KEY FINDINGS

Viet Nam
Vocational Education and Training Report
2015
National Institute for Vocational Training
14th floor, Office Building of the Ministry of Labour - Invalids and Social Affairs
Alley No. 7, Ton That Thuyet Street, Cau Giay District
Hanoi, Viet Nam
Tel: +84 4 39745020
Fax: +84 4 39745020
Email: vienkhdn@gmail.com
Website: http://nivt.org.vn

Authors: Dr Vu Xuan Hung (Editor), Dr Nguyen Quang Viet, Pham Xuan Thu (MA), Assoc. Prof. Dr Mac Van Tien, Nguyen Quyet Tien (MA), Dr Nguyen Duc Ho, Nguyen Quang Hung (MA), Bui Thanh Nhan (MA), Dang Thi Huyen (MA), Le Thi Thao (MA), Dinh Thi Phuong Thao (MA), Le Thi Lien (MA), Phung Le Khanh (MA), Nguyen Huy Son (BA) and other collaborators at NIVT

Design and Layout: Nguyen Minh Cong, GIZ

Photo: Programme Reform of TVET in Viet Nam

Translator: Nguyen Hong Nhung, MA

Place and date of publication: Hanoi, 2017

In cooperation with:
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH - Programme Reform of TVET in Viet Nam
Federal Institute for Vocational Education and Training (BIBB), Germany

Disclaimer: The information in this report has been carefully researched and diligently compiled by the National Institute of Vocational Training (NIVT) with technical cooperation of GIZ and BIBB. Nevertheless, GIZ and BIBB do not accept any liability or give any guarantee for the validity, accuracy and completeness of the information provided. GIZ and BIBB assume no legal liabilities for damages, material or immaterial in kind, caused by the use or non-use of provided information or the use of incomplete information.
KEY FINDINGS
Viet Nam
Vocational Education and Training Report
2015
Human resources and high quality labour are one of the top priorities of any government. Human resources are considered the most important intangible asset that determines the growth and competitiveness of a nation. Being aware of this importance, Viet Nam’s Party and Government have identified elements in human resource development, especially high-quality labour, as one of three strategic breakthrough solutions. The Resolution of the 7th National Congress of the Party focuses on the development of high-quality labour resources for the period of 2016 to 2020.

Viet Nam witnessed many significant changes in 2015. It was the final year Viet Nam implemented its socio-economic development plan for the period of 2011 to 2015 and prepared for a new development period from 2016 to 2020. It was also the year that marks the establishment of the ASEAN community, paving the way for better integration and collaboration among member countries. Furthermore, in 2015, Viet Nam started implementing the Law on Vocational Education and Training despite facing many challenges and difficulties.

With the approval of the leadership of the General Directorate of Vocational Training (GDVT), the National Institute for Vocational Training (NIVT) has conducted the Viet Nam Vocational Education and Training Report 2015. It is the fourth report that provides information for policy makers, managers, researchers, technical vocational education and training (TVET) institute officers, enterprise managers, students, and labourers as well as officers of international organisations who are interested in following vocational education and training activities in Viet Nam.

Focal topic of the Viet Nam Vocational Education and Training Report 2015 is the development of high-quality TVET institutes. While the report reflects multi-dimensional issues of vocational education and training activities, it focuses on the development of high-quality TVET institutes in the system. Besides the foreword and key findings, the report consists of the following chapters:

1. Overview of vocational and education training policies
2. Network of TVET institutes, admission and graduation
3. TVET teachers and management staff
4. National occupational skills standards, assessment and certification of national occupational skills standards
5. Accreditation and assurance of vocational education and training quality
6. Financing vocational education and training
7. Cooperation with enterprises
8. Vocational education and training-related labour market
Due to time and resource constraints, the Viet Nam Vocational Education and Training Report 2015 was conducted based on the analysis of data provided by the authorities, namely the General Statistics Office of Viet Nam (GSO), the Ministry of Labour, Invalids and Social Affairs (MoLISA), GDVT and the Ministry of Education and Training (MoET). It includes data based on research surveys conducted by the National Institute for Vocational Training (NIVT) and the Vietnamese-German “Programme Reform of TVET in Viet Nam”, implemented in cooperation with GDVT by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

