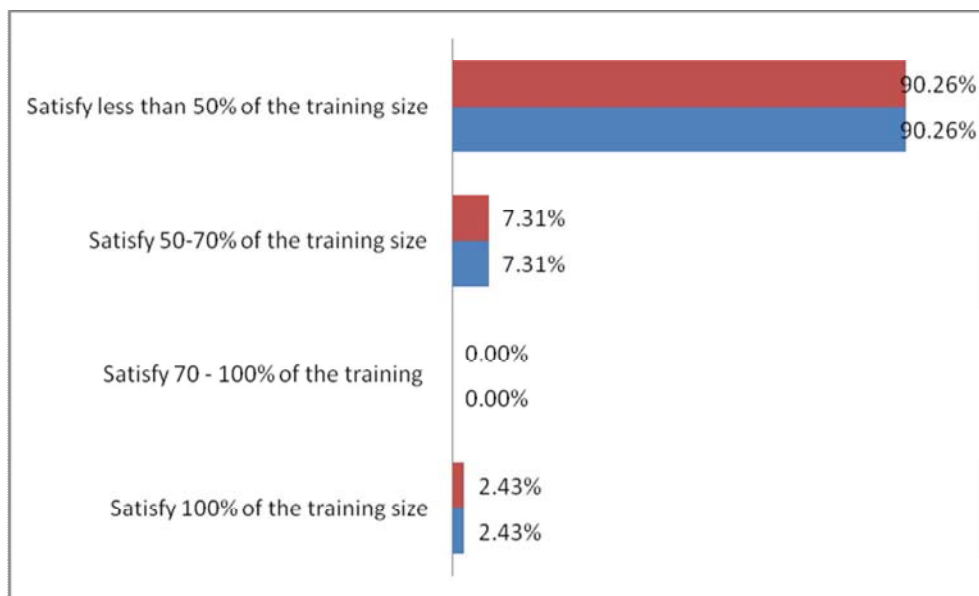


Source: Department of Infrastructure and Equipment, GDVT, 201

Currently, the garment and textile area is developing at a fast speed and therefore has a great demand for human resources with training qualifications in this area. This has led many secondary vocational schools to open various training courses. However, to live up to the promulgated standards, they have various difficulties not just in terms of classroom area, practice workshop but also a serious shortage of learning equipment.

Except for some institutions owned by enterprises and Groups which confirm their ability to accommodate the maximum training size due to their availability of machines, equipment and materials, more than 90% of schools providing training on fashion garment and textile occupation can only satisfy less than 50% of training size.

Figure 44: The extent of satisfying training equipment to defined standard and training size by fashion garment and textile occupation in secondary vocational schools



Source: Department of Infrastructure and Equipment, GDVT, 2011

A number of institutions located in industrial zones with high demand for human resources, but the equipment at the time of establishment was planned at a lesser amount. However, because the orientation information for training needs remains limited, the initial investment for training equipment of these institutions has not yet been able to satisfy emerging training needs.



CNC machine at Viet Duc Industrial College, Thai Nguyen Province

7. NATIONAL OCCUPATIONAL SKILLS STANDARDS

7.1. Developing and Promulgating National Occupational Skills Standards

The development of National Occupational Skills Standards in Vietnam has started since 2008²⁰, as a tool to help: i) laborers to map out orientation for upgrading knowledge and skills of the their own through learning or accumulation of experiences during the course of work in order to get promoted in their career; ii) employers to have a basis for selecting and recruiting laborers, assign appropriate tasks and pay proper remuneration for laborers; iii) vocational institutions to have the basis to develop vocational training programs to gradually reach national occupational skills standards; vi) competent authorities to have the basis to carry out the assessment and award the national vocational skills standard certificates for laborers.

Vietnamese National Occupational Skills Standards are developed using DACUM Occupational Analysis Approach in which occupations are analyzed in order to determine tasks and assignments required to be performed by individuals in the said occupation. This process involves participation from experts, i.e. teachers, researchers in the field of occupation and experts in the field. National Occupational Skills Standards include regulations on level of performance and requirements on knowledge, skill and attitude needed to perform various assignments of a certain occupation. National Occupational Skills Standards are developed according to a hierarchy of occupational skills for each occupation. The number of levels of occupational skills depends on the complexity of that occupation, subject to a maximum of 5 complexity levels²¹.

Box 13: Structure of National Occupational Skills Standards

Overall structure of the National Occupational Skills Standards is comprised of three main parts:

1. **Occupation Description:** Describe working scope and position, main tasks to be carried out, working conditions and environment, context for performing work; tools, machines, and key instruments required to carry out relevant tasks of the said occupation.
2. **List of assignments:** List all assignments to be performed and rank these assignments in order of occupational skills hierarchy.
1. **Work performance standards:** a) Work description; b) performance criteria; c) essential knowledge and skills; d) performance conditions; e) assessment criteria and method

Source: Decision No. 09/2008/QĐ-BLĐTBXH)

²⁰ National Occupational Skills Standards are defined at Article 79, Chapter 10, the Law on Vocational Training 2006. The development of National Occupational Skills Standards is done in accordance with the Decision No. 09/2008/QĐ-BLĐTBXH dated March 27th 2008 of the Minister of Labor, Invalids and Social Affairs providing for principles and procedures for developing and promulgating National Occupational Skills Standards.

²¹ Requirements for each level of occupation skills are defined at Article 6, Decision No. 09/2008/QĐ-BLĐTBXH

The hierarchy of occupational skills is built on 3 main criteria groups, i.e. i) Scope, difficulty and complexity of the assignment; ii) Flexibility and creativity involved in performing the assignment; and iii) level of collaboration and responsibility in performing the assignment.

As of 2011, the total of occupations developed within Occupational Skills Standards is 148, of which 109 occupations have been agreed for issuance in the following fields: Construction, Transport, Industry and Commerce, and Agriculture. The remaining 39 occupations are now being finalized in terms of procedures required prior to issuance.

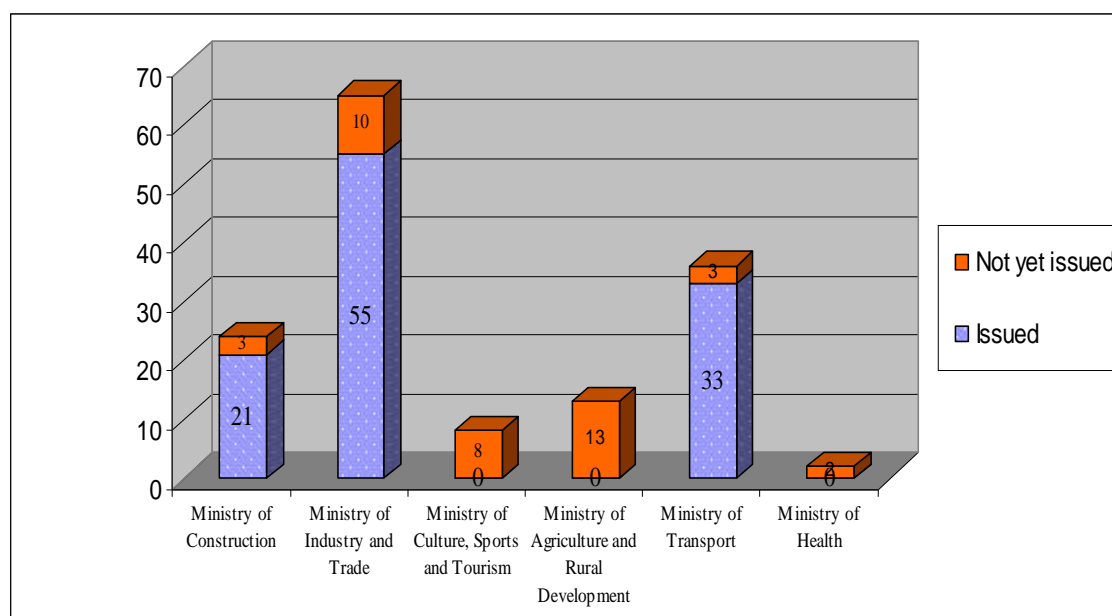
Table 19: Development results of sets of the occupational skills standards among ministries from 2008 to 2011

Unit: Ministry

	MOC	MOIT	MCST	MARD	MOT	MOH	Total
2008	10	8	0	0	0		18
2009	10	44	8	13	33		108
2010	1	4					5
2011	3	9			3	2	17
Total developed	24	65	8	13	36	2	148
Total issued	21	55	0	0	33	0	109

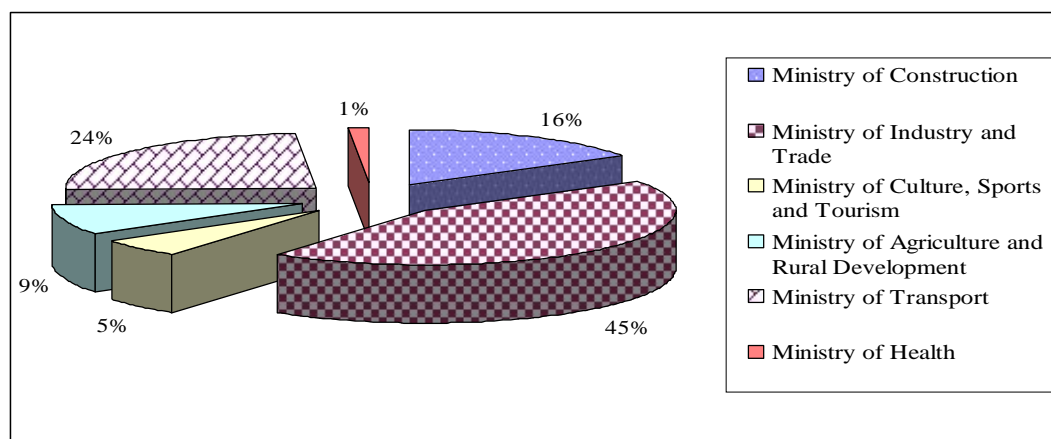
Source: Department of Skills Standard, GDVT

Figure 45: Development and issuance results of sets of the occupational skills standards among ministries as of 2011



Source: Department of Skills Standard, GDVT

Figure 46: Proportion of sets of national occupational skill standards developed by ministry from 2008 to 2011



All current development processes of the National Occupational Skills Standards involve participation of experts from businesses. The proportion of membership by these people in the committee in charge of developing the Occupational Skills Standards accounts for around 50%. All phases ranging from occupational analysis, assignment analysis, development of list of assignments and compilation of National Occupational Skills Standards have consulted at least 30 experts with practice experience for comments. The appraisal of National Occupational Skills Standards prior to issuance is conducted by the appraisal council convened by at least 30% of those who are directly working in businesses with occupations falling within National Occupational Skills Standards.

7.2. Developing multi-choice questions and practical items bank for assessment of national occupational skills of laborers

Multiple-choice items bank and practical test items for which national occupational skill standards are already made available are developed in service of the assessment of

Source: Department of Skills Standard, GDVT

occupational skills for laborers in national occupational skills assessments²². On the basis of national occupational skill standards, multi-choice questions are designed with an aim to testing the level of essential understanding and knowledge required to perform work corresponding with each level of occupational skill. The practical items are designed to assess essential skills required to perform relevant assignments of the said occupation at a certain level of occupation skill.

Currently, GDVT is the agency which manages the production of multi-choice questions and practical items bank in service of national occupational skills assessment. The agencies in charge of producing national multi-choice questions and practical items bank are those with a pool of experts who have participated in the development of Occupational Skills Standards or who have been granted a card of occupational skill evaluator for the said occupation; and have a wealth of experience in production, research,

²² The Regulations on procedure for producing test items for national occupational skills assessment for laborers are provided for at the Decision No. 571/QĐ-TCDN dated November 3rd 2011

technology transfer and vocational training for laborers of the occupation in question. The developed multi-choice questions and practical items bank will be appraised by the Appraisal Council established at the decision of GDVT for each relevant occupation before the same is used to assess occupational skills for laborers.

In 2009, multi-choice questions and practical items bank test items for assessment of national occupational skills for laborers was developed for two occupations, i.e. Graphic Design and mechatronics engineering. As of 2011, test items for assessment of national occupational skills have been developed for 35 occupations, including issuance of items for 19 occupations. The occupations for with test items available for national occupational skills assessment currently mainly belong to MOIT, MOC and MOT.

The development of theoretical and practical test items bank for occupations which have already had the corresponding sets of national occupational skill standards is currently still underway, coupled with development of new items. The developed theoretical and practical test items bank requires updates, adjustments and supplements to better reflect and match actual status through each assessment of national occupational skills for laborers.

7.3. Vocational Evaluators

Vocational evaluators: the one who conducts the direct assessment of occupational skills of laborers who participate in national occupational skills assessment; recognized by the competent State management agency as a national occupational skills evaluator.

The assessment of national occupational skills for laborers is still at nascent stage. Currently, GDVT is the agency which provides training and confers national

occupational skills evaluator cards. The training of national occupational skills evaluators has been carried out since 2009, and as of 2011, 253 evaluators have been trained for 10 occupations, of which 93 evaluators have been granted the level-two evaluator card for 5 occupations, i.e. Underground Mining Technology; Underground Mining Construction; Underground Mining Mechatronics; Mechatronics Engineering and Graphic Design, which have been piloted as of the end of 2011.

7.4. National Occupational Skills

Assessment Center

National Occupational Skills Assessment Center is the agency which arranges the assessment of occupational skills for laborers. If the National Occupational Skills Assessment Center wishes to operate, it must be granted the certificate by the GDVT after it reviews and assesses eligibility conditions in terms of infrastructure, experts and financial resources²³..... In accordance with prevailing regulations, the Certificate issued by Director-General of GDVT is valid for 5 years.

In 2011, three National Occupational Skills Assessment Centers were established, including two centers located in 2 Vocational Colleges, i.e. Hong Cam Mining Vocational College (Quang Ninh), LILAMA II Vocational College (Dong Nai) and the other in Hung Vuong Vocational Secondary School (Ho Chi Minh City).

7.5. Assessment of occupational skills for laborers

²³ For more details, see Chapter II, Article 4, Circular No 15/2011/TT-BLĐTBXH dated May 10th 2011 defining the organization and management of the assessment and granting of certificate on national occupation skills.

According to regulations, laborers working in all economic components are all entitled to register for the examination of national occupational skills assessment. Depending on

level of occupational skill, when registering for the examination of national occupational skills assessment, laborers must satisfy specific conditions as has been defined therewith.



Students practiced to connect electrical circuits in the class

Box 14: Eligibility conditions for registering to attend occupational skills assessment by different skill levels

1. For those who register to attend the national occupational skills assessment for level-one skill, at a minimum one of the following conditions must be satisfied:
 - a) Have successfully completed vocational curriculum at elementary level;
 - b) Have at least one year of work experience in the job suitable with respective training occupation.
2. For those who register to attend the national occupational skills assessment for level-two skill, at a minimum one of the following conditions must be satisfied:
 - a) Have successfully completed vocational curriculum at intermediate level or professional secondary curriculum together with the occupation registered for skills assessment;
 - b) Have already the level-one occupational skill certificates or at least one of the following categories of certificates: elementary vocational certificate, vocational certificate (hereinafter commonly referred to as elementary certificates) and have at least two years of work experience in the right occupation upon obtaining level-one occupational skill certificates or elementary certificates;
 - c) Have at least four years of work experience in the job suitable with respective training occupation.
3. For those who register to attend the national occupational skills assessment for level-three skill, at a minimum one of the following conditions must be satisfied:
 - a) Have successfully completed vocational curriculum at collegiate level or college curriculum together with the occupation registered for skills assessment;
 - b) Have already the level-two occupational skill certificates or at least one of the following categories of certificates: intermediate vocational graduation diploma, professional secondary graduation diploma, vocational diploma, technical worker graduation diploma (hereinafter commonly referred to as secondary graduation diploma) and have at least two years of work experience in the right occupation upon obtaining level-two occupational skill certificates or secondary graduation diplomas;
 - c) Have already level-one occupational skill certificate or elementary certificate plus at least 6 years of work experience in the right occupation upon obtaining level-one occupational skill certificate or elementary certificate;
 - d) Have at least 8 years of work experience in the job suitable with respective training occupation.
4. For those who register to attend the national occupational skills assessment for level-four skill, at a minimum one of the following conditions must be satisfied:
 - a) Have already the level-three occupational skill certificates or vocational college graduation diploma or college graduation diploma (hereinafter commonly referred to as college graduation diploma) and have at least two years of work experience in the right occupation upon obtaining level-three occupational skill certificate or college graduation diploma;
 - b) Have already level-two occupational skill certificate or secondary graduation diploma plus at least 6 years of work experience in the right occupation upon obtaining level-two occupational skill certificate or secondary graduation diploma;
 - c) Have already level-one occupational skill certificate or elementary certificate plus at least 8 years of work experience in the right occupation upon obtaining level-one occupational skill certificate or elementary certificate;
 - d) Have at least 11 years of work experience in the job suitable with respective training occupation.
5. For those who register to attend the national occupational skills assessment for level-five skill, at a minimum one of the following conditions must be satisfied:
 - a) Have already the level-four occupational skill certificates and have at least two years of work experience in the right occupation upon obtaining level-four occupational skill certificate;
 - b) Have already the level-three occupational skill certificate or college graduation diploma and have at least five years of work experience in the right occupation upon obtaining level-three occupational skill certificate or college graduation diploma;
 - c) Have already level-two occupational skill certificate or secondary graduation diploma plus at least 8 years of work experience in the right occupation upon obtaining level-two occupational skill certificate or secondary graduation diploma;
 - d) Have already level-one occupational skill certificate or elementary certificate plus at least 11 years of work experience in the right occupation upon obtaining level-one occupational skill certificate or elementary certificate;
 - đ) Have at least 14 years of work experience in the job suitable with respective training occupation.

Source: Circular No. 15/2011/TT-BLDTBXH

At present, the assessment of national occupational skills in Vietnam has drawn from experiences mainly in two countries, South Korea and Japan. As regulated, currently for the laborers who participate in assessment of occupation skills, they will be required to sit for the theory test in form of multiple-choice questions and the practice test for skill assessment corresponding with the skill level of the occupation in question.

In 2011, the assessment of occupational skill was done for 350 laborers on a pilot basis at two levels of occupational skills for 5 occupations, i.e. Mechatronics Engineering and Graphic Design Underground Mining Technology; Underground Mining Construction; Underground Mining Mechatronics. As a result, the proportion of laborers who have successfully completed the test and granted the certificate at two

levels of occupational skills accounts for 59.7 %.

The occupational skills assessment for laborers in Vietnam is still premature and in the stage of pilot process, yet to be replicated to a wider scope, so the awareness of benefits among all stakeholders, i.e. laborers, employers, labor management agencies, is still low. However, certain Corporations and Groups have been well aware of the benefits from conducting occupational skills assessment for laborers and therefore put forth strict requirements that if they wish to work in a given occupation, they must have the occupational skills certificates, applicable for occupations which have been piloted.

**Box 15: Regulations on compulsory occupational skills assessment for laborers in Vietnam
National Coal and Mineral Industries Group (VINACOMIN)**

“If the group has the demand for additional production labor resources to supplement to the subordinate departments, the applicants who have not been trained by VINACOMIN training institutions will have to approach occupational skills assessment center – a unit under VINACOMIN, for testing their skills. They will only be selected if they satisfy the pre-defined conditions. The Group assigns this task to Hong Cam Mining Vocational College for implementation.”

