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DVET

Vietnam TVET Bulletin

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● Policies ●

Vietnam Aims to Boost Labour Productivity by 7.5% Annually until 2030

Vietnam aims to boost the labour productivity by 7.5% annually until 2030, in order to increase the contribution of total factor productivity (TFP) to 50% of economic growth, according to the Prime Minister's recently-approved plan on boosting productivity on the basis of science, technology, and innovation in 2021-2030. The methods include applications of science and technology, modern management system, advanced tools; updated training for labourers per Industry 4.0.; deployment of national science and technology research; assistance to businesses in applying modern technology; and others. Other targets are to have 30-35 localities completing and implementing plans on boosting labour productivity on the basis of science-technology and innovation; five-seven groups and enterprises building and implementing similar plans; at least 500 small and medium enterprises (SMEs) building and implementing similar plans; at least 20 universities, vocational training schools founding clubs for learners to boost productivity; and others. Besides, sectors of the economy are tasked with researching and suggesting methods to boost labour productivity, efficient management, digitalization, and others. Universities and vocational training schools are tasked with connecting training with demand of firms. ([BNews](#), [Bao Chinh Phu](#) Jan 13)

Vietnam Should Not Hike Wages in 2021: Former Deputy Minister

Vietnam should not hike wages in 2021 and should wait until July 2021 to check the possibility of increasing wage in 2021, said Deputy Minister of Labour, War Invalids, and Social Affairs Pham Minh Huan. Mr. Huan made the statement to the Vietnam General Confederation of Labour (VGCL)'s suggestion of raising the minimum zonal wage on July 1, 2021, and the National Wage Council's suggestion of no hike of minimum zonal wage in 2021. He explained that the priority now is to recover economic activities to provide jobs to the labourers, who had already lost jobs due to COVID-19 pandemic. He added that firms set financial plans for the whole year from January 1, hence a change in July 1 would disrupt their plans. He also noted that the wage hike should follow the economic growth, long-term plans, the minimum livelihoods, and other conditions. Echoing the idea, Ms. Nguyen Thi Lan Huong, former director of the ministry-run Institute of Labour Science and Social Affairs (ILSSA), said that wage hike is possible but not compulsory, and should only reach a low rate of 3%-4%, not the normal rate of 7%. ([CafeF](#), [VOV](#) Jan 15)

Vietnam Education Ministry Build Rules on General Education within TVET

Vietnam's Ministry of Education and Training (MoET) is building a circular on high school knowledge within TVET, in order to let qualified TVET learners earn certificates of completing general education. The MoET answered questions from voters in northern Ha Nam province on letting TVET schools teach general education knowledge, in order to attract more secondary school graduates to advance to TVET. The MoET added that Law on Education 2019 has already



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permitted teaching of general education knowledge within TVET schools. ([Giao Duc Thoi Dai](#) Jan 14)

Vietnam Updating Rules on Checking TVET-General Education Units

Vietnam's Ministry of Education and Training (MoET) is building a circular to update the operation and structure of district-level units for both continuation education and TVET. The MoET explained that the current managements follow the MoET's Circular 42/2012/TT-BGDDT. However, the MoET admitted that the rules are outdated due to the policy of merging and streamlining district-level continuation education units and TVET centres, per a joint circular between the MoET, MoLISA, and the Ministry of Home Affairs. The MoET added that per Law on Education 2019, district-level general education-TVET centres are subject to management of the Minister of Education and Training. ([Giao Duc Thoi Dai](#) Jan 14)

Labour Code 2019 Has 10 Key Updates on Labour Contracts

Labour Code 2019 has 10 key updates on labour contracts: probation; probation period, suspension of labour contract; labourers' resignation without reason; labourers' resignation without prior information; employers' uninformed labour contract termination; format of labour contracts; duration of labour contracts; progress of ending labour contracts; employers' right to unilaterally ending labour contracts. ([Dan Sinh](#) Jan 18)