In 2015, the task of state management of vocational training and professional education was still divided between two ministries: MoLISA being responsible for strategies and their implementation, managing TVET institutes and overseeing the policies concerning vocational training at elementary level; and MoET being responsible for managing professional secondary schools and colleges. In 2015, the report, for the first time, includes both: the vocational training system under the responsibility of MoLISA and the professional education system under the responsibility of MoET. Thus, this report is called Vocational Education and Training Report in compliance with definitions in the Law on Vocational Education and Training. However, data included mainly refers to the vocational training system. Some data on vocational training at intermediate and diploma levels were used but not fully analysed. Moreover, due to the restructuring process of the Vietnamese vocational training system, the report might contain technical terms such as vocational training, vocational education and training, technical and vocational education and training, TVET institutes, vocational training institutes etc., which are to be defined clearly in the near future.

The Viet Nam Vocational Education and Training Report 2015 was conducted within the framework of the trilateral cooperation agreement between NIVT, GIZ “Programme Reform of TVET in Viet Nam” and the Federal Institute for Vocational and Training (BIBB) of Germany. Experts and technical staff from these organisations contributed greatly to the report in terms of ideas, technical advice and contents, translation, layout as well as support for publication. Aside from that, representatives of different Departments and Units of GDVT participated in the development process of the report. A number of workshops, scientific discussions and coaching sessions were held to support this report during the development phase.

As in the previous reports, remarks and assessments made are scientific and objective. They do not necessarily reflect the official viewpoints of the state management agencies or any cooperating party.

It is certain that there are inevitable shortcomings in the Viet Nam Vocational Education and Training Report 2015 due to limited capacities and resources. The Editor’s Board hopes to receive readers’ feedbacks and comments. All feedback from the readers will help improve the relevance and quality of the next report. Please send your feedback to the National Institute for Vocational Training at Floor 14, Headquarter Office of the MoLISA, Alley No.
7, Ton That Thuyet street, Cau Giay district, Hanoi, email: vienkhdn@gmail.com.

The final Vietnamese and English versions will be published on the webpages of the NIVT (http://www.nivt.org.vn) and of the Vietnamese-German “Programme Reform of TVET in Viet Nam” (http://www.tvet-vietnam.org).

The Editors’ Board
ACKNOWLEDGEMENTS

After the success of the Viet Nam Vocational Training Report 2013-2014 and with permission of the leaders of GDVT, NIVT has conducted the Viet Nam Vocational Education and Training Report 2015.

The report was conducted by a group of authors, including: Dr Vu Xuan Hung (Editor), Dr Nguyen Quang Viet, Pham Xuan Thu (MA), Assoc. Prof. Dr Mac Van Tien, Nguyen Quyet Tien (MA), Dr Nguyen Duc Ho, Nguyen Quang Hung (MA), Bui Thanh Nhan (MA), Dang Thi Huyen (MA), Le Thi Thao (MA), Dinh Thi Phuong Thao (MA), Le Thi Lien (MA), Phung Le Khanh (MA), Nguyen Huy Son (BA) and other collaborators at NIVT.

On the occasion of publishing this report, the NIVT thanks Dr Nguyen Hong Minh, Director General of GDVT, and Dr Truong Anh Dung, Deputy General Director of GDVT, for their support of the report. NIVT also thanks the board of leaders and related officers from other offices under the management of GDVT and MoLISA who helped our institute to complete the report.

We also express our deep gratitude to Dr Horst Sommer, Director of the Vietnamese-German “Programme Reform of TVET in Viet Nam”. We would like to thank Ms Britta van Erckelens, Deputy Director and Senior Technical Advisor, as well as Mr Nguyen Dang Tuan, Senior Programme Officer, for their technical contributions and support in the development of the report. Furthermore, we thank Ms Pham Ngoc Anh, Ms Nguyen Thi Bich Ngoc, Ms Pham Viet Ha, Ms Hoang Bich Ha, Mr Nguyen Minh Cong and other staff of the Vietnamese-German “Programme Reform of TVET in Viet Nam” for their fruitful contributions during the compilation process, writing and editing, designing, printing, and publishing of the report. We especially thank the experts of BIBB, Mr. Michael Schwarz, Deputy Head of the Division “International Cooperation and Advisory Services”, and Dr Sandra Liebscher, Head of “Research Coordination”, for their constant and effective support. I personally would like to take this occasion to thank the President of BIBB, Prof. Dr Friedrich Hubert Esser, for his assistance concerning the development of NIVT in general and the quality of the Viet Nam Vocational Education and Training Report in particular. We hope to continue this fruitful cooperation with BIBB in the future.

