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# Vietnam TVET Bulletin

July 29 – August 4, 2021

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# • Policies •

# Vietnam to Set Maximum Fees for Labor Export Brokerage Fee

The MoLISA is drafting a circular on maximum fees for the brokerage service of bringing people to foreign nations to work (labor export). The fee is zero for level-3 interns and specified skilled workers in Japan, houseworkers in Malaysia and Middle East nations, and others. For high-tech workers and ship builders, the fees are two-month wages for contracts of 36 months. For Taiwan, the fees are two-month wages for contracts of 36 months. For Taiwan, the fees are two-month wages for contracts of 36 months for caregivers, and one-month wages for contracts of 36 months for farmers, fishers, and houseworkers. Besides, the draft circular regulates brokering fees per negotiations of sides, but not over the limit. (Bao Dan Sinh, vneconomy.vn Aug 2)

DVET

# Vietnam Allows Vocational Colleges to Recruit People with High School Certificates

Vocational colleges in Vietnam can recruit high school graduates or people graduating from intermediate schools with certificates of completing high school curriculum, according to the MoLISA's newly-issued Circular 05/2021/TT-BLDTBXH. Besides, vocational colleges in sectors of arts, healthcare, defense-security, and others, must also follow rules of relevant ministries and sectors. Vocational colleges can conduct multiple recruitments a year. Recruitments can take formats of testing, checking school records, or both. Learners can submit their profiles directly or online (via websites or mobile apps). The circular will become effective on August 22. (Bao Dan Sinh, baochinhphu.vn, thieunien.vn Jul 31)

#### Labor Ministry Proposes Easing Rules in TVET Investment

The MoLISA has suggested streamlining rules in investment in TVET, per the government's program of streamlining business rules in 2020-2025. The MoLISA seeks to ease rules within Decrees 143/2016, 140/2018, and 15/2019, to boost autonomy of TVET units, and to focus more on post-check rather than pre-check. So far, the DVET, under the MoLISA, has suggested removing 17 business conditions, simplifying 40 parts of 25 administrative procedures, removing 20 parts of administrative procedures, and others. Most of the terms are about establishment, division, mergers, removal, registration, international cooperation of TVET units. (Dan Tri, gdnn.gov.vn Jul 28)

# Vietnam Gov't Should Invest in High-Quality Vocational Schools: Lawmaker

The Vietnamese government should invest in developing high-quality TVET schools, National Assembly (NA) Deputy Nguyen Thi Thu Dung said at the NA's discussion on medium-term public investment in 2021-2025 last week. She noted that TVET played an important role in poverty reduction. For examples, 38% of poor households escaped poverty after short-term





support and 90% of TVET learners have sustainable jobs upon graduation. Besides, the public investment should focus more on developing non-public TVET schools; developing high-quality TVET schools nationwide, not only in three hubs; and facilitating public schools in high-quality training. Vietnam aims to have 70 high-quality TVET schools meeting requirements of ASEAN nations in 2025, according to a plan approved in 2019. (Dan Tri Aug 2)

# Business Sector and Labour Market

#### Foreign Cooperation

# Vietnam Asks its Laborers in S.Korea to Strictly Follow Anti-COVID-19 Rules

The Vietnamese Embassy in South Korea has asked Vietnamese laborers to fully and strictly comply with anti-COVID-19 regulations imposed by the host country. The requirement was made after the South Korean authorities informed the embassy about many factories and farms having reported a number of Vietnamese workers infected with coronavirus, including critically ill cases. The South Korean agencies attributed the infection to laborers' non-compliance with social distancing measures. Therefore, the embassy has required Vietnamese workers not to hold gatherings and restrict travel to high-risk places. (NLD Jul 30)

# PM Suggests Romania Share Untapped COVID-19 Vaccines with Vietnam

Vietnamese Prime Minister Pham Minh Chinh has recommended Romania consider sharing redundant vaccines with Vietnam as much and fast as possible. PM Chinh gave the statement while hosting newly-appointed Romanian Ambassador to Vietnam Cristina Romila late last week. The Vietnamese leader proposed the two sides step up cooperation in potential areas, such as economics, trade, investment, education and training, labor, and tourism. (<u>HanoiMoi</u> Jul 30)

