



VIET NAM VOCATIONAL EDUCATION AND TRAINING REPORT 2015

PUBLISHING

National Institute for Vocational Education and Training

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Layout: Nguyen Minh Cong, GIZ

Photo: Programme Reform of TVET in Viet Nam (GIZ)

Translator: Nguyen Hong Nhung, MA

Place and date of publication: Ha Noi, 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

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for Economic Cooperation
and Development



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Ha Noi - 2017



FOREWORD

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 workers 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 in vocational education and training
8. Vocational education and training for the 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 professional 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 professional training at professional intermediate level and professional college level was used but not fully analysed. Moreover, due to the restructuring process of the Vietnamese vocational training system, the report might contain special 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 Education 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 full final Vietnamese and English versions are 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-Viet Nam.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 would like to thank Dr Nguyen Hong Minh, Director General of GDVT, and Dr Truong Anh Dung, Deputy General Director of GDVT, for their support with the report. NIVT would also like to thank 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 would also like to 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 Britta van Erckelens, Deputy Director and Senior Technical Advisor, as well as Nguyen Dang Tuan, Senior Programme Officer, for their technical contributions and support in the development of the report. Furthermore, we would like to thank Pham Ngoc Anh, Nguyen Thi Bich Ngoc, Pham Viet Ha, Hoang Bich Ha, 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 would especially like to thank the experts of BIBB, 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 gratitude to all those who contributed to the previous reports and to this one. Your remarks and comments have enabled us to successfully 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



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LIST OF ABBREVIATIONS

Asian Development Bank	ADB
Association of Southeast Asian Nations	ASEAN
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH	GIZ
European Union	EU
Foreign Direct Investment	FDI
General Directorate of Vocational Training	GDVT
Information Technology	IT
International Labour Organisation	ILO
Japan Vocational Ability Development Association	JAVADA
Japan International Cooperation Agency	JICA
Ministry of Labour – Invalids and Social Affairs	MoLISA
National Institute for Vocational Training	NIVT
National Occupational Skills Standards	NOSS
Official Development Assistance	ODA
Technical and Vocational Education and Training	TVET
The Asia-Europe Meeting	ASEM
United Nations Development Programme	UNDP
Viet Nam Chamber of Commerce and Industry	VCCI
Viet Nam Vocational Training Accreditation Agency	VVTAA
Vocational Education and Training	VET
Vocational College	VC
Vocational Secondary School	VSS
Vocational Training Centre	VTC



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 different types of ownership, 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 with the demands of the labour market. By raising the occupational skills of TVET graduates, about 70 per cent of graduates were able to 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 a 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 longer called “professional secondary schools” and “vocational secondary schools”). 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 an 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 reorganise 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 lays 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 high-quality TVET institutes 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 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. It was found that:

- Policies and mechanisms promoting socialisation (receiving funds from many sources) as the framework for TVET institutes have to be promulgated, and also,
- Stakeholders have to cooperate in the development and delivery of demand-driven TVET institutes. 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 streaming 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 backgrounds 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 workers.

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 No. 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 No. 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 which provide guidelines on implementing the Law on Vocational Education and Training provide a convenient framework for organisations, authorities and individuals to base their elementary training activities.

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 vocational intermediate and college levels have not been issued, leading to the situation where 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 makes proposals for the institutional set-up of the TVET network to undergo a big change in 2015. It stipulates which 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 professional 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-BLDTBXH-BGDDT-BNV to provide a guideline on the merger of these centres. By the end of 2015, 169 districts of 30 provinces and cities had 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 had 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/LDTBXH-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 LILAMA 2 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 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 has the smallest amount of TVET institutes and number of admissions.

Although the number of vocational colleges and professional secondary schools increased in 2015 as compared to 2014, the number of admissions was 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 Project 1956 (equivalent to 100 per cent of annual plan). The percentage of rural workers finding jobs after completing vocational training programmes is 78 per cent^[1].

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 had 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 teachers.

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

In general, TVET management staff have high qualifications, but their foreign language skills and ability to apply information technology in management activities are still limited. Most TVET management staff do not have certificates for management skills.

The training activities for TVET teachers and management staff mainly focused 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 a total of 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. 120 assessors received final certification.

Over the same period, 8,407 workers took part in national occupational skills assessment

¹ Preliminary report on 6-year implementation of the Project 1956 – GDVT

(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; they are milling, turning, mechanical testing and information network cable installation.

However, in addition to these achievements, some of the tasks and targets of the Vocational Training Development Strategy 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 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.

At this time, 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 has to be evaluated against regional and international occupational skills standards for better regional and international integration in terms of mutual recognition of occupational skill certifications.

5. Accreditation and assurance of vocational education and training quality

For the year 2015 there are the 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 on TVET institution accreditation and certified 139 accreditors who are TVET managers at central and provincial levels, teachers and managers of vocational colleges, vocational secondary schools and from other agencies. They completed training courses to be TVET accreditors. 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 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, and 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 elements 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 infrastructure investment. During the period of 2010-2014, the state budget allocated to vocational training was VND 55,575 billion^[3], equivalent to USD 2.54 billion^[4], out of which the funding for recurrent expenditures accounted for 37.4 per cent, funding for infrastructure 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).

² Report on Status and orientation for development of quality assurance system for TVET institutes in Viet Nam – VVTA.

³ In this report one billion is understood as 1,000,000,000.

⁴ 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>).

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 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 2011-2015 has only received about 40.4 per cent of its approved funding. Here is a breakdown of the approved and actual funding:

- Total approved budget = VND 20,236 billion (USD 924.02 million)

Consisting of:

- VND 10,336 billion from the national state budget
- VND 3,445 billion from the local state budget
- VND 4,552 billion from ODA funds
- VND 1,903 billion from other mobilised sources

- Actual received funds = VND 8,171 billion

Consisting of:

- VND 6,568 billion (USD 299.91 million) from the national state budget (63.5% of planned funding)
- VND 400 billion (USD 18.26 million) from the local state budget (11.6% of planned funding)
- VND 1,203 billion (USD 54.93 million) from ODA funds (26.4% of planned funding).

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 VND 8,170 billion (USD 373.08 million), 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: VND 5,870 billion 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 publicise financial reports of vocational training separately from the common category of Education and Training.

7. Cooperation with enterprises and cooperative training

In 2015, within the framework of the Vietnamese-German “Programme Reform of TVET in Viet Nam”, a survey was conducted of 280 enterprises by 26 TVET institutes. The survey showed that the participating enterprises required high to very high performance standards of employees. However the current skill level of college graduates (including theoretical knowledge, practical skills and work attitude) is considered lower than that required by the enterprises. TVET institutes should implement regular feedback surveys from enterprises to obtain information about their employment demands and their requirements in employees’ skills and abilities in order to make the training more relevant. Priorities for improvement should be given to those skills for which there is the biggest gap between the enterprises’ requirements and the graduates’ actual abilities.

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 framework of the Vietnamese-German “Programme Reform of TVET in Viet Nam” were in the implementation phase in 2015. These are (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 Ho Chi Minh Vocational College of Technology. 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 of industry and commerce, and business 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 for the labour market

Nationally in 2015, a total of 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.

Workers, employed by enterprises without any professional qualifications, accounted for 31 per cent; workers with under or post-graduate university qualifications accounted for 18.2 per cent; 17.9 per cent of workers were technical workers without vocational certificates, workers with certificates of vocational intermediate level or elementary level (from three-month to twelve-month courses) accounted for 7 per cent and workers 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 college qualifications, 6,100 people with vocational college qualifications, 63,800 people with professional vocational secondary training qualifications; 15,000 people with vocational secondary 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. Workers with university qualification and above earn about USD 311 monthly, workers with college vocational training qualifications USD 233 monthly, workers with professional vocational secondary qualifications USD 215 monthly while the average monthly income of workers without any professional qualifications is USD 178.

CHAPTER 1

OVERVIEW OF THE VOCATIONAL EDUCATION AND TRAINING POLICIES

The Law on Vocational Education and Training (VET) No. 74/2014/QH XIII came into effect as of 1/7/2015. In 2015, to implement this law, the Government and the Ministry of Labour, Invalids and Social Affairs (MoLISA) promulgated a number of standard guiding documents. At the same time, other policies related to vocational education and training have been issued. To help understand these policies and guidelines and what they have impacted on, this chapter presents new highlights of the Law on Vocational Education and Training and summarises main contents of the guiding documents such as the Decree No. 16, the Decree No. 86 and a number of new policies concerning teachers/trainers, trainees and working people (workers). In particular, the policy on the development of high-quality TVET institutes is analysed with recommendations on solutions for development of the selected institutions in accordance with the set objectives. Moreover, this chapter also highlights the adjusted directions of the Vocational Training Development Strategy in this new context focusing on providing training of key occupations to create a quality breakthrough of vocational education and training in order to meet the demand of economic development and international integration.

1.1. Law on Vocational Education and Training

The Law on Vocational Education and Training consists of 8 chapters and 79 articles regulating: the vocational education and training system; organization and management of TVET institutes; the rights and duties of organisations and individuals who participate in vocational education and training activities. The Law also regulates overall objectives of the vocational education and training system which is to train human resources for the businesses, enterprises and service providers. Workers should be well-trained and capable of the jobs in their respective field, having good health and morality, taking responsibility with their career and being creative, adjusting themselves with global standards, providing high-quality services and being able to find jobs on their own, create jobs, or move up to higher education.