Source: Conclusions made by Deputy Director General Phung Manh Dac in the summary meeting on training and utilization of mining occupation laborers in 2011, and implementation of tasks for the year 2012, dated April 4th 2012

8. QUALITY ACCREDITATION OF VOCATIONAL TRAINING

The development of vocational training must both rapidly increase in magnitude and quantity and ensure training quality to be in line with key requirements and objectives set forth for vocational training in Vietnam. Quality accreditation of vocational training is also seen as an important tool to increase quality of vocational training. The purpose of quality accreditation of vocational training is to assess and determine the extent to which objectives, curriculum and contents of vocational training are delivered by vocational institutions in order to help vocational institutions self-evaluate and accomplish quality assurance conditions on the one hand, and help State management agencies with regard to vocational training to assess quality of vocational training currently delivered by institutions through which to make publicly known to the society the actual quality of vocational institutions so that learners and the entire society are in

the position to know the training quality for their wise choices and oversight.

Vocational training quality accreditation in Vietnam is essentially the accreditation of conditions for quality assurance of vocational training, meaning to assess the extent to which the input and process factors are satisfied which may have impacts on quality of vocational training. In order to implement vocational training quality accreditation of vocational institutions at current stage, GDVT has promulgated accreditation standards and criteria each corresponding training level: collegiate, intermediate and elementary level.

The set of accreditation criteria and the standardized score of each criterion for vocational colleges and secondary vocational schools is identical. The only difference lies in the assessment content of several indicators.

Box 16: Accreditation criteria and standard score for each criterion applicable for vocational colleges	Box 17: Accreditation criteria and standard score for each criterion applicable for vocational centers																																				
<p>(including 9 criteria, 50 standards)</p> <table> <tr><td>a) Objectives and Tasks</td><td>6 points</td></tr> <tr><td>b) Organization and Management</td><td>10 points</td></tr> <tr><td>c) Teaching and Learning Activities</td><td>16 points</td></tr> <tr><td>d) Teachers and Managers</td><td>16 points</td></tr> <tr><td>dd) Curriculum and Syllabus</td><td>16 points</td></tr> <tr><td>e) Library</td><td>6 points</td></tr> <tr><td>g) Infrastructure, Equipment, Teaching Aids</td><td>14 points</td></tr> <tr><td>h) Financial Management</td><td>10 points</td></tr> <tr><td>i) Apprentice Services</td><td>6 points</td></tr> </table> <p>Total maximum assessment points for all criteria is 100. Each accreditation standard has a maximum point of 2. Depending on the satisfaction of defined requirements, the score of each respective will range from 0 to 2.</p> <p><i>Source: Decision No. 02/2008/QĐ-BLĐTBXH</i></p>	a) Objectives and Tasks	6 points	b) Organization and Management	10 points	c) Teaching and Learning Activities	16 points	d) Teachers and Managers	16 points	dd) Curriculum and Syllabus	16 points	e) Library	6 points	g) Infrastructure, Equipment, Teaching Aids	14 points	h) Financial Management	10 points	i) Apprentice Services	6 points	<table> <tr><td>a) Objectives and Tasks</td><td>06 points</td></tr> <tr><td>b) Organization and Management</td><td>08 points</td></tr> <tr><td>c) Teaching and Learning Activities</td><td>16 points</td></tr> <tr><td>d) Teachers and Managers</td><td>18 points</td></tr> <tr><td>dd) Curriculum and Syllabus</td><td>18 points</td></tr> <tr><td>e) Library</td><td>02 points</td></tr> <tr><td>g) Infrastructure, Equipment, Teaching Aids</td><td>18 points</td></tr> <tr><td>h) Financial Management</td><td>08 points</td></tr> <tr><td>i) Apprentice Services</td><td>06 points</td></tr> </table> <p>Total maximum assessment points for all criteria is 100.</p> <p><i>Source: Circular No. 19/2010/TT-BLĐTBXH</i></p>	a) Objectives and Tasks	06 points	b) Organization and Management	08 points	c) Teaching and Learning Activities	16 points	d) Teachers and Managers	18 points	dd) Curriculum and Syllabus	18 points	e) Library	02 points	g) Infrastructure, Equipment, Teaching Aids	18 points	h) Financial Management	08 points	i) Apprentice Services	06 points
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h) Financial Management	08 points																																				
i) Apprentice Services	06 points																																				

8.1. Vocational training accreditation status

The research activities with regard to quality accreditation of vocational training in Vietnam have started within the framework of Vocational and Technical Education Project (VTEP 1999-2008). Quality accreditation of vocational training has been officially defined in Law on Vocational Training approved by National Assembly on November 29th 2006 (i.e. Chapter VIII, Articles 73 to 78). Quality accreditation of vocational training has started to be carried out since 2008. Quality accreditation of vocational training in Vietnam is conducted in a four-step process²⁴:

- (1). Self-accreditation of vocational training quality done by vocational institutions;
- (2). Registration for quality accreditation of vocational training by vocational institutions;
- (3). Quality accreditation of vocational training conducted by GDVT;

- (4). Recognition of quality accreditation results and granting of certificate to vocational institutions as having achieved standard of quality accreditation.

Quality accreditation of vocational training in Vietnam is still in nascent stage, with vocational institutions only receiving initial evaluations, and no impact assessment being done as to how these evaluations impact on the respective institution after its accreditation. This report is therefore only focused on accreditation results in the period of 2008 – 2011 to uncover, to a certain extent, the image of actual status in relation to quality accreditation of vocational training and also partly reveal the actual quality of vocational institutions in Vietnam at present stage.

In the period from 2008 to 2011, 115 quality accreditations of vocational training have been conducted for a total of 112 vocational institutions²⁵ out of a total of 1,293 vocational institutions nationwide or around 9% of the total.

Table 20: Summary of accrediting results of vocational institutions in the period from 2008 to 2011

Total vocational institutions	Vocational colleges				Secondary vocational schools				Vocational centers			
	Level 3	Level 2	Level 1	Total	Level 3	Level 2	Level 1	Total	Level 3	Level 2	Level 1	Total
112	49	9	1	59	10	13	9	32	11	9	1	21

Source: Department of Vocational Accreditation, GDVT

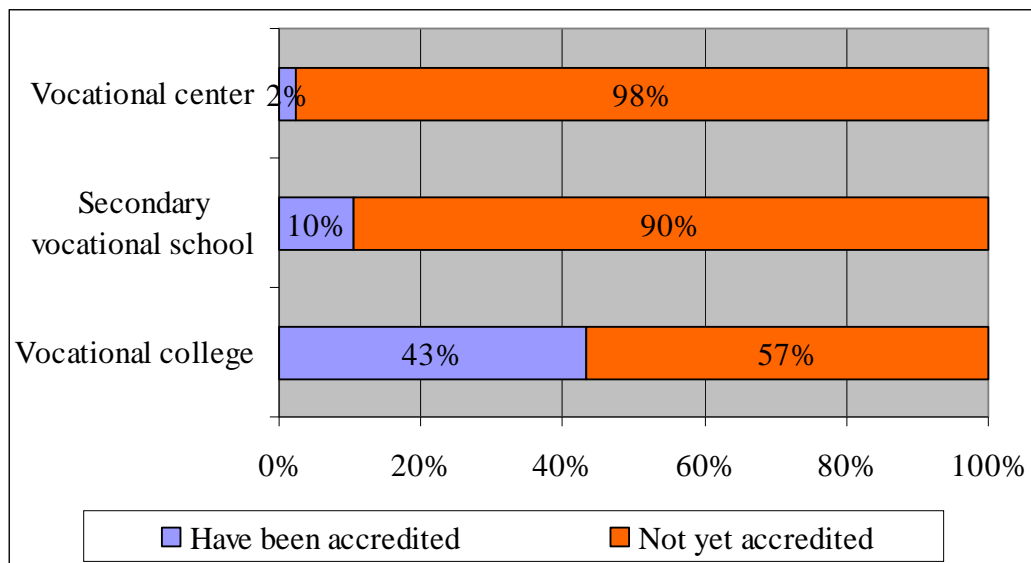
²⁴ From 2008 to 2011, implementing the Decision No. 08/2008/QĐ-BLĐTBXH dated March 25th 2008 of the Minister of Labor, Invalids and Social Affairs promulgating the Regulations on the Procedures for Vocational Training Quality Accreditation; from December 15 2012, implementing the Circular No. 42/2011/TT-BLĐTBXH dated December 29 2011 of the Minister of Labor, Invalids and Social Affairs promulgating the Regulations on the Procedures for Vocational Training Quality Accreditation.

²⁵ Three vocational institutions which have undergone quality accreditation twice are Quy Nhon Vocational College, Da Nang Vocational College and Ha Tinh Vocational Secondary School.

The proportion of vocational colleges which have been accredited is highest among three types of vocational institutions and prioritized in conducting quality accreditation right in the pilot stage from 2008.

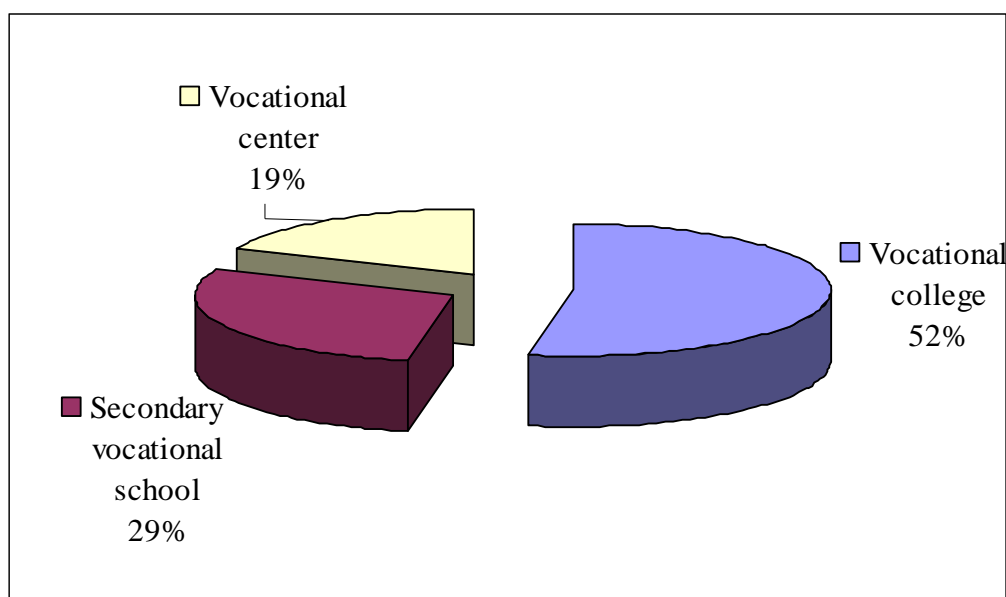
The accreditation criteria for vocational centers have been developed since 2010 and as such vocational centers have started to conduct accreditation since 2010 accordingly.

Figure 47: The proportion of accredited vocational institutions compared to the total by corresponding training level as of 12/2011



Source: Department of Vocational Accreditation, GDVT

Figure 48: The share of accredited vocational institutions as of 2011

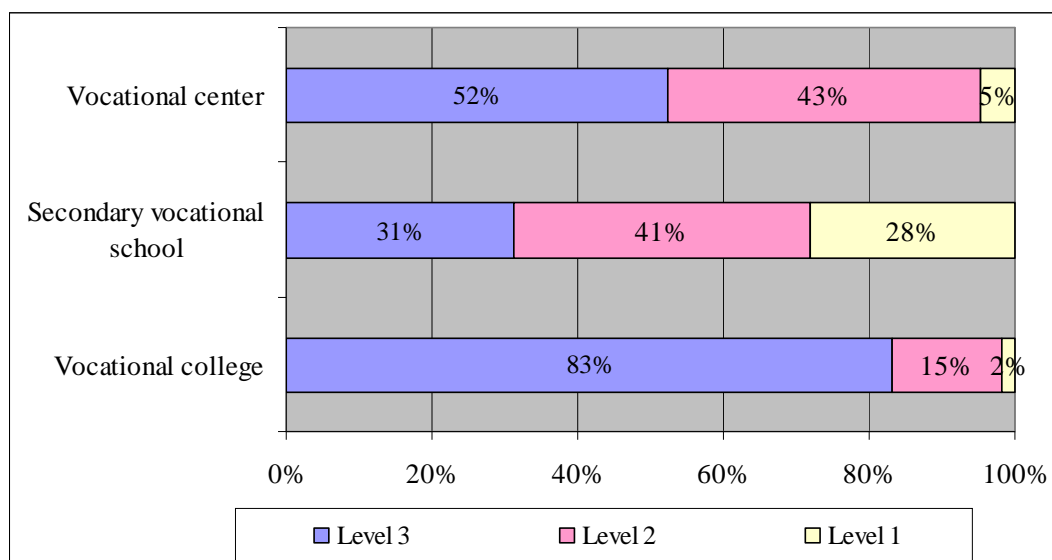


Source: Department of Vocational Accreditation, GDVT

The number of vocational colleges joining accreditation exercise to date is highest at 52% and the percentage of institutions which are successfully accredited (level 3) accounts for a high rate at 83%. The vocational secondary schools and vocational centers are accredited mainly because they take the initiative to register for accreditation

on a voluntary basis by vocational institutions and are selected by GDVT for accreditation. However the accreditation result at level 3 of these institutions is quite low, especially vocational secondary school, with the percentage of successful quality accreditation being only one third (31%).

Figure 49: Accreditation results of vocational institutions as of 2011

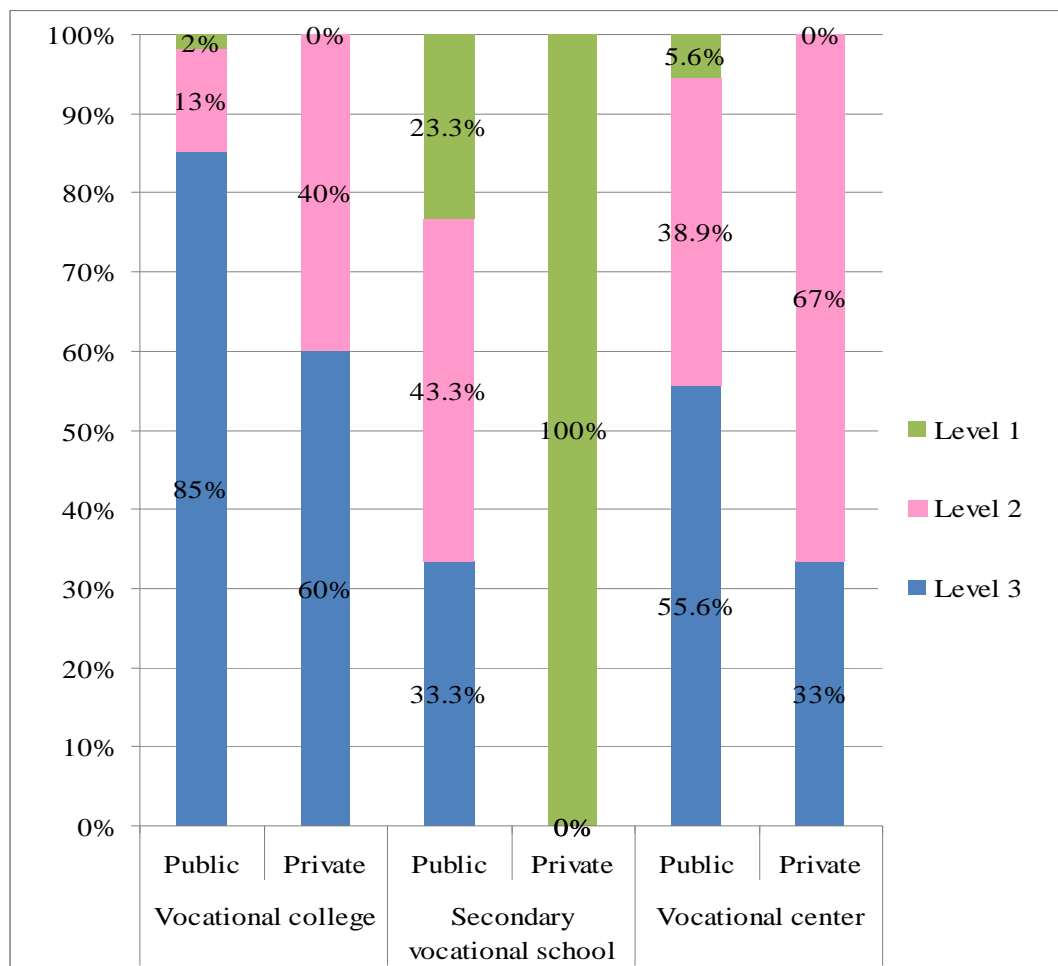


Source: Department of Vocational Accreditation, GDVT

Considering the total of accredited vocational institutions as of 2011, one can see that the proportion of accredited

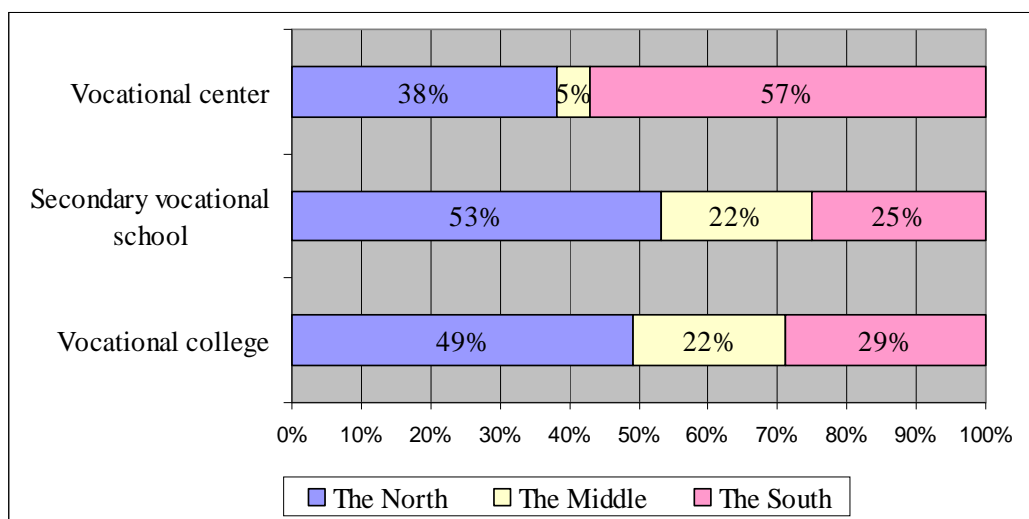
vocational institutions which achieve level 3 is mainly that of public institutions

Figure 50: Accreditation results by type and nature of vocational institutions

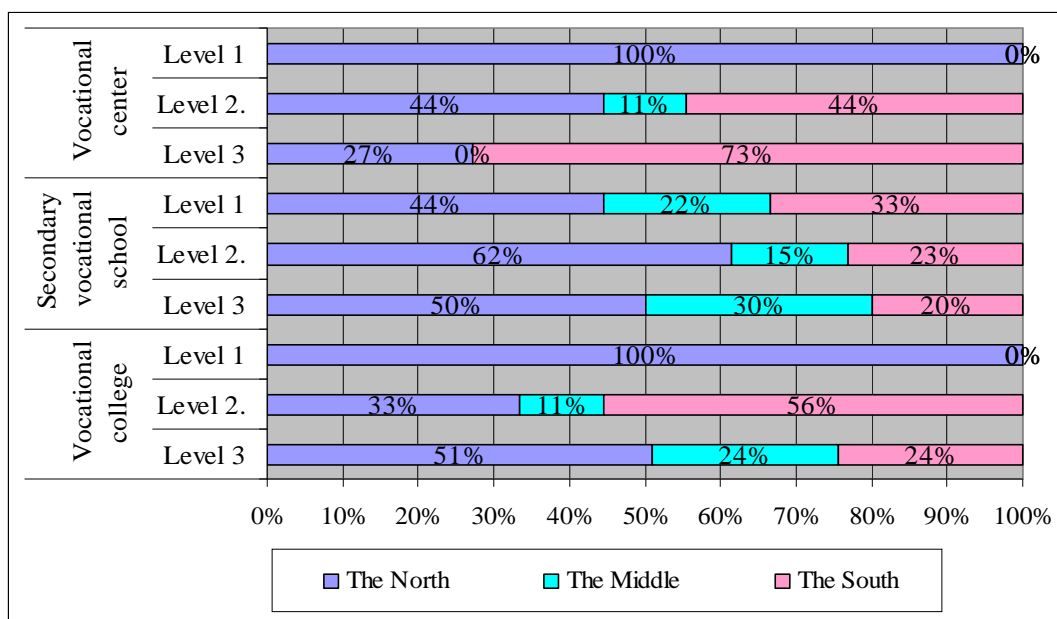


Source: Department of Vocational Accreditation, GDVT

Figure 51: The percentage of accredited vocational institutions by category in the North, Middle and South



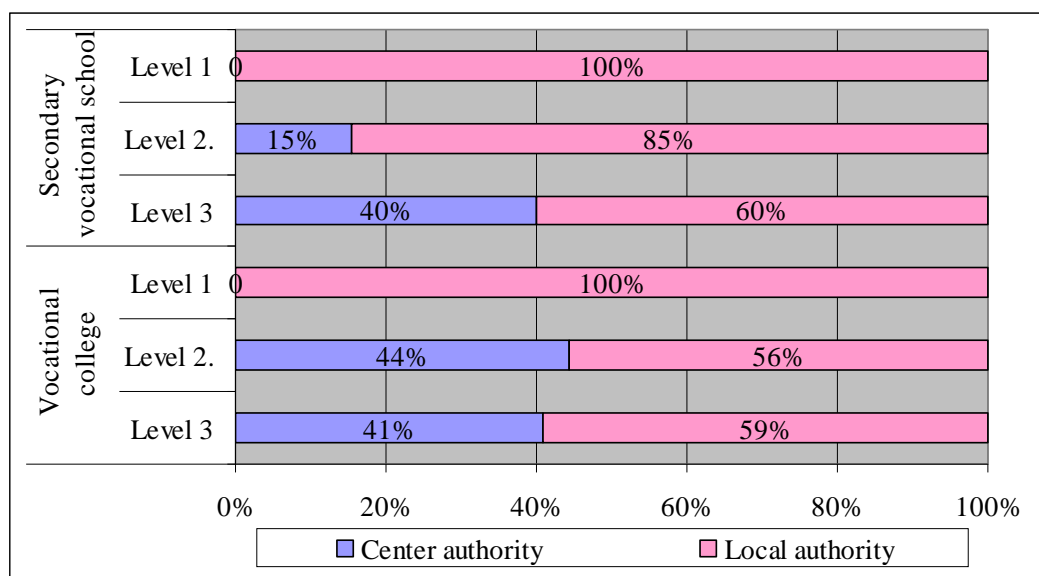
Source: Department of Vocational Accreditation, GDVT

Figure 52: Accreditation results of vocational institutions in the North, Middle and South

Source: Department of Vocational Accreditation, GDVT

It can be seen that vocational institutions currently managed by local authorities take up a large number, especially vocational centers and vocational secondary schools. The result of quality accreditation also

shows that the centrally-managed institutions are of more uniform quality (no single institution receives accreditation at level 1).

Figure 53: Accreditation result of institutions by management authorities

Source: Department of Vocational Accreditation, GDVT

8.2. Vocational training quality accreditors

Vocational training accreditors (referred to as accreditors for short) are those who satisfy eligibility requirements and standards as regulated²⁶.

Accreditors work on an ad hoc basis and are mobilized to join accreditation mission at the request of GDVT on the basis of consensus of direct management agency for such accreditors.

As of 2011, 472 accreditors have been trained but the percentage of mobilization of accreditors to join accreditation mission organized by GDVT remains quite low (158/472 accreditors, around 33%).

At present, the card of accreditor has not actually been granted by only the certificate on completion of training course for vocational training quality accreditor.

Currently, accreditors are in most cases managers and teachers/facilitators of vocational institutions, and then the vocational training managers at Ministry and departments of Labor, Invalids and Social Affairs and a small percentage of staff members of research institutes and others. The fact that accreditors are mainly managers and teachers of vocational institutions is an advantage because most accreditors have experience in management and teaching, thus the assessment would become easier.

Box18: Eligibility conditions and standards for being granted accreditor card

1. Eligibility conditions:

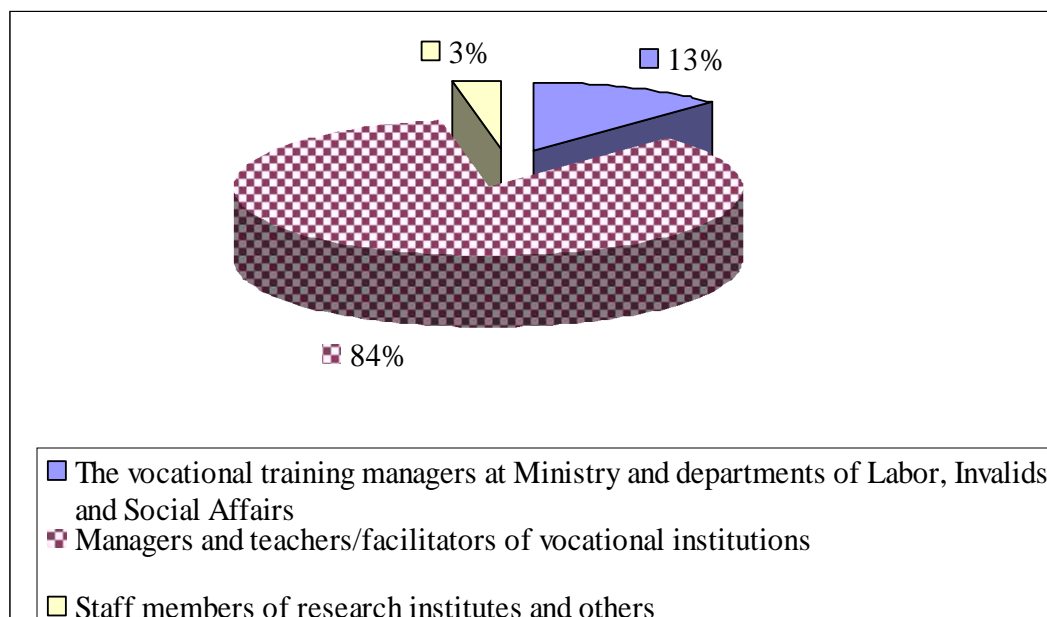
- a) Be vocational teachers/trainers, managers of vocational institutions or lectures of technical colleges and universities or vocational managers at ministries, sectors, provincial authorities or researchers in the field of vocational training;
- b) Be requested by vocational institutions or direct management authority of the person in question be granted accreditor card;
- c) Be willing to participate in vocational training quality accreditation mission as and when mobilized by General Department of Vocational Training.

2. Standards:

- a) Of good ethics and qualities; honest and objective;
- b) Have a good understanding of laws, policies, and regulations governing vocational training;
- c) Have good understanding of vocational training activities;
- d) Have at least 5 years of experiences in teaching, management or science research in vocational training;
- d) Able to communicate, gather, analyze and consolidate data;
- e) In good health condition as required by work assignments;
- g) Have university degrees and above;
- h) Have certificate in a common foreign language at C level and above;
- i) Strong computer skills;
- k) Have certificate on vocational training quality accreditor granted by General Department of Vocational Training.

Source: Decision No. 07/2008/QĐ-BLĐTBXH

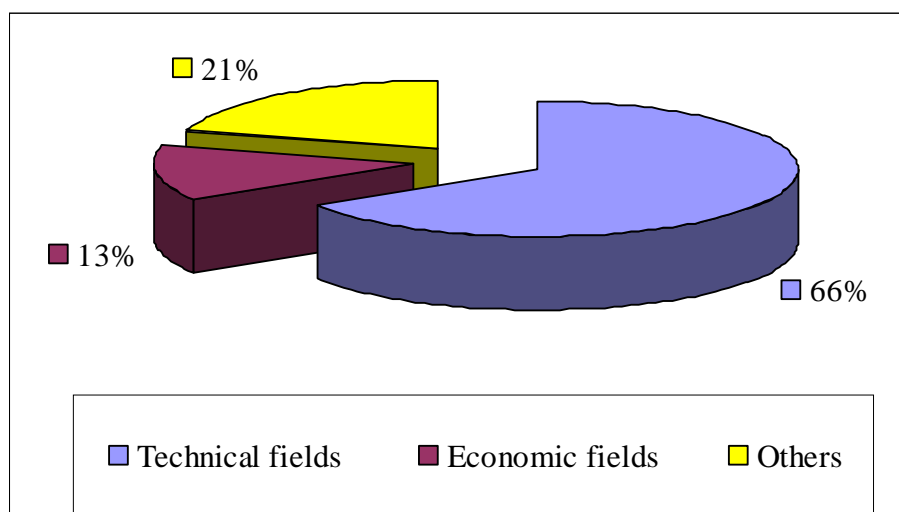
²⁶ As defined at Article 4 of Decision No. 07/2008/QĐ-BLĐTBXH dated March 25th 2008 defining the accreditors of vocational training quality.

Figure 54: Accrediting staff by their host institution

Source: Department of Vocational Accreditation, GDVT

When it comes to the accrediting staff by training specialization, according to the 2011 statistical data, of the total of 227 accreditors who already have personal data provided,

accreditors with training specializations in technical fields take up a larger portion than economic fields.

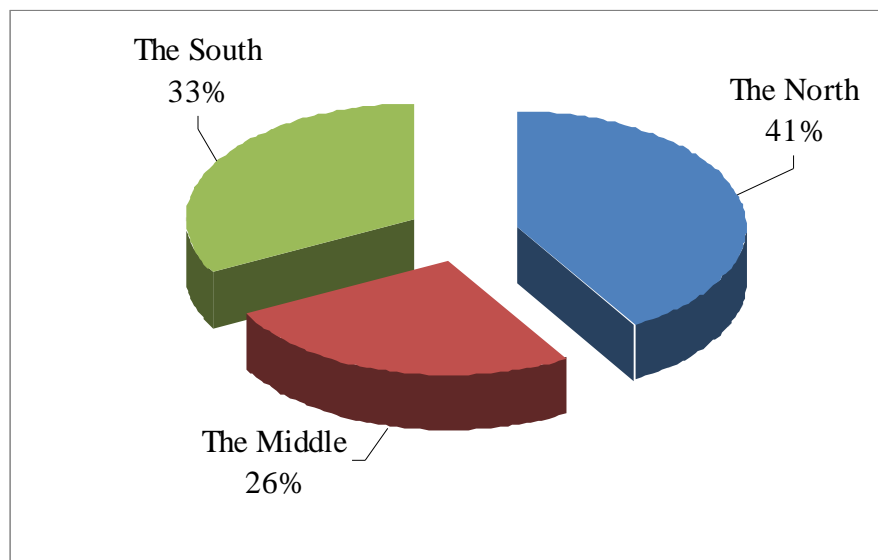
Figure 55: Accrediting by training specializations

Source: Department of Vocational Accreditation, GDVT

Accrediting staff are trained in all provinces and cities in three regions, i.e. North, Middle and South. As such, it is possible to mobilize

accrediting missions in a convenient and effective manner.

Figure 56: Accrediting staff by region



Source: Department of Vocational Accreditation, GDVT

Along with the training of external accreditors, GDVT has provided training to self-accreditors – who are staff members of vocational institutions in charge of self-accreditation of respective vocational institutions. Each vocational institution must establish a quality accreditation council mandated to assure quality of vocational training provided by itself as well as report vocational training quality on an annual basis to higher level as regulated.

accreditation result will serve an underlying basis for effective and efficient external accreditation. Currently, most of vocational institutions have already their staff receiving training on self-accreditation, bringing the number of trained self-accreditors to 1,511.

Self-accreditors are the core force to implement quality assurance at the institutional level on an annual basis. They also make an important contribution to the success of accreditation because the self-

9. FINANCE FOR VOCATIONAL TRAINING

This Report will focus on analyzing the State Budget expenditure for vocational training in the period 2001 - 2011, with a special focus on expenditure from National Target Program – one of three important sources of expenditure under State Budget for vocational training. In addition, the report will also mention to the ODA-funded projects from overseas countries, international organizations which are underway and contributing a significant part to strengthening capacity of vocational training system in Vietnam over the past time.

9.1. Financing sources for vocational training

Sources of investment for vocational training include the following: State Budget (in this report, State Budget source does not include ODA funding), contributions from apprentices, vocational institutions, enterprises and foreign investments.

State Budget

State Budget is seen a key and most important source of financing for vocational training. The level of investment from State Budget for vocational training is determined annually on the basis of the Law on State Budget, guiding circulars of Law on State Budget, GDP, income-expenditure balances, State Budget spending, investment orientation of the State toward vocational training, investment proposal from local authorities and sectors under the purview of State regulations on spending norms for vocational training²⁷.

State Budget investment for vocational training is ensured to increase annually, with the following year not lower than that of the preceding year in terms of investment amount.

Contributions from apprentices

Tuition fees in private and enterprise-owned vocational institutions

Private and enterprise-owned vocational institutions are allowed to collect tuition fees on the basis of contractual agreement entered into between the host vocational institution and learners. The tuition fee for each academic year as well as an estimated total sum for the whole intake must be disclosed for learners' information prior to admission.

Tuition fees in public institutions:

For public institutions, the second biggest source of financing for vocational training is the contribution of tuition fee from learners.

²⁷Investment norms for vocational training in 2011 for local authorities are defined at the Decision No. 59/2010/QĐ-TTg dated September 30th 2010 issuing the norms for allocating cost estimates for recurrent expenditures from State Budget in 2011 and Decision

No. 60/2010/QĐ-TTg of the Prime Minister dated September 30th 2010 issuing the principles, criteria and norms for allocating development investment capital from State Budget in the period 2011-2015.

Box 19: Tuition fee framework for vocational training

From 1998 to 2009: Common regulations are provided for the tuition fees for education and vocational training (1):

- Commonly applicable for all sectors and learning levels: 20,000 – 120,000 VND/student/month

From academic year 2009 – 2010, the tuition fee framework is adjusted (2), where:

- For secondary vocational schools and below: 20,000 to 160,000 VND/student/month
- Vocational colleges: 40,000 – 200,000 VND/student/month
- Lower secondary graduates (at the end of Grade 9) will be supported by respective local authorities with 50% of tuition fee.

From 2010, the regulations are issued for tuition fee ceilings for intermediate, collegiate in public institutions (3) (applicable from 2010-2011 academic year to 2014-2015 academic year).

- The regulations are issued for tuition fee ceilings for intermediate, collegiate levels in public institutions by training level and occupational groups (Appendix 10)
- Lower secondary graduates (at the end of Grade 9) will be supported by respective local authorities with 50% of tuition fee.
- For elementary and continuing vocational training, the tuition fees are agreed with learners provided that the level of tuition fee charge for elementary and continuing vocational training is not in excess of 150% of the fee charge for formal vocational training of the same learning level and same occupational training.

Source: (1) Decision No. 70/1998/QĐ-TTg dated March 31st 1998

(2) Decision No. 1310/QĐ-TTg dated August 21st 2009

(3) Decree No. 49/2010/NĐ-CP dated May 15th 2010

Contributions from enterprises

Investments from enterprises for vocational training are mobilized through encouraging enterprises to set up vocational institutions, supporting and associating with vocational institutions in training, production application, paying for apprentices when they either directly or jointly produce products for enterprises in the course of training.

Contributions from vocational institutions

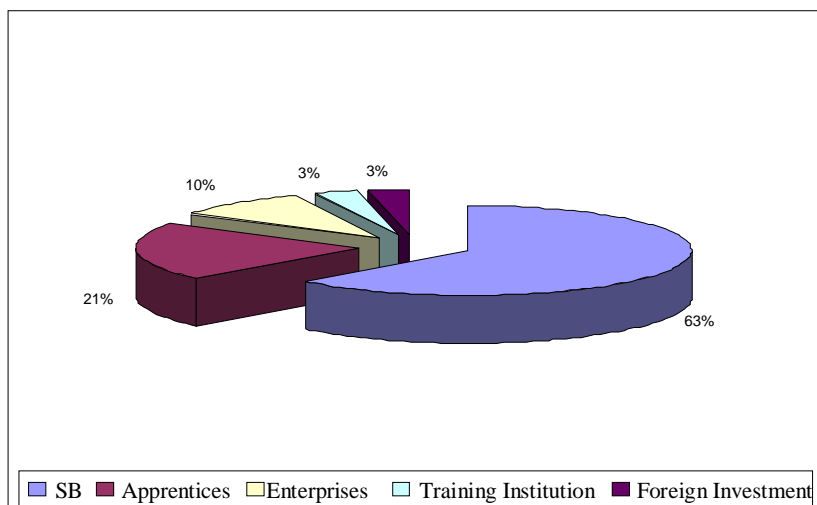
Vocational institutions are allowed to set up businesses or production and servicing units in order to create favorable conditions for trainees and trainers to practice and enhance their skills and earn additional income. The

establishment of businesses or production and servicing units as well as organization of production and servicing activities are implemented in accordance with the rules of law.

Foreign investment

Just like enterprises, foreign investors are encouraged to make investments in vocational training through the establishment of vocational institutions, joint projects on vocational training development, making unsolicited financial contributions for vocational training. This source of contribution makes up a very small proportion.

Figure 57: Financing sources for vocational training in 2009



Source: GDVT

It can be easily observed that in 2009, State Budget is the key source of investment for vocational training (63%). This is followed by contributions from apprentices (21%), enterprises (10%), vocational institutions and foreign investment, with very low rates, at 3% both.

9.2. State Budget expenditure for vocational training

State Budget expenditure for vocational training in the period 2001-2011

State Budget does not merely mean providing financing sources for maintaining and strengthening vocational training activities but also help provide orientation in vocational training in accordance with the State guiding principle. Although the source of financing under State Budget for vocational training is limited, it still plays the most important role in vocational training development.

Table 21: State Budget expenditure for vocational training in the period 2001 - 2011

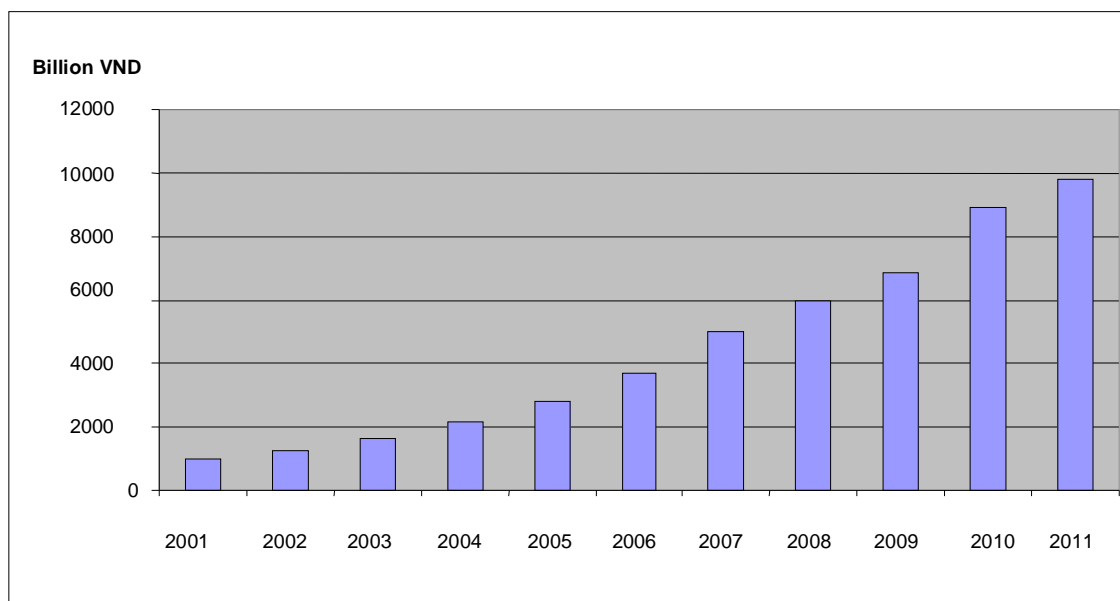
Year	SB expenditure for vocational training (VND billion)	SB expenditure for vocational training as a percentage of GDP (%)	SB expenditure for vocational training as a percentage of total SB expenditure (%)	SB expenditure for vocational training as a percentage of total SB expenditure for education and training (%)
2001	968	0.20	0.76	4.90
2002	1240	0.23	0.86	5.50
2003	1644	0.27	0.91	5.68
2004	2162	0.30	1.03	6.20
2005	2791	0.33	1.17	6.50
2006	3671	0.38	1.24	6.70
2007	4993	0.39	1.36	7.15
2008	5985	0.41	1.47	7.35
2009	6870	0.45	1.50	7.50
2010	8937	0.46	1.45	8.53
2011	9800	0.45	1.63	8.16

Source: GDVT

In terms of magnitude, State Budget expenditure for vocational training has increased by 10.1 times in ten years, from 2001 to 2011. In the period 2006 - 2011, the investment for vocational training increases by roughly 1,000 billion VND on a year-on-year basis. In particular, in 2007 when the Law on Vocational Training started to take effect, the investment for vocational training has increased by more than 1,300 billion

VND for the purpose of upgrading vocational training schools to vocational colleges and secondary vocational schools. In 2010, State Budget expenditure for vocational training also increased by more than 2,000 billion when a large resource was mobilized for implementation of the Scheme on Vocational Training for Rural Laborers by 2020, under the auspices of National Target Program.

Figure 58: State Budget for vocational training in the period 2001 - 2011

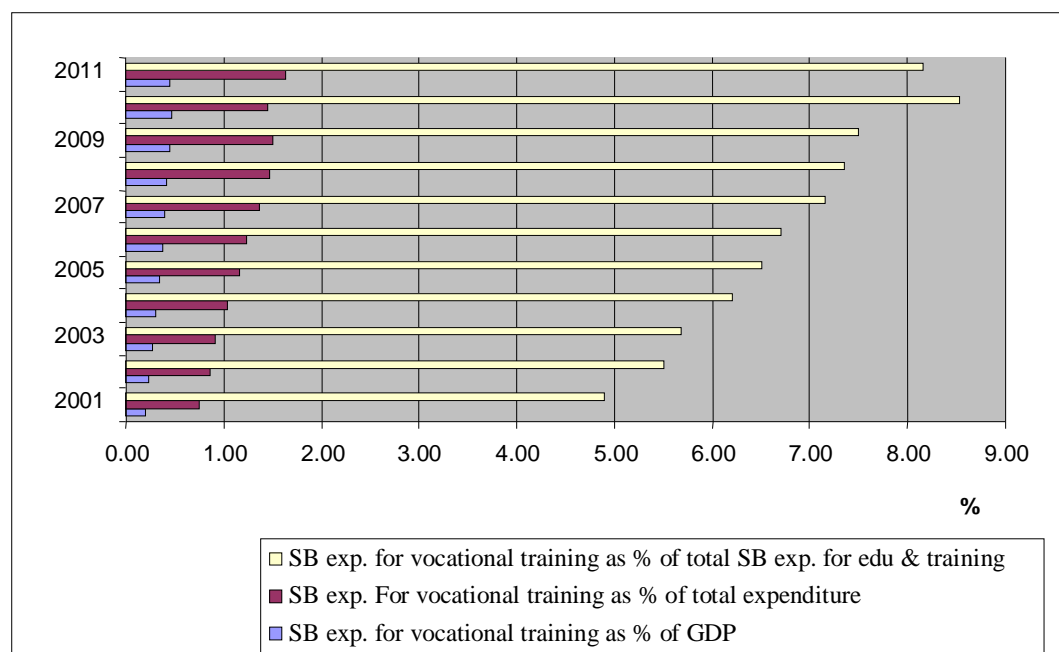


Source: GDVT

In terms of structure, expenditure for vocational training has increased annually from total GDP, total State Budget expenditure and State Budget expenditure for education and training. However, the

share of investment for vocational still remains low, accounting for only 0.45% of GDP and 1.63% of total State Budget expenditure in 2011.

Figure 59: State Budget expenditure structure for vocational training in the period 2001 - 2011



Source: GDVT

State Budget expenditure for vocational training is currently comprised of three main items: current expenditure, capital construction expenditure, and National Target Program expenditure.

- Current expenditure: includes expenditure items linked to the performance of recurrent tasks of vocational institutions such as salaries, materials, textbooks, syllabus...

- Capital construction expenditure: includes expenditure items aimed to satisfy the

demand for development of technical infrastructure for each vocational institution in terms of physical facilities, buildings, workshops, equipment...

- National Target Program expenditure is aimed at realizing specific objectives of crucial importance or addressing major challenges in vocational training in specific periods of the country.

Expenditure item structure for vocational training in the period 2001 – 2011

Table 22: Expenditure item structure for vocational training in the period 2001 - 2011

Year	SB expenditure for vocational training	Of which		
		Current expenditure (% of total expenditure for vocational training)	Capital construction expenditure (% total expenditure for vocational training)	National Target Program expenditure (% total expenditure for vocational training)
2001	968	58.8	30.4	10.8
2002	1240	53.3	35.4	11.3
2003	1644	48.4	41.3	10.3
2004	2162	42.3	45.4	12.3
2005	2791	47.8	36.9	15.2
2006	3671	47.3	35.6	17.2
2007	4993	44.1	34.9	21.0
2008	5985	49.2	32.4	18.4
2009	6870	51.5	31.0	17.5
2010	8937	41.3	24.1	34.6
2011	9800	35.2	40.8	24

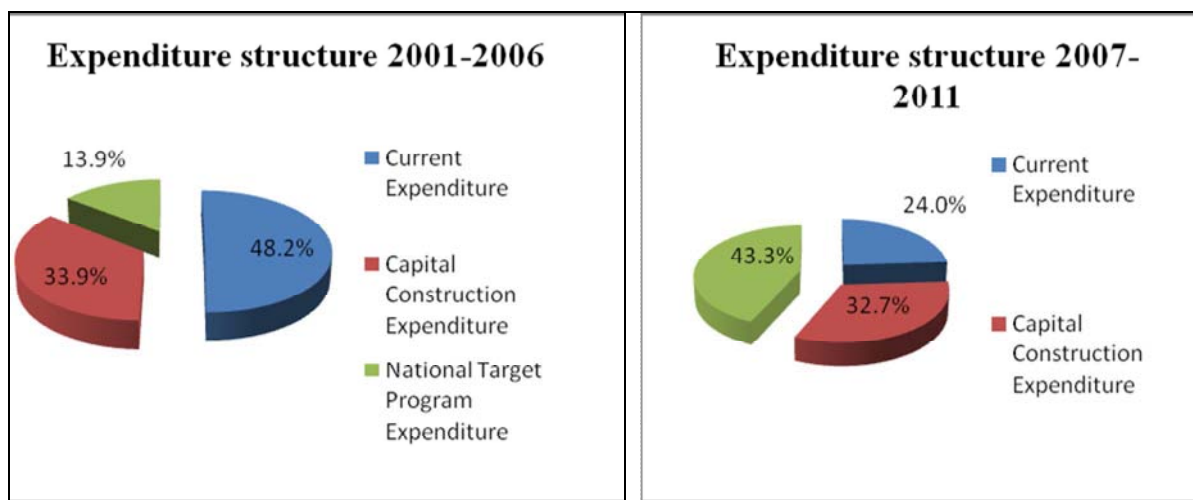
Source: GDVT

The current expenditures range from 40% to 60%, standing below 50% in most of the years. Meanwhile, expenditure for capital construction stands higher than 30% and for National Target Program higher than 10%. The expenditure structure of vocational

suggests than in the period 2001 – 2011, the investment is focused primarily on physical infrastructure, upgrading of vocational institutions and expanding vocational training scope.

Figure 60: Expenditure item structure for vocational training

Unit: %



Source: GDVT

Expenditure structure for vocational training is far different than that for education and training in that current expenditure takes up more than 70%, expenditure for capital construction less than 25% and expenditure for National Target Program less than 5%, except in 2008 with 8.9%²⁸.

A look at the period 2007 - 2011 shows that expenditure for National Target Program takes up a large proportion (24%), reflecting the priority by the State in increasing quality and expanding scope for vocational training size.

State Budget allocation to vocational institutions

For enterprise-owned vocational institutions

Since 2006, State Budget has no longer supported training activities in State-owned enterprises²⁹. Instead, enterprise-owned vocational institutions enjoy incentive policies on investment credit and on taxes, fees, charges during the course of operation.

For public vocational institutions

Public vocational institutions enjoy State Budget from central budget and/or local budget through three expenditure items: i.e. current expenditure, capital construction expenditure, and National Target Program expenditure.

Current expenditure: this budget is allocated to vocational institutions based on the number of admitted students in accordance with the defined norm, that is, 3.9 – 5.4 million VND/student/academic year³⁰.

Capital construction and National Target Program expenditures: this budget is allocated to vocational institutions depending on the policies for vocational training at micro and macro levels, ability to reconcile budget among ministries, sectors, provinces and actual status of delivering projects and schemes on vocational training.

9.3. National Target Program on Vocational Training

National Target Program states explicitly objectives to be met as well as urgent issues to be addressed for vocational training in each specific period. From 2001 - 2011, there are two major projects implemented, including the Project on Strengthening Capacity for Vocational Training by 2010 and the Scheme on Vocational Training for Rural Laborers by 2020. Of these, the Scheme on Vocational Training for Rural Laborers by 2020 is discussed in detail in section 12 of this Report.

Project on Strengthening Capacity for Vocational Training by 2010

In the period 2001 - 2005

Objectives:

In the period 2001 - 2005, the Project on Strengthening Capacity for Vocational Training by 2010 is focused on four main contents:

- To strengthen infrastructure and equipment for vocational training;
- To renovate curriculum and syllabus for vocational training;
- To provide pre-service and in-service training to vocational teachers;
- To support vocational training for farmers, ethnic minority people and people with disability.

Implementation funding:

The total implementation cost for the Project in the period 2001-2005 is more than 1,000

²⁸Source: Education statistics – Department of Planning and Finance, MOET

²⁹In accordance with the Directive No. 18/2005/CT-TTg dated May 31st 2005 on preparing socio-economic development plan and State budget cost estimates in 2006

³⁰The Official Letter No. 562/TC/HCSN dated March 3rd 1998 of the MOLISA on spending norm for non-business administrative activities.

billion VND. Apart from central budget, local budget, other sources of financing from ministries, sectors, corporations and vocational institutions are also actively mobilized. Investment funding from various sources has increased over years.

In the period 2006 - 2010

Objectives:

- To strengthen infrastructure and equipment for vocational training for vocational colleges, secondary vocational schools and vocational centers.
- To develop vocational teachers and managers, vocational accreditors, and national occupational skills evaluators.
- To develop vocational training programs, national occupational skill standards, test item bank, and vocational training quality accreditation system.
- To support elementary and continuing vocational training for rural laborers, ethnic minority youths and handicapped people.
- To pilot vocational training on an order-placement basis.

Implementation cost:

The total implementation cost for the Project in the period 2006 - 2010 is more than 5,300 billion VND. The biggest source of funding is central budget, accounting for 86% of the total investment in 5 years.

9.4. ODA funding for development of vocational training

In recent past, ODA-funded projects on vocational training have provided active support to vocational institutions and vocational training managers at both central and local levels for the purpose of strengthening infrastructure and equipment for vocational training, supporting training for teachers and managers, developing curriculum and syllabus for vocational training. In particular, along with the tendency of vocational training development in Vietnam, various projects have been constantly focused on raising capacity for quality management (i.e. the Korean Project on System of Assessment and Granting of Certificates on National Occupational Skills), investing in core occupations (i.e. Projects funded by South Korea, Federal Republic of Germany, ADB), investing in high-quality vocational institutions (Projects funded by South Korea, Federal Republic of Germany, Denmark) (Appendix 12).

Together with technical and financial support, ODA-funded projects in recent past have made significant contributions to raising training quality in vocational institutions as well as raising capacity for vocational teaching managers at different levels across the country.

10. COOPERATION WITH CORPORATE SECTOR IN VOCATIONAL TRAINING

10.1. Context and policy framework for cooperation with corporate sector in vocational training

Socio-economic context and labor market and their impacts on businesses and vocational training in Vietnam

The State of Vietnam has confirmed that “developing and improving quality of human resources, especially the high-quality human resources is a strategic breakthrough...It is crucial to strengthen vocational training according to society’s needs; there should be a mechanism and policy in place to establish a close linkage between businesses and training institutions.”

The Vietnamese Government has been restructuring its national economy, notably through the Scheme on Restructuring the State-Owned Enterprises, and focusing on the development of labor market. This will have a large impact on enterprises and laborers.

According to the findings of 2011 labor and employment survey, labor force of the whole country is 51.34 million people (accounting for 58.4% of the country population), including 50.3 million laborers who are actively working in national economic sectors, accounting for 97.97% of the total labor force. Working-age labor force in Vietnam is 46.45 million people, equivalent to 90.5% labor force aged 15 or higher. Of this, 71.5% of the labor force concentrating in rural areas.

Labor structure continues to shift in a positive direction. The labor structure for agriculture – industry – service in 2011 is 48.6%- 21.2% - 30.2%, respectively.

Transactions activities in labor market have witnessed initial progress. The labor relationships have been established in line with market mechanisms; the cost of labor power has reflected labor value in labor market. Labor productivity of Vietnam has seen certain achievements. In 2010, labor productivity of laborers (as per nominal values) reached 40.4 million VND per person, an increase of 2.06 times compared with that in 2005. However, Vietnam’s labor productivity is still low relative to other countries in the region³¹.

The policy framework for business cooperation in vocational training (past and present)

In respect of employment, vocational training and the link of supply and demand of labor

- The Law on Labor has provided a chapter on “Apprenticeship, vocational training and skills upgrading”, which regulates responsibilities of enterprises in vocational training and skills upgrading for laborers...Various forms of linkage between supply and demand of labor in labor market have been strongly promoted and effectively operated, i.e. a network of employment services has been established with nearly 140 job referral centers across the country.

-The State has issued a number of policies for the purpose of strengthening access to vocational training services for laborers, including:

³¹ In 2010, Vietnam’s labor productivity was 38.8 times lower than Japan’s, 16.2 times than South Korea, 6.6 times than Malaysia, 2.3 times than Thailand, 1.9 times than and 1.4 times than Indonesia – see the Strategy for Vocational Training Development in the period 2011-2020. Hanoi, 2011

(i) Encouraging laborers to attend vocational training courses through creating enabling conditions for laborers to borrow low-interest loans for vocational learning;

(ii) Encouraging enterprises to provide on-site training for their own laborers through allowing enterprises to account the cost incurred for manpower training into production cost and price of finished products;

(iii) Providing vocational training free of charge through some vocational training projects to several categories of underprivileged laborers in the society.

In respect of labor cost

Relevant legislations and policy documents have been being finalized on renovating the salary regime in a way which assigns autonomy to enterprises in determining the cost of salary and paying remuneration to laborers on the basis of labor productivity, efficiency and effectiveness of production and business.

In terms of policies for enterprises to join vocational training

The Government has put forth the relevant mechanisms and policies for the development of vocational institutions owned by enterprises (See Appendix 1). Enterprises must take the initiative to prepare their own human resources, put in place the vocational training plan of their own or enter into contract with vocational institutions. For enterprises which organize vocational training, they will be exempted the import tariffs on equipment used for the purpose of vocational training; have their training costs accounted for in the production cost...

The vocational institutions owned by enterprises are supported in terms of land and financial capital for the construction of premises; their vocational teachers are allowed to participate in training courses on

teaching skills; and these institutions are also supported in terms of funding for the procurement of vocational training equipment...

The State has also put forth the regulation on responsibility to make contributions to the vocational training support fund (in accordance with the Law on Vocational Training 2006).

10.2. Manpower demand by enterprises

Theo According to the data of GSO, as of January 1st 2012, there are 541,103 across the country, of which 375,732 enterprises are in operation in a practical sense (there are 9,385 FDI enterprises), which attract in the neighborhood of 10 laborers³².

According Vietnam human resources planning in 2011-2020 period, taking the enterprises in the areas of industry and construction alone, laborers will increase to 15 million people by 2015 and 20 million by 2020. The new demands for vocational training for these newly recruited laborers are huge, let alone the retraining demands for the existing laborers.

Several occupations and groups of occupations have a strong demand for vocationally-trained laborers such as weavers, sewers, leather tanners and footwear workers; machine and equipment operators; machinery mechanics and installers; builders, wood processing workers; electrical equipment installers and repairers, handicrafts people...

For several other occupations and groups of occupations, the current demand is not that high (in terms of size) but there is a serious lack of manpower such as programmers, electronic and electrical engineers, mechatronics engineers, agriculture food processing and industrial products engineers... In the near future, the manpower

³² General Statistics Office, Hanoi, 2012

demand for these above-mentioned occupations will strongly increase due to the speed of development of software firms, mechanical manufacturing businesses and processing enterprises (according the said Planning, by 2015, the total of manpower for information technology sector is in the region of 556 thousand people, and by 2020 is 758 thousand people, most with prior vocational training).