We would like to convey our gratefulness to all those who contributed to the previous reports and to this one. Your remarks and comments have enabled us to accomplish this report.

Finally, we would like to sincerely thank all staff members and researchers of NIVT who have surmounted all the challenges for the completion of this report.

Sincerely,

DIRECTOR OF NIVT

Dr Vu Xuan Hung
KEY FINDINGS

1. Overview of vocational education and training policies

The year 2015 was a milestone in the implementation of the Vocational Training Development Strategy for the period of 2011 – 2020. After five years of implementation, Viet Nam achieved important results:

- A new Law on Vocational Education and Training came into effect in 2015;
- The network of TVET institutes has been developed broadly across the country with a diverse ownership types, offering different learning opportunities for people;
- The overall enrolment in TVET increased and met the demands of the workforce for the socio-economic development, fostering the anticipated shift in the economic as well as the labour structure;
- Quality assurance conditions for TVET were improved.

TVET had a positive impact by connecting better labour supply and the demands of the labour market. By raising the occupational skills of TVET graduates, about 70 per cent of graduates could find jobs or create their own business after graduation (this rate was as high as 90 per cent for some occupations). The assessment of the Vocational Training Development Strategy period 2011-2020 serves as basis and reference for the implementation of its next phase, aiming at standardisation and institutionalisation. The orientation of the strategy period 2016-2020 will focus on key occupations of ASEAN regional and international levels, facilitating breakthroughs in the quality of TVET.

The Law on Vocational Education and Training, approved on 27/11/2014 at the 13th National Assembly, came into effect on 01/07/2015. Thereby, a restructuring process of Viet Nam’s national education system was initiated, eventually leading to a comprehensive change in the vocational education and training system. The new vocational education and training system is expected to comprise vocational education and training centres (the merger of centres for general technical education – career guidance and vocational training centres at the district level), vocational education and training secondary schools (no more professional secondary schools and vocational secondary schools) and colleges (no more colleges under the higher education scheme and vocational colleges). To ensure the immediate applicability of the Law, from the beginning of 2015, the government, MoLISA and related authorities promulgated a number of decrees, circulars and decisions, guiding and regulating the reform of the vocational education and training system.

The Government’s Decree No. 48/2015/ND-CP, dated 15/05/2015, details a number of articles of the Law on Vocational Education and Training such as the scope of authority and responsibilities of the state management agency, international cooperation in TVET.
as well as rights and responsibilities of enterprises concerning vocational education and training. The Government’s Decree No. 79/2015/ND-CP, dated 14/9/2015, regulates penalties of administrative infringements related to the fields of vocational education and training; the Government’s Decree No. 113/2015/ND-CP, dated 09/10/2015, regulates special allowances and incentives for additional responsibilities or hardships for teachers/trainers of public TVET institutes. Decision No. 46/2015/QD-TTg, dated 28/09/2015, regulates supportive policies on vocational education and training of fewer than three months and at elementary level. Decision No. 53/2015/QD-TTg, dated 20/10/2015, regulates boarding policies for school and college students. The Government’s Decree No. 16/2015/ND-CP, dated 14/02/2015, regulates the autonomy mechanism of public non-productive agencies and therefore public TVET institutes.

Decree No. 16/2015/ND-CP is considered as important turning point in the implementation of the autonomy policy, because it creates favourable conditions for the development of TVET institutes. The major content of the Decree No. 16/2015/ND-CP facilitates the market-based calculation of training costs, creation of a supportive framework for public TVET institutes to exercise full autonomy by calculating input and output expenses, reinvestments, and ensures benefits for employees. In addition, the Decree No. 16/2015/ND-CP requires TVET institutes to reform and reorganize their organisational structure and operation in order to be competitive with non-public TVET institutes. The Decree resolves the limitations of the previous document - Decree 43/2006/ND-CP - on the same subject of autonomous and self-responsible operations, by allowing room for more autonomy as well as self-accountability. It encourages TVET institutes to conduct activities and services with efficiency on a larger scale and diversity in order to better meet social demands on TVET. Decree No. 16/2015/ND-CP lies out a timeline and steps for defining training costs, i.e. to sufficiently cover salary costs and regular expenses by 2016; salary costs, regular expenses and management expenses by 2018; salary costs, regular expenses, management expenses and depreciation of fixed assets by 2020. Nonetheless, the content of Decree No. 16 is still theoretical and general. In order to ensure its implementability, a decree regulating the autonomy mechanism, particularly concerning the vocational education and training sector, is required.