Vietnam Labour Confederation to Assist COVID-19-Impacted Labourers

The Vietnam General Confederation of Labour (VGCL) on January 12 approved assistance for labourers and VGCL members, who were affected by the COVID-19 pandemic and natural disasters in 2020, ahead of Lunar New Year 2021. The assistance is sourced from the accumulated funds of VGCL's units in provinces, cities, sectors, and others. The total figure must not exceed 50% of the risk provision of the VGCL in 2020. In order to receive the support, labourers must work for the firms for at least one year prior to December 31, 2020. Other conditions are about family and personal economic and health conditions, reduced incomes due to COVID-19 impacts of lower working hours, and others. Per such basic terms, VGCL's units will set more details and give assistance of VND1 million (\$43.1) for each labourer and no more than VND2 million for each special case. The number of special cases must not go above 20% of the total. ([Vietnam Plus](#), [Hanoi Moi](#), [Nguoi Lao Dong](#), [Thanh Nien](#), [Lao Dong](#) Jan 12)

Vietnam Updates 4 Wage-Related Terms from Feb 1

Decree 145/2020/ND-CP, which will become effective on February 1, will update 4 terms relating to wage, per Labour Code 2019. The four are formats of payments, payments for overtime tasks, payments for overtime tasks at night, and payments for tasks at night. ([Dan Sinh](#) Jan)

● **Business Sector and Labour Market** ●



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Foreign Cooperation

580,000 Vietnamese People Working Abroad: Official

The number of Vietnamese people working abroad increased from 500,000 in 2010s to about 580,000 at the moment, said Mr. Nguyen Gia Liem, deputy head of the Department of Overseas Labour (DoLAB), under the MoLISA. Mr. Liem reviewed that the number of Vietnamese people departing to work abroad was 126,000 in 2016; 135,000 in 2017; 143,000 in 2018, 152,000 in 2019; and 78,000 in 2020. The low figure in 2020 was due to COVID-19 pandemic, he explained. Mr. Liem added that those people often work in sectors of construction, producing-manufacturing, home helper, care for elder people, agriculture and fisheries, and others. The most popular destinations are South Korea, Japan, Taiwan, the Middle East, Malaysia, and others. The average remittance from this workforce is about \$3 billion-\$4 billion a year. Employments abroad account for 7%-9% of total employments for Vietnamese people annually. In 2021, Vietnam aims to send abroad 90,000 labourers. ([Bao Dan Sinh](#) Jan 15)

Vietnam, Germany Discuss Cooperation in Trade, Industry, Energy, Education

The Vietnamese Ministry of Industry and Trade (MoIT) and the German Ministry of Economic Affairs and Energy co-held the first meeting of the Joint Committee for Economic Cooperation between two nations on January 12, discussing the cooperation in the industry and trade, manufacturing and processing, energy, and education and vocational training. Addressing the online event, Vietnamese Minister Tuan Anh highlighted the Vietnam-Germany strategic partnership and expected to further the bilateral economic, trade, and industry relations. ([Cong Thuong](#), [Tuoi Tre](#), [CAND](#), [MoIT](#), [Vnanet](#), [Dang Cong San](#), [Hanoi Moi](#), [Tin Nhanh Chung Khoan](#), [Nha Dau Tu](#), [Kinh Te Moi Truong](#), [Vietnam Plus](#), [PLO](#), [Vietnam Plus](#), [Bao Phap Luat](#), Jan 12)

Vietnam Looks forward to Hosting More Singaporean Tech Corps.: PM

Vietnam desires to receive more Singaporean technology firms, thereby consolidating Singapore's position as the biggest foreign investor in Vietnam, said Prime Minister Nguyen Xuan Phuc at a meeting with outgoing Singaporean Ambassador Catherine Wong in Hanoi on January 13. The Vietnam-Singapore Industrial Park (VSIP) has been a bright spot within the bilateral relations with ten VSIPs generating jobs for over 200,000 labourers, PM Phuc applauded, suggesting further cooperation models between the two sides. ([CafeF](#), [Bao Chinh Phu](#), [VTV](#), [NDH](#) Jan 13)

Foxconn Eyes Development of \$1.3B Industrial Zone in Vietnam Thanh Hoa

Foxconn wants to develop an industrial zone (IZ) in Thanh Hoa province that may require \$1.3 billion in investment and produce \$10 billion in export value per year. The proposal came during a recent meeting between Chairman of the provincial People's Committee Do Minh Tuan and Foxconn General Director Zhuo Xiam Hong. The IZ is expected to cover between 100 hectares



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and 150 hectares and generate jobs for 100,000 or 150,000 workers as well. Thanh Hoa now has over 2.5 million labourers, of which 67% are trained employees, Mr. Tuan said. ([VietnamBiz](#), [Vietnam Finance](#), [Thuong Hieu Cong Luan](#), [Dau Tu](#) Jan 17)

Apple's Supplier Foxconn Invests \$270M in Producing MacBooks, iPads in Vietnam

Bac Giang province on January 18 licensed Foxconn to invest \$270 million in developing a project on manufacturing iPad tablets and MacBook laptops in the locality. Foxconn Vietnam General Director Harry Zhuo revealed that the project would cover a total land area of 38 hectares in the locality and the building of a 22-hectare plant for the project's first phase is expected to complete by end-2021 and be operational in the first quarter of 2022. It is expected to employ 40,000 labourers. ([CafeF](#), [Zing](#), [BNews](#), [Bao Chinh Phu](#), [VTV](#), [VietnamBiz](#), [Dan Tri](#), [Tien Phong](#), [CafeBiz](#) Jan 18)

Vietnam Seeks Further Vocational Training Cooperation with Samsung

Samsung Vietnam has cooperated well with the DVET in training Vietnamese learners and the MoLISA suggested Samsung Vietnam continue such cooperation. Minister Dao Ngoc Dung made the statement while hosting Mr. Choi Joo Ho, general director of Samsung Vietnam, under South Korea's Samsung Group, in Hanoi on January 15. Mr. Dung suggested that the unemployment insurance fund could be utilized to train fresh labourers and retrain labourers, in order to help workers improve or change their jobs. Besides, Minister Dung proposed Samsung continue COVID-19 preventive methods, adding that Vietnam would continue facilitating South Korean firms in Vietnam, including Samsung. In reply, Mr. Choi Joo Ho appreciated Vietnam's supports for Samsung and introduced Samsung's long-term plans in Vietnam. ([Bao Dan Sinh](#), [MoLISA](#) Jan 15)

Hanoi Commits Facilitation for Samsung's R&D Centre Project

Hanoi commits utmost facilitation for Samsung's R&D Centre project, the largest of its kind in Southeast Asia, said Chairman of the municipal People's Committee Chu Ngoc Anh while receiving Mr. Choi Joo Ho, general director of Samsung Vietnam on January 14 morning. The executive, in reply, informed that the R&D centre project is 23% complete, with full completion slated for late 2022. Once accomplished, the centre will generate jobs for 3,000 engineers, from 2,200 as planned, specializing in software research, 5G, Big Data, and more, Mr. Choi added. ([Kinh Te Do Thi](#))

Vietnam Rises as Low-cost Manufacturing Base in Asian Supply Chains: EIU

Vietnam has emerged as a low-cost manufacturing base in Asian supply chains, beating India and China in some indicators, including foreign direct investment (FDI) policy and foreign trade and exchange controls, according to the Economist Intelligence Unit (EIU). It added that the manufacturing wages of local low-skilled labourers in Vietnam will remain competitive but the number of high-skilled workers will continue being scarce. ([Lao Dong](#), [en.Vietnam Plus](#) Jan 15)



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Toyota Sells 72,136 Units in Vietnam in 2020

Toyota Motor Vietnam (TMV), a unit of Japanese automobile producer Toyota, on January 12 announced that it sold 72,136 cars in 2020, including the sales of Lexus cars, despite the challenges from COVID-19. It also created stable jobs for over 1,900 labourers in the year. ([Cong Thuong](#) Jan 12)

Expert Tips Measures to Help Vietnam Lure High-quality Foreign Investment

Dr. John Walsh, acting program manager for International Business and Lecturer, International Business at the Hanoi campus of RMIT Vietnam, has tipped some measures to help Vietnam to lure more high-quality foreign investment. First, the Vietnamese government should seek to develop transport and telecommunication infrastructure and improve the quality of local human resources. Vietnam has faced a shortage of skilled local labourers and the government should encourage locals to pursue vocational training courses rather than university courses. ([CafeF](#) Jan 12)

Domestic News

Vietnam Aims to Have 500 Media Products to Promote TVET Yearly in 2021-2025

Vietnam aims to have 500 media products of promoting technical and vocational education and training (TVET) annually in 2021-2025, said DVET, under the MoLISA. The DVET made the statement at a conference on January 15 to preview media promotion for TVET in 2021-2025. DVET General Director Truong Anh Dung chaired the event. At the event, representatives of new agencies proposed closer cooperation with the DVET and TVET schools to boost TVET promotion. Besides, the DVET granted awards to 17 outstanding media products of TVET promotion in 2020. TVET schools in Vietnam recruited 2.28 million learners in 2020, or 100.9% of the plan. For 2021, the TVET system aims to recruit 2.5 million learners. ([DVET](#), [VietnamNet](#), [GDNN](#) Jan 16)

Vietnam Beer Market May Continue to See Signs of Recovery in 2021: SSI

Vietnam's beer market is likely to continue to see signs of recovery in 2021 and fully recover in 2022, forecast SSI Research, under SSI Securities Corp. (HOSE: SSI). Vietnam's beer output dropped 13.9% y/y to 4.4 billion litres in 2020, according to the Vietnam Association of Liquor, Beer and Beverage (VBA). The sector has employed nearly 200,000 workers and contributed much to the State budget. ([Dau Tu](#) Jan 16)

Vietnam's Online Games Suppliers Aim to Reach Revenue of \$1B by 2027

Online game providers in Vietnam have set a goal to gain a combined revenue of \$1 billion by 2027. Vietnam is also considered a potential market in the industry with about 25,000 labourers



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serving 32 million online gamers. ([Dau Tu](#))

EQuest Invests in Hanoi College of Economic – Technology

EQuest Education Group on January 14 added Hanoi College of Economic – Technology (HNET) as its 17th member and invested \$1 million in the college. In academic year 2021, HNET focuses on training majors of commercial English, Business Administration, Sales Administration, and Tourism-Hotel. On the occasion, HNET announced 200 scholarships worth VND5 billion. ([VnEconomy](#), [Nguoi Dua Tin](#), [Lao Dong](#) Jan 14)

Hanoi Targets to Raise Trained Labour Rate to 75%-80% by 2025

The capital city of Hanoi is targeting to raise the trained labour rate to 75%-80%, increase the number of TVET-equipped labourers by 5% yearly by 2025, according to the municipal People's Committee's Plan 10/KH-UBND dated January 14, 2021 on the implementation of the Prime Minister's Directive 24/CT-TTg dated May 28, 2020. Besides, the city targets to have four colleges accredited and recognized as high-quality facilities by that end. ([Hanoi Moi](#) Jan 17)

Firms in Bac Giang Need 110K Labourers in 2021

Firms in the northern province of Bac Giang are in need of recruiting 110,000 labourers this year, up 22.2% y/y. Last year, local firms recruited 90,000 workers, up by 40,000 y/y. ([Dan Sinh](#) Jan 20)

4K Labourers in Nam Dinh Back to Work as Tet Bonuses Secured

Over 4,000 labourers in Hong Kong-invested apparel firm Youngor Smart Shirts Vietnam Co.,Ltd in Nam Dinh province returned to work on January 15 as the owner had promised bonuses for Tet Holiday at a one-month basic salary. Accordingly, labourers working at My Trung industrial zone in My Loc district will receive over VND4.4 million (\$189.66) each and those at two other plants in Xuan Truong and Hai Hau districts will earn VND3.85 million each. Earlier, 2,800 labourers in My Trung IZ, about 1,000 in Xuan Truong district, and 400 in Hai Hau district went on strike on January 13-14 after the owner's announcement of no bonuses and other allowances on Tet holiday. ([Dan Tri](#), [Tin Tuc](#) Jan 15)

2,000 Apparel Workers in Vietnam Hai Duong Go on Strike on Jan 18

About 2,000 apparel workers of Ennon (Vietnam) Garment Manufacturing Ltd, which is based in Vietnam's northern Hai Duong province, went on a labour strike on January 18 to demand the firm reconsider Lunar New Year, Tet holiday bonuses. Some workers informed that every year, each worker receives Tet bonuses of about one-month base salary, however, the firm informed that no Tet bonus are available for this year. Workers added that in 2020, COVID-19 did not severely impact the firm as workers still worked normally and regularly did overtime tasks. The local authorities, the firms, and workers are scheduled to have a meeting on January 19 to discuss



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the issue. The firm began operation in Hai Duong in 2004. ([Lao Dong](#), [Bao Hai Duong](#) Jan 18)

Thanh Hoa Youth Union Inks Deal to Send Labourers to Germany

The Youth Union in central Thanh Hoa province on January 13 inked an agreement with Viet Duc International Education Joint Stock Company to bring its members to work in Germany. Such members will be exempted from tuition fees in Germany, enjoy a monthly allowance of EUR1,200, and postgraduate salary of EUR2,500-EUR2,800 per month. ([Thanh Tra](#) Jan 13)

TVET Institutes in Ha Tinh Enrol 19,000 People in 2020

TVET institutes in central Ha Tinh province enrolled over 19,000 people last year, which surpassed the target by 7.5%, according to a conference hosted by the provincial DoLISA on January 12. The figure included 775 at the college level, 4,600 at the intermediate level, and 13,700 of short-term courses. The province also created jobs for 21,078 people, equal to 91.6% of the target. The figure included 11,240 jobs within the province, 2,850 outside the province, and 6,988 jobs abroad. In 2021, Ha Tinh targets to create jobs for 20,000 people and send 7,500 workers abroad, as well as raise the trained labour rate to 72%. ([Bao Ha Tinh](#) Jan 12)

Quang Binh to Tighten Expat Management

Quang Binh DoLISA asked businesses and organizations to tighten the management of expats and implementation of anti-COVID-19 rules. Notable problems are wrong work permits, working without work permits, no copies of labour contract for DoLISA, and others. ([VOV](#) Jan 18)

Quang Tri Aims to Create Jobs for 11K Labourers in 2021

The central province of Quang Tri is targeting to create jobs for 11,000 labourers and provide TVET to 8,500 people this year, according to the provincial DoLISA. Last year, the province generated jobs for 11,103 labourers and provided TVET to 14,568 people. ([Dan Sinh](#) Jan 16)

Hue Tourism College Pushing Skill Training

Hue Tourism Colleges, under the Ministry of Culture, Sports, and Tourism, is pushing skill training. So far, the college has trained 14,579 learners and the graduates were employed. ([Dan Sinh](#) Jan 13)

Quang Nam Sets 17 Socioeconomic Targets in 2021

In 2021, Quang Nam province set 17 socioeconomic targets, including pushing public investments in culture, healthcare, education, vocational training, sports, and environment. ([BNews](#) Jan 13)



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Sao Mai Group Completes \$258.62M Solar Farm in Vietnam An Giang

Sao Mai Group Corporation (HOSE: ASM) on January 12 announced that it completed Sao Mai-An Giang solar power project in Tinh Bien district of An Giang province, with a total investment of over VND6 trillion (\$258.62 million). Besides, the project has created jobs for over 100 local labourers and then 500, said Chairman of the provincial People's Committee Nguyen Thanh Binh. ([Thanh Nien](#), [Nhan Dan](#), [Nong Nghiep Viet Nam](#), [Phap Luat Va Cuoc Song](#), [Vietnam Plus](#), [SGGP](#))

Tay Ninh Oks VND3.6T Logistics Centre, ICD, Complex Port Project

Tay Ninh People's Committee has given an in-principle nod to a logistics centre, inland container depot (ICD), and complex port project with a total investment of VND3.6 trillion (\$155.17 million). The first phase of the project will be put into operation in the first quarter (Q1) of 2023. By 2035, it will create jobs for 1,500 labourers. ([Vietnam Plus](#) Jan 15)