The demand for vocationally trained manpower by 2020 in some peak sectors, major corporations and conglomerates groups is around 834,000 people (i.e. textile and garment: 530,000 people; Electricity: 151,000 people; Shipping Industry: 50,000 people; Rubber: 80,000 people; Coal and Minerals: 8,000 people; Machinery Installation: 15,000 people...). The demand for highly skilled manpower for several economic corporations when they expand investments to overseas countries will be increasingly growing.

The demand for vocationally trained manpower of some industrial and economic zones is also equally significant. The Dung Quat economic zone will require around 28,000 vocationally-trained laborers by 2015; Chu Lai economic zone will require nearly 34,000 vocationally-trained laborers by 2015...

10.3. Actual status of vocational training and ability to satisfy labor demands of businesses

The supply of vocationally-trained laborers to businesses is carried out through vocational training activities by vocational institutions outside businesses, those owned by businesses and through on-the-job training within businesses. This report will only focus on vocational training within businesses and the collaboration between vocational institutions and on-the-job training within businesses.

Vocational training at vocational institutions owned by businesses and at workplace within businesses (on-the-job training)

- The number and structure of vocational institutions owned by businesses

To date, there are nearly 200 vocational institutions across the country owned by businesses, including 119 vocational secondary schools and vocational colleges (accounting for 27% of the total of vocational secondary schools and vocational colleges), 34 vocational colleges (accounting for 25% of the total of vocational colleges) and 85 vocational secondary schools (accounting for 28% of the total of vocational secondary schools).

Most of the strong corporations and economic groups have their own vocational training schools, partially meeting manpower requirements of their own as well as making a partial contribution to the society's. Businesses, especially those with foreign investments, large-scale private companies have taken the initiative to deliver formal and supplemental vocational training in order to upgrade vocational skills for laborers in line with requirements of their own.

Of the total of vocational institutions owned by businesses, the proportion of vocational institutions belonging to private companies is 67%.

- Admission and post-training recruitment

In the past time, the institutions of corporations which participated in vocational training provision have been increasingly on rise: in 1998, the long-term vocational training was provided to 15,300 learners, and in 2006: 60,102 learners, in 2010 around 100,000 learners.

Many institutions owned by major economic groups have a large scale of training, such as the one owned by VINASHIN (a year-on-year supply of around 6,000- 7,000 technical workers and in several years to come this will reach 12,000-13,000 technical workers); the institution owned by LILAMA (a year-on-year supply of around 3,000 to 4,500 graduates with vocational college and secondary qualifications). After nearly 40 years of operation, the oil and gas vocational training college have provided pre-service and in-service trainings to oil and gas enterprises with more than 70,000 turns of graduates and more than 15,000 technical workers in 27 different occupations...

As of December 2011, there are more than 283 industrial zones, processing zones and economic zones (commonly referred to as industrial zones) have attracted nearly 2 million laborers who are currently working (both within and around industrial zones). Apart from accepting laborers from vocational institutions, some businesses in industrial zones have provided vocational trainings to newly recruited workers; and provided retraining or on-the-job trainings to upgrade vocational skills for their workers. Some industrial zones have established vocational institutions or centers and have received initial positive outcomes. These include, for example, Hanoi industrial zone, Vinh Phuc industrial zone, Bac Ninh industrial zone, Dung Quat industrial zone, Binh Duong industrial zone...

The fact that businesses provide vocational training to laborers in different forms has become more and more popular and yielded positive impacts on improving vocational skills and competencies as well as performance of laborers. They provide vocational training to laborers in three main forms, that is, coaching at the workplace, on-campus training at the business premises,

and on-campus trainings outside the business premises, with the first being most popular (accounting for 63.6% of the total trained laborers).

Participation of businesses in vocational training and the linkage between vocational institutions and businesses in doing so

Participation of businesses in vocational training

The participation of businesses in vocational training takes place at two levels: policy level and actual training level.

At the policy level, businesses are directly involved in developing the list of training occupations; national occupational skills standards; the frame curricula....

Development of national occupational skills standards (see section 7)

Development of frame curricula and delivery of training

- The vocational training curriculum is built on the production practices; on the basis of the analysis of tasks and assignments of laborers; various training modules which integrate theory and practice are designed and implemented.

Businesses send their experts to join the development of training programs in order to increase relevance with production technology of the business. These experts are involved in different phases ranging from task analysis to design of training modules.

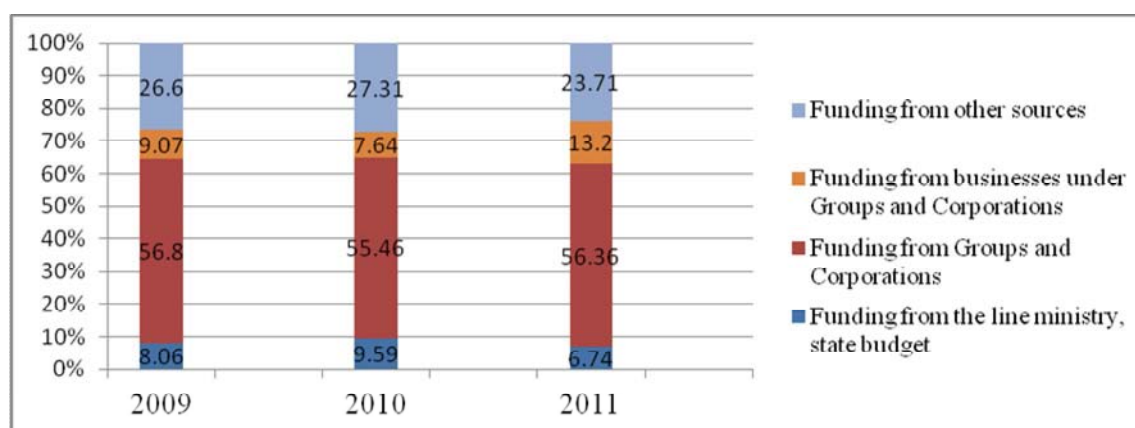
- At the actual training level, high-profile experts and technicians from businesses are invited to visit vocational institutions to participate in doing the practical teaching for learners, in assessing learning outcomes and in end-of-course exams assessment council.

Contribution of funding for training activities

Businesses provide funding assistance for recurrent expenditures, including a partial salary to facilitators and teachers of vocational institutions; partial funding for the development of infrastructure and equipment for vocational training. Some businesses support their directly subordinate institutions with a partial funding for civil works, practice workshops, dormitories for students or provide support in terms of appropriate equipment in line with

production technology of the respective business. The funding is mobilized mainly from groups and corporations (around 56%), and the rest is from source of investment made by businesses under groups and corporations, from the line ministry, state budget, collection of tuition fees... The funding from state budget is mainly earmarked for state-owned enterprises (either directly or indirectly).

Figure 61: Structure of vocational training funding among businesses



Quick reports submitted by Corporations and Groups regarding vocational training status in three years: 2009 – 2011

Different forms of cooperation and association

In the past time, the initial steps have been taken in establishing the links between vocational institutions and businesses in vocational training. Such links offer many advantages. For example, the apprentices can study those occupations which are relevant with actual demands of the respective business; vocational knowledge and skills acquired by learners are in the benefit of both themselves as learners and employers. Apprentices both study theories at the institution and practice on machines, equipment which are currently used at the business premises, helping them apply the knowledge just acquired and upgrade their

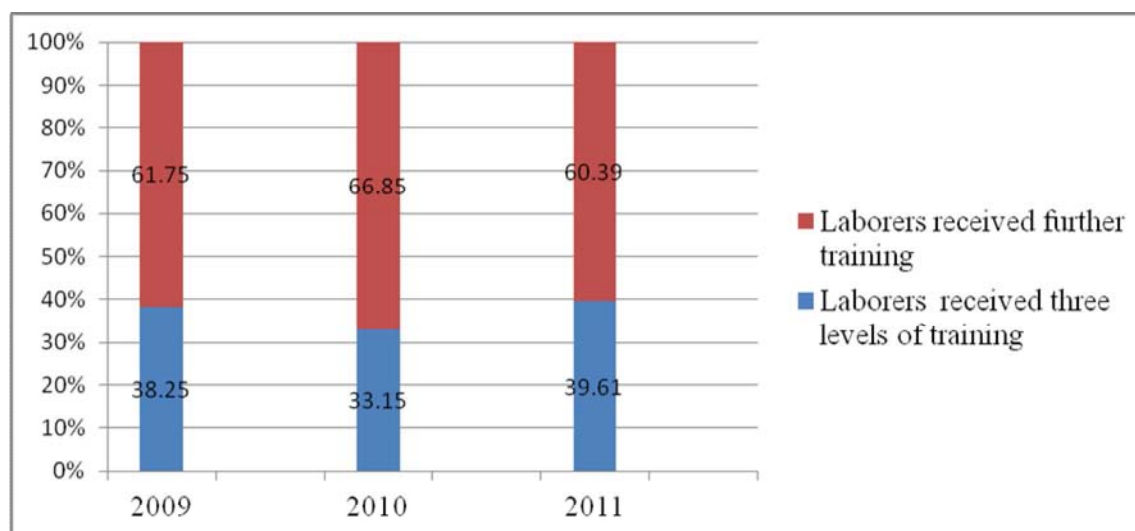
practical vocational skills as well. This link has tightened the mutually understanding relationship between training institutions and businesses. The training institutions do not have to increase their investment for procurement of practice equipment, whereas learners can acquire substance more quickly. The businesses may use graduates to create new products or enjoy the opportunity to select highly competent technicians to work for them afterwards. Through the survey of the GDVT, around 40% of businesses with labor demands have provided joint training in cooperation with vocational institutions.

There are many forms of cooperation between the training institutions and business, for example:

- Arranging for students to practice in member enterprises is a popular form of support given by businesses to their subordinate vocational institutions. In addition, businesses either organize in-service training by themselves or enter into training contract directly with training institutions in order to upgrade occupational

skills for laborers who are currently working for respective businesses. On-the-job training to enhance vocational skills and update the developments in technology transfer is also a popular form and relevant with implementation needs and circumstances at many businesses at present stage.

Figure 62: The correlation between the proportion of people receiving in-service training to enhance their occupational skills and those with pre-service training according to three levels



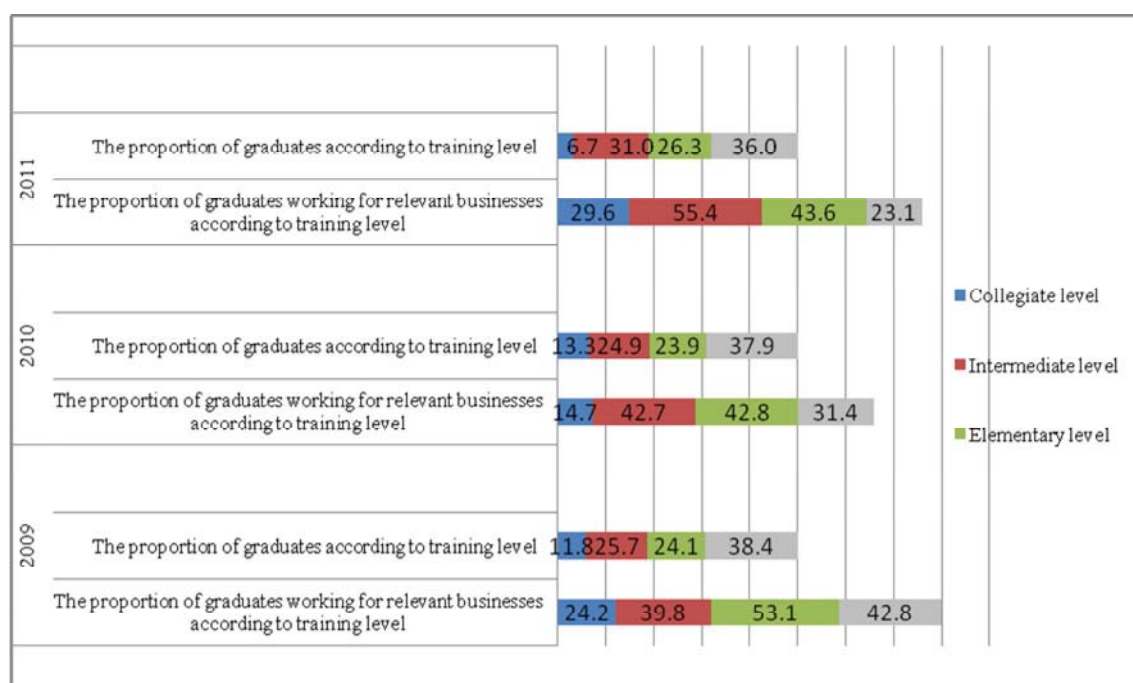
Source: Quick reports submitted by Corporations and Groups regarding vocational training status in three years: 2009 – 2011

- Competent experts from businesses are sent to directly do the teaching and assessment of learning outcomes in vocational institutions.

- Graduates from vocational institutions are accepted to work for businesses afterwards. Because during the course of training, there has been a strong link between the training and labor utilization demands by businesses, most graduates from vocational institutions under such businesses are accepted to work for relevant businesses. The proportion of graduates who have jobs in vocational

institutions under businesses reaches 90%-95%. The vocational institutions under businesses not only train laborers for their own but also provide a contingent of laborers to other businesses and the society as a whole. Through a quick survey conducted by GDVT, the proportion of graduates who work in the respective businesses is only 46% for elementary and intermediate levels and around 23% for collegiate level.

Figure 63: The proportion of graduates who work for respective businesses upon their graduation



Quick reports submitted by Corporations and Groups regarding vocational training status in three years: 2009 – 2011

It can be seen from the survey that the main forms of cooperation between the training institution and business are as follows:

- Businesses send their workers to the training institutions to have them enhance their vocational knowledge and skills (accounting for around 40% of the businesses in question);
- Businesses enter into the training contract with training institutions (37.1%);
- Businesses accept interns and practicum students for coaching at business premises (28.6%);
- Highly technical experts participate in the teaching exercise in vocational institution (5.7%);
- Businesses accept vocational teachers/facilitators to provide them with vocational practice skills (nearly 6%)....

Cooperation in vocational counseling for apprentices

Other than the cooperation in vocational training, there is also the cooperation in vocational counseling for

apprentices between training institutions and businesses. For the enterprise, it takes form of counseling in terms of work, tasks and assignments; requirements expected of a laborer based on which apprentices can choose a suitable occupation with their ability and preferences. For the training institution, it takes form of counseling in terms of enterprise's ability to attract laborers; enabling conditions for learners to get access to information of the enterprise so that they can come to work upon their graduation. Many institutions have set up a committee charged with vocational counseling for learners and working very closely with enterprises. The career orientation counseling activity has shifted from formality and amateurishness to depth and professionalism, thus creating favorable conditions for graduates to have suitable jobs upon their graduation.

Pilot implementation of training "package" for enterprises

At the end of 2011, NIVT, with the support from GIZ, has implemented the training package for enterprises, with an aim to meeting requirements in terms of specific skills for each position of laborers in enterprises. Currently, several training courses have been organized for core teachers on developing module-based training programs.

It can be observed that the cooperation between training institution and business is an effective channel to allow for improved effectiveness and efficiency of vocational training, meeting manpower requirements of the society. This cooperation is, however, yet to be continuous or based on a binding tie in the interest of sustained effectiveness.



Students of LILAMA2 Technical and Technology College practiced at PTSC Company, Vung Tau City

11. INTERNATIONAL COOPERATION IN VOCATIONAL TRAINING

International cooperation in general and international cooperation in vocational training in particular has been becoming increasingly important and an indispensable trend for many countries, including Vietnam.

11.1. Actual status of international cooperation in vocational training in the period 2001 - 2011

Some key achievements of international cooperation in vocational training

- Vocational training development master-planning is done in a way which tries to reach ASEAN and international standards:

According to the Vietnam Human Resources Development Strategy and Vietnam Human Resources Development Master-planning in the period 2011 - 2020, by 2020 Vietnam will have 40 high-quality vocational institutions, of which 5 institutions will reach international standards by 2015, and more than 10 institutions will reach international standards by 2020. MOLISA has promulgated the Decision No. 826/QĐ-LĐTBXH core occupations and eligible institutions in terms of selecting core occupations for investment assistance from National Target Program in the period 2011 - 2015, according to which there are 49 core occupations at ASEAN region level and 26 core occupations at international level.

- Conditions for assuring and controlling vocational training quality have initially reached that set out by developed countries in ASEAN region and worldwide:

+ Vocational teachers and managers have been strengthened in terms of both quantity and quality. Professional expertise and foreign language competences of vocational teachers and managers have gradually been

increased through domestic and overseas training courses using programs developed by advanced countries (Malaysia, South Korea, Japan, Germany, United Kingdom...) and ODA-funded projects. Vietnam has also participated in Forum on Regional Cooperation on Teacher Training since 2007.

+ Infrastructure and equipment for vocational training have been gradually upgraded and modernized. Workshops and equipment of several vocational institutions have been upgraded in accordance with standards set out by Nordic countries, Germany, France, Netherlands, Japan, Taiwan...

+ To date, 205 frame curricula at collegiate and intermediate levels have been developed using DACUM approach (Develop A Curriculum) of developed countries. Since 2011, Vietnam took several sets of occupational standards, curricula and syllabi from Malaysia. Initial steps have been taken in terms of international integration in developing occupational skills standards, occupational skill assessment through the Project “Strengthening the System for Occupational Skills Recognition in ASEAN region” and projects funded by EU, Japan, and South Korea.

+ The vocational training quality accreditation system has initially been set up based on experiences from USA and Australia. Vietnam also participated in Asia-Pacific Quality Network (APQN) in 2010.

- Knowledge on integration into international economy has been strengthened for apprentices, vocational teachers and managers. Training on updating knowledge on integration into international economy in terms of vocational training has been provided to 6,174 managers and teachers of

vocational institutions and nearly 400,000 vocational learners.

- Bilateral and multilateral collaboration has been expanded which brings about efficiency. International cooperation in vocational training has been strengthened and expanded to over 40 countries (United Kingdom, Germany, Netherlands, Belgium, Luxembourg, USA, Canada, South Korea, Japan, ASEAN countries...), international organizations (ILO, ADB, UNDP, ...). More specifically:

+ Vietnam has actively participated in international workshops, conferences and forums in vocational training within the framework of ACMECS, ASEAN, ASEM...Likewise, some countries have been invited to participate in the ASEAN Occupation Competition in 2004, Vocational Teaching Contest in 2009; workshops, conferences and forums in vocational training hosted by Vietnam.

+ Around 1,300 turns of vocational teachers and managers have been sent to participate in training courses, study tours; international workshops, conferences and events on vocational training in overseas countries. At the same time, many vocational experts from such countries as Germany, South Korea, and Japan have been received for providing support in vocational training in Vietnam. In addition, Vietnam has received over 50 million EURO and more than 200 million USA through ODA route from bilateral and multilateral donors.

+ Since 2011, with the support and collaboration from GIZ in providing vocational training linked to enterprises, initial steps have been taken to develop training modules for enterprises, developing curriculum and providing training on Mechatronics occupation at collegiate level with the participation from German enterprises in Vietnam.

+ Foreign investments have been attracted to the field of vocational training in Vietnam through setting up of wholly-foreign owned vocational institutions or entering into training cooperation with Vietnamese vocational institutions. These institutions have admitted around 2,100 students, of whom the 100 students are admitted at intermediate level and 250 students at collegiate level.

+ In terms of organizing national occupational skills competitions and participation into ASEAN and international occupation skills contests, national occupational skills competitions have been organized with format and procedure compatible with that of ASEAN occupational skills contests. Since 2002, Vietnam has participated in ASEAN occupational skills contests and since 2007 in international occupational skills contests. In particular, in 2004, it hosted successfully the ASEAN occupational skills contests. In ASEAN and international occupation skills contests, Vietnam has jointly participated in organizing and technical committees, boards of examiners; sending experts to develop test items. Vietnam has twice won the top award in ASEAN occupational skills contests for the whole delegation (i.e. in 2004 and 2006); in 2011 it won 7 excellent certificates on occupational skills in the international occupational skills contest.

+ In 2010, Vietnam participated in pilot assessment and mutual recognition in terms of technical skills and qualifications among Mekong Sub-region countries within the framework of the Project on Technical Assistance on Regional Technical and Policy Advice entitled "Implementing the Greater Mekong Sub-Region Human Resource Development Strategic Framework and Action Plan". This project is financed by ADB with the second output being an Agreed framework for mutual recognition of

technical skills and qualifications in the Greater Mekong Sub-Region for three occupations, i.e. domestic and hotel housekeeping (implemented by Laos, Thailand), automotive technology (implemented by Vietnam, Laos, and Thailand) and welding (implemented by Laos and Vietnam). Some vocational students in three participating countries have been assessed on a pilot basis their technical skills in accordance with corresponding set of competency standards developed by International Labor Organization (ILO). Seven out of eight students from Vietnam have been recognized and granted certificates for assessment competency units. This is one of the important pilots for drawing experiences, developing the model as a basis for the subsequent steps, especially for developing common competency standard framework for some popular occupations within the region. Accordingly, countries in the region will reach mutual recognition in terms of occupational qualifications and certificates which enable more effective transfer of labor toward an ASEAN Economic Community by 2015.

+Vietnam has selected several countries which have been successful in vocational training development as strategic partner, including Federal Republic of Germany. In recent past, the German Government has provided active and effective support to Vietnam through several vocational training projects. From 2006 to date only, 7 projects have been implemented, 2 of which have been completed. These projects have strengthened capacity and demand orientation for vocational training system in Vietnam.

International cooperation in vocational training in the period 2001-2011 has gradually helped Vietnamese vocational training system reach training levels of

ASEAN countries and worldwide. Effectiveness and efficiency of vocational has witnessed a positive shift. Trained laborers have gradually met requirements of domestic labor market and labor export. Highly-skilled laborers have been able to undertake important positions in industrial and processing zones, traveling overseas for work such as to Germany, Japan, South Korea, Malaysia, Taiwan, Libya, United Arab Emirates...

11.2. Key constraints and their causes

Key constraints

- Physical infrastructure, equipment, curriculum and syllabus are insufficient. There is a shortage of strong teachers in terms of occupational, pedagogical and foreign language skills to be able to provide training at ASEAN and international levels;
- The system of vocational training quality accreditation as well as assessment and granting of national occupational skills has just been formulated, with an absence of the national occupational qualification framework;
- Foreign language competence (especially English) and knowledge on international integration of vocational teachers and managers, vocational students and highly-skilled laborers of Vietnam are still limited;
- Occupational skills and professional expertise of Vietnamese vocationally-trained laborers are limited compared to developed countries in ASEAN region and a large gap still remains when it comes to developed countries in the world. Vietnamese laborers who join foreign labor market are mainly low-skilled or unskilled laborers.

Causes:

- High-quality vocational institutions have yet to be established, especially those which reach international standards;

- Policies, legislative documents governing foreign investment on vocational training are lacking and inconsistent, thus yet to be attractive to foreign investment on vocational training;
- Funding for international activities in the field of vocational training remains limited,

especially since Vietnam became a middle income country, many developed countries and international organizations have tended to reduce their funding for Vietnam to participate in international activities in the field of vocational training.



Leaders of MOLISA worked in Germany

12. VOCATIONAL TRAINING FOR RURAL LABORERS

12.1. Rural laborers and vocational training for rural laborers

The statistics from the section on labor and employment show that labor force in rural area accounts for a large share in the total labor force of entire society. However, quality of Vietnamese rural laborers remains low, which is a big challenge for meeting the objective of sustainable rural development.

In order to increase quality of rural laborers, on November 27 2009, the Prime Minister issued the Decision No. 1956/QĐ-TTg approving the Scheme on “Vocational training for rural laborers by 2020” (shortened as the Scheme on 1956). This is a large-scale project of profound socio-economic and humanistic significance, with multi-faceted impacts on social life of a large segment of rural laborers.

To realize objectives of the Scheme, the Government has set out the direction to mobilize all vocational institutions and other relevant educational institutions to participate in vocational training for rural laborers. Apart from formal vocational institutions, professional entities are also mobilized, including, for example, specialized research institutes; enterprises; centers for application and transfer of scientific and technological advancements in agriculture, forestry and fishery extension; cooperatives, craft villages... Perspectives in vocational training for rural laborers holds that training is provided on occupation which farmers need; on skills which farmers lack and that there must be a strong link

between the taught occupation and employment for laborers. As such, vocational training modes and programs have been implemented in a very flexible manner. The classes may be organized indoors or outdoors, in the field, at production and business units so long as it will make it more convenient for learning activities; the vocational learning timeline must be linked to gestation period of crops and animals.

According to statistics over two years of implementation of the Scheme 1956, across the country, 1,473 institutions have been mobilized to participate in vocational training for rural laborers. In parallel with the mobilization of teachers in formal vocational institutions, research institutes, highly-skilled workers and artisans in craft villages, technically skilled workers in factories, workshops, and model farmers are also mobilized... In some regions where few people reside, vocational trainers could be elders, village leaders, reputed masters who have languages, traditions and habits familiar with local learners, bringing about high efficiency.

In order to meet vocational learning demands for rural laborers, 83 training sessions on strengthening pedagogical skills in vocational training and 341 training sessions on teaching skills for more than 4,900 vocational teachers/trainers across vocational centers, have been delivered within two years 2010 – 2011.

Box 16: Activities of the Scheme 1956

a/ Activity 1: To disseminate information and provide counseling on vocational training and employment for rural laborers

- + To disseminate guidelines and policies of the Party and State on vocational training for rural laborers;
- + To develop training materials and train in dissemination and mobilization skills for propaganda cadres of the Farmers Association;
- + To counsel on vocational training and employment for rural laborers;
- + To commend, honor and reward people making major contributions to vocational training for rural laborers.

b/ Activity 2: To conduct surveys and forecast demands for vocational training for rural laborers

- + To draw up lists of trades to be trained for rural laborers;
- + To identify job-learning demands of rural laborers for each trade, in each region and at each training level;
- + To identify demands for vocationally-trained laborers (quantity, quality, structure) of enterprises, economic sectors and the labor market;
- + To forecast demands for trained rural laborers up to 2020;
- + To determine the training capacity of vocational institutions for rural laborers.

c/ Activity 3: To pilot models of vocational training for rural laborers

To provide vocational training under pilot models for 18,000 rural laborers, of 4 groups: agricultural laborers; laborers in craft villages in plain areas; farmers shifting to industrial and service trades; and offshore fishermen in central coastal provinces.

d/ Activity 4: To increase physical foundations and equipment for public vocational training establishments

e/ Activity 5: To develop curricula, training manuals, learning materials and draw up lists of vocational training equipment

- + To develop 500 curricula, training materials (training manuals, instruction documents, tapes, visual discs) for basic and under-3-month vocational training according to labor market demands;
- + To draw up lists of equipment for basic vocational training for 300 trades.

f/ Activity 6: To develop vocational teachers and administrators

- + To develop curricula and materials for training in teaching and vocational skills for basic vocational teachers and trainers;
- + To train in teaching and vocational skills for 7,500 people;
- + To train in administration, job selection counseling, job seeking and self employment for 12,000 rural laborers.

g/ Activity 7: To support rural laborers attending vocational training

- + To support short-term (basic and under-3-month) vocational training and to place orders for vocational training for 6.54 million rural laborers.
- + To place orders for vocational training for around 512,000 rural laborers being poor people, ethnic minority people and rural laborers subject to farm land recovery and meeting with financial difficulties.

h/ Activity 8: To monitor and evaluate the implementation of the Scheme

- + To set indicators for monitoring and evaluating the Scheme; to establish methods to collect and process information and manage funds of the Scheme in provinces and centrally run cities, ministries, branches and central agencies; to develop a software to manage the Scheme; to raise the capacity to plan, manage and organize the implementation of the Scheme at all levels;
- + To examine, monitor and evaluate the implementation of the Scheme at the central level and in provinces and centrally run cities annually, at mid-term and upon completion of the Scheme;
- + To report on, review, analyze and evaluate the fulfillment of the objectives, targets and contents of the Scheme; and the management and use of the budget of the Scheme at the central level and in provinces and centrally run cities.

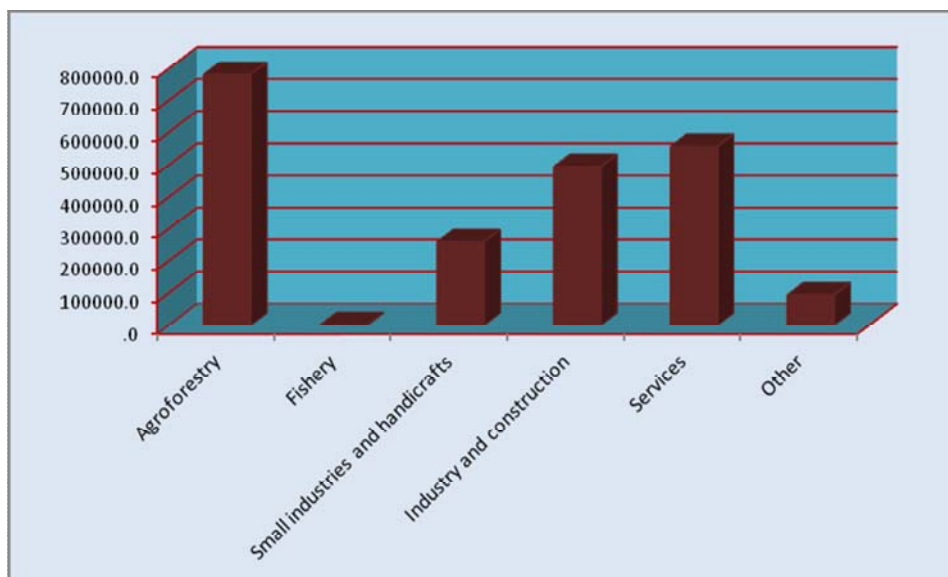
Source: Decision No. 1956/QĐ-TTg dated 27/11/2009 approving the Scheme on “Vocational training for rural laborers by 2020”.

12.2. Vocational learners/Apprentices

According to the Scheme 1956, vocational learners are those within working age currently living and working in rural area. In order to take stock of vocational learning demands among rural laborers, and carry out relevant activities of the Scheme 1956, a

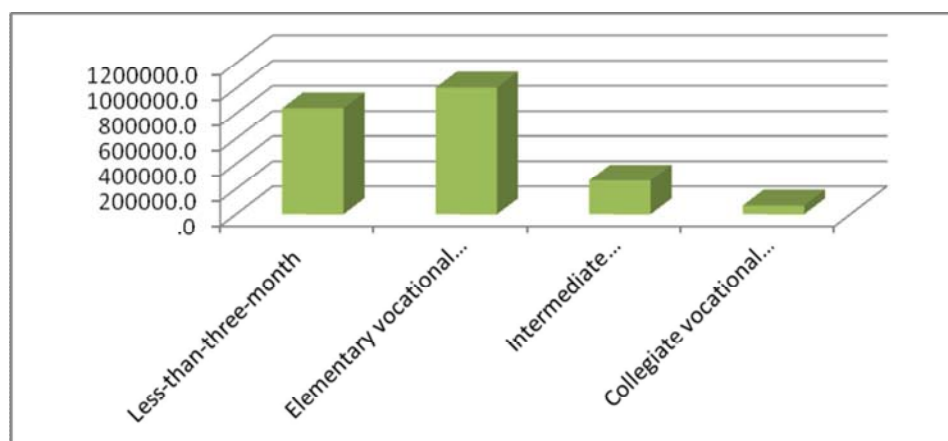
survey on vocational learning demands among rural laborers was conducted in 2010. According to the survey report on vocational learning demands among rural laborers in 40 provinces and cities, around 10 - 15% of rural laborers have vocational learning demands in 60 different occupations.

Figure 64: Vocational learning demands by occupational group



Source: Survey findings under Scheme 1956, GDVT, 2010

Figure 65: Vocational training demands by training level

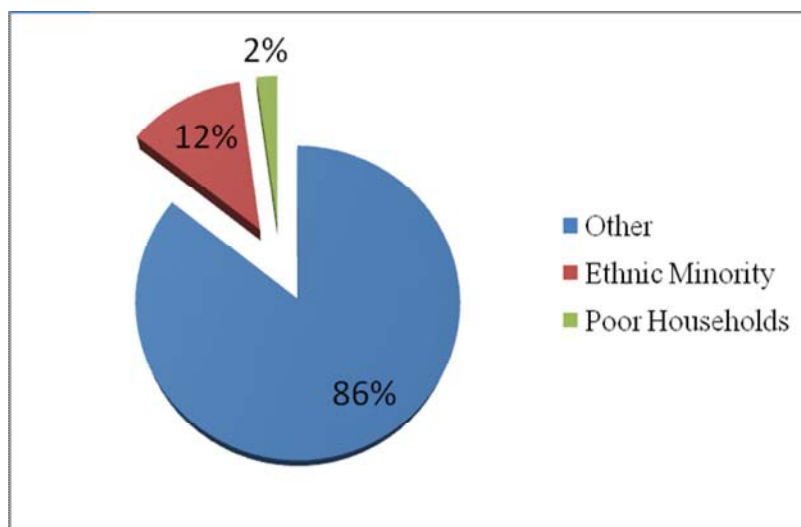


Source: Survey findings under Scheme 1956, GDVT, 2010

Of those who have demands for vocational learning, the proportion of people with

demands for elementary and less-than-three-month vocational learning is 84.6 %.

Figure 66: Vocational learners by social policy group

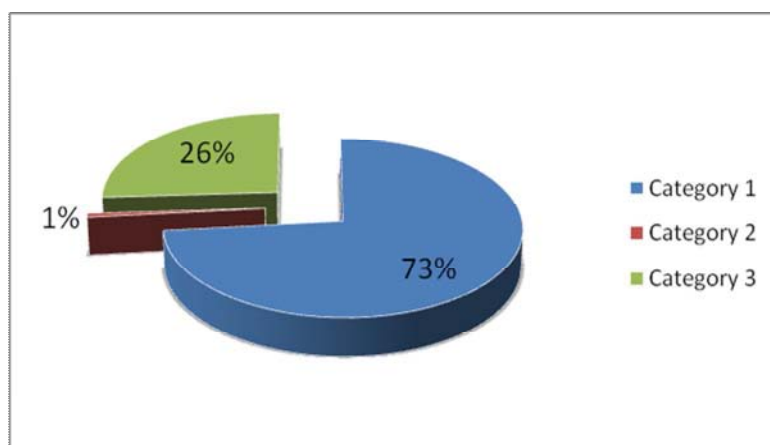


Source: Survey findings under Scheme 1956, GDVT, 2010

The proportion of rural laborers from poor households and ethnic minority background have low demand for vocational learning, at

only 14%, due to limited communication on vocational training and employment.

Figure 67: Vocational learners by different categories under the Decision No. 1956



Source: Survey findings under Scheme 1956, GDVT, 2010

Category 1 includes rural laborers who are to enjoy incentive policy for people with devotions to revolution, poor households, people of ethnic minority backgrounds, disabled people and people whose farming land has been acquired.

Category 2 includes rural laborers from households with a maximum income level equivalent to 150% of the income of poor households.

Category 3 includes other rural laborers.

However, the collected data is yet to reflect the learning demands among rural laborers due to poor communication and vocational learning counseling. Learners are yet to thoroughly capture the orientation for socio-economic development of their respective locality or lack an understanding on relevant training occupations. They often arbitrarily register for vocational learning, leading to the fact that some occupations are very general and short of specifics which would cause difficulties in organizing the training and human resources planning of the respective locality.

Vocational learning demands among rural laborers have also witnessed year-on-year fluctuations due to the change in age structure of labor force. For example, there is a change in the number of secondary graduates who have demands for vocational learning; some occupations are no longer appropriate with socio-economic development and would disappear accordingly; some emerging occupations would require a careful conduct of survey to be repeated every year to take stock of learning needs in combination with occupation selection counseling in line with learners' qualifications and competencies, with local socio-economic development master-planning.

12.3. Curriculum, syllabus and learning materials in support of vocational training for rural laborers

Vocational training for rural laborers is very practical and applied in nature. Thus the design and development of curriculum must be very flexible and adaptable. For cropping and breeding occupations, it is imperative to design and develop the curriculum in line with the process of gestation and development of seedlings and newborns. The teaching of theory must be closely linked to practice; learners can, after

learning theory lessons, practice on actual products in the field or breeding cages.

To deliver vocational training to rural laborers by virtue of Decision No. 1956, ministries and sectors have issued some standards curricula, as follows:

- MOLISA has issued 55 vocational training curricula at the elementary level falling within non-agriculture sector, 40 lists of equipment of vocational training at elementary level.
- MARD has issued 71 vocational training curricula falling within agriculture sector.
- A list of 1,382 training occupations, of which 794 occupations are at elementary level and 588 occupations are for less-than-three-month vocational training. Vocational institutions have developed 170 curricula for elementary and less-than-three-month vocational training.

In the course of implementing vocational training for rural laborers in accordance with the Scheme 1956, scientists and specialized technicians have been mobilized to compile curricula, teaching materials in line with each relevant occupation, category of learners and regional characteristics as well.

The equipment used for vocational training of rural laborers has been also taken into consideration so as to have them designed in the most eye-catching and user-friendly manner to reflect the characteristics of each relevant occupation, category of learners and classrooms

12.4. Results of the two-year implementation of the Scheme on Vocational Training for Rural Laborers

Within two years (i.e. 2010 - 2011), across the country, the vocational trainings have been provided to 798,240 learners in the spirit of the Scheme, including:

- In terms of training occupations: 46% of the apprentices learn agriculture occupations, and 54% learn non-agriculture occupations. The occupational structure has seen a positive transformation, with the share of rural laborers learning non-agriculture occupations increasing from 51% in 2010 to 56% in 2011.

- In terms of categories of apprentices: 32.6% of learners fall under category 1 (i.e. rural laborers who are to enjoy incentive policy for people with devotions to revolution, poor households, people of ethnic minority backgrounds, disable people and people whose farming land has been acquired), 10.6% category 2 (those falling under near-poor category), and the remainder is the other category of rural laborers.

- In terms of employment linkage and ability to locate a new job as a result of vocational learning: 54 out of 63 provinces achieve a rate of 70% of learners who can locate a new job after the vocational training. Many rural laborers after the vocational learning have been able to apply new knowledge and skills into production, contributing to increased productivity of crops, animals, income level and reduced poverty.

- Orders for vocational training at collegiate and intermediate levels have been placed with 28 training institutions in order to train 8,794 rural laborers of ethnic minority backgrounds, from poor households and households whose farming land is acquired and who are economically difficult.

12.5. Some vocational training model for rural laborers in 2010 - 2011 period

To successfully implement the Scheme with high results, one of the activities of the Scheme is to develop and organize pilot trainings using several vocational training models. This activity is aimed to develop

vocational training models (including both training models and implementation models), deliver pilot training on the basis of these models; draw experiences and replicate the successful and effective models.

To ensure the vocational training models for rural laborers are close to actual demands and operate effectively, the determination of vocational training models for pilot training should take into consideration the following criteria:

- The occupations taught in the respective vocational training model must represent local and regional characteristics.

- The model is able to be scaled up across the province/city.

- The model is of high feasibility, easy to implement, and match conditions of rural laborers as well as ability to deliver within the host area.

- The model must achieve socio-economic effectiveness (i.e. apprentices must be able to locate jobs or create jobs for their own as a result of vocational learning; their labor productivity is higher than before learning; income and living standards of the household improve ...)

The pilot models are implemented in line with corresponding activities of the Scheme, including, for example, farming laborer group (in mountainous and specialized farming areas); laborer group in occupational villages in plain areas; farmer group which transfers into industrial and service occupations (in mountainous and plain areas, midlands) and onshore fisheries group in central coastal provinces (i.e. learning how to repair ships and fishing boats; process and maintain aqua products...).

As of December 31st 2011, vocational trainings have been delivered on pilot

models to more than 100 thousand rural laborers with nearly 200 occupations falling under cropping, breeding, small industries and handicrafts, industrial services, onshore fishing, specifically as follows:

- Vocational trainings for 47 cropping occupations have been delivered to 26,000 people with the following groups of industrial trees: coffee, cotton, tea, tobacco..., food crops, i.e. high-quality rice, cassava, potato, different varieties of vegetables, fruits and bonsai...
- Vocational training for breeding models have been delivered to 12,600 people with 37 breeding occupations involving cattle breeding (i.e. buffalo, cows, goats, super-lean pigs...), and poultry breeding (i.e. hill chickens, ducks, rabbits...), aquatic products (tilapia fish, unisexual tilapia fish, sturgeon fish, jumbo shrimps, frogs), bee breeding.
- Vocational trainings for small industries and handicrafts have been delivered to 22,700 people with 50 occupation (fiber hooking, embroidery, bamboo and rattan, topaz stones, copper casting, copper bronze mosaic paintings, silver mosaic, pottery paintings, scented sticks, cleaning brushes, pearl mosaic, lacquered and gilded wood panels, wooden statues.....)
- Vocational trainings on industry, construction and service models have been delivered to 27,200 with 57 occupations involving industry (i.e. civil electrical engineering, welding, sewing....), construction (masonry, shuttering ...), hotels, tourism (front office, cuisine processing,

restaurant services...), service (repair of agriculture machines, motorbike repair, rural electricity administration, nail and beauty salon...).

After receiving vocational training, learners have been able to apply their acquired knowledge and skills into production, contributing to enhanced quality, production yield, labor productivity and increased income level (e.g. rice growing occupation in Cao Bang and Lang Son provinces increases the production yield by 15 – 20%, the share of products achieving the type I category (i.e. increased productivity and quality) increases by 10%; income level of laborers increases by 1.5 to 2 times; cassava-growing occupation in Quang Tri province increases the productivity by 1.5 times, achieving 17 – 18 tons per ha, with an income level of 40 – 50 million VND per ha; the high-quality rice growing occupation in An Giang province increases the yield by 0.5 – 0.7 ton per ha per season and reduces the production cost by 2 – 2.3 million VND per ha compared to before-learning period).

Other than effectiveness and efficiency in terms of improved productivity, quality of bred animals and crops, vocational training programs have also helped create a better living condition due to reduced impact of residual amounts of plant protection chemicals (i.e. IPM training program on tobacco occupation, application of VietGAP standards into safe vegetable growing occupation...)

RECOMMENDATIONS AND POLICY IMPLICATIONS

Orientation

Demand-driven vocational training has become an effective approach which is and will be implemented in all developed countries in the region and worldwide alike. Vocational training in consonance with demands of labor market and enterprises is one of the guiding principles explicitly stated in the Strategy for Vocational Training Development in the period 2011 - 2020.

- Vocational training should be linked to the strategy for development of industrial zones, industrial sectors and economic groups.
- Priority should be placed on satisfying demands for vocationally-trained laborers, especially high-quality human resources requested by enterprises falling under peak economic sectors and on strengthening and improving effectiveness and efficiency of vocational training for rural laborers, universalizing vocational training for young laborers in urban areas.
- Training curriculum, content, and equipment should be renovated and actual performance and competence of vocational teachers enhanced.
- A close relationship between vocational institutions and enterprises should be established in the course of training and mobilization of laborers. Enterprises could take the initiative to prepare their own pool of human resources on the basis of development strategies and plans of their own. For high-quality technical laborers used for contracted work, it is suggested to associate with vocational institutions to try and cater to such demands of enterprises. The vocational training is provided to

laborers on the basis of existing capacity of enterprises and vocational institutions.

- A reasonable match should be ensured between training on one end and utilization demand of enterprises on the other in terms of size, occupational structure and training level; the share of learners who can receive vocational training in enterprises and at workplaces should be rapidly increased.

In terms of macro policies for State management agencies in vocational training

1) Develop national qualifications framework (NQF) and national vocational qualifications framework (NVQF)

One of the objectives set out in the Strategy for Vocational Training Development in the period 2011 – 2020 is to develop national vocational qualifications framework (NVQF). The Strategy also regards development of a NVQF compatible with NQF a central solution for the development of vocational training. Going forward, it is important to institutionalize policies and strategies to serve a basis for bringing NVQF into practice which is applicable for education and vocational training system as well as for addressing labor relationships. Moreover, Vietnam does require a regional-level common reference NVQF which will then lead to mutual recognition in technical qualifications and skills among countries of ASEAN Economic Community by 2015. Each occupation and corresponding training level needs to have core competencies and skills clarified at the satisfaction of actual career practices. Output standard assessment and quality assurance will be underlying conditions for the mutual recognition in

technical qualifications and skills between Vietnam and other countries in the region and worldwide.

2) Develop policies and mechanisms for enterprises' strong participation into developing occupational skill and competency standards

- The first and foremost task to strengthen communication and dissemination for the purpose of raising awareness of goals, processes and benefits of occupational skill standards and assessment for enterprises.

- Then, policies and mechanism which govern the assessment of occupational skills, including mechanisms for financial contributions and support for participation into national occupational skills assessment and applicable for those who have certificates on national occupational skills, including, for example, salary, work insurance, training articulation...) should be elaborated. The issuance of these legislative papers should be accelerated in the coming stage in order to have an implementation instrument and at the same to incentivize both employees and employers in the course of national occupational skills assessment.

- It should be explicitly regulated that practitioners must have already occupational skill certificates with them, especially for more hazardous, toxic and environmentally-damaging occupations. The recruitment and remuneration should be done in a way that links to occupational competency, practical skills and/or accredited certificates.

3) Pilot establishment of Industry Skills Council

Within current context and conditions of Vietnam, the development of national occupational skills is led and implemented by the State (i.e. relevant ministries and sectors). In the long term, this exercise must

be led and implemented by enterprises and employers subject to the leadership of Industry Skills Council. Vietnam will select some popular occupations falling within peak economic sectors for the purpose of pilot establishment of Industry Skills Council in consultation with experiences from such countries as Australia, United Kingdom. These councils will be responsible for developing national occupational skill standards, assessing and granting certificates on occupational skills as well as certified practitioner certificates for laborers within their respective economic areas.

4) Strengthen pre-service and in-service training on management skills for vocational managers of different levels as well as pedagogical and occupational skills for vocational teachers

- For the State managers in vocational training at different levels, it should be made compulsory that they must have undertaken training courses on management skills in general and specialized management skills in relation to vocational training in particular.

- For vocational managers at vocational institutions, it should also be made compulsory that before they are appointed into management positions, appointees, other than their full compliance with professional standards, must have received pre-service training in terms of knowledge on market management. As such, it is important to organize training courses both within and outside the country for them to meet these requirements.

- Vocational teachers must have satisfied both professional and pedagogical standards. They are also obliged to make sure that their occupational skills are in consonance with the occupations being taught to learners. Therefore, before and after being selected

and recruited, vocational teachers need to obtain training on enhancing pedagogical and professional skills in relation to the occupation they are about to teach.

- Therefore, agencies and entities specialized on pre-service and in-service trainings to enhance professional and pedagogical skills for vocational managers and teachers should be established.

5) Increase effectiveness and efficiency of science research in vocational training

Vocational training science should be put forth with the primary role to serve the foundation for policy-making, vocational training strategies. This will be one of the prerequisites for the sustainable development of vocational training within the globalization and international integration context. It is therefore necessary to ensure a close link between vocational training science with technical education and vocational training, and with labor market. Gathering scientific achievements in technical education and vocational training from developed countries in the world is therefore a must.

Vocational training science should be prioritized in terms of investment for research in the following areas:

- Analysis of issues related to training, quality management, economics, labor market, professional culture and communication of vocational training to serve as a common basis for the development of policies, strategies, master-planning in vocational training should be carried out.

- Assessment and gathering of vocational training experiences for developing science theories in vocational training management, policies and strategies, effectiveness and quality of vocational training should be conducted. Also, it is necessary to establish

theoretical and practical bases in relation to vocational training structure, modalities and costs and pricing bases for vocational products and services.

- Tools need to be designed for developing, managing and assessing the implementation of vocational training policies and strategies as well as policies for vocational managers and trainers, apprentices, enterprises and employers.

- Competency standards should be developed for vocational managers and trainers; plus the criteria and standards for high-quality and internationally recognized vocational institutions should be elaborated.

- Vocational training forecast and fundamental surveys should be conducted in support of science research in vocational training. In addition, it is necessary to develop information system and statistical databases in vocational training.

6) Strengthen international cooperation in vocational training

Raise international integration capacities for vocational students, teachers and managers.

English language and IT trainings should be provided to vocational students, teachers and managers from vocational colleges, secondary vocational schools, with a priority on those institutions en route to achieving ASEAN and international standards. Also, revisions and supplements should be made to curriculum, materials in a way which equips knowledge on international integration for vocational students, teachers and managers.

Consolidate underlying conditions for vocational training quality assurance through cooperation with overseas countries.

- The vocational teaching staff for core occupations of regional and international

levels should be standardized in terms of occupational and pedagogical skills in accordance with standards set out by advanced countries in ASEAN region and other developed countries worldwide.

- It is suggested to accept and apply standards for physical infrastructure and equipment for vocational training from advanced countries in ASEAN region and other developed countries worldwide for occupations of regional and international levels.

- It is also suggested to receive, transfer and use sets of occupational skills standards, vocational training curricula and syllabi from advanced countries in ASEAN region and other developed countries worldwide in line with Vietnam and overseas labor markets for occupations of regional and international levels;

- Regulations on vocational training quality accreditation from advanced countries by vocational training program at different level for core occupations at ASEAN and international levels should be applied. Gradual steps should be taken to apply standards and mutually recognize the accreditation results between Vietnam and other countries.

Cooperation with foreign countries in training and recognition of occupational skills.

- The cooperation with Germany should be strengthened on providing training to enterprises using parallel training model. It is also crucial to strengthen cooperation with other countries on vocational training for Vietnamese workers in foreign-invested enterprises in Vietnam and those going overseas for work.

- Cooperation on assessment and recognition of occupational skills should be established between Vietnam and other ASEAN countries, geared toward the ASEAN

Economic Community by 2015; between Vietnam and developed countries (i.e. UK, South Korea, Japan...)

Cooperation with foreign countries in science research and experience exchange

- Cooperation with foreign countries should be strengthened in science research on vocational training, including exploring and applying advanced science and technology achievements for the purpose of the improved quality of vocational training.

- Study tours should be organized for experience exchange with other countries, plus participating in international workshops, conferences and forums in vocational training. Experience exchange in vocational training should be strengthened between Vietnamese vocational institutions and foreign vocational institutions.

Strengthening foreign investments

- It is suggested to welcome foreign experts and volunteers to provide professional support and teach English.

- It is also important to attract foreign funding including multilateral funding from such international organizations as ADB, World Bank, UNDP, ILO; and bilateral funding from European countries (UK, France, Germany, Italy, Luxembourg, Austria, Spain...); Asia Pacific region (Japan, South Korea, Australia, USA, Canada...)

Refining the legislation, policies and mechanisms

- Amendments and supplements should be made to the Law on Vocational Training and regulations related to mutual recognition of occupational skills between Vietnam and other countries;

- Mechanisms and policies should be put in place to create favorable conditions for foreign investors, enterprises and vocational institutions for the development of high-

quality vocational institutions and cooperation in vocational training in Vietnam;

- Mechanisms and policies should be put in place to encourage and promote autonomy and accountability for domestic vocational institutions to expand training cooperation with foreign training institutions.

In respect of micro policies

1) For vocational institutions

- They should take the initiative to determine the quantity of training occupations and training size on the basis of their existing capacity of their own and demands of enterprises; take the active role in develop training program suitable with demands of enterprises. They should also proceed with renovating training methods and processes toward learner-centered approaches, i.e. seeing apprentices as center of learning and demand of enterprises as a training orientation.
- Participation from enterprises into training process, management board, curriculum and syllabus development; teaching, testing and assessment of learning outcomes... should be encouraged.
- Vocational institutions should participate in providing in-service training for vocationally-skilled laborers through workplace learning and helping them accumulate learning credits in the course of their work.
- A corporate relation division should be set up within vocational institutions in order to explore and capture demands of enterprises and work with them in training activities; the training contract entered into with enterprises should be initiated.
- Information and data should be collected on postgraduate status of workers (i.e. tracer study).

- Vocational counseling services should be provided to learners.

2) For enterprises participating in vocational training

- Policies for supporting enterprises to participate in vocational training should be spelt out.
- There should be policies which provide for responsibility of enterprises when receiving vocationally-trained workers (i.e. minimum wage paid for vocationally-trained workers should be commensurate with their qualifications and job characteristics).
- There should be policies for specialists and highly-skilled workers of the enterprises to participate in vocational training...
- For enterprises which offer vocational training, the costs should be recognized and accounted for as operating cost.
- There should be policies for use of vocationally-trained workers (in enterprise-owned vocational institutions) and self-upgrading of occupational skills during their work therein.
- There should be strengthened participation from Professional Associations. Also, there should be a mechanism for close collaboration between competent State authorities in human resources and representatives of employees, employers and vocational institutions in determining demand of enterprises in human resources, and then developing the list of occupations and corresponding standards.
- It is important to establish a close relationship between vocational training and labor market at different levels (i.e. whole country, regional, provincial, district, communal) in order to ensure smooth operations of vocational training system geared toward meeting socio-economic development master-planning, demands of

both employees and employers and job placements.

- “Training package” for enterprises should be delivered on the basis of critical analysis of enterprises’ demands for each job position as well as skills necessary for such position.
- Vocational institutions should be developed right from within enterprises; strengthening on-the-job training, and nourishing occupational skills for laborers. Enterprises should assume prime responsibility for vocational training of their own (i.e. organizing training for their workers themselves; coordinating with vocational institutions to provide training in form of order placement);
- Enterprises should be responsible for contributing to vocational training fund, getting involved directly in vocational training activities, including, for example, developing occupational skills standards, defining the list of occupations, developing curricula, assessing learning outcomes of learners, participating in occupational skills assessment for vocationally-trained laborers...
- Enterprises should also be responsible for providing information on employment demands (i.e. the number of graduates required by occupation and training level, physical strengths, and other such competencies) and laborer regime (i.e. salaries, working environment and conditions, welfare...) for vocational institutions; and on a regular basis providing feedback for vocational institutions with regard to their satisfaction of their training “products” from vocational institutions.
- They should create favorable conditions for students from vocational institutions to intern in their own premises; for vocational teachers to do the fieldwork in enterprise setting. In addition, they should provide new products manufactured by enterprises to

vocational institutions to be used as training equipment.

- They should also be responsible for making financial contributions (i.e. contribution into vocational training fund) when they receive vocationally-trained laborers from labor suppliers.

3) For vocational teachers

- Efforts should be made to attract highly-skilled and technically-competent workers to participate in vocational training at vocational institutions.
- Training institutions for vocational managers and teachers should be established, arranged and/or reorganized. It is necessary to set up vocational training academies, develop the network of vocational teacher training institutions linked to science research and vocational practicum.
- Training content and format for raising capacity of vocational managers and teachers should be changed. Apart from enhancing foreign language and IT competences, it is required to pay close attention to strengthening occupational skills for vocational teachers as well as management skills of vocational training to vocational managers who teach on a pluralistic/part-time basis in vocational institutions.
- Survey on actual status and training demands should be conducted on a regular basis across the country to serve as a basis for planning and developing vocational managers and teachers.
- The State should earmark budget for developing vocational managers and teachers in vocational institutions regardless of ownership nature.

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APPENDICES

Appendix 1: Population, Area, Population of Socio-Economic Regions

Socio-economic region	Population			% Population	% Area	Population Density (Person/km ²)
	Total	Of which Male	Urban			
Country overall	87,610,947	43,347,731	26,779,978	100.0	100.0	265
Northern Midlands and Mountainous Region	11,240,918	5,613,527	1,837,315	12.8	28.8	118
Red River Delta	19,883,325	9,812,935	5,941,122	22.7	6.4	944
North Central and Central Coast	18,994,709	9,400,508	4,831,224	21.7	29.0	198
Central Highlands	5,278,679	2,681,418	1,536,266	6.0	16.5	97
Southeastern Region	14,888,149	7,220,274	8,588,848	17.0	7.1	631
Mekong River Delta	17,325,167	8,619,069	4,045,203	19.8	12.2	428

Source: The 1/4/2011 Population Change and Family Planning Survey 1/4/2011, GSO

Appendix 2: Employed labor force by technical and professional qualifications

	Total	Technical and professional qualifications (%)					
		No qualification	Vocational training	Professional secondary qualifications	College	University or higher	Unidentified
Country Overall	100.0	83.7	3.9	3.8	1.9	6.6	0.13
Male	100.0	82.4	5.8	3.4	1.2	7.0	0.12
Female	100.0	85.2	1.8	4.2	2.6	6.1	0.14
Urban	100.0	67.8	6.7	6.0	3.1	16.3	0.07
Male	100.0	65.8	9.5	5.0	2.2	17.4	0.04
Female	100.0	70.1	3.5	7.2	4.1	15.0	0.11
Rural	100.0	90.4	2.8	2.8	1.4	2.5	0.15
Male	100.0	89.3	4.3	2.7	0.9	2.7	0.15
Female	100.0	91.6	1.1	3.0	1.9	2.3	0.15

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 3: Employed labor force as of 1/7/2011

Unit: thousand people

Urban, Rural/Socio-economic Region	Overall	Male	Female	% Female
Country Overall	50,380.3	26,182.2	24,198.1	48.0
Urban	14,192.0	7,404.5	6,787.5	47.8
Rural	36,188.3	18,777.7	17,410.6	48.1
Socio-economic Region				
Northern Midlands and Mountainous Region	7,021.1	3,513.5	3,507.6	50.0
Red River Delta	11,171.2	5,606.9	5,564.3	49.8
North Central and Central Coast	10,878.0	5,524.5	5,353.5	49.2
Central Highlands	3,032.5	1,569.6	1,462.9	48.2
Southeastern Region	8,176.8	4,422.9	3,753.9	45.9
Mekong River Delta	10,100.7	5,544.8	4,555.9	45.1

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 4: Employed labor force by job nature in 2010

Job nature	Total	Urban	Rural
Total	100.00	100.00	100.00
Proprietorship/Owner	3.53	6.14	2.54
Self-employed	43.42	31.05	48.07
Household work	19.40	8.84	23.38
Paid work	33.51	53.83	25.87
Cooperative officer	0.04	0.03	0.04
Apprentice	0.08	0.09	0.07
Unidentified	0.02	0.02	0.02

Source: Labor Force Survey 2010, GSO

Appendix 5: Employed labor force by economic sector

Unit: %

Economic sector	Total	% males of the total	% females of the total
Total	100.0	51.9	48.1
Agriculture, forestry and aquaculture	47.8	48.9	51.1
Industry and construction	21.7	63.2	36.8
Service	30.5	48.5	51.5
Urban	100.0	52.2	47.8
Agriculture, forestry and aquaculture	15.1	52.9	47.1
Industry and construction	26.8	60.5	39.5
Service	58.1	48.1	51.9
Rural	100.0	51.7	48.3
Agriculture, forestry and aquaculture	60.6	48.5	51.5
Industry and construction	19.6	64.6	35.4
Service	19.8	48.9	51.1

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 6: Average monthly income of paid workers

Unit: thousand VND

Place of residence/Socio-economic region	Overall	Male	Female
Country Overall	2,926	3,088	2,678
Urban	3,430	3,671	3,113
Rural	2,569	2,715	2,319
Socio-economic Region			
Northern Midlands and Mountainous Region	2,841	2,857	2,815
Red River Delta (<i>Hanoi not included</i>)	2,928	3,097	2,644
North Central and Central Coast	2,692	2,831	2,433
Central Highlands	2,727	2,869	2,536
Southeastern Region (<i>HCMC not included</i>)	3,004	3,211	2,742
Mekong River Delta	2,243	2,438	1,934
Hanoi	3,620	3,826	3,331
HCMC	3,795	4,097	3,412

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 7: Labor productivity by institutional sector

Unit: Million VND /Person

	2005	2007	2008	2009	2010
Total	19.6	25.3	32.0	34.7	40.4
Agriculture, Forestry and Aquaculture	7.5	9.7	13.6	14.1	17.1
Mining Minerals	346.5	373.8	503.1	567.2	780.3
Manufacturing and Processing Industries	34.2	42.7	50.1	51.3	55.3
Production and Distribution of Electricity, Natural Gas, Hot Water, Steam and Air-Conditioning	203.0	312.2	337.6	422.9	510.8
Water Supply; Management of and Processing Waste [Rubbish] and Sewage	56.3	85.3	125.5	147.6	142.7
Construction	26.9	33.6	38.8	42.5	44.8
Wholesale and retail; Repair of automobiles, motors, motorbikes and other motor vehicles	24.3	31.2	40.9	46.7	51.2
Transport and Warehouse	21.7	29.1	35.4	38.8	46.1
Accommodation and Restaurant Services	35.6	41.0	43.6	42.8	47.2
Information and Communication	66.0	76.3	85.9	84.9	88.3
Finance, Banking and Insurance	62.9	84.0	103.3	106.5	114.0
Real-Estate Business	1186.2	541.0	699.6	619.9	469.3
Professional Practice, Science and Technology	81.9	107.2	117.6	111.2	130.8
Administrative Services and Assistant Services	32.3	34.7	40.8	41.6	45.4
The Communist Party, Civil society, State administration, National defense and security; Compulsory social security	13.7	18.8	25.0	29.5	34.5
Education and Training	21.4	23.0	25.6	27.0	30.2
Health and social support activities	35.0	41.5	51.8	58.3	53.9
Artistic, recreational activities	84.5	70.2	61.6	61.9	64.8
Other Services	17.9	25.6	37.0	51.1	50.2
Hired Labor services for Households, Producing Home Consumption Material Products and Services of Households	7.5	11.0	15.6	15.8	17.2
Operation of International Organizations and Agencies	0.0	0.0	0.0	0.0	0.0

Source: GSO

**Appendix 8: The number of unemployed people by sex, age,
urban/rural area**

Unit: Million People

Age group	Overall	Male	Female	% females of the total
Total	945.3	397.4	547.9	58.0
15-19	128.0	60.7	67.3	52.6
20-24	259.4	116.5	142.9	55.1
25-29	169.4	68.5	100.9	59.6
30-34	79.8	21.0	58.8	73.7
35-39	55.7	16.6	39.1	70.2
40-44	62.1	22.1	40.0	64.4
45-49	64.1	21.8	42.3	66.0
50-54	78.6	27.7	50.9	64.8
55-59	41.2	38.9	2.3	5.6
60-64	4.0	3.0	1.0	25.0
65 and above	3.0	0.6	2.4	80.0
Urban	451.2	193.6	257.6	57.1
15-19	44.7	21.4	23.3	52.1
20-24	109.8	51.6	58.2	53.0
25-29	83.4	33.4	50.0	60.0
30-34	44.8	15.9	28.9	64.5
35-39	33.0	8.9	24.1	73.0
40-44	32.4	10.5	21.9	67.6
45-49	35.4	13.0	22.4	63.3
50-54	43.9	17.4	26.5	60.4
55-59	21.4	20.3	1.1	5.1
60-64	1.7	0.9	0.8	47.1
65 and above	0.7	0.3	0.4	57.1
Rural	494.1	203.8	290.3	58.8
15-19	83.3	39.3	44.0	52.8
20-24	149.6	64.9	84.7	56.6
25-29	86.0	35.1	50.9	59.2
30-34	35.0	5.1	29.9	85.4
35-39	22.7	7.7	15.0	66.1
40-44	29.7	11.6	18.1	60.9
45-49	28.7	8.8	19.9	69.3
50-54	34.7	10.3	24.4	70.3
55-59	19.8	18.6	1.2	6.1
60-64	2.3	2.1	0.2	8.7
65 and above	2.3	0.3	2.0	87.0

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 9: The structure of unemployed people by technical and professional qualifications

	Total	Technical and professional qualifications (%)					
		No qualification	Vocational training	Intermediate	College	University or higher	Unidentified
Country Overall	100.0	76.6	5.8	5.9	3.8	7.8	0.03
Male	100.0	71.7	10.8	5.2	3.3	8.9	0.05
Female	100.0	80.2	2.2	6.4	4.2	7.0	0.02
Urban	100.0	71.9	5.7	7.5	4.7	10.1	0.09
Male	100.0	69.9	9.7	5.6	3.5	11.2	0.15
Female	100.0	73.5	2.6	9.0	5.6	9.3	0.04
Rural	100.0	80.9	6.0	4.5	3.0	5.7	0.00
Male	100.0	73.4	11.9	4.9	3.1	6.8	0.00
Female	100.0	86.2	1.9	4.2	2.9	4.9	0.00

Source: Labor Force Survey Report for the First 6 Months of 2011, GSO

Appendix 10: Tuition fee ceilings for vocational training at vocational college and secondary vocational school level in the period 2010 - 2014

OCCUPATION TITLE	2010		2011		2012		2013		2014	
	VSS	VC	VSS	VC	VSS	VC	VSS	VC	VSS	VC
1. Press and Information; Law	200	220	210	230	230	250	240	260	250	280
2. Mathematics and Statistics	210	230	220	240	240	260	250	270	270	290
3. Humanities: Social and Behavioral Sciences; Business and Management; Social Services	220	240	230	250	250	270	260	290	280	300
4. Agriculture, Forestry and Aquaculture	250	290	270	310	280	330	300	350	310	360
5. Hospitality, Tourism, Sports, and Personal Services	280	300	300	320	310	340	330	360	350	380
6. Arts	310	340	330	360	350	390	370	410	400	430
7. Health	320	350	340	370	360	390	380	420	400	440
8. Veterinary	340	370	360	400	390	420	410	440	430	470
9. Life Sciences; Production and Processing	350	380	370	410	390	430	420	460	440	480
10. Public Security, National Defense	380	410	400	440	430	460	450	490	480	520
11. Computers and ICT; Technical Technology	400	440	430	470	450	500	480	530	510	560
12. Education Sciences and Teacher Training;	410	450	440	480	460	510	490	540	520	570

Environment and Environmental Protection										
13. Natural Sciences	420	460	450	490	480	520	500	550	530	580
14. Other	430	470	460	500	490	540	520	570	550	600
15. Transport Services	480	530	510	560	540	600	570	630	600	670

Source: Decree No. 49/2010/ND-CP dated 14/5/2010 of the Government providing for the exemption and reduction of tuition fees, supporting study costs; and mechanisms for collection and utilization of tuition fees applicable to educational institutions within national education system from 2010 – 2011 academic year to 2014 – 2015 academic year.

Appendix 11: Network of vocational institutions in the period 2001 - 2011

Unit: Institution

No	VOCATIONAL INSTITUTIONS	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1	Vocational colleges						-	62	92	107	123	136
	Of which, non-public colleges						-	7	22	26	33	34
2	Vocational secondary schools							180	214	280	306	307
	Of which, non-public schools							26	53	87	94	99
3	Vocational teaching schools	156	206	219	230	236	262	52	27	15	10	10
	Of which, non-public schools	10	15	19	29	36	58	36	17	10	10	10
4	Vocational centers	150	190	250	335	404	599	656	684	777	802	849
	Of which, non-public centers	60	70	80	100	155	201	239	250	280	296	324
	Total	306	396	469	565	640	861	950	1017	1179	1231	1293

Source: GDVT, MOLISA, 2011 (from 2006 and earlier, there were only vocational training schools and vocational centers, from 2007 up to now, due to implementation of the Law on Vocational Training, there have been secondary vocational and vocational colleges).

Appendix 12: Major ODA-funded projects underway

No	Project Name	Partner	Loan	Counterpart funding	Time frame	Key Project Features
1	Technical Support for Vietnam Skills for Employment Project	ADB	600,000 USD (grant)	150,000 USD	2008 - 2010	Provide Technical Support for Vietnam Skills for Employment Project.
2	Supply of Teaching Equipment to Dung Quat Vocational Secondary School	Denmark	3,850,000 USD	8,200,000 VND	2009 - 2010	Supply Training Equipment and Materials to improve and strengthen effectiveness and efficiency of Dung Quat secondary vocational school.
3	Vocational Training Program	Germany	13,346,0433 EURO	5,854,411 EURO	2007 - 2012	Invest into equipment and teacher training for 11 vocational institutions, with a focus on core occupations
4	Establish 5 Vietnam-South Korea vocational colleges	South Korea	35,000,000 USD	26,560,000 USD	2008 - 2013	Invest into equipment and apply Korean vocational training model for 5 vocational institutions under the project
5	Vocational Skills Strengthening	ADB	70,000,000 USD	8,000,000 USD	2010 - 2015	Develop some vocational colleges to raise skills of workers in 15 core occupations
6	Demand-based vocational training for poverty reduction in Mekong River Delta	The Japan Fund for Poverty Reduction	1,300,000 USD (grant)	350,000 USD	2008 - 2012	Invest into equipment, design curriculum and provide training on occupational skills, business knowledge, business startup for the poor and ethnic minority people in Mekong River Delta
7	Program Vocational	Germany	10,000,000 EURO	2,500,000 EURO	2011 -	Refine and develop further curriculum,

	Training 2008				2014	syllabus for market-oriented training; raise capacity for teachers and managers in schools participating in the Project.
8	Technical Support for Vocational Training Project 2008	Germany	3,000,000 EURO	300,000 EURO	2010 - 2014	Provide technical support for preparing Vocational Training Project 2008
9	System Advisory, phase II	Germany	3,000,000 EURO	300,000 EURO	2011 - 2014	Raise quality and demand orientation of vocational training system in Vietnam
10	Raise capacity for establishing assessment and certificate-awarding system for national occupational skills in Vietnam	South Korea	1,500,000 USD (grant)	300,000 USD	2011 - 2015	Raise capacity for establishing assessment and certificate-granting system for national occupational skills in Vietnam through technical advice, teacher and manager training.

Appendix 13: Sets of National Occupational Skill Standards Developed and Issued as of 2011

No.	Name of Occupation	Year of Development	Issued
A. Ministry of Construction			
1	Bricklaying/Block-laying (including building bricks and paving walls and floors)	2008	x
2	Steel Welding Rod	2008	x
3	Scaffolding Steel Tie Rod	2008	x
4	Concrete	2008	x
5	Crude pottery manufacturing	2008	x
6	Ceramic brick manufacturing	2008	x
7	Sanitary porcelain manufacturing	2008	x
8	Glass manufacturing	2008	x
9	Stone engraving	2008	x
10	Urban Tree Management	2008	x
11	Urban Area Management	2009	x
12	Construction Carpentry and Interior Decoration	2009	x
13	Technological Pipe Installation Technique	2009	x
14	Water Supply	2009	x
15	Water Drainage	2009	x
16	Water Piping Installation	2009	x
17	Cement Manufacturing Equipment Operation	2009	x
18	Electrical Installation	2009	x
19	Construction Machinery Repair	2009	x
20	Steel Structure Processing and Installation	2009	x
21	Welding	2010	x
22	Waste Treatment	2011	
23	Civil Electricity	2011	
24	Construction Machinery Operation	2011	

B. Ministry of Industry and Trade		
1	Sewing Machine Repair	2008 X
2	Industrial Electricity	2008 X
3	Iron Casting	2008 X
4	Laptop Repair	2008 X
5	Industrial Garment Manufacturing	2008 X
6	Fiber Technologies	2008 X
7	Agriculture Products Processing	2008 X
8	Measurement and Mapping	2008 X
9	Pulp and Paper Testing	2009 X
10	Electricity Business Management	2009 X
11	Hydropower Station Operation and Maintenance	2009 X
12	Hydropower Plant Operation	2009 X
13	Weaving technology	2009 X
14	Brewery Manufacturing	2009 X
15	Electrical Systems	2009 X
16	Coal Screening Equipment Operation	2009 X
17	Coal Volume and Quality Inspection	2009 X
18	E-Commerce	2009 X
19	Inorganic Chemicals Manufacturing	2009 X
20	Vegetable Oil Processing	2009 X
21	Steam Turbine Technology	2009 X
22	Graphic Design	2009 X
23	Cold Processing	2009 X
24	Cold Mechanical Assembly	2009 X
25	Electrical Measurements	2009 X
26	Small and Medium Sized Enterprises Management	2009 X
27	Geological Exploratory Drilling	2009 X
28	Steel Casting	2009 X

29	Fertilizer Manufacturing	2009	x
30	Electrical Experiments	2009	x
31	Steam Kiln Technology	2009	x
32	Petrochemical Products Testing	2009	x
33	Fashion Garments	2009	x
34	Industrial Electronics	2009	x
35	Cold Equipment Operation and Maintenance	2009	x
36	Petrochemical Equipment Operation	2009	x
37	Thermal Treatment Technologies	2009	x
38	Information Technology	2009	x
39	Soft Drinks Manufacturing	2009	x
40	Forging and Casting	2009	x
41	Electric Transmission Lines and Transformer Station Installation	2009	x
42	Mining Equipment Repair	2009	x
43	Mechatronics	2009	x
44	Confectionery Manufacturing	2009	x
45	Plating Technology	2009	x
46	Battery Manufacturing	2009	x
47	Operations of Thermal Power Plant	2009	x
48	Operations of Vacuum Pump and Air Pressure Machine	2009	x
49	Management, Operation and Maintenance of Higher-Voltage Transmission Lines (>220kV)	2009	x
50	Chemical Testing and Analysis	2009	x
51	Web Design	2009	x
52	Computer-based drawing and design	2009	x
53	Mining Mechatronics technology	2010	x
54	Mining Construction technology	2010	x
55	Mining Exploitation Technology	2010	x
56	Metal Cutting	2010	

57	Electrical Installation and Control Technique in Industry	2011
58	Computer Network Administration	2011
59	Computer Programming	2011
60	Database Management	2011
61	Mechanical Equipment Processing	2011
62	Civil Electricity	2011
63	Cold Machine Repair	2011
64	Automated Equipment Repair	2011
65	Electrical Operations in Hydropower Plant	2011

C. Ministry of Culture, Sports and Tourism

1	Tourism Management	2009
2	Hotel Management	2009
3	Food Processing Methods	2009
4	Tourist Guide	2009
5	Restaurant Services	2009
6	Resort Management	2009
7	MICE Tourism Management	2009
8	Entertainment, Sports, Conference Service Management	2009

D. Ministry of Agriculture and Rural Development

1	Food Quality Inspection	2009
2	Aquatic Products Process and Maintenance	2009
3	Electrical Pumping Station Operation and Maintenance	2009
4	Crop Protection	2009
5	Aquatic Breeding in Salty and Brackish Waters	2009
6	Aquatic Breeding in Fresh Waters	2009
7	Veterinary	2009
8	Cattle and Poultry Breeding	2009
9	Silviculture	2009

10	Civil Carpentry	2009	
11	Sugar Testing	2009	
12	Fine Art Woodworking	2009	
13	Construction and Consolidation of Irrigation Facilities	2009	
E. Ministry of Transport			
1	Bridge Installation	2009	x
2	Operations of Road-Surface Machinery	2009	x
3	Operations of Bulldozer – Shovel and Leveling Machines	2009	x
4	Crane Operations	2009	X
5	Water facilities Construction	2009	X
6	Inland Waterway Transport Business Management	2009	X
7	Automotive Technologies	2009	X
8	Designing shipshape and ship loads	2009	X
9	Geodesics	2009	x
10	Experimenting and Testing Quality of Road Facilities	2009	x
11	Hot mix asphalt concrete manufacturing technology	2009	x
12	Road Transport Business Management	2009	x
13	Manufacturing and Installation of Ship Piping Systems	2009	x
14	Manufacturing and Installation of Ship Interior Systems	2009	x
15	Construction and Maintenance of Rail Facilities	2009	x
16	Rail Transport Business Management	2009	x
17	Directing Inland Waterway Vehicles	2009	x
18	Airflow Control	2009	x
19	Airline Receptionist	2009	<u>x</u>
20	Airline Security Screening	2009	x
21	Airline Information Equipment Technique	2009	x
22	Establishment of Ticket-Booking Site	2009	x
23	Airline Navigation Method	2009	x

24	Construction of Roads and Bridges	2009	x
25	Operations of Marine Machinery	2009	x
26	Directing Ships	2009	x
27	Ship Hydrodynamics Assembly	2009	x
28	Railway Signaling	2009	x
29	Engine Manufacturing and Maintaining Technologies	2009	x
30	Airport Check-in Services	2009	x
31	Marine Transport Business Management	2009	x
32	Ensuring Marine Safety	2009	x
33	Marine Environment Protection	2009	x
34	Shipp Hull Manufacturing Technologies	2011	
35	Industrial Wastewater Treatment	2011	
36	Marine Engine Repair	2011	

F. Ministry of Health

1	Pharmaceutical Technology	2011	
2	Pharmaceutical Equipment Manufacturing Technique	2011	



- Scientific research
- Training, further training
- Consultancy, transfer