With Decision No. 761/QD-TTg, dated 23/05/2014, the Prime Minister approved the project on “Development of Vocational Education and Training Institutions of High Quality to 2020”. The Decision contains a list of 45 TVET institutes selected for priority investment to become high-quality TVET institutes by 2020. In 2015, GDVT conducted a survey to determine the status quo of these 45 TVET institutes in respect to the criteria of high quality TVET institutes laid out in the Decision No. 761. The aim of this survey was to generate recommendations and solutions that enable TVET institutes to achieve the defined status of TVET institutes of high quality. One of the findings is that policies and mechanisms promoting socialisation as the framework for TVET institutes and other stakeholders to cooperate in the development and delivery of demand-driven TVET offers have to be promulgated. The selected TVET institutes are supposed to eventually apply the autonomy mechanism concerning finance, financial and asset management. Enterprises
are encouraged to directly and jointly conduct training together with the TVET institutes for a number of key occupations that are related to the enterprises’ fields of production or services. The government commits to spend state budget on contracting the high quality TVET institutes to conduct vocational training activities.

Decree No. 86/2015/ND-CP dated 02/10/2015 regulates mechanisms of collecting and managing tuition fees that are applicable for public TVET institutes of the national education system and policies on tuition exemption and reduction for the school years 2015-2016 to 2020-2021. The particular novelty in Decree No. 86 is that it sets a high ceiling on tuition fees but at the same time regulates fee exemptions and reductions. Since the Decree No. 86 came into effect on 01/12/2015, it has strongly impacted the education system. It has great implications on streamlining students to TVET and on the autonomy of TVET institutes’ operations. However, students and learners of poor and near poor households, students with disabilities and ethnic minority students are not necessarily affected by this new policy. These groups of people are eligible for tuition exemptions or reductions due to other policies concerning disadvantaged groups. Due to these policies, tuition fees for students with ethnic minority background of households in the economically disadvantaged areas are reduced by 70 per cent. Tuition for ethnic minority students of near poor households is reduced by 50 per cent. Therefore, ethnic minority students have appreciable exemptions of tuition fees already. Decree No. 86/2015/ND-CP contributes significantly to the reform of the education system. However, with regard to the vocational education and training system, there is a need to further support policies concerning activities that develop both, initial and advanced skills of labourers.

In 2015, besides the above-mentioned policies, many circulars and guidelines concerning the overall implementation and management of vocational education and training activities at the elementary level were promulgated. These included registration, the issuance and revocation of registration certificates and the suspension of vocational education and training activities at the elementary level (Circular 25/2015/TT-BLDTBXH dated 13/7/2015). Furthermore, they included regulations on the standards of professional qualifications and tasks, benefits for vocational trainers and teachers at elementary level (Circular No. 40/2015/TT-BLDTBXH, dated 20/10/2015), the application of in-service training for standardisation and improvement of competences of vocational teachers and trainers at elementary level (Circular No. 41/2015/TT-BLDTBXH, dated 20/10/2015), organisation of trainings at elementary level (Circular No. 42/2015/TT-BLDTBXH, dated 20/10/2015) and continuing vocational training (Circular 43/2015/TT-BLDTBXH, dated 20/10/2015). Other inter-ministerial circulars guiding assessment of learning results for national defence and security education etc., were issued. Therefore, it can be concluded, that legal documents on implementing the Law on Vocational Education and Training provide a convenient framework for organisations, authorities, and individuals concerned with organising vocational education and training activities on the elementary level.

However, in 2015, the fact that two state management organisations (MoLISA and MoET) were tasked with managing vocational education and training caused difficulties in issuing the guiding documents on the implementation of the Law. Many necessary
guiding documents for the intermediate and college levels have not been issued, leading to the situation that although the Law on Vocational Education and Training had already come into effect, the management and organisation of the vocational education and training activities were still being implemented under the Education Law and the Vocational Training Law (2006). Besides, it should be a priority to develop a policy and legal framework encouraging enterprises to directly deliver training in cooperation with TVET institutes, especially for a number of key occupations related to the enterprises’ fields of production and services.

2. Network of TVET institutes, admission and graduation

The Law on Vocational Education and Training anticipates a big change in the institutional set-up of the TVET network. It stipulates that colleges under higher education, vocational colleges, vocational secondary schools, professional secondary schools, centres for general technical education – career guidance (CFGTECG) and vocational training centres (VTC) are to be practically merged. However, due to the lack of guiding documents for the TVET intermediate and diploma levels, in 2015, the network of TVET institutes still followed regulations established under the Education Law, the Law on Higher Education, and the Law on Vocational Training 2006. Therefore, within the network of TVET institutes, professional secondary schools and colleges did not change much and the network was not re-planned in 2015.

Implementing the government’s Resolution No. 64/NQ-CP dated 04/9/2014 on merging public centres at district level into one unit, on 19/10/2015, MoLISA, MoET and the Ministry of Home Affairs (MoHA) have issued the Joint Circular No. 96/2015/TTLT-BLDBXH-BGDDT-BNV to provide a guideline on the merger of these centres. Until the end of 2015, 169 districts of 30 provinces and cities have implemented mergers of the three types of centres [CFGTECG, VTC and continuing education centres (CEC)] into vocational education and training centres; 160 districts of 24 provinces and cities have implemented the merger of VTC with CEC or VTC with CFGTECG (merger of the two centres) and placed them under the direct management of the Districts’ People’s Committees.

While preparing a comprehensive master plan for the network of TVET institutes, MoLISA issued Document No. 3484/LDBXH-TCDN, dated 31/08/2015. The document requests the ministries, socio-political organisations and People’s Committees at the level of provinces and cities to direct and assess the TVET institutes under their management in order to restructure the network according to the anticipated mergers.

The merger of TVET institutes will foster a consolidated network, but also create a challenge for the vocational education and training system, especially since the state budget for public TVET institutes is being reduced. This underlines the need to have a master plan for the network with the aim to enhance the quality and efficiency of the TVET institutes.
In this context, 45 TVET institutes under Decision No. 761/QD-TTg were selected for special investment to become high quality TVET institutes and the Decree No. 16/2015/ND-CP on autonomy was promulgated. In 2015, some TVET institutes developed and registered the application for participating in the “Project on piloting the reform of operational mechanism in the period 2016 – 2019” with the aim to further develop and become high-quality TVET institutes with autonomous and self-responsible operations. Accordingly, Ho Chi Minh Vocational College of Technology (HVCT), Quy Nhon Vocational College and LILAMA2 Technical and Technology College were chosen to pilot autonomous operations as of 2016.

The number of admissions to vocational education and training in general increased in 2015 compared to 2014, 2013, and 2012. However, there was a big difference in the number of admissions in respect to regions and levels of vocational training in the country. The Eastern South and Red River Delta Region are the regions with the largest number of admissions in the country. These two economic regions have the largest number of TVET institutes. The Western Highland region has the smallest amount of TVET institutes and number of admissions.

Although the number of vocational colleges and professional secondary schools in 2015 increased as compared to 2014, the number of admissions is lower than that in 2014.

The elementary vocational training level attracted the most admissions. In 2015, about 900,000 rural workers were trained in the vocational education sector nationwide. Among them, about 550,000 rural workers benefited from state support according to the policy under the 1956 Scheme (equivalent to 100 per cent of annual plan). The percentage of rural workers finding jobs after completing vocational training programmes is 78 per cent.

3. TVET teachers and management staff

Along with the development of the network of TVET institutes, the training scope and structure as well as the training level of TVET teachers has improved. In 2015, 100 per cent of the teachers have met the officially required qualification background. However, in comparison to the objective of the Vocational Training Development Strategy period 2011 - 2020, the TVET teachers did not meet the standard in terms of quantity and quality, especially concerning occupational, foreign language, and computer skills. For that reason, it is necessary to promote training activities to improve the quality of TVET teaching staff.

Even at the selected 45 institutes to be developed into high-quality TVET institutes, there are still teachers who do not meet these standards concerning occupational, foreign language and computer skills.

1 Preliminary report on 6-year implementation of the Project 1956 – GDVT.
In general, TVET management staff has high qualifications, but their foreign language skills and ability of applying information technology in management activities is still limited. Most TVET management staff do not have certificates for management skills.

The training activities for TVET teachers and management staff mainly focus on technical skills and operations while training programmes of foreign languages and computer skills did not attract special attention and promotion. Besides, demands for training activities of TVET teachers were not surveyed thoroughly.

4. National occupational skills standards, assessment and certification of national occupational skills standards

By the end of 2015, 195 sets of national occupational skills standards were developed, among them 189 sets of test questions and practical skills tests for assessment of national occupational skills for 83 occupations. They were used for the practical assessment of 62 occupations. 36 centres for national occupational skills assessment were established and licensed. In total, 1,785 assessors were trained and 120 of them were certified.

Over the same period, 8,407 workers took part in national occupational skills assessment (recognition of prior learning) and 4,179 people passed the assessment, accounting for about 49.7 per cent. Four occupations are assessed according to Japanese standards, including milling, turning, mechanical testing and information network cable installation.

However, in addition to these achievements, as compared to the targets of the Vocational Training Development Strategy, some tasks and targets have not been achieved. Specifically, the number of issued national occupational skills standards is much lower than the targeted number. The number of people taking part in occupational skills assessment is still small and there is no skill assessment centre for vocational training teachers.

The reasons for not achieving the targets for national occupational skills standard development, assessment and certification are identified as the following: The development progress of national occupational skills standards depends on the responsible line ministries; the legal documents guiding the process had not been completed; assessment and certification of occupational skills were still in the initial stage and could not be scaled up; the development of test question databases was not promoted; the number of employees and employers who voluntarily participated in the assessment and certification of national occupational skills was still small; the facilities, equipment and tools at assessment centres and the number of management staff for occupational skills assessment did not meet the requirements for large scale assessment; enterprises and employees were not sufficiently aware of the values and importance of occupational skills assessment in the provision of technical human resources to serve sustainable socio-economic development.

By now, it is necessary to review and revise the existing national occupational skills standards, concerning their relevance to the practical requirements of the labour market.
Furthermore, their comparability to regional and international occupational skills standards for better regional and international integration in terms of mutual recognition of occupational skill certifications has to be evaluated.

5. Accreditation and assurance of vocational education and training quality

For the year 2015 there are following key findings concerning accreditation and assurance of vocational education and training quality:

- The number of TVET institutes that conducted self-accreditation of vocational education and training quality in 2015 increased as compared to previous years by 343 TVET institutes. However, there were still 1,123 TVET institutes which did not conduct self-accreditation as per regulation of GDVT.

- In 2015, 23 TVET institutes were accredited by GDVT on different quality levels. The overall number of accredited TVET institutes was less than in previous years while none of the vocational training centres was accredited. Result of the accreditation: 22 TVET institutes were recognised at Level 3, one TVET institute reached Level 2.

- 42 out of the 45 vocational colleges selected to become high quality TVET institutes participated in the quality accreditation of TVET institutes; 25 institutes took part in the pilot accreditation of training programmes.

- GDVT conducted training and certified 139 TVET managers at central and provincial levels, teachers and managers of vocational colleges, vocational secondary schools and from other agencies. They completed training courses for accreditors for TVET institutes’ accreditation.

- A quality management system was piloted at six vocational colleges which were selected to receive investment to become high-quality TVET institutes; cooperation programmes between GDVT and the British Council as well as the GIZ “Programme Reform of TVET in Viet Nam” concerning TVET quality assurance were implemented. First positive results comprise the initial development and piloting of a quality management system framework, documents and guiding procedures for system development and the implementation of tools for quality assurance at vocational colleges\(^2\). These results contributed to the development of a quality management system in vocational education and training in Viet Nam.

In general, although the number of TVET institutes that conducted self-accreditation in 2015 was higher than in previous years, there were many TVET institutes, which did

\(^2\) Report on Status quo and orientation for development of quality assurance system for TVET institutes in Viet Nam – VVTAA.
not implement self-accreditation as required. The number of TVET institutes, which were externally accredited, was small. There was still a lack of accreditors for vocational education and training quality, independent vocational education and training quality accreditation centres were not established. Furthermore, in most of the TVET institutes, the internal quality management and assurance system was not established. Some contents of quality accreditation standards and criteria were considered as not appropriate in the practical context. In 2015, no external accreditation was conducted for colleges and professional secondary schools under the management of MoET.

6. Financing vocational education and training

In 2015, vocational training funds were allocated to three main operating categories, consisting of recurrent expenditures, national target programmes and capital construction investment. During the period of 2010 – 2014, the state budget allocated to vocational training was 55,575 billion VND, equivalent to 2.54 billion USD\(^3\), out of which the funding for recurrent expenditures accounted for 37.4 per cent, funding for capital construction investment accounted for 40.81 per cent, and the rest, amounting to 21.79 per cent was allocated for the national target programmes.

The comparison of the budget structure of vocational training in the period of 2010-2014 shows a declining trend in the funding for the national target programmes, while the funding for recurrent expenditures of vocational training remained unchanged, and the funding for capital construction investment increased relatively rapidly. This budget structure reflects that funding focused on an intensive investment in infrastructure of the newly upgraded and established TVET institutes. Funding for the national target programmes serves as an important financial source to enhance and develop the quality assurance aspects of vocational training (such as training equipment, training curricula, teachers, quality accreditation and assessment). Therefore, the observed considerable fund reductions for the national target programmes in the total budget structure for vocational training, in the long term, will create a negative effect on the improvement of quality.

The year of 2015 was considered an important milestone in the progress review and assessment of the National Target Programme on Employment and Vocational Training for the period 2011 – 2015.

The Project for the Reform and Development of Vocational Training implemented from 2011 to 2015, with an approved budget of 20,236 billion VND, equivalent to 924.02 million USD (including 10,336 billion VND to be funded from the national state budget, 3,445 billion VND from the local state budget, 4,552 billion VND from ODA funds, and 1,903 billion VND from other mobilised sources). The actually received fund consisted

---

\(^3\) The amounts translated from VND into USD in this report are converted at the exchange rate of 1 USD = 21,900VND (Average exchange rate applicable on the last day of the months in 2015 published by Vietcombank on website: https://www.vietcombank.com.vn/exchangerates/default.aspx).
of 6,568 billion VND (299.91 million USD) from the national state budget, equivalent to 63.5 per cent of the planned funding, 400 billion VND (18.26 million USD) from the local state budget, equivalent to 11.6 per cent of the plan, and 1,203 billion VND (54.93 million USD) from ODA funds, equivalent to 28.3 per cent of the plan. As seen, the overall funding allocated for the Reform and Development of Vocational Training period of 2011-2015 was low, consisting of only 40.8 per cent of the approved funding plan. Besides, the funding structure shows a considerable difference in the proportions of funding from the national state budget, local state budget and ODA sources. Funding from the local state budget source accounted for only 5 per cent of the total received funds against the 17 per cent planned for the whole period. Funding from other mobilized sources was 0 per cent while it was planned to be 9 per cent.

The total project budget allocation for the Project for Vocational Training for Rural Workers (2010 - 2015), was over 8,170 billion VND (373.08 million USD), equivalent to 70 per cent of the funding plan for the period of 2010-2015. This figure is also equivalent to 31.5 per cent of the planned budget for overall 11 years (2010 – 2020) of project implementation, of which: 5,870 billion VND was funded from the national state budget, equivalent to 71.9 per cent of the total project budget. The remaining 28.1 per cent came from the local state budget and financial resources from other programmes and projects.

The above analysis shows certain limitations in vocational training funding, in particular:

- Funds allocation for the project implementation, especially funding from the local budget and other sources, was much lower than the approved plan. This has created difficulties in the project implementation, because a lot of activities could not be completed or their expected targets could not be achieved.

- The fact that the National Target Programme on Employment and Vocational Training (2011 - 2015) has been approved for a period of five years, while the programme implementation is designed on an annual basis, has prevented the project implementation units from taking proactive measures to prioritise tasks in cases of budget limitations.

- The current management mechanism neither connects the funding plan with the expected outcomes of the programmes nor indicates a clear linkage between the allocated funds and the targeted programme quality, objectives and impacts.

- MoLISA is the state managing agency in charge of vocational training. However, the current budgeting mechanism makes it impossible for MoLISA to obtain specific information and report on financing of vocational training, especially due to additional programme and project funding from local sources. Furthermore, the state budget category of Vocational Training (Category 498) is included in one category of Education and Training (Category 490) in the existing “Index of State Budget Items”, which makes it difficult to account for and manage the financial aspects of vocational training, as well as to prepare and publish financial
7. Cooperation with enterprises

The enterprise survey conducted by 26 TVET institutes within the frame of the Vietnamese-German “Programme Reform of TVET in Viet Nam” in 2015 showed that the participating 280 enterprises require high and very high performance of employees. However, the current competencies of college graduates (including theoretical knowledge, practical skills and work attitude) is considered lower than required by the enterprises. TVET institutes should implement regular enterprise feedback surveys to obtain information about enterprises’ employment demands and their requirements concerning employees’ competences in order to improve the training programmes and training quality. Priorities for improvement should be given to those competencies for which there is the biggest gap between the enterprises’ requirements and the graduates’ actual competencies.

Cooperation between TVET institutes and enterprises should be regarded as a breakthrough in improving vocational training quality to meet the requirements of the labour market. Three pilot models of cooperative training within the frame of the Vietnamese-German “Programme Reform of TVET in Viet Nam” were in the implementation phase in 2015. These include (i) the “Vietnamese-German Vocational Training Centre - Hai Phong Vocational Polytechnic College” in metal cutting/CNC occupation; (ii) the “Cooperative Training Programme for Mechatronic Technicians of University of Technology Education (UTE) Hung Yen” in cooperation with two German companies, Messer and B. Braun; and (iii) “TVET for Skilled Workers in the Wastewater Sector” of HVCT. Initial assessment indicates that these three cooperative training models have brought benefits to all cooperating parties, namely TVET institutes, enterprises, associations and the state authorities. Last but not least, the students have higher chances to get access to the real world of work in enterprises; their occupational skills are improved and therefore they can be offered better employment.

The experience of cooperative training shows that joint development of occupational standards by TVET institutes, the business sector (enterprises, chambers, and sector associations) and state authorities will help to take into account the needs of the business sector. Training of in-company trainers plays an important role. Flexibility in the arrangement of the training programmes in accordance with the operational plans of the enterprises should be ensured. In-company training phases should be coordinated with the TVET institutes and take place at different stages of the overall training programme. The objective of the in-company training phases is that trainees obtain further practical skills within the actual work process. Policy makers and business associations play an important role in involving and encouraging enterprises to participate in training activities. Good practices of cooperative training and their lessons learnt should be further implemented and disseminated nationwide.
8. Vocational education and training-related labour market

In 2015, 52.8 million people were employed (accounting for 96.7 per cent of labour force). 20 per cent of them completed three-month vocational training courses or other longer training and education programmes.

Labourers, employed by enterprises without any professional qualifications, accounted for 31 per cent; labourers with under or post-graduate university qualifications accounted for 18.2 per cent; 17.9 per cent of labourers were technical workers without vocational certificates, labourers with certificates of vocational intermediate level or elementary level (from three-month to twelve-month courses) accounted for 7 per cent and labourers with other qualifications accounted for 25.9 per cent.

In the 4th quarter of 2015, 1.09 million people (accounting for 1.99 per cent of labour force) were unemployed. Out of these, 417,500 people held professional qualifications (39.7 per cent), including: 155,500 people with under or post-graduate university qualifications; 115,000 people with under or post-graduate university qualifications; 6,100 people with vocational college qualifications; 63,800 people with professional vocational secondary training qualifications; 15,000 people with intermediate vocational training qualifications; 26,900 people with elementary vocational training qualifications and 35,200 people with under-three-month vocational training certificates.

There is a big gap in terms of average monthly income between different professional qualifications. Labourers with university qualification and above earn about 311 USD monthly, labourers with collegial vocational training qualifications 233 USD monthly, labourers with professional vocational secondary qualifications 215 USD monthly while the average monthly income of labourers without any professional qualifications is 178 USD.

Further information will be available in the final Vietnamese and English versions of the Viet Nam Vocational Education and Training Report 2015, which will be published on the webpages of the NIVT (http://www.nivt.org.vn/) and of the Vietnamese-German “Programme Reform of TVET in Viet Nam” (http://www.tvet-vietnam.org/).
Scientific research
Training, further training
Consultancy, transfer