



Vietnam TVET Bulletin

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Vietnam Seeks to Improve Labour Productivity towards Sustainable Growth

The Central Institute for Economic Management (CIEM), with the support of USAID via the "Improving private sector competitiveness" (IPS-C) program, held a conference on enhancing labour productivity towards sustainable growth in Vietnam on November 29 morning. The workshop covered the need of promoting labour productivity amid the current context, review of existing mechanisms and policies, evaluation of current labour productivity in terms of economic segments, business segments, and regions/localities, as well as orientations and measures for the next period. CIEM Vice Head Dang Duc Anh said that Vietnam's labour productivity growth rate reached 6% in 2011-2020, and its labour productivity surged 2.5 times from 2011 to 2021. However, Vietnam's labour productivity remains lower than regional countries, and its gap among sectors tends to increase. The labour productivity in industrial and construction segments is still low and unstable. Meanwhile, the agro-forestry-fisheries industries report a modest labour productivity despite its high growth rate thanks to the restructuring process. The pace of labour productivity growth is uneven, mostly staying high in major cities such as Hanoi, Ho Chi Minh City, and Danang, and northern and southern key economic regions. Some experts indicated hurdles to labour productivity improvement, including the uncertainty of investment in technologies, incompetent management capability, unskilled workforce, and lack of capital. The participants, therefore, highlighted the importance of building a national program on labour productivity, in which the annual growth rate of labour productivity is due to be aimed at 6.5%-7%. (Dang Cong San, Nhan Dan, VnBusiness, HanoiMoi Nov 29)

Vietnam's Dept. Asks for Disbursement of \$125M Loan to Support Employment

The Department of Employment, under Vietnam's MoLISA, has sought approval from the government to disburse a VND3 trillion (\$125 million) loan package right this year instead of 2023 as planned to support employment. The department made its request amid a wave of furlough of workers in labour-intensive sectors, especially in some southern industrial localities. It also proposed using the remaining budget of socio-economic recovery programs that have basically finished as loans for employment generation. The department said it will survey hiring demand and business operation reduction, particularly in foreign-invested enterprises in textiles, footwear, and wood sectors, to plan labour supply and demand connection. In Ho Chi Minh City, 26 firms have announced layoffs of 3,000 out of their total 15,000 workers. Some major firms in wood, textiles, and footwear in adjacent Binh Duong province have cut 30% of their headcounts, while about 30,000 workers in Dong Nai province have had their contracts terminated in the past five months. (Dan Tri Nov 28)

DVET Closes Startup Kite 2022 for Vocational Students





On November 27 in Ho Chi Minh City, DVET held a closing ceremony of the Startup Kite 2022 competition for vocational students. The competition had 37 awards among 80 projects shortlisted for the final round. This year, Startup Kite attracted 1,512 projects in total. (<u>Tuoi Tre</u>, Dan Viet Nov 27)

Business Sector and Labour Market

Foreign Cooperation

'Train the Trainers' Training at Ninh Thuan Vocational College

The further training course for teachers on occupational safety and health (OHS) was conducted from September 22 to 28 at Ninh Thuan Vocational College (NTVC). 16 college teachers were trained by Lotus Engineering and Technology JSC and could enhance their technical and pedagogical competencies as OHS trainers in compliance to Circular 31/2018/TT-BLDTBXH. The NTVC teachers gained necessary knowledge on relevant policies, technologies, training methods and skills during the three days of online training. When on-site, they applied what they had learned through leading safety training sessions for working at heights and in confined spaces, safe handling and lifting of equipment as well as working with electricity and electrical equipment. The training also included identifying risks as well as safety and health hazards. Further topics such as transport processes, constructing and installing onshore and offshore wind power systems were covered as well. All 16 training participants had to design and present a micro-lesson to the examination council with the representative of the Occupational Safety Department of MoLISA as final assessment in order to receive an official certificate on successful course completion. "The NTVC is developing to its capacity as Vocational Training Centre for Renewable Energy in Viet Nam and we consider safety and health as the primary issue!" stated rector Mr. Nguyen Phan Anh Quoc during the certificate-awarding ceremony. He further added: "Our college strives also to become one official training centre for OHS training. That is why we will integrate safety and health topics into relevant training programs and initiate the first step in the formal approval process to receive the certificate Qualified training, Occupational Health and Safety from Department of Work Safety of MoLISA. (TVET Nov 24)

Vietnam Aims to Send 500,000 Workers Abroad in 2021-2025

Vietnam aims to send 500,000 workers abroad in 2021-2025, with 80%-90% being trained workers. To date, Vietnam takes over 100,000 workers overseas annually, and Vietnamese people now work in 40 countries and territories in over 30 majors and occupations. They send home over \$3 billion yearly. (Tap Chi Tai Chinh Nov 23)

EVFTA Forecast to Add 146,000 Jobs in Vietnam in 2022-2025: Centre

The EU-Vietnam Free Trade Agreement (EVFTA) may add some 146,000 jobs in Vietnam between 2022 and 2025, rising by 0.059% from a scenario of the pact's nonexistence, forecast a report by the Centre for Analysis and Forecasting (CAF), under the Vietnam Academy of Social Sciences. CAF Director Pham Ngoc Toan presented the report at a conference in Hanoi on





November 23, regarding the impacts of EVFTA on labour and employment in Vietnam. The additional employment will create a big impact on workers aged between 15 and 34, and some fields predicted to significantly feel the EVFTA effect could be construction, industrial sector, processing and manufacturing industries, banking, finance, and insurance. The average salary of workers engaging in import and export sectors with EVFTA countries is about 17% to 28% higher than that of other segments. Since the agreement took effect on August 2020, the average salary of workers has been 11% higher than the pre-EVFTA level, with female employees and urban and skilled workers benefiting more from the wage increase, said the report. The report, however, indicated that the EVFTA enforcement amid the prolonged COVID-19 pandemic will weaken its beneficial impacts on labour and employment and pose many challenges, such as the change of work, manpower shortage at certain localities, and imbalance of supply and demand labour. Mr. Toan, therefore, recommended evaluating the impacts of EVFTA and other free trade agreements on Vietnam's labour market annually, stepping up predictions about labour demand in line with skills and occupations, focusing on high-skilled workforce training, promoting labour training and re-training, and diversifying learning programs in line with the labour market's demand. (Thanh Nien, VnEconomy, Dan Tri, Nhan Dan Nov 23)

ILO, IFC Extend Better Work Program in Vietnam in 2023-2027

The Better Work-a joint flagship program between the International Labour Organization (ILO) and the World Bank Group-run International Finance Corporation (IFC) will be extended in Vietnam in 2023-2027. The MoLISA, Vietnam Chamber of Commerce and Industry (VCCI), Vietnam General Confederation of Labour (VGCL), ILO, and IFC signed a MoU on the extended program in Hanoi on November 22. Since its launch in Vietnam in 2009, the Better Work program aims to improve compliance with labour standards and enhance business performance and competitiveness of exporters, particularly textiles and footwear firms. So far, more than 800 businesses and nearly one million employees in Vietnam have benefited from the program, which was deployed in 29 provinces and cities through three phases. Currently, there are more than 440 enterprises and nearly 750,000 workers participating in the program. On average, Vietnam-based plants engaging in Better Work reported a 25% increase in revenues compared to those recorded before their participation in the program four years ago. In 2023-2027, the program will cover some priority issues, including social dialogue, gender equality, inclusive development, occupational health and safety, data, and information. It will promote labour standards related to climate change, productivity, and business performance. Besides Hanoi, Ho Chi Minh City, and their adjacent localities, Better Work will be expanded for implementation in other several places and sectors as well. (Bao Chinh Phu, Vietnam Plus, Dang Cong San, Kinh Te Do Thi, Lao Dong, Thanh Nien Nov 22)

Vietnam, Laos Strike Pact on Social Security Cooperation

The Vietnam Social Security (VSS) and the Laotian Ministry of Labour and Social Welfare have reached a memorandum of understanding (MoU) on social security cooperation in 2022-2025. Under the pact inked on November 22, following the 2016-2020 deal, the two sides will swap experiences in social security administrative reform, digital transformation, and the compilation





and implementation of social security policies. They will expand cooperation to other sectors in line with the capability and demand of each other. (Thanh Nien Nov 23)

Vietnam, Laos Convene Talks on Labour, Social Security, Manpower Development

Vietnam's Ministry of Labour, War Invalids, and Social Affairs (MoLISA) and Laos' Ministry of Labour and Social Welfare (MOLSW) convened a senior officials' meeting on labour, social security, and manpower development in Hanoi on November 28 on the 60th anniversary of Vietnam-Laos diplomatic relations. The five-session meeting, featuring Vietnamese Deputy Minister Nguyen Ba Hoan and Laotian Deputy Minister Padeuphone Sonthany, prepared the two sides for the Vietnam-Laos ministerial meeting on labour and social welfare on November 29. During the conference, the two sides discussed social security; labour, manpower development, and vocational training during and post-pandemic; reviewed and re-assessed contents from the 2021-2022 ministerial meeting on labour and social welfare and making future orientations; and devised plans for future cooperation between the two nations. (Dan Tri, MoLISA Nov 28)

Vietnam, Laos Outline TVET Cooperation Contents in Coming Time

Vietnam and Laos have outlined some TVET cooperation contents in the coming time. Vietnam will help Laos attend skills competition and train experts and competitors for the ASEAN skills competition. The two sides will join hands to compile sets of standards of national occupational skills and develop policies and assessment systems for the skill accreditation of workers of both sides. The two countries will continue coordination in implementing the national qualifications framework and exchange TVET teachers and students. Vietnam will receive Laotian students for TVET learning and transfer international training programs and TVET technologies to Laos. (Nhan Dan Nov 28)

Vietnamese Workers in South Korea Receive Legal Consultancy

Vietnamese labourers in Gwangju city of South Korea's South Jeolla province and its adjacent areas were given legal advice at a gathering on November 27. The event was jointly held by Vietnam Labour Management Office under the Employment Permit System (EPS) Programme and the Gwangju Foreigner Welfare Centre. As of late November 2022, a total of 6,900 Vietnamese workers have been sent to South Korea under the Memorandum of Understanding (MoU) on the EPS Programme signed by Vietnam's Ministry of Labour, Invalids and Social Affairs and South Korea's Ministry of Employment and Labour in February 2021, which is expected to expire in February 2023. Another 1,500 Vietnamese workers are expected to arrive in South Korea in December, raising the total number this year to 8,400, the highest over the past three years. The two sides agreed to tighten the management of and increase support for the workers during their stay in South Korea, especially at the time when their labour contracts are about to end. The two sides are scheduled to continue with negotiations in the last quarter of this year, and re-sign the MoU in early 2023. (Bnews Nov 28)







Ha Tinh, Japan International Friendship Association Boost Cooperation

On November 24, Vice Chairman of the People's Committee of central Ha Tinh province hosted a delegation from the Japan International Friendship Association (JIFA) led by its Chairwoman Setsuko Ikeda to discuss cooperation in education and labour export. (Bao Ha Tinh Nov 24)

Ha Giang Province, South Korea's Beoun County Cooperate In Labour Export

The People's Committee of northern Ha Giang province and authorities of Boeun county in South Korea's Chungcheongbuk province on November 24 signed a memorandum of understanding (MoU) on the supply of seasonal labourers. The signing of the MoU will be an opportunity to solve the shortage of human resources in South Korea and help workers from Ha Giang province improve their incomes, accumulate knowledge, experience and professional skills, contributing to improving the quality of human resources and ensuring social security in the locality. (Vietnam Plus, Vnanet Nov 24)

Vietnam HCMC Debuts Occupational Safety Project with \$3M ODA from S.Korea

The Science of Occupational Safety and Health Institute (Soshi) in Vietnam's Ho Chi Minh City has inaugurated a project with \$3 million in official development assistance (ODA) provided by South Korea. The project aims to offer personnel training and equipment to Soshi to improve its capability of occupational safety and health training. Addressing the inauguration ceremony on November 24, Deputy Minister of Labour, War Invalids and Social Affairs Le Van Thanh expected the Korea Occupational Safety & Health Agency and South Korean government to continue to support Vietnam in scaling up the projects in other localities. (Bao Dan Sinh, MoLISA, SGGP Nov 24)

Samsung Vietnam Holds 3rd Hiring Drive This Year for R&D Centre in Hanoi

Samsung Vietnam has organized its third recruitment drive, also known as the Global Samsung Aptitude Test (GSAT), this year to prepare for the official operation of its \$220 million Research and Development (R&D) Centre, which is expected to come on stream in late 2022. The hiring, following the tests held in March and June, reportedly prepares staff for the R&D activities of IT services provider Samsung SDS. Candidates who pass the GSAT round will move forward to the interview round scheduled on December 10. (Hanoi Moi, Hai Quan Online, Dau Tu Nov 23)

Dong Thap Sends Nearly 1,800 Labourers Overseas in 2022

Southern Dong Thap province is estimated to have sent nearly 1,800 labourers abroad this year and they send home VND1.5 trillion per year. In 2022, Japan is the biggest recipient of Dong Thap's labourers with 1,679 labourers, followed by South Korea with 87, Taiwan with nine, and others with four. Next year, the province aims to send at least 1,500 labourers overseas. (PLO Nov 25, Dan Sinh Nov 28)







Schools of Vietnam, New Zealand Sign Cooperation Deals

Some schools of Vietnam and New Zealand inked cooperation agreements in the last two months. On November 29-30, New Zealand-based Skills Consulting Group (Skills) sealed a Memorandum Of Understanding (MoU) with the Hanoi Vocational College of High Technology (HHT) and the Foreign Service Center (FSC) to develop vocational training programs. In early November, IGC Group sealed a MoU with the Education of New Zealand (ENZ) on sharing educational initiatives and developing the capabilities of teachers and students. ENZ also concluded another MoU with Ton Duc Thang University for cooperation in teaching and research and student exchange. (Thanh Nien Nov 22)

Domestic News

Vietnam Seeks to Improve Labour Productivity towards Sustainable Growth

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Vietnam Licenses 137,800 New Firms in Jan-Nov, up 30.4% v/y: GSO

Vietnam is estimated to have licensed 137,800 new firms in January-November, up 30.4% y/y, with their total registered capital of VND1,483 trillion (\$61.79 billion), up 2% y/y, the government-run General Statistics Office (GSO) said in its monthly report released on November 29. The average registered capital of a new firm in the first eleven months of this year fell by 21.8% y/y to VND10.8 billion, the office said, noting that the new firms used 909,000 labourers during the period, up 15.9% y/y. (GSO Nov 29)







1,230 Businesses in Vietnam Cut Staff as Orders Decline

Some 1,230 enterprises, including 590 foreign-invested enterprises, in 44 Vietnamese cities/provinces have scaled down their headcounts due to a sharp decline in orders, the Vietnam General Confederation of Labour (VGCL) reported on November 28. The sectors hit hardest are textiles (226 firms), footwear (109 companies), wood processing (196 businesses), electronics (62 corporations), mechanical engineering (31 firms), and others (612 enterprises). Of 472,210 affected workers, 41,558 were furloughed, and 430,665 got hours cut or were on leave of absence without pay. The unpaid wages of 6,946 employees of 30 businesses are VND110.2 billion (\$4.59 million), and the unpaid amount of social insurance for 32,315 employees of 121 firms is VND237.9 billion. (Lao Dong Nov 28)

10,000 People to Join TVET-Labour Market Connection Conference in Hanoi on Dec 11

Over 10,000 people will join a conference to connect TVET activities and labour market in Hanoi on December 11, according to the municipal DoLISA. (Dan Sinh Nov 22)

Over 3,000 Youngsters, Students in Hanoi Seek Jobs, TVET Chances at Career Fair on Nov 27

Over 3,000 youngsters and students gathered at a career fair in Hanoi on November 27 to seek chances. The event, hosted by the Ho Chi Minh Youth Central Committee and the MoLISA's TVET, attracted 25 TVET institutes and firms. (Tuoi Tre Nov 27)

Hanoi's Trained Labour Rate May Hit 72.2% by Year-end

The trained labour rate of Hanoi capital city is estimated at 72.2% by the end of this year, including 51.2% equipped with certifications, according to the municipal DoLISA. In the year to November, local TVET institutes recruited 245,316 learners, meeting 109.3% of the year's target and up 27.9% y/y. The figure included 33,682 at the college level, 27,828 in the intermediate level, and 183,06 at elementary and short-term levels. (Giao Duc Nov 28, Hanoi Moi Nov 26)

Bac Ninh Promotes Skill Development for Electronics Workers

Bac Ninh province, home to over 1,770 firms from 39 countries and territories, including global tech giants such as Samsung, Canon, Sumitomo, and Foxconn, determines manpower development as a key to its electronics industry. In 2022, the province have recruited 60,000 students for vocational training, including 3,800 of college level, 4,500 of intermediate level, and 51,700 of under-three-month level. The rate of workers getting trained reached 77%, up one percentage point y/y. (Bao Bac Ninh Nov 28)

Quang Nam Aims to Enrol 24K TVET Learners/Year in 2022-2025







Central Quang Nam province has set a target to enrol 24,000 TVET learners annually in the 2022-2025 period, comprising 4,000 at the intermediate level and 20,000 at elementary and short-term training levels. (Bao Quang Nam Nov 25)

Kien Giang to Spend VND22.8B on TVET for 12K Rural Labourers in 2022-2025

Southern Kien Giang province will spend VND22.8 billion on providing TVET for 12,000 labourers in rural areas in the 2022-2025 period, mostly for those of poor and near-poor households and low-incomes labourers. The province aims to raise its trained labour rate to over 55% and hike rural labourers' incomes by at least 1.5 times compared to 2020. (Dan Tri, Bao Can Tho Nov 25)

Dong Thap's Institutions Recruits 1,542 Students of College Level in 2021-2022

Schools and units across Dong Thap province recruited 1,542 students of college level and 2,524 others of intermediate level in the academic year of 2021-2022, DoLISA said. The province now has 20 TVET institutions, including two colleges and three intermediate schools. (<u>Dan Tri</u> Nov 28)

Deputy Minister Makes Proposals for Labour Market Development in Southeast Region

Deputy Minister of Labour, War Invalids and Social Affairs Le Tan Dung has proffered some proposals for the labour market development in the southeast region. He recommended investing in and enhancing the capability of employment service centres; accomplishing the system of labour market information; and improving the prediction capability of the labour market. He suggested developing job exchange patterns on digital platforms, ensuring sustainable employment; investing in employment plans, and diversifying credit sources for new job creation. The southeast region is home to over with over 10.487 million workers. In 2021, 59.1% of its workforce were hit by COVID-19. (Dau Tu Nov 26)