The Law has restructured Viet Nam's national education system, comprehensively changing the current vocational education and training system. The Law on Vocational Education and Training regulates the comprehensive vocational education and training system at three qualification levels: elementary, intermediate and college levels. TVET institutes are vocational education and training centres, vocational secondary schools and colleges. There are three methods to organise training, including time-based training^[5], module accumulation and credit accumulation^[6]. The duration of intermediate level training for a general lower-secondary school graduate is from 1-2 years depending on specific occupations. Learners are not required to study general upper-secondary school subjects. The duration of training at the elementary level is 300 hours at the minimum (see Law on Vocational Education and Training, Clause 1, Article 3).

⁵ Time-based training is the training method in which time is the basis for developing training curricula. Learners are trained with time-based and fixed courses, lessons and classes. Training curricula are designed with lessons and subjects.

⁶ Training method with modules and/or credits accumulation takes learners as the centre of the training process. Learners are considered to have completed the training programme when they have accumulated sufficient number of modules or credits as regulated in the training curriculum. Training curricula are designed with modules and credits.

TVET institutes are allowed to design their own training programmes based on the national occupational skill standards and learning outcomes of the respective occupations. College graduates are given the title of Practice Engineer or Practice Bachelor. Private TVET institutes and foreign-funded TVET institutes are given priority by the government to rent facilities and training equipment. All TVET institutes, regardless of their type as private or public institutions, are invited: to participate in bidding for training contracts/orders; to borrow preferential funds from domestic and international projects; to allow TVET teaching and management staff to participate in training programmes financed by the state budget, domestically and overseas..

Tuition waiving is applicable for beneficiaries of favourable social policies and state benefits, general lower-secondary school graduates, learners of occupations with low rate of admission but in high demand and learners who want to learn special technical skills. The knowledge and skills accumulated by the learners during their working life and the learning results of those modules, credits, and subjects accumulated by them during the learning process are recognized, and learning courses do not have to be repeated. Learners who are beneficiaries of favourable social policies are entitled to boarding school policy when pursuing a vocational education and training programme, and there are special privileges for them to be recruited and paid after completing a vocational education and training programme.

There are clear regulations on the titles of teachers working in TVET institutes. Accordingly, those who teach in vocational education and training centres and vocational education and training secondary schools are called teachers while those who teach in colleges are called lecturers. The Law also regulates policies on honouring TVET teachers and policies for the prolongation of their working time. Meanwhile, enterprises participating in vocational education and training activities are entitled to corporate income tax deduction.

Vocational education and training development policy:

- Developing an open, flexible and diversified vocational education and training system oriented at standardisation, modernisation, democratisation, socialisation, international alignment, and transferability between vocational education and training levels and other education levels;
- Prioritising the investments to vocational education and training defined in socio-economic and human resources development plans. Priority budget for vocational education and training is given in the total state budget for education and training; and budget allocation is based on the principles of being public, transparent and timely;
- Promoting training quality and developing the network of TVET institutes as planned; focusing on the establishment of focal high-quality TVET institutes to provide human resources for the labour markets, meeting the workforce demands, and gradually making vocational education and training available and accessible to the young people;
- The state has a policy for appropriate streaming of graduates from general lower-secondary schools and general upper-secondary schools into vocational education and training in each socio-economic development stage;
- Prioritising synchronous investment in the training of human resources in national key trades/occupations and those occupations which have training that is approaching a

similar level of development in other countries in the region and in the world: emphasising the development of vocational education and training in socio-economic disadvantaged or ethnic minority areas, border, island and coastal areas; investing into the training activities of occupations that are needed for the labour market but difficult to socialise (to invite training providers from the society);

- The State implements a mechanism for bidding and ordering training for special occupations, occupations in spearhead economic sectors, and occupations, which are needed for the labour market, but for which it is difficult to invite training providers from the society. TVET institutes, regardless of types, are entitled to undertake bidding and ordering;
- Supporting people who are receivers of special state benefits in order to encourage them to study for the purpose of employment and self-employment; such groups would include: demobilised military personnel, ethnic minority groups, people in poor and near-poor households, people with disabilities, orphans, offshore fishermen, rural labourers working in agricultural households whose cultivation land is confiscated and other beneficiaries of social privileges;
- Implementing gender equality in vocational education and training;
- The State creates favourable conditions for TVET institutes to research and apply science and technology, combining vocational education and training with scientific research, production, trading and services to improve training quality.

1.2. Legal documents that provide guidelines for the Law on Vocational Education and Training

*** Decree No. 48/2015/ND-CP dated 15/5/2015 on specifying a number of articles of the Law on Vocational Education and Training.**

This Decree was under the process of amendment in 2015 and therefore, it is not analysed in this report. Only the key content of the Decree is presented.

Major content

This Decree regulates the authority and state management of vocational education and training; international cooperation in the field of vocational education and training, including conditions, authority and procedures for the issuance of certificates of registration of joint training programmes with foreign countries, conditions and procedures for the establishment, merger, division or segregation of foreign-invested TVET institutes, and rights and responsibilities of enterprises in vocational education and training.

*** Decree No. 113/2015/ND-CP dated 09/11/2015 regulating special allowance, preference allowance, allowance for special responsibilities, physical hazards and danger allowance paid to teachers working in public educational establishments**

Major content

This Decree regulates special allowances and incentives for teachers to deliver both theoretical lectures and practical sessions. It also applies to teachers who are artisans or who have high occupational skills and deliver practical lessons. The Decree provides preference allowance

and special allowances for teachers with special responsibilities who teach people with disabilities and physical difficulties; hazards and danger allowances for teachers who teach practical lessons in public vocational education and training centres, vocational education and training secondary schools and colleges with time-definite or indefinite labour contracts.

Objectives of the Decree No. 113

This Decree is promulgated to overcome shortcomings in practical implementation and ensure the synchronisation and consistency of the legal documents, and the consistency of the Law on Vocational Education and Training and the Law on Persons with Disabilities.

- This Decree encourages and motivates teachers with high occupational skills and artisans to teach practical lessons in TVET institutes.
- This Decree encourages and motivates specialised and non-specialised teachers to teach people with disabilities.
- This Decree encourages and motivates teachers who teach practical lessons in occupations, which contain dangerous and hazardous elements to health as specified in the list of hazardous occupations regulated by MoLISA.

**** Decree No. 79/2015/ND-CP dated 14/9/2015 on penalties for administrative violations of regulations of Vocational Education and Training***

This Decree replaces the Decree No. 148/2013/ND-CP dated 30/10/2013 by the Government providing sanctions on administrative violations in the field of vocational education and training.

Major content

The Decree is promulgated to implement the Law on Vocational Education and Training with sufficient and detailed regulations of violations, sanctions of administrative violations, to ensure a consistency with the legal documents on sanctions of administrative violations in other fields; to ensure synchronisation and consistency in the legal system and convenient management and application of sanctions of administrative violations in the vocational education and training field.

The Decree consists of 4 chapters and 34 articles, regulating cases of violations, forms of sanctions, levels of sanctions, remedial measures and authorisation in recording and executing sanctions against administrative violations in the field of vocational education and training and assessment/issuance of certificates of national occupational skills standards.

The Decree applies to: (1) Vietnamese individuals and organisations; foreign individuals and organisations committing administrative violations in the field of vocational education and training and assessment and issuance of certificates of national occupational skills standards in the territory of Viet Nam; (2) People who have authority in recording and executing sanctions against administrative violations and other respective individuals and organisations.

This Decree provides specific regulations on fines applicable for individuals and organisations, administrative violations, forms of sanctions, levels of sanctions, remedial measures and authorisation in sanctioning administrative violations. The Decree also regulates procedures for its implementation.

Intended impacts of the Decree No. 79

Ensuring the management and organisation of vocational education and training activities by individuals and organisations in line with legal regulations;

Limiting and preventing violations:

- Regulating the establishment of TVET institutes, organisation of vocational education and training quality accreditation, violations of regulations of registration of vocational education and training activities, violations of regulations of organisation and operation of TVET institutes;
- Regulating admission and training and in particular, violations of regulations on admissions of target groups;
- Regulating training programmes, violations of regulations of class size, violations of regulations of training transferability and joint training activities in vocational education and training; violations of regulations of training contracts;
- Regulating learning result assessment and violations of regulations of testing and examination and graduation recognition;
- Regulating the management and issuance of degrees and certificates in vocational education and training; violations of regulations of issuing and publicising vocational education and training degrees and certificates;
- Regulating the management of learners' dossiers; violations of regulations on disciplinary sanctions of dismissal, violations of regulations of the percentage of permanent teachers in TVET institutes; violations of regulations of teacher employment and violations of regulations and policies related to teachers;
- Regulating the use of training curricula and textbooks; violations of regulations of training facilities and equipment; violations of regulations of vocational education and training quality accreditation; violations of regulations of national occupational skill assessment; violations of regulations of financial income and expenditures; violations of regulations of information and reporting in the vocational education and training field;
- Ensuring the legal foundation for handling violations of legal regulations and proper implementation of state management in the vocational education and training field.

Circulars providing guidelines for the implementation of the Law

Apart from the decrees and decisions issued by the Government and the Prime Minister, according to its authority, MoLISA timely promulgated in 2015 the following guiding documents for the organisation and management of elementary vocational education and training:

*** *Circular No. 25/2015/TT-BLDTBXH dated 13/7/2015 providing the registration of elementary vocational education and training***

Major content

The content of this Circular regulates: the conditions, documentation, competency and procedures for elementary vocational education registration and training and issuance of

registration certificates of elementary vocational education and training; procedures for suspension of elementary vocational education and training activities.

Intended impacts of the Circular No. 25

To strengthen the management capacity of vocational education and training quality, ensuring vocational education and training activities are in accordance with legal regulations.

