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# Vietnam TVET Bulletin

July 8 – July 14, 2021

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# Firms in Binh Duong to Let People Stay Inside Factories

In order to adapt to COVID-19 pandemic, many businesses in Binh Duong province will let laborers stay inside factories. In the fourth COVID-19 outbreak from April 27, Binh Duong recorded 1,628 patients, including 1,054 factory workers. The disease has spread to 48 firms and many residential areas. So far, 37 firms with 42,000 laborers have been impacted by the pandemic. So far, 50 firms in Binh Duong have implemented the model of working and living inside factories. (Tien Phong, tienphong.vn Jul 12)

DVET

# Vietnam Social Insurance Covers 16.17M People as of end Jun 2021

Vietnam had 16.17 million people joining social insurance as of end-June, representing 32.49% of the workforce and including 1.17 million people covered by voluntary social insurance. The number of people covered by unemployment insurance was 13.2 million, or 26.64% of the workforce, down 69,800 versus end-2020. The number of people with healthcare insurance was 87.4 million, or 89.63% of the population, down 540,000 versus end-2020. The Vietnam Social Security blamed COVID-19 pandemic for the decreasing number of people with insurance coverage. (BHXH, baohiemxahoi.gov.vn Jul 6)

# Vietnam Drafting TVET Support for People with COVID-19 Issues

The DVET, under the MoLISA, conducted a meeting on July 6 to implement TVET support, within the Government's Resolution 68/NQ-CP on helping laborers with COVID-19 impacts. The resolution stipulates that the support is VND1.5 million (\$64) at most per month, for six months at most. The applications should be submitted from July 1, 2021 to June 30, 2022. The MoLISA drafted conditions for beneficiaries of the resolution. The employers must pay social insurance premium for at least 12 months, have their revenue reduction from 10% versus that in 2019 and 2020, and have plans to cooperate with TVET schools to help laborers. The support can be given directly to employers per their approved training plan. (DVET, VietnamNet, Dang Cong San Jul 6)

# Vietnam to Update Administrative Fines on Gender Equality Violations

Vietnam is drafting a decree to replace the Government's Decree 55/2009/ND-CP on administrative fines against gender equality violations. Deputy Minister of Labor, War Invalids, and Social Affairs Nguyen Thi Ha chaired the first meeting of the drafting team on July 6. The draft decree may have four chapters and 23 articles. It may have terms about punishment methods, compensation, authorization of giving and enforcing fines, and others. (molisa, phunuvietnam Jul 7)



# Vietnam to Regulate Joint Training in TVET

The MoLISA is drafting a circular on joint training courses within TVET. The draft circular set five conditions for such training. First, the training must fit the job demand of the localities. Second, the facilities, the learning courses, and the teachers must follow TVET law. Third, management of learners must follow the MoLISA's Circular 17/2017/TT-BLDTBXH. Fourth, courses with the format of simultaneously learning and working must follow the MoLISA's Circular 31/2017/TT-BLDTBXH. Fifth, healthcare courses must also fulfill the Ministry of Health's rules. Besides, the draft circular has terms about registration, preparation of facilities, learning contents, and others. (Bao Chinh Phu Jul 6)

# Vietnam to Fully Disburse COVID-19 Relief Package in 7-10 Days: Minister

Vietnam will deliver a new COVID-19 relief package of VND26 trillion (\$1.12 billion), per the government's Resolution 68/NQ-CP 2021 on helping employers and employees, in seven to ten days, said Minister of Labor, Invalids and Social Affairs Dao Ngoc Dung. At the press conference of announcing the package on July 7, he said that in comparison with the first package of VND62 trillion with complicated administrative procedures, this new one will handle administrative procedures in four days and then deliver the money in three days. Regarding freelancers, Mr. Dung said that the package is disbursed at the laborers' residential locations, not their registered hometowns. He added that post-checks should be made to prevent policy abusers. (CAND, tuoitre.vn, vtv.vn, baochinhphu.vn, qdnd.vn, bnews.vn, vtv.vn, thanhnien.vn, cafef.vn, ndh.vn, dangcongsan.vn, baodansinh.vn, molisa.gov.vn Jul 7)

#### **Colleges Should Belong to Higher Education**

General education, TVET, higher education (including colleges), and scientific research should belong to one sector only, experts made suggestions to the government's structure in 2021-2026. As such, TVET and general education can link to higher education. As a result, the DVET should only focus on training laborers for intermediate and beginner levels, not college level. (Giao Duc Vietnam Jul 10)

# Business Sector and Labour Market

#### Foreign Cooperation

#### Vietnam, ADB Strive to Fulfill Project for Inclusive Economic Growth

Officials from the DVET, under the MoLISA, and the Asian Development Bank (ADB) had a meeting on July 9 to discuss methods to fulfill the "Skills and Knowledge for Inclusive Economic Growth Project." The two sides also reviewed the implementation of the project in the first half of 2021. Reports showed that most of the goals were fulfilled. However, there remained some problems, hence the handing over of items and fund disbursement were slower than the



plan. Besides, DVET Deputy General Director Pham Vu Quoc Binh said that COVID-19 pandemic has severely impacted the progress of the project. (<u>Bao Dan Sinh</u> Jul 13)

# Vietnamese Laborers Suspended from Entering, Leaving Cambodia

Cambodia has temporarily barred Vietnamese laborers from entering and leaving the country as the complicated COVID-19 pandemic is rattling both nations. The suspension was under a dispatch signed by Cambodian Minister of Agriculture, Forestry and Fisheries Veng Sakhon and sent to Vietnamese businesses in Cambodia. (VOV, VietnamBiz, VTC Jul 12)

# PMs of Vietnam, Israel Have Phone Talk on Jul 12

PM Chinh had a phone talk with Israeli PM Naftali Bennett on July 12. The two prime ministers also discussed measures to speed up the signing of a free trade agreement and a labor cooperation deal as well as ways to promote bilateral cooperation of firms in two countries. (<u>Tien Phong</u>, <u>Thanh Nien</u>, <u>Tuoi Tre</u> Jul 12)

# Domestic News

# 10.4M Rural Laborers in Vietnam Have TVET in 2010-2020

Vietnam provided TVET to 10.4 million rural laborers in 2010-2020, or 94.3% of the target. The figures included 5.8 million learners of beginner-level courses, or 88.5% of the target. In 2016-2019, 4.9 million rural laborers had TVET courses, including 2.85 million of beginner-level courses. Among those, two million had non-agricultural courses and 850,000 had agricultural courses. The rate of employment after training was 81.4%. Nevertheless, there remained problems with the performance. The outcomes were worse for learners in northern mountainous areas and midlands, and the Central Highlands. The training for poor people and people of ethnic minorities did not fulfill the goal. (DVET, Hanoi Moi, Dan Tri Jul 7)

# 33K Workers of PouYuen Vietnam on Break due to COVID-19

Since early 2021, Taiwan-invested footwear maker Co. Ltd., the largest employer in Ho Chi Minh City, has had 33,000 out of its total 56,000 workers under suspension from work due to coronavirus fallout, said Mr. Cu Phat Nghiep, head of the firm's trade union. Of these, some 10,000 laborers residing in neighboring Long An province have not come to work since July 12 due to travel restrictions. More than 3,500 workers from southern provinces of Tien Giang and Ben Tre have been forced to take a break due to the same reason. In addition, nearly 20,000 workers have been on temporary furlough due to coronavirus infection and quarantine. The company's production is being interrupted due to a labor shortage, Mr. Nghiep said. Since July 4, PouYuen Vietnam has recorded 35 COVID-19 cases. (Bao Tin Tuc, VnExpress, Bao Giao Thong Jul 12)



# Vietnam Customs Extends Priority Regime for Japan-invested Firm Denso

The General Department of Vietnam Customs has extended the priority regime for Denso Manufacturing Vietnam Co., Ltd, a subsidiary of Japan-headquartered automotive components manufacturer DENSO Corporation. Located in Thang Long industrial zone in Hanoi's Dong Anh district, Denso Manufacturing Vietnam was recognized as a prioritized economic operator in 2015. The firm employs nearly 170,000 people. (<u>Bao Hai Quan</u> Jul 12)

#### Renewable Energy Projects in Vietnam May Create 150K New Jobs: Report

Renewable energy projects in Vietnam are expected to generate between 100,000 and 150,000 new jobs, both counting jobs local to the projects and jobs in the supply chain, according to a report by EY-Parthenon, one of the largest global strategy consulting organizations. The jobs will be in the fields of construction, installation, production, and project management. Mr. Tim Lord, a net-zero expert at the UK-based Tony Blair Institute for Global Change, warned that in many places, global workforces have yet to be skilled enough to deploy clean energy projects and satisfy supply chains. (CafeF, www.ey.com Jul 12)

#### European Business Leaders Cautious over Vietnam's Economy in Q3/2021: BCI

As many as 45% of the total surveyed European business leaders estimated Vietnam's economy to deteriorate in the third quarter of this year, compared to only 4% in the previous quarter, as Vietnam has faced the most problematic COVID-19 outbreak, the EuroCham in Vietnam said in its latest quarterly Business Climate Index (BCI). EuroCham members in Vietnam are estimated to need at least 190,000 COVID-19 vaccine doses for a two-dose regimen for all of their employees and most of them said that they are willing to pay costs for COVID-19 vaccination. (NLD, Tuoi Tre, EuroCham Jul 12)

#### 290 Enterprises at 4 IPs in Bac Giang Resume Operation as of Jul 8: Dept.

As of July 8, 290 enterprises at four major industrial parks (IPs) in Bac Giang province reinstated operation with around 70,000 workers, less than 50% of the total workforce pre-outbreak. Reopening businesses reportedly face a labor shortage, and production remains lackluster. Hong Kong-invested Crystal Martin (Vietnam) Company Limited informed that it has got only 4,000 laborers back versus the previous number of 10,000. Earlier, the IP closure cost it \$13 million, the company added. In addition, Broad Vietnam Co., Ltd has recorded 110 in 2,500 documented workers returning to work, and Fuyu Precision Component Co., Ltd had 2,000 out of 5,200 employees back to work. The provincial agencies are seeking to help firms with labor issues, including hiring of workers. (baobacgiang Jul 8)

# 7 Reopening Firms in Bac Giang Recruiting 18.3K Laborers

Seven industrial parks-based firms in Bac Giang province are recruiting over 18,300 workers upon business resumption. Of the total demand, 1,200 laborers have been employed with the







support of the provincial authority. The province has by far approved 1,208 local inns with 21,401 rooms for 43,000 workers to lodge in line with COVID-19 prevention and control measures. On the back of business reinstatement, Bac Giang province expects its industrial production value to stand at VND8 trillion (\$344.8 million) in July and over VND15 trillion in late 2021. (Kinh Te Do Thi Jul 6)

# HCMC Vaccinates 350K Laborers of 3.9K Firms, Units by Far

Ho Chi Minh City has by far got 350,000 laborers of nearly 3,900 enterprises and units vaccinated against COVID-19, said Mr. Ho Xuan Lam, vice president of the municipal Federation of Labor. So far, the city has so far recorded 1,807 trade union members, public servants, and laborers as COVID-19 cases, 9,449 as F1, and 14,143 as F2. Notably, 90 of them have recovered from the disease. All-level trade unions citywide have offered 31,000 COVID-19-affected members VND13.6 billion (586,000) in total aid by far. (<u>nld.com.vn</u> Jul 9)

#### Danang to Spend \$4.3M on Aiding 100K COVID-19-Impacted People

Danang will be spending a VND100 billion (\$4.3 million) relief package on providing assistance to residents affected by the COVID-19 pandemic in July, Deputy Director of the municipal Department of Labor, War Invalids and Social Affairs (DoLISA) Nguyen Van An said. Around 33,000 laid-off and non-contract laborers in fields of education, transport, tourism, and others, will receive VND1.5 million each, while tour guides will secure VND3.7 million each. (BaoChinhPhu, baotintuc.vn Jul 8)

# HCMC Proposes 29 Firms Suspend Operations to Curb COVID-19

On July 11, the steering committee on fighting COVID-19 in Ho Chi Minh City's district 7 proposed that 29 firms in Tan Thuan processing zone, should suspend their operations after they recorded some workers who contracted the coronavirus. Six plants in HCMC with 36,000 workers have so far suspended operations due to COVID-19 infections. HCMC now has 1.6 million factory workers, including 320,000 in 17 industrial parks, processing zones, and hi-tech parks. Since the new outbreak on April 27, 38 firms in industrial parks like Tan Tao, Vinh Loc, Tan Phu Trung, Tan Tuan, and some others recorded many COVID-19 infections. (VietnamPlus VN, Thanh Nien, Tuoi Tre, NLD, Tien Phong Jul 11)

#### IPs in Vietnam Danang Lures 11 Investment Projects worth \$153M since Early 2021

Hi-tech and industrial parks in Danang have received 11 investment projects with a total capital of \$153 million since the beginning of 2021, the Danang Hi-Tech Park and Industrial Zones Authority said on July 11. By far, hi-tech and industrial parks citywide, home to 65,752 laborers, have attracted 449 projects worth nearly VND26.7 (\$1.15 billion) in local investment and \$1.74 billion in foreign investment. (QDND Jul 12)



#### Vinh Long Recruits 10,596 into TVET in H1/2021

Vinh Long province recruited 10,596 people into TVET in the first half (H1) of 2021, improved rated of trained laborers to 54%. In the rest of 2021, Vinh Long aims to recruit 23,604 people into TVET and to boost rate of trained laborers to 57%. (Vinh Long Jul 7)

#### Hoa Binh Provides Jobs to 8,400 People in H1/2021

Hoa Binh province provided jobs to 8,327 people and sent 107 laborers abroad in the first half (H1) of 2021. Hoa Binh allowed 30 firms to boost connection with TVET, licensed 2 TVET units, permitted 4 units to conduct TVET courses of 3 months or quicker, and recruited 4,299 people into TVET. (<u>Hoa Binh</u> Jul 13)

#### **TVET Units in Hanoi Opening New Courses**

TVET schools in Hanoi are opening new courses for trendy jobs. Hanoi Industrial Vocational College opened new courses for beauty care, hair design. Hanoi College of Commerce and Tourism opened new courses for hospitality and restaurants. (Dan Sinh Jul 7)

#### **Dong Thap Plans to Boost Rate of TVET-Trained Laborers to 57% in 2025**

Dong Thap province boost rate of TVET-trained laborers to 42% in 2016, 50% in 2020, and targets to increase to 57% in 2025. In 2021-2025, Dong Thap plans to give TVET to 75,000 people, including 15,000 in 2021. Until 2025, Dong Thap aims to boost rate of trained laborers to 79% and employment upon graduation at 80%. In 2016-2020, Dong Thap recruited 106,785 into TVET, boosting rate of trained laborers from 58.2% in 2016 to 70% in 2020. (Dan Sinh Jul 12)

#### Quang Nam Aims to Provide Jobs to 16,000 in H2/2021

In the second half of 2021, Quang Nam DoLISA aims to provide jobs to 16,000 and send abroad 2,000 laborers. Quang Nam also plans to reduce fatal labour accident to 5%, recruit 23,000 people into all levels of TVET, and increase rate of trained laborers to 67%. (Dan Tri Jul 12)

#### Thanh Hoa Merges 2 Intermediate Schools into College

Thanh Hoa province has merged Thanh Hoa radio-television intermediate school and Thanh Hoa construction intermediate school into Thanh Hoa industrial vocational college and then renamed the new school at Thanh Hoa Industrial College. (<u>Dan Sinh</u>, <u>LDTD</u> Jul 11)