# Vietnamese Diplomat in Osaka Works with Toyota Corolla Nankai

Vietnamese Consul General to Osaka (Japan) Nguyen Hong Ha worked with Toyota Corolla Nankai on July 27. From 2017, the firm has recruited 90 Vietnamese engineers, who were trained in TVET schools in Japan. Mr. Ha suggested the firm focus more on enhancing labor skills of Vietnamese staff, boosting anti-COVID-19 tasks, and provide COVID-19 vaccine to the staff. (<u>Bao Quoc Te</u> July 27)

#### Domestic News

# **Over 1.1K Firms in Bac Ninh IPs Reinstate Operations so Far**

1,104 in 1,120 enterprises located at industrial parks (IPs) in northern province of Bac Ninh have resumed operations by far, according to the provincial Industrial Zones Authority (IZA). In addition, 314,203 out of 320,485 workers have returned to work, IZA said. Currently, businesses in Bac Ninh IPs are receiving a lot of orders. Despite getting hit hard by the COVID-19 outbreak







in May and June, enterprises in Bac Ninh's industrial zones reported a production value of nearly VND550 trillion (\$23.8 billion) in the first six months of the year, up 11% y/y. Bac Ninh currently has ten industrial zones and 26 industrial clusters with over 1,100 enterprises employing a total of 450,000 laborers who come from 21 localities nationwide. (<u>VietnamPlus</u> <u>VN</u>, <u>VietnamNet</u> Aug 2)

# Vingroup Rushing to Employ Staff for Vaccine Production Plant

Vingroup JSC (HOSE: VIC) is rushing to employ personnel for its plant specialized in producing COVID-19 vaccines with technology transfer from the U.S.-based Arcturus Therapeutics Holdings Inc. The plant, run by Vingroup's affiliate Vinbiocare Biotechnology JSC, is under construction in Hoa Lac Hi-tech Park in Hanoi suburb. VIC seeks to recruit senior staff on research and development of vaccine and pharmaceutical products and manufacturing management. (CafeF, CafeBiz, TCTC Aug 2)

# India Eyes Development of \$500M Pharma Park in Vietnam

Vietnam and India have been discussing the erection of a pharma park with an estimated investment of \$500 million to attract Indian and global pharmaceutical giants to Vietnam. The Vietnamese Embassy in India and Indian SMS Pharmaceuticals Ltd. virtually co-convened the discussion on July 27. The park could generate jobs for 50,000 laborers directly and 200,000 workers indirectly and post around \$5 billion in export value each year. (VnExpress, Dan Tri, CafeF, VietnamBiz Jul 31)

# **Over 1K Firms with Plant Sleepovers in Binh Duong Halt Operations**

More than 1,000 enterprises in southern province of Binh Duong have suspended operations as they failed to sustain compliance with factory sleepovers regulations, according to the Binh Duong Import Export Association. On July 30, the provincial labor federation said that the province so far has reported 600 businesses with tens of thousands of laborers affected by the plague. Some companies with on-premise sleeping arrangements have detected new COVID-19 cases, triggering operation pauses. As of July 29, as many as 3,436 businesses inside and outside industrial parks across the locality had requested to set up on-site sleeping arrangements and provide laborers with shuttle services on one fixed route between accommodations and workplaces, for a total of 391,021 workers. (Tuoi Tre, Tin Tuc Jul 30)

#### Many Firms with Factory Sleepovers at Risk of COVID-19 Outbreak

A number of enterprises in some southern localities are facing the risk of becoming new sources of coronavirus flare-up while launching factory sleepovers. Mr. Cheng Jiafu, general director of Timberland Ltd., in Binh Duong province said that his company has detected 233 out of 1,478 laborers infected with coronavirus. Mr. Nguyen Van Huong, deputy general director of Long Viet Veneer Technology Stock Company, informed that 248 in 300 workers with on-premise sleeping accommodations caught the disease. New Fortune Furniture Company Limited has





reported 37 cases of COVID-19 since the adoption of factory sleepovers. In Dong Nai, the provincial health department announced 20 positive cases from Friwor company, six from Unipax Co., Ltd., and five from Tuico Products JSC. Dong Nai authorities attributed the record of new infections to rapid and random testing that could result in missing cases, improper execution of physical distancing, and COVID-19 cover-up at some establishments. On July 29, southern Tien Giang province asked businesses located at industrial parks and clusters to suspend operations until August 5 to prevent the spread of coronavirus. (CafeF, Tuoi Tre Jul 30)

# Binh Thuan Allows Submission of \$3.1B Wind Farm for Addition to Plan

central province of Binh Thuan allowed the investor of the \$3.1-billion Vinh Phong offshore wind power project to seek the government approval to add the wind farm to the power development plan (PDP) VIII. The project will be capable of generating billions of kilowatthours (kWh) of electricity annually, contributing VND10 trillion (\$431.03 million) in revenue to the local budget, and creating 2,300 jobs during its deployment. (<u>VnExpress</u> Jul 30)

#### Many Vietnamese Seafood Firms Scale Production down over COVID-19 Fallout

A number of Vietnamese seafood enterprises have slimmed their processing capacity down due to multiple hurdles, especially labor shortage, caused by the rampant COVID-19 flare-up in southern localities, which are entering peak harvest of shrimps. Some firms complained that between 30% and 50% of their workforce requested to quit jobs for several objective reasons after factory sleepovers were adopted. In addition, some seafood companies have shrunk their processing capacity by 30%-90% since they are unable to set up on-site sleeping accommodations for their workers. Other challenges facing seafood enterprises comprise requirements for COVID-19 testing certificates from truck drivers, vague regulations related to essential goods permitted for circulation amid social distancing, suspended supply of auxiliary materials, sharply rising sea shipping costs, and lack of containers. (Bao Hai Quan)

# Vietnam Licenses 75,800 New Firms in Jan-Jul, up 0.8% y/y: GSO

Vietnam is estimated to have licensed 75,800 new firms in the first seven months of this year, up 0.8% y/y, with their total registered capital of VND1,065 trillion (\$45.91 billion), up 13.8% y/y, the government-run General Statistics Office (GSO) said in its latest monthly report. The average registered capital of a new firm in the first seven months of this year grew by 12.9% y/y to VND14.1 billion, the agency said, noting that the new firms used 555,500 laborers during the period, down 7.2% y/y. (GSO Jul)

#### 25K Laborers in Binh Duong File for Jobless Benefits in H1

Over 25,000 laborers in southern Binh Duong province claimed unemployment benefits in the first half of this year, according to the provincial DoLISA. They received a total of VND514 billion (\$22.2 million) in jobless benefits. The province also spent VND8 billion on offering TVET to over 2,000 laborers. During the period, over 52,000 laborers received labor





consultation, 36,000 got job offers, and 25,500 secured jobs. In H1, DoLISA issued 2,763 labor permits to foreigners, including 1,814 new licenses and 949 renewals. It received requests of 1,883 firms for the employment of overseas laborers for 4,816 job positions. The province prioritized entry of 717 foreigners from 429 businesses. (Bao Dan Sinh Jul 25)

#### Danang Aims to Creates Jobs for 175K Laborers in 2021-2025

Danang sets a goal of generating job for between 170,000 and 175,000 laborers in the 2021-2025 period, or 34,000-35,000 on average each year. The city strives to reduce the unemployment rate to below 3% and raise the employment rate to 4.5%-5% on average per year by late 2025. Danang will focus on shifting labor restructure in line with the development of services-trade, industry, high technology, information technology, and support industry. (Bao Dan Sinh, NetNews Jul 27)

#### Hanoi Aims to Have 2,000 More OCOP Products in Next 5 Yrs

Hanoi set a goal to have 2,000 more One Commune One Product (OCOP) products with above-3-star certification in the 2021-2025 period. As of 2020, Hanoi City evaluated, classified, and recognized 1,054 products, including 17 potential five-star products (accounting for 1.6%), 731 four-star products (69.4%), and 306 three-star products (29%) of 72 enterprises, 82 cooperatives, and 101 production and business households, generating jobs for over 5,000 employees. (Nong Nghiep Vietnam Jul 27)

#### HCMC Suggests Another COVID-19 Relief Package for Freelancers

Ho Chi Minh City has delivered a COVID-19 relief package to freelancers and poor people and the city has recently suggested another similar package worth VND760 billion (\$32.62 million) for those people. The first package, worth VND330 billion, was delivered to 220,000 freelancers, many lottery sellers, waste collectors, and others. The second package includes VND1.5 million for 344,000 people of the first package, 90,000 poor households, and 170,000 laborers in locked down areas. The package is being checked by HCMC People's Committee. The package is sourced from the local budget. (VnExpress Aug 3)

#### Binh Duong Requests to Trial NanoCovax Vaccination of 200K Workers

Binh Duong province has urgently requested permission from the Ministry of Health (MoH) for 200,000 out of 1.2 million workers of factories province-wide to join phase three of the homegrown NanoCovax vaccine trial, which is scheduled to end this month, local media reported. The proposal was sent by Chairman of the provincial People's Committee Vo Van Minh on August 2, per the request of the Binh Duong Business Federation (BDBF) amid the rampant COVID-19 pandemic. By far, Binh Duong has given people 97,600 doses and is administering additional 285,000 doses allotted by the MoH. (TuoiTre Aug 3)



#### **Coca-Cola in Vietnam Hanoi Pauses Operation Due to COVID-19**

On August 1, Hanoi Office of Coca-Cola Beverages Vietnam Ltd., Co. halted operation temporarily upon news that one of its laborers was positive to COVID-19, local media reported. The worker had a fever and cough, had a COVID-19 test, and the result was positive on August 1. The authorities have detected 30 people relating to the patient. The patient is still waiting for the result of the confirmation tests. (NLD Aug 3)

#### Vietnam Agro Ministry Seeks to Supply Food to 1M Deprived People in HCMC

Vietnam's Ministry of Agriculture and Rural Development (MARD) has appealed to its Departments in 19 southern localities to supply food and foodstuff to 1.03 million disadvantaged people residing in 384,000 inns in Ho Chi Minh City. Most of them are non-contract immigrant laborers losing jobs due to the plague, a special working delegation (Team 970) of MARD said. (<u>SGGP VN</u>, <u>Nong Nghiep Viet Nam</u> Aug 2)

#### **TVET Center in Hoa Binh Province Deserted**

TVET center in Yen Thuy district of Hoa Binh province is under construction, which is unfinished in a decade, and now the center is deserted and became a farm for cow. Yen Thuy district plans to retrieve the center to handle it later. (<u>GDTD</u> Jul 30)

#### Quang Ngai Has New Director of Department of Labor, War Invalids, Social Affairs

Chairman of Quang Ngai People's Committee Dang Van Minh announced a decision on July 29 to appoint Ms. Nguyen Thi Anh Lan to serve as new Director of the provincial DoLISA in five years, starting July 30. Ms. Lan, born 1795 in Tu Nghia district, has been by far the first female director of the department since its establishment. (Dan Tri July 29)

# HCMC TVET Schools Boost Online Teaching amid Pandemic

Many TVET schools in Ho Chi Minh City have prepared virtual reality devices and lectures to serve online learning, including subjects requiring high practical techniques, during the social-distancing period due to the COVID-19 pandemic. The College of Engineering II has prepared many additional options for e-learning, such as investing in a virtual welding machine for electric welding subject or recording clips illustrating practices. However, vocational schools and learners claimed that they found it difficult to understand online textbooks, practical instructions, and face many obstacles of the students' receptive psychology. (DVET, Dan Tri Jul 31)

# Hanoi Applies Ways to Enroll Learners for TVET

Vietnam's Hanoi capital city has applied flexible ways to enroll learners for TVET amid the COVID-19 pandemic. Many TVET schools increased the application of information technology, built enrollment consulting software, accepted online applications, linked with businesses, and





ensured output to enroll students. To date, the Hanoi Vocational College of Industry exceeded the target of 9+ system, while the Hanoi General Vocational School basically recruited enough candidates, and the Hanoi Electromechanical Vocational College enrolled more than 50% of the target. From the year to date, Hanoi has just recruited nearly 54,000 people, reaching about 24% of the whole-year plan, according to the municipal DoLISA. (<u>Ha Noi Moi</u> Jul 30)