**** Circular No. 40/2015/TT-BLDTBXH dated 20/10/2015 providing standards of professional knowledge and skills and working policies for elementary vocational education and training teachers***

Major content

The Circular regulates standards of professional knowledge and skills and working policies for elementary vocational education and training teachers in TVET institutes (vocational education and training centres, vocational education and training and continuing education centres, vocational secondary schools, colleges and enterprises having registered their elementary vocational education and training activities).

Intended impacts of the Circular No. 40

Acting as the basis for the development of training objectives and training curricula in order to enhance the teaching quality at TVET institutes;

Assisting teachers to conduct self-assessment of political conviction, ethics, lifestyle and professional capacity, and to develop a learning and training plan to improve their ethics and professional qualification;

Acting as the basis for annual assessment of teachers, planning and employment of teaching personnel, and training and further training of teachers;

Acting as the basis for development of policies for teachers in TVET institutes.

**** Circular No. 41/2015/TT-BLDTBXH dated 20/10/2015 on the employment and standard training and advanced training for elementary vocational education and training teachers***

Major content

The Circular regulates the employment, standard training and advanced training for elementary vocational training teachers who have registered their training activities in TVET institutes (including vocational education and training centres, continuing education centres, vocational schools, colleges and enterprises).

Intended impacts of the Circular No. 41

The Circular regulates that TVET institutes shall contract elementary vocational education and training teachers whose qualifications meet standards as regulated in Clause 4, Article 53 and Article 54 of Law on Vocational Education and Training in 2014 to ensure the quality of elementary vocational training teachers in TVET institutes.

Elementary vocational education and training teachers who have not met the qualification

standards as specified by legal regulations shall be trained to meet these standards, if they are eligible in terms of age. Timeline for obtaining the standard qualification is maximum two years.

*** Circular No. 42/2015/TT-BLDTBXH dated 20/10/2015 providing elementary vocational education and training**

Major content

The Circular regulates elementary vocational education and training, including: the scope of knowledge, minimum skills and level of competence to be achieved by learners upon graduation; requirements on training contents, programme structure, curricula, procedures for developing, editing, accrediting and issuing of training curricula and programmes; determination of admission criteria and plans; admission and training organisation, delivery of training programmes; testing, examination, assessment, recognition of graduation, format of certificates of elementary vocational education and training, printing, management, issuance, withdrawal and revocation of elementary vocational training certificates; monitoring templates and journals of elementary vocational training.

Intended impacts of the Circular No. 42

The Circular ensures the minimum volume of knowledge and skills to be obtained at the level of elementary vocational education and training, including the number of modules which learners should have completed upon graduation. An elementary vocational education and training programme includes a set of knowledge, skills and independent capacities and responsibilities which are synchronically designed with training methods, training facilities and equipment and learning assessment methodology to ensure learners accumulate necessary knowledge, skills and independent capacities and responsibilities to be able to conduct simple tasks in their respective occupation.

*** Circular No. 43/2015/TT-BLDTBXH dated 20/10/2015 providing continuing training**

Major content

This Circular regulates continuing training, including: developing, selecting and approving training programmes, textbooks and materials, managing and organising continuing training programmes according to learners' requirements; updating, further training and improving vocational knowledge and skills; mastering occupational skills training; vocational tutoring and coaching, technology transferring and other training programmes which last less than three months.

Intended impacts of the Circular No. 43

Continuing training as per learners' requirements aims to provide learners with knowledge and practical skills of one training programme or module as regulated in Clause 3, Article 3 of Law on Vocational Education and Training, or knowledge and practical skills of one occupation or several tasks of that occupation, where the training content, time duration, locations and teachers are defined by learners;

Training, updating and improving knowledge and skills in order to equip learners with more competencies in the selected occupations, supplementing new knowledge, finalising

occupational standards to improve workers' occupational knowledge and skills;

Occupational tutoring and coaching to equip learners with knowledge and skills through on-the-job transferring of knowledge and skills by craft masters and skilled workers;

Apprenticeship which provides learners repeated guided practice of occupational skills/tasks and practical work for a certain period of time to enable them to meet the requirements of employers or self-employment;

Further training and improving occupational skills in order to equip learners with more capacity and knowledge in the selected occupations, supplementing new knowledge, improving occupational skills to meet the occupational standards and job requirements; or taking part in the assessment of national occupational skill standards;

Technology transfer programmes which update learners with knowledge of technical and scientific advances and new technology, including processing and manufacturing methods which change the state, nature or shape of materials or semi-finished products in the production process.

1.3. New policy on finance

*** Government Decree No. 16/2015/ND-CP dated 14/2/2015 regulating the mechanism of autonomy for public service institutions**

This Decree is to replace the government's Decree No. 43/2006/ND-CP dated on 25/4/2006 regulating the autonomy and self-accountability in the implementation of assigned duties, institutional organisation, human resources and finance management of public service institutions. The Decree serves as a foundation for developing new decrees that will regulate the autonomy and self-accountability of public service institutions in various fields.

Major content

The Decree regulates policies on autonomy and self-accountability in the implementation of the assigned duties, institutional organisation, human resources and finance management of public service institutions; reforming of their operational and financial policies and restructuring of the state management of public services; and gradual removal of the state's involvement in their activities.

Intended impacts of the Decree No. 16

This Decree was issued to respond to and to tackle a number of limitations and constraints observed after 7 years of implementation of the Decree No. 43/2006/ND-CP dated 25/4/2006 on autonomy and self-accountability in the implementation of the assigned duties, institutional organisation, human resources and finance management of public services institutions. The Decree is a step towards the improvement of the legal system governing the public services sector and its operation. It serves as a basis for ministries and sectors to develop and recommend further policies which are relevant to the context of each sector and meet the practice of reform and promotion of public services in the market economy with socialist orientation, and facilitate the renovation of the operational and financial policies of public service institutions. The Decree serves as a foundation for a rational arrangement and allocation of the state budget to public

services, reform of state management of public services and gradual withdrawal from the state control of public services and reduction of state subsidies for this sector. The Decree also promotes participation of different social players in the public services in order to meet the increasing demand of the society.

New regulations on the financial mechanism for public services institutions will help promote the capacity for autonomy of public TVET institutes and encourage them to quickly, robustly and consistently develop and improve their scope of training and training quality and better meet the demand of socio-economic development; create a fair competitive environment and attract more investment from other economic stakeholders. According to the Decree, public service institutions, which have a high capacity for autonomy in securing financial resources, are entitled to high autonomy of management and utilisation of financial revenues, and conversely, the opposite will apply to institutions which do not show such capacity. This policy encourages TVET institutes, which have low capacity for autonomy of financial resources to strive to increase their revenues so that they can reach a higher autonomy level of financial resources. Levels of autonomy of financial resources of TVET institutes are also specifically regulated.

Box 1: Types of public service institutions

Article 12. Financial autonomy of public service institutions which can recover their recurrent expenditures and investments.

Article 13. Financial autonomy of public service institutions which can recover their recurrent expenditures.

Article 14. Financial autonomy of public service institutions which can partly recover their recurrent expenditures (where the service fees and charges incurred from their public services cannot cover their expenditures, and the public service institutions receive orders and assignments from the State to provide public services to cover these non-recovered expenditures).

Article 15. Financial autonomy of public service institutions whose recurrent expenditures are covered by the State (where the public service institutions earn low income or no income due to their specific functions and duties assigned by the competent authorities).

Source: Decree No. 16/2015/ND-CP dated 14/02/2015

Decree 16 has strong impacts on the management mechanism: TVET institutes are to develop a strict, fair and dynamic internal mechanism of income and expenditure and encourage teachers to work actively and improve their qualifications and skills to meet the requirements of training quality improvement.

Decree 16 also has strong impacts on the management system of TVET institutes. It requires the management staff of TVET institutes to be professional in managing the system, ensuring that TVET institutes are unified and consistent in deploying their internal and external potentials

to develop training activities and improve the living standards of their managing staff and teachers and learners.

Box 2: Financial obligations, management of state-owned assets and internal regulations of expenditures of public service institutions

Article 17. Financial obligations, management of state-owned assets and internal regulations of expenditures of public service institutions

1. Public service institutions that render public services shall be required to apply for registration of service rendering operations, to file tax declarations and pay taxes and other liabilities to the state budget (if any) in accordance with legal regulations.

2. Public service institutions shall be responsible for managing and using state-owned assets in accordance with the legal regulations on management and use of state-owned assets.

3. A public service institution is responsible for establishing and introducing the rules and internal regulations of expenditures and submitting them to the superior regulatory agencies. Within 15 days from the date of receipt of the submitted rules and regulations, if these rules and regulations contain information in breach of the Governmental regulations, the superior regulatory agency shall send to the public service institution a written feedback on these rules and regulations with a request for revisions.

Upon expiration of the above mentioned period, if the superior regulatory agency has no request for revisions, the public service institution shall implement these rules and regulations, and concurrently send them to the finance body at the same level for monitoring and supervision purpose, and to the State Treasury where this institution has opened its transaction account for the purpose of expenditures control.

Source: Decree No. 16/2015/ND-CP dated 14/02/2015

However, when applying autonomy, TVET institutes should carefully take into account the specific nature of the vocational education and training system. There should be a separate decree on the autonomy structure to be applied for the vocational education and training system.

1.4. Tuition policy

The Decree No. 86/2015/ND-CP dated October 2, 2015 of the Government regulates the mechanism of collection and management of tuition fees applicable to educational institutions in the national education system and policies on tuition fee exemption and reduction and financial aid for the academic year of 2015-2016 to 2020-2021.

Major content

The Decree was issued to replace the Government's Decree No. 49/2010/ND-CP dated 14/5/2010 on the mechanism for collection and management of tuition fees applicable to the educational institutions in the national education system and policies on tuition fee exemption

and reduction and financial aid for the academic year of 2010-2011 to 2014-2015. The Government's Decree No. 74/2013/ND-CP dated 15/7/2013 made revisions to several articles of the Decree No. 49/2010/ND-CP dated 14/5/2010 on tuition fee exemption and reduction, and collection and use of tuition fees for the school years from 2010-2011 to 2014-2015.

Intended impacts of the Decree No. 86

The policies of tuition fee collection and exemption defined in the Decree 86 have great impacts on parents, young people and TVET institutes. They are decisive factors that enhance the quality of these institutions as well as their operation. The detailed regulations in this Decree ensure that marginalized people from disadvantaged groups are sufficiently supported with the state budget. For example, ethnic minority students from economically deprived areas receive 70% tuition reduction; near-poor students in mountainous areas receive 50% tuition reduction. Thus, students in the mountainous areas are entitled to considerable tuition reduction, and the government has policies to subsidize their studies using the state's budget.

However, these vocational targeted beneficiary groups of students will not benefit from this preference policy if they attend non-public TVET institutes. The government should amend this policy to extend support to these groups when they pursue training at private TVET institutes. There are other impacts of the Decree, in particular:

- Intended impacts on the autonomy of TVET institutes:

Autonomy, especially financial autonomy, is one of the important aims that the government and the Communist Party are trying to achieve in public service institutions, in general, and public TVET institutes, in particular. However, the current tuition fee policies have created challenges for TVET institutes in the aspect of autonomy.

In order to gain financial autonomy, TVET institutes depend on two income sources, i.e. tuition and their own production and services. The latter is difficult because even enterprises that are working in the field of production and services face challenges. TVET institutes are being restricted by the current mechanism; hence, tuition is the main source of income of TVET institutes. Developing a roadmap plan for collecting tuition fees would motivate the TVET institutes to enhance their quality.

Box 3: Maximum tuition fees

4. The maximum tuition fee applicable to public colleges and vocational secondary schools

a) The maximum tuition fee applicable to mass training programmes in public colleges and vocational secondary schools that are still not able to recover their recurrent expenditures and investments.

Unit: thousand VND/month/student

Occupations / Group of occupations	School Year 2015-2016		School Year 2016-2017		School Year 2017-2018		School Year 2018-2019		School Year 2019-2020		School Year 2020-2021	
	Secondary school	College										
1. Social sciences, economics, law; agriculture, forestry, and aquaculture;	430	490	470	540	520	590	570	650	620	710	690	780
2. Natural sciences; engineering and technology; physical education and sports, art; hotel and tourism;	500	580	550	630	610	700	670	770	740	850	820	940
3. Medicine, Pharmacy;	620	700	680	780	750	860	830	940	910	1,040	1,000	1,140

b) The maximum tuition fee applicable to mass training programmes in public colleges and vocational secondary schools that can recover their recurrent expenditures and investments:

Unit: thousand VND/month/student

Occupations/Group of occupations	From School Year 2015-2016 to School year 2017-2018		From School Year 2018-2019 to School Year 2019-2020		From School Year 2020 to School Year 2021	
	Secondary school	College	Secondary school	College	Secondary school	College
1. Social sciences, economics, law; agriculture, forestry, and aquaculture;	1,225	1,400	1,295	1,480	1,435	1,640
2. Natural sciences; engineering and technology; physical education and sports, art; hotel and tourism;	1,435	1,640	1,540	1,760	1,680	1,920
3. Medical, Pharmacy	3,080	3,520	3,220	3,680	3,535	4,040

Source: Decree No. 86/2015/ND-CP dated 2/10/2015

Nonetheless, expenses to operate training programmes are often very high (for example: expenses for materials, tools and equipment for learners to practice). Therefore, tuition fees are often too high if all training costs are included. That means tuition fee should be calculated

based on the actual training costs of specific occupations. High tuition fee would not attract more learners, thus, TVET institutes would not operate effectively. What is needed is support from the government's budget via advanced booking and payment of training.

Over-focusing on gaining autonomy in the operation might distract TVET institutes from focusing on the quality of training to provide high-quality workers because they might need to focus on how to provide services.

In order to reach a certain level of autonomy, TVET institutes need to develop specific policies to attract learners and improve their skill development.

- Intended impacts on the streaming of students:

The maximum tuition fee for university students is quite high, forcing prospective students to consider their choices when choosing a university to enter. Many universities had difficulty during their enrolment process because the number of enrolled students did not meet their expectations. Those students who decided not to go to university therefore enrolled in vocational education, and there was an increase in the number of graduates from general upper secondary schools who entered into the vocational education and training system.

The tuition fees applicable for continuing vocational education and training should not exceed 150% of tuition fees applied for formal training programmes of the same training qualification level for a group of occupations or occupations in the common training programmes delivered at TVET institutes that have not yet applied autonomy in their recurrent expenditures and investments.

Box 4: Students eligible for tuition fee exemption

Article 7. Students eligible for tuition fee exemption

13. The general lower secondary school graduates who move to vocational secondary schools.

14. Students who study in vocational secondary schools or colleges in occupations which attract low enrolment rate but which are of high social demand as mentioned in the list prescribed by the head of national vocational education authority.

15. Students studying some particular occupations in conformity with the demand of socio-economic development and national defence and security as prescribed in the Law on Vocational Education and Training.

Source: Decree No. 86/2015/ND-CP dated 02/10/2015

As for TVET institutes that can recover their recurrent expenditures and investments as regulated by the Government, tuition fees are determined based on the balance between the State financial support and the learners' contribution, which is implemented in a roadmap where the state financial support gradually reduces. However, Decree No. 86 also has negative impacts: many families do not have sufficient financial resources for their children to study at TVET institutes.

Decree No. 86 regulates that general lower secondary school leavers entering vocational intermediate training level are entitled to tuition fee exemption. This is the state policy to encourage lower secondary school leavers to enter secondary vocational training to meet enterprises' demand for human resources and to stream students in education and training.

Tuition fee exemption is also applied for occupations which require personnel but are not popular with students. This is also an encouraging policy to ensure an appropriate labour structure in the society.

As specified by the Law on Vocational Education and Training, tuition fee exemptions for occupations of special nature that are needed for social demand, national defence and security requirements are also encouraged.

1.5. Boarding school policy for students in vocational education and training

*** Decision No. 53/2015/QĐ-TTg dated 20/10/2015**

According to this Decision, boarding school policy is granted to the following target group of students of college and intermediate vocational education and training: (1) Ethnic minority students from poor and near-poor households and people with disabilities; (2) Graduates from boarding general secondary schools for ethnic groups; (3) Kinh people⁷ from poor and near-poor households or people with disabilities being permanently resident in the socio-economically disadvantaged or ethnic areas or in border and island areas. The Decision regulates specific scholarship and other allowances; implementation principles; payment method; funding sources, implementation organization; effect and execution responsibility.

*** Decision No. 46/2015/QĐ-TTg dated 28/9/2015**

This Decision provides consistent regulations on training policy for elementary vocational training and under-three-month vocational training, in which training allowance, meal allowance, travel allowance and implementation policy to support elementary and under-three-month vocational training are clearly regulated. The target groups of this policy include rural women and workers, people with disabilities who attend elementary and under-three-month vocational training. Top priority is given to people with disabilities and beneficiaries of social policies (people credited for their contributions to the country), ethnic minority people, people in poor and near-poor households, people in households whose agricultural and business land has been confiscated, unemployed female labourers and fishermen, etc.

The Decision No. 53 and the Decision No. 46 help to resolve difficulties for receivers of state benefits so that they can attend vocational training and create an equal opportunity for all people to access vocational training and motivate a learning society.

1.6. Policies on vocational training for workers

*** Decree No. 31/2015/NĐ-CP dated 24/03/2015** by the Government specifying a number of articles of the Law on Employment regarding assessment and granting of certificates of national occupational skills

⁷ The majority of Vietnamese belong to the ethnic group of Kinh people

Major content

The Decree applies to: (1) Occupational skills assessment organisations; employees participating in the assessment and granting of certificates of national occupational skills; (2) Employees of jobs specified in the list of jobs affecting the safety and health of employees or the community for which a certificate of national occupational skills is required; (3) Other agencies, organisations and persons involved in the implementation of this Decree.

The Decree provides specific regulations on conditions, organisations and assessment and granting of certificates of national occupational skills; jobs affecting the safety and health of employees or the community for which a certificate of national occupational skills is required; and Decree implementation.

Intended impacts of the Decree No. 31

Individuals who have been assessed in terms of national occupational skills will have more privilege in the labour market. Workers are obliged to conduct their jobs in line with the required process, so that labour safety is secured. Assessment of occupational skills also helps affirm the training quality of TVET institutes.

*** Circular No. 56/2015/TT-LDTBXH providing guidelines for the development, accreditation and publication of national occupational skill standards****Major content**

This Circular regulates the principles and procedures for developing national occupational skill standards and organising accreditation and publication of national occupational skill standards.

Intended impacts of the Circular No. 56

The Circular No. 56 will have strong impacts on the enhancement of the training quality and improvement of workers' occupational skills. It also promotes and encourages Vietnamese human resources to integrate with other countries' labour markets in the region and in the world.

1.7. Policy for developing high-quality TVET institutes

Following the Decision No. 761/QĐ-TTg dated 23/5/2014 by the Prime Minister approving "The project for high-quality TVET institutes development until 2020", in which 45 TVET institutes are selected to be developed into high-quality TVET institutes by 2020, GDVT conducted workshops and seminars on monitoring the implementation of 6 criteria for high-quality TVET institutes. At the same time, the selected institutions to be developed into high-quality TVET institutes activated their research work and renovated their management and training operations, applied foreign training programmes, promoted investments to their training facilities and information technology application and domestic and overseas training programmes for teachers. Students' admission and job placement for graduates have been promoted.

In 2015, GDVT conducted a review and assessment of 45 TVET institutes according to the following objectives and methodology:

- To assess the current situation of 45 TVET institutes against the criteria for high-quality

TVET institutes and make recommendations on solutions to achieve the targets set in Decision No. 761 on the recognition of high-quality TVET institutes; To study and draft a circular detailing the assessment criteria and defining the approach and procedures for assessing and recognising high-quality TVET institutes;

- To conduct a review and assessment of all six criteria for high-quality TVET institutes. Moreover, the involved TVET institutes are also requested to provide information on their training facilities, equipment, textbooks and projects which have been and are being implemented in connection with the six mentioned criteria.

The practice of developing high-quality TVET institutes shows that:

- In order to develop high-quality TVET institutes with targeted criteria, there should be mechanisms and policies to promote socialisation of vocational education and to encourage selected TVET institutes to be developed into (public and private) high-quality TVET institutes. Besides, it is also necessary to strengthen conditions to ensure training quality is kept in line with the criteria for high-quality TVET institutes, including providing favourable investment credits for training facility development, granting tax incentives for education related businesses or services according to legal regulations, providing training for vocational management staff and teachers; applying new curricula of key occupations; piloting training of key occupations financed by state budget;
- Public TVET institutes, which have been selected to be developed into high quality TVET institutes, may pilot the application of new policies of autonomy in budgeting and management of assets, including the development of regulations for tuition fee, enrolment fee and entrance exam fee. These policies have to be reported, approved and published by the ministries and local authorities after which the institutes are able to deploy the developed regulations. TVET institutes can define financial norms by themselves, which can be allocated to each management and training activity, from their budget sources (e.g. state budget or public services). Disbursement of funds has to be in accordance with the internal regulations of the institute which would ensure transparency, efficiency of expenditure, quality and project timeline. The facilities and equipment which has been invested into the institute for doing business and production activities will be managed by the institute itself and connected to the training programmes. The institute will be able to self-manage salaries and wages for teachers and management staff and also students who participate in the business activities that are connected to the training programmes.

Besides, we need to encourage enterprises to cooperate with TVET institutes in providing training on key occupations that are related to their field of businesses. The government should commit to give priority to place state-budget subsidised training programme requests to the high-quality TVET institutes to encourage them to enhance their training quality, and so supply the society with a quality workforce with knowledge, skills and professional commitment, to increase the competitiveness and capability of the Vietnamese workforce bringing Viet Nam into alignment with other countries and contributing to the fulfilment of the nation's goal to become an industrialised and modern country.

1.8. Vocational Training Development Strategy for 2011-2020

The Vocational Training Development Strategy for 2011-2020 was approved by the Prime Minister in the Decision No. 630/QĐ-TTg dated 29/5/2012. In 2015, the implementation of the Strategy was assessed. According to the assessment made by GDVT, during 5 years of implementation, the Strategy played a significant role in the development of vocational education, enhancing vocational education and training quality and meeting the demand of skilled human resources, supplying competent workers which are needed for the socio-economic development towards industrialisation, modernisation and integration with other ASEAN countries.

However, according to this assessment, several goals set by the Strategy were not achieved after 5 years of its implementation during the period of 2011-2015: the cooperation between different ministries, sectors and between different locations was either weak or limited. The designed activities were not implemented comprehensively, and thus resources could not be efficiently mobilised for implementation of priority and focused activities. In spite of the improved quality of vocational training, it could not reach the demand of the labour market in respect of workers' technical skills and soft skills such as industrial work attitude and ability to work in a team. The occupational training structure and levels failed to meet the demand of high-quality skills of businesses, enterprises and services. The available conditions for improvement of the vocational education system were limited; vocational teachers/trainers' skills were also limited; the cooperation between enterprises and TVET institutes was weak. Students and their families had limited and vague understanding of vocational training and the demand of the labour market. Streaming of students to vocational training and job orientation was not effective leading to the situation of an uneven labour structure in the labour market, etc.

The identified limitations of the former period of the Strategy implementation have been taken into consideration in the adjusted goals of the Strategy for the period 2016-2020. Until 2020, VET shall be developed to meet the labour market demand in terms of quality and quantity, occupations and skills qualification. Priorities will be given to key occupations to reach the same standards as ASEAN and other countries through creating a breakthrough in quality, enhancing the quality of human resources, increasing the national competitiveness, restructuring the labour system, increasing income and reducing poverty sustainably, assuring social welfare, and increasing the percentage of trained workers to 63% of the national workforce in 2020.

In order to achieve these goals, it is important to focus on identifying important tasks and solutions, including renewing the VET state management system, rearranging the TVET institutes network, developing a standardised pool of VET teaching and management personnel, developing training programmes and training materials, fostering international cooperation and cooperation with enterprises.

Conclusions

The Law on Vocational Education and Training No. 74/2014/QH13 passed on 27/11/2014 which came into effect on 1/7/2015 regulated new breakthroughs in the vocational training and education system, especially the enhancement of the autonomy of TVET institutes in organisation and management of human resources, finances and technologies.

In implementing the Law on Vocational Education and Training, the government, the Prime Minister's Office, MoLISA and other related ministries and authorities have issued guidelines on how to implement the Law.

The government's policies regarding VET issued in 2015 have considerable impacts as they have addressed financial matters. The Decree 16 has addressed the limitations observed in the Decree 43, and it is expected to have strong impacts on TVET institutes through classifying TVET institutes into 4 groups with different levels of autonomy (see Box 1). It will strongly influence the financial operations of TVET institutes and their learning and training activities. TVET institutes are required to become active in the reform and renovation of their management and organisation system. As a result of this, the Decree will have impacts on vocational teachers/trainers and managers.

Decree No. 86 serves as the basis for implementing Decree 16 because tuition fee is the main income source of a TVET institute. The procedure of increasing tuition fee will be defined in connection with the procedures of implementation of Decree 16. Other new policies on vocational trainers and trainees are also closely connected with Decree 16 and Decree 86.

TVET institutes were developed to become high-quality TVET institutes based on six criteria. In 2015, GDVT conducted an assessment of the selected TVET institutes to become high-quality. These six criteria were reviewed to find out what had been achieved or not achieved in order to identify solutions for developing the selected TVET institutes into high-quality TVET institutes by 2020.

After five years of implementation, the Vocational Training Development Strategy for 2011-2020 has gained important achievements although many of its goals have not been met. The first period of implementation of the VET Strategy for 2011-2020, however, served as the basis for designing the next standardised and institutional steps of the Strategy implementation.

CHAPTER 2

NETWORK OF TVET INSTITUTES, ADMISSION AND GRADUATION

The Law on Education and Vocational Training came into effect from 01/7/2015. Accordingly, there have been many changes in the TVET institute network and TVET admission and graduation. For that reason, this Chapter will present in details the current situation of the network of TVET institutes categorised by types, ownership, economic regions, managing agencies and assessment of the high-quality TVET institutes. Further, the matters of admission will be analysed including admission information at TVET institutes, professional colleges and professional secondary schools, and graduation matters including graduation from TVET institutes, professional colleges and professional secondary schools^[8] and from 45 TVET institutes selected for special investment to become high-quality TVET institutes. Additionally, the admission and graduation of vocational training for rural workers for the period 2010-2014 and in 2015 will also be discussed.

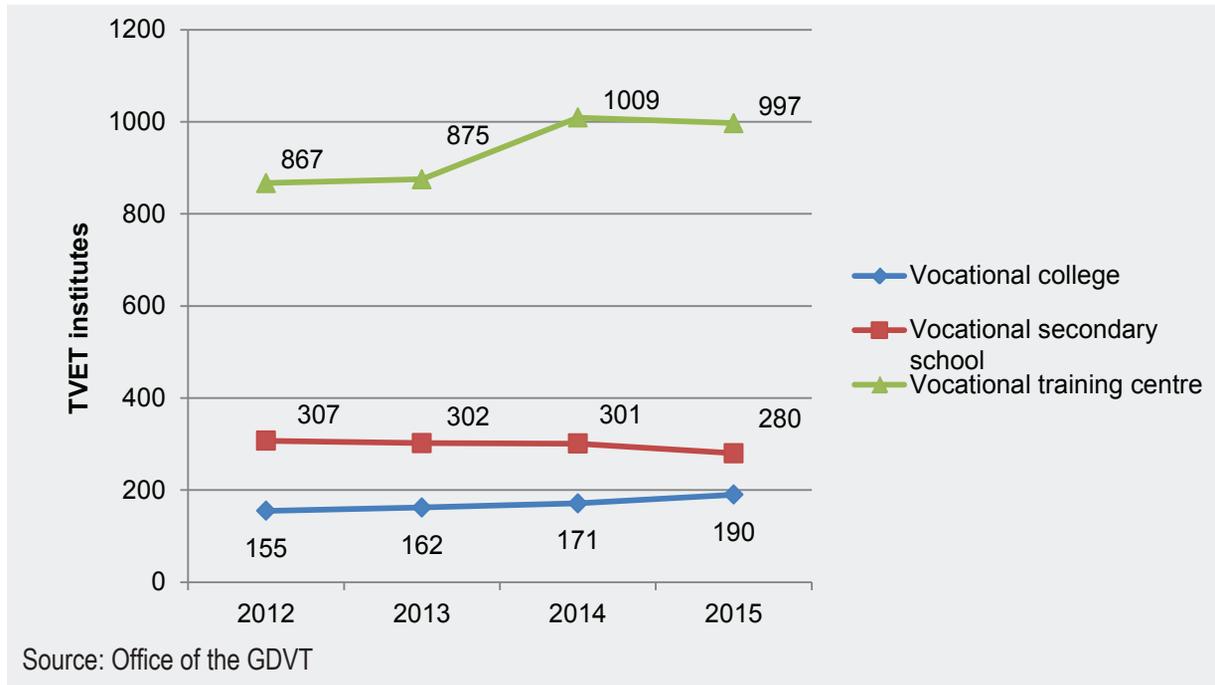
2.1. Network of TVET institutes

TVET institutes include vocational colleges, vocational secondary schools, and education and training centres (VTC). However, the co-existence of vocational colleges, vocational secondary schools and VTC managed by MoLISA along with professional colleges and professional secondary schools, centres for general technical education – career guidance (GTECG) and continuing education centres (CEC) managed by the Ministry of Education and Training (MoET) has created difficulties in the re-planning of the TVET institute network with both ministries, MoLISA and MoET, being assigned the authority of government management in vocational training. In spite of this, the re-planning and rearrangement of the TVET institutes network is being implemented. In this report, the TVET institute network will be objectively described according to their existing categories.

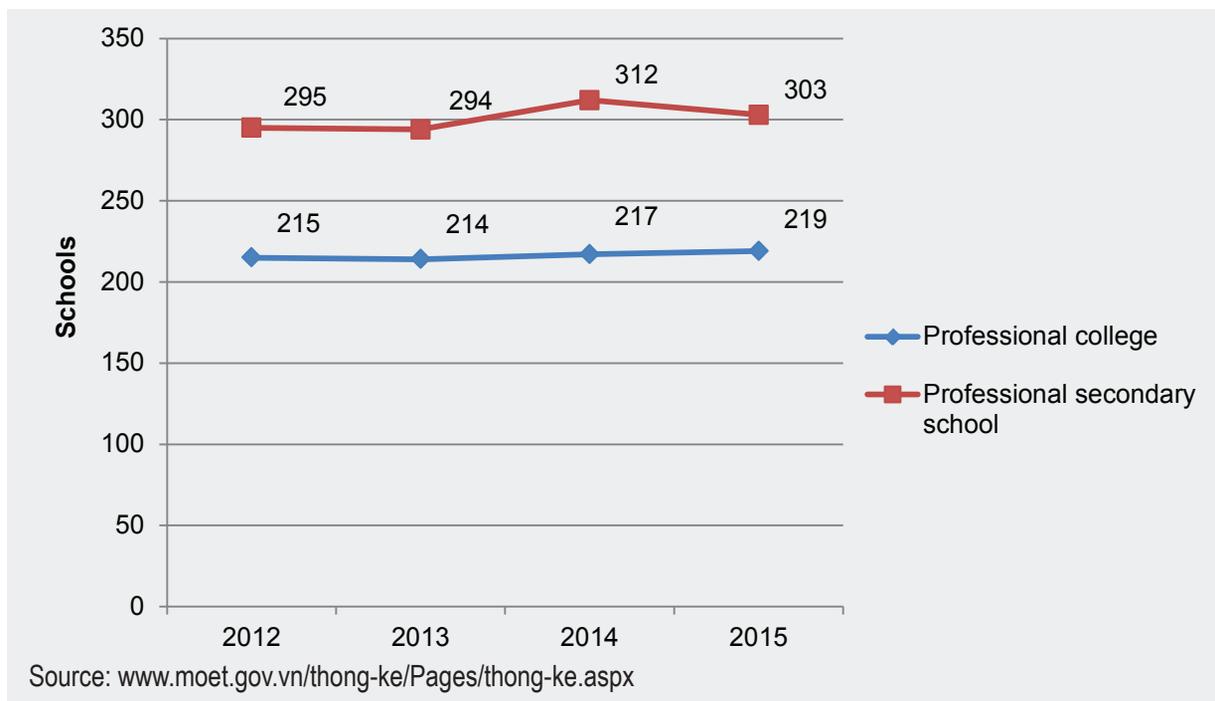
*** TVET institutes categorised by types**

The number of TVET institutes has changed (Figure 1). By the end of 2015, there were 1,467 TVET institutes nationwide. Compared to 2014 there has been considerable change. Specifically, the number of vocational colleges is 190, of which 19 vocational colleges have been upgraded from vocational secondary schools, and some colleges have been newly established in 2015, achieving 100% of the TVET institutes network development plan under the Strategy for Vocational and Educational Training Development. The number of vocational secondary schools decreased by 21% as compared to that of 2014. The current number of vocational secondary schools reached 93% of the target number defined in the Strategy. The number of VTC increased by 997 and achieved 107% of the target of the Strategy. There were 16 TVET institutes specialising in vocational training for ethnic minority people (2 vocational colleges and 14 vocational secondary schools) and a number of vocational training faculties established for ethnic minority people at some vocational colleges.

⁸ In the reporting year of 2015 professional colleges and professional secondary schools are under the management of MoET, and vocational colleges and vocational secondary schools are under the management of MoLISA

Figure 1: Number of TVET Institutes by types

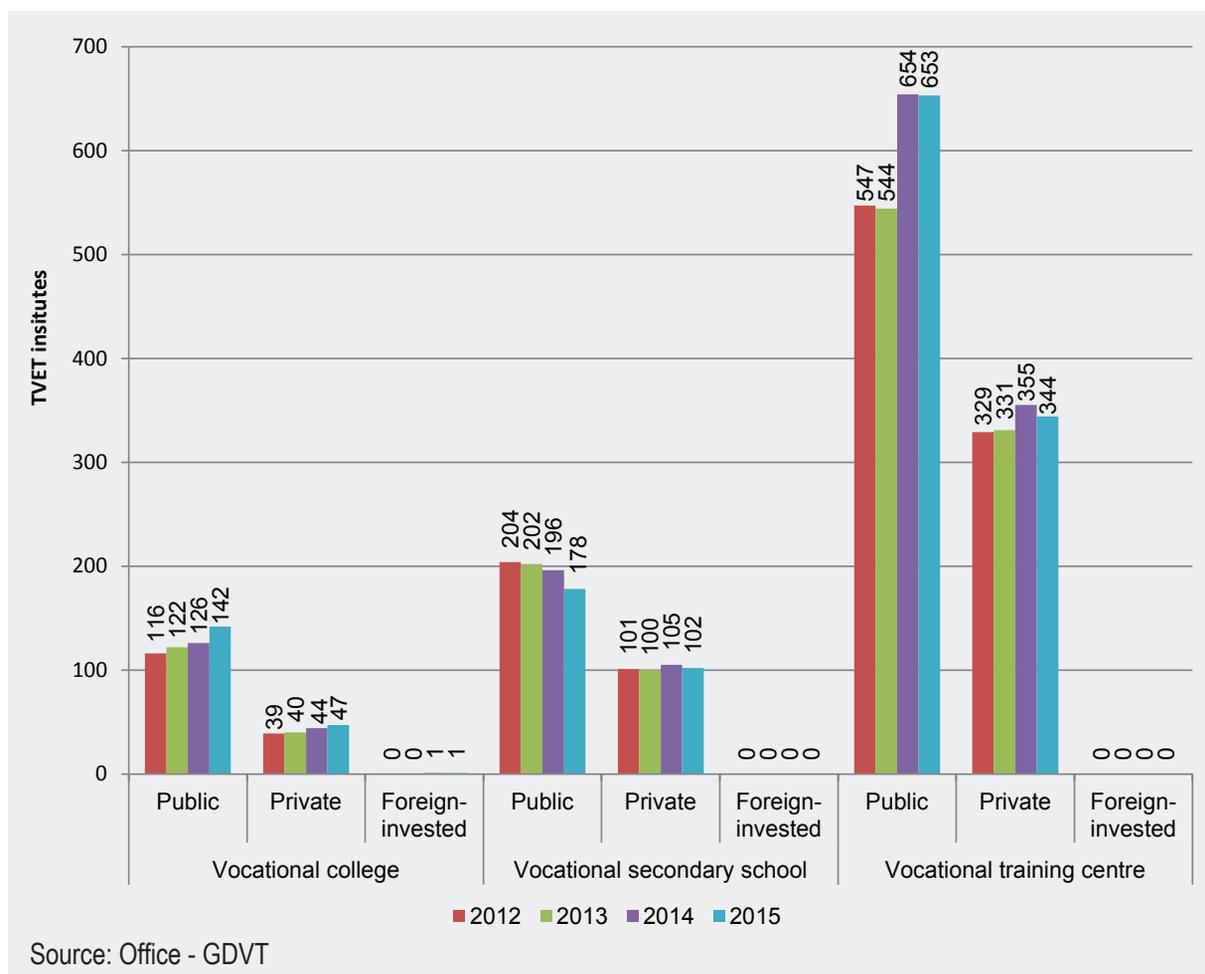
Along with the changes in the number of TVET institutes, there are also changes in the number of professional secondary schools and professional colleges under the management of MoET (Figure 2). The number of professional secondary schools have slightly decreased compared with 2014 (by 9 schools, accounting for 3%) because some professional secondary schools have been upgraded to professional colleges; some have been dissolved while the number of professional colleges has increased but not significantly (by 2 colleges, accounting for 1%).

Figure 2: Number of professional secondary schools and professional colleges

*** TVET institutes categorised by ownership**

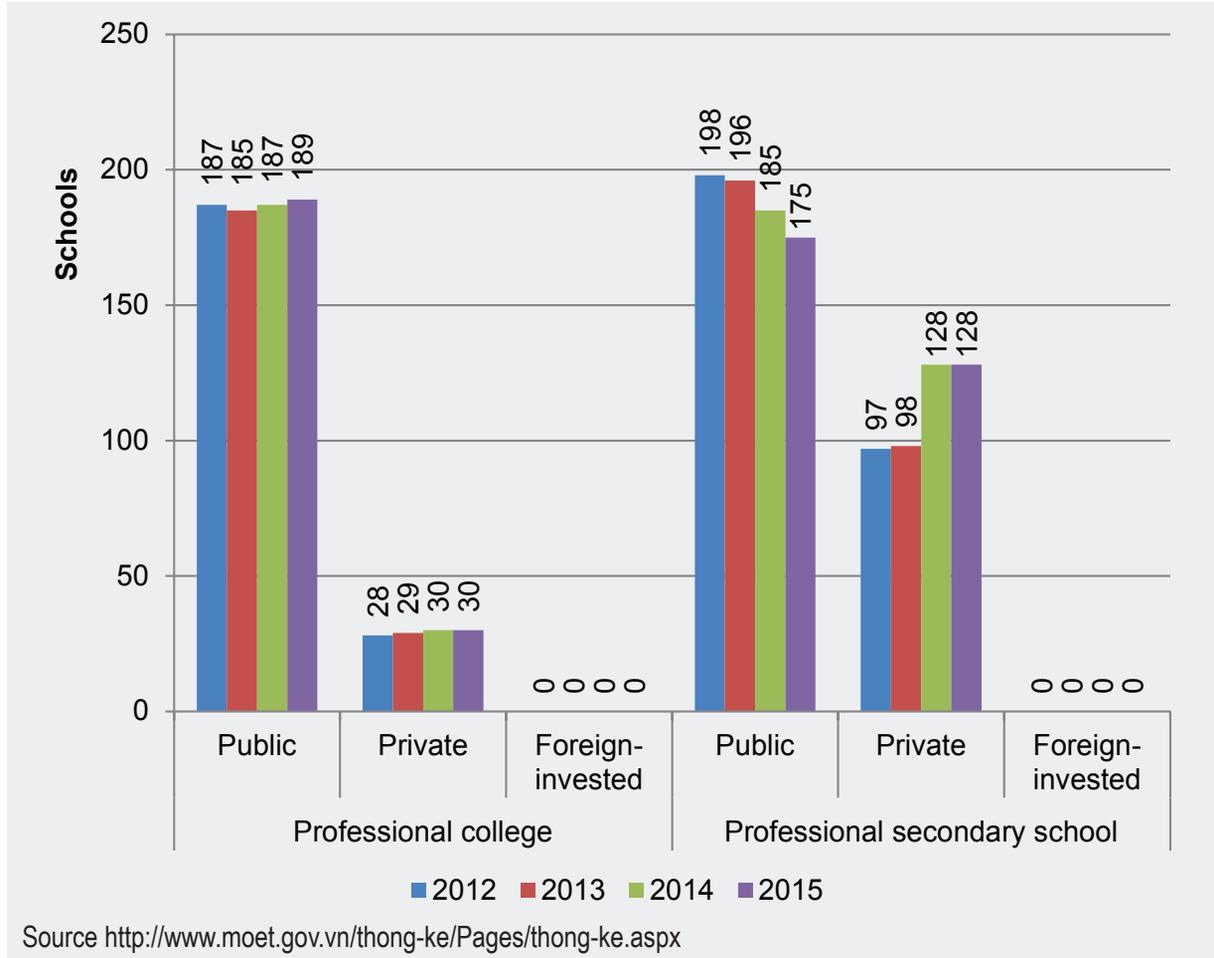
The Law on Vocational Education and Training defines three types of TVET institutes according to their ownership. They are public TVET institutes, private TVET institutes, and foreign-invested TVET institutes. As of 31/12/2015, the number of TVET institutes categorised by ownership (Figure 3) consists of 320 public TVET institutes (including 178 vocational secondary schools and 142 vocational colleges), 149 private TVET institutes (including 102 private vocational secondary schools, 47 private vocational colleges), 1 foreign-invested vocational college and 997 VTC (of which: 344 are non-public VTC). According to the Decree No. 16/2015/ND/-CP dated 14/2/2015 by the Government on policies for autonomy of public service institutions, public TVET institutes are subjected to rearrangement and to be restructured according to the plan approved by competent authorities; public service institutions are given the right of autonomy.

Figure 3: Number of TVET institutes categorised by ownership



As for professional secondary schools and professional colleges categorised by ownership (Figure 4), in comparison to that of 2014, there were no changes in respect of private schools and colleges while some changes were observed in terms of public schools and colleges (the number of professional secondary schools has reduced by 10 and that of professional colleges increased by 2).

Figure 4: Number of professional secondary schools and professional colleges categorized by ownership



In 2015, out of a total of 1,989 TVET institutes (including professional secondary schools and professional colleges and TVET institutes), there was only one foreign-invested vocational college. There were 1,337 public TVET institutes, accounting for 67.21% of TVET institutes nationwide. There were 307 private vocational colleges and secondary schools. These private vocational colleges and secondary schools include 77 private vocational colleges, making up 18.87% of the total vocational colleges, 230 private vocational secondary schools, accounting for 39.55 % of the total vocational secondary schools and 344 private vocational training centres, accounting for 34.5% of the total vocational training centres.

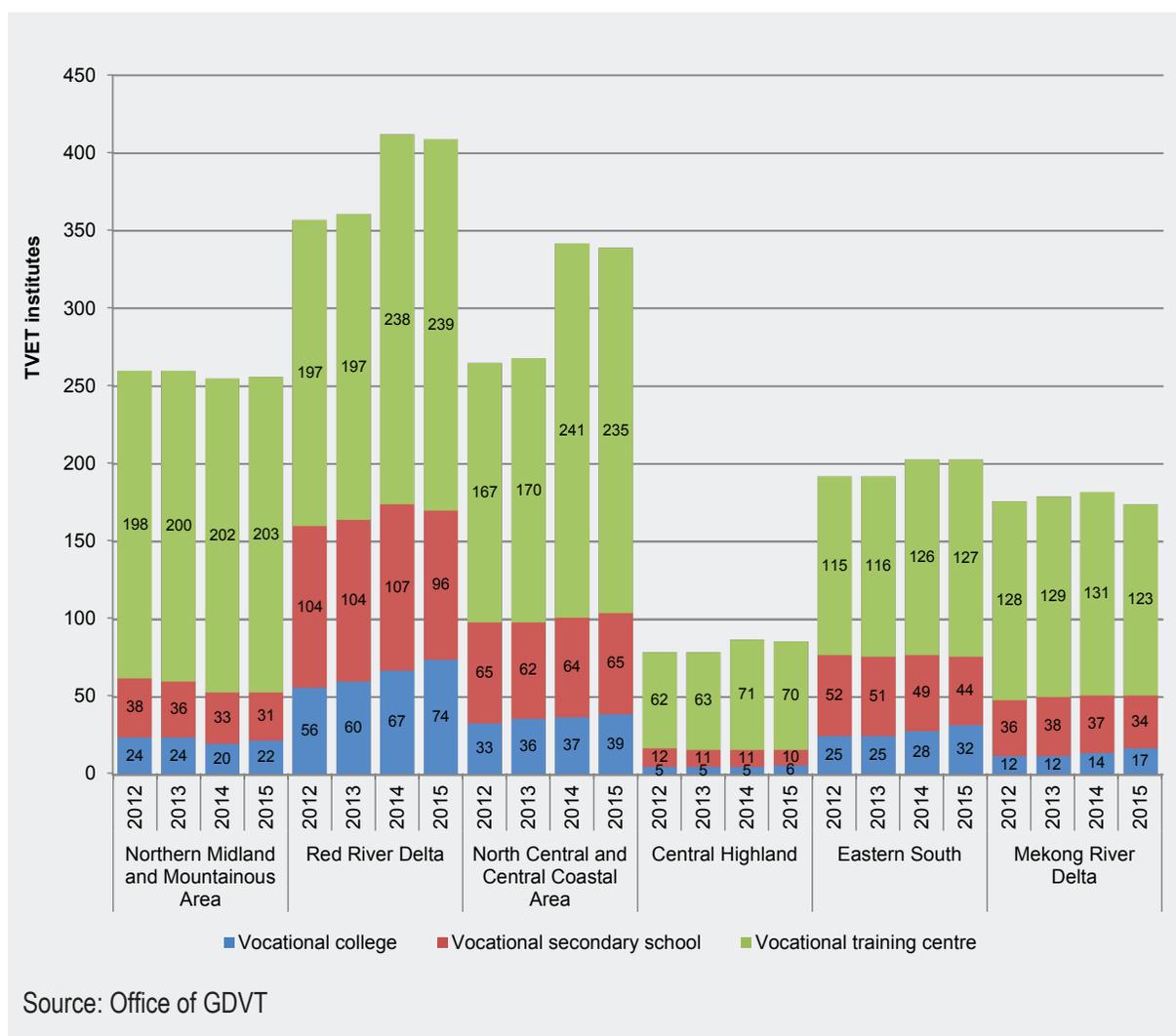
*** TVET institutes categorised by socio-economic regions**

TVET institutes are established and developed in line the with the Socio-economic Development Strategy, Human Resources Development Strategy, Human Resources Development Plan and the practical situation at regional, provincial, and national levels, especially for the period 2011 - 2020. However, the fact that the investment and development of manufacturing, factories and companies is only concentrated in certain provinces and cities or regions has resulted in several difficulties for the TVET institutes that are located in the provinces which do not have favourable conditions for economic development.

The distribution of TVET institutes in the various socio-economic regions as of 31 December 2015 is shown in Figure 5.

- Northern Midland and Mountainous Area: 53 vocational colleges and secondary schools, including 36 public ones and 17 private ones;
- Red River Delta: 170 vocational colleges and secondary schools, including 101 public, 68 private and 1 foreign-invested;
- North Central and Central Coastal Area: 104 vocational colleges and secondary schools, including 76 public and 26 private;
- The Central Highland: 16 vocational colleges and secondary schools, including 12 public and 4 private;
- Eastern South: 76 vocational colleges and secondary schools, including 49 public and 27 private;
- Mekong River Delta: 51 vocational colleges and secondary schools, including 43 public and 8 private.

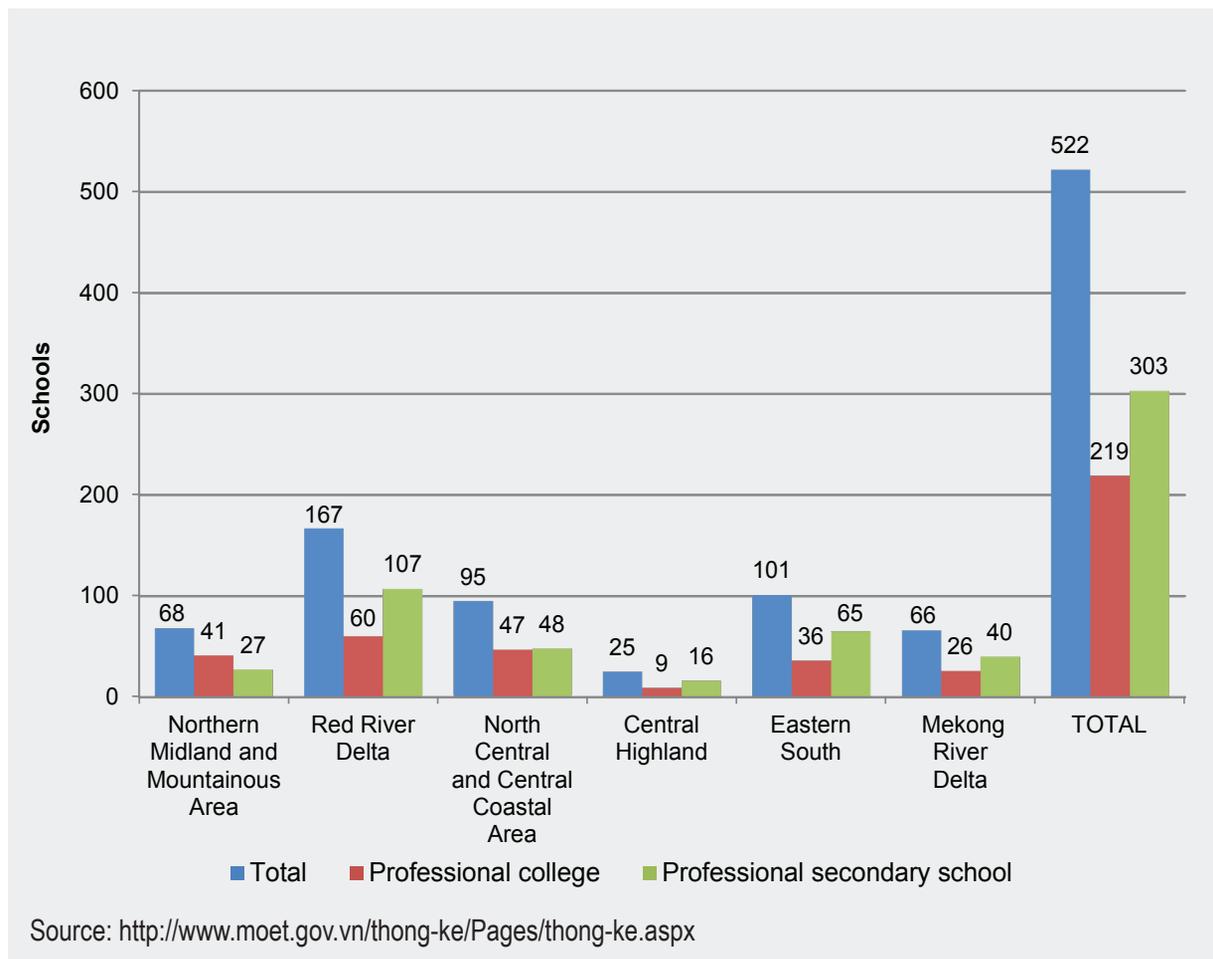
Figure 5: Number of TVET institutes categorised by socio-economic regions



Source: Office of GDVT

The distribution of professional colleges and professional secondary schools by socio-economic regions is shown in Figure 6. The three provinces, which do not have a professional college, are Quang Binh, Dak Nong and An Giang provinces.

Figure 6: Number of professional secondary schools and professional colleges categorised by socio-economic regions

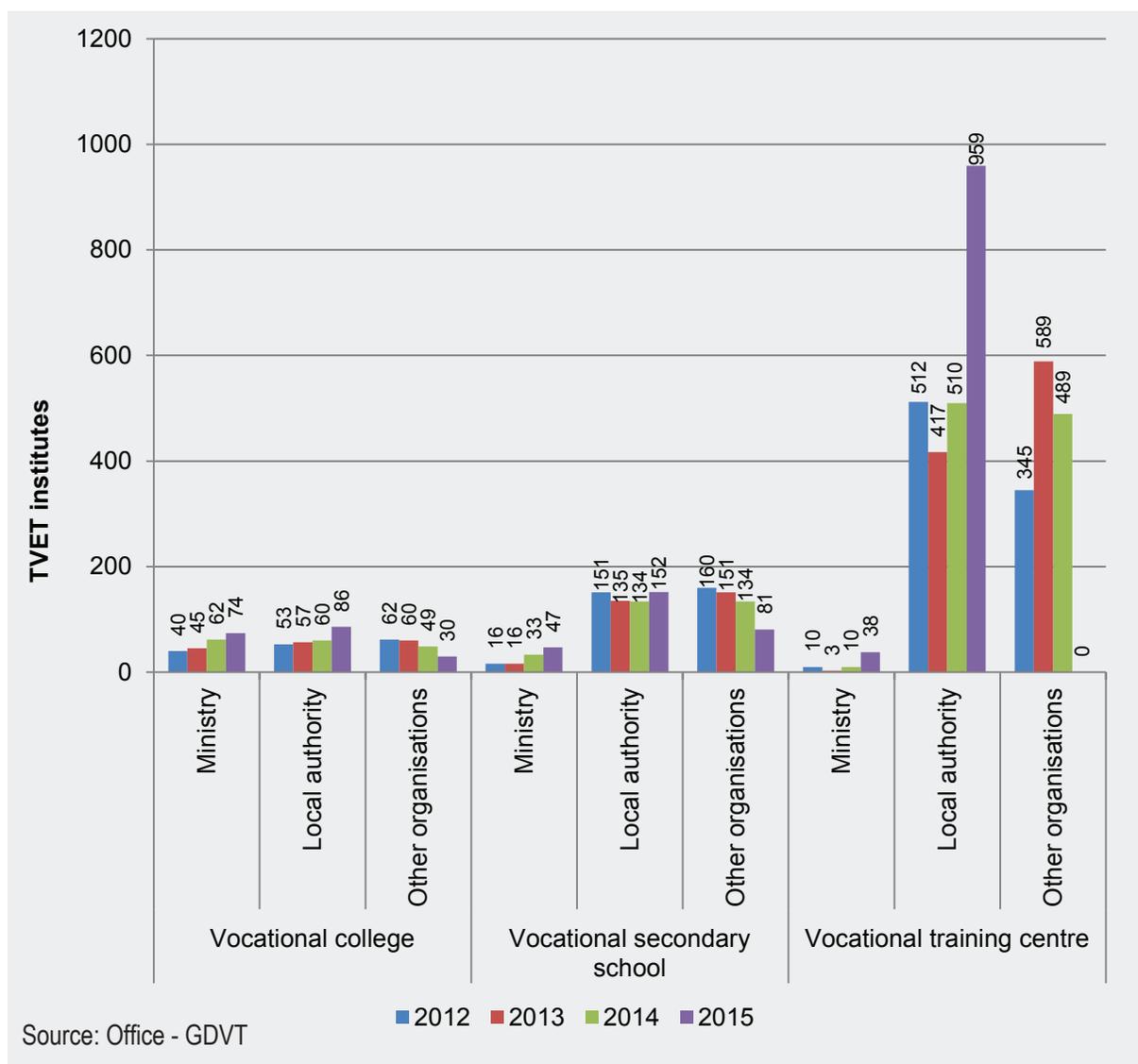


*** TVET institutes categorised by managing agencies**

The policy that encourages and favours enterprises, and other groups to establish TVET institutes and take part in the vocational training activities has diversified the types of TVET institute management agencies. The other groups include socio-political organisations, social organisations, socio-vocational organisations and other organisations, Vietnamese citizens, foreign organisations and individuals and Vietnamese people residing overseas.

In 2015 there were 72 TVET institutes under the management of the related ministries and industries, including: 11 professional secondary schools and 61 professional colleges; 193 TVET institutes managed by the local authorities, including 123 vocational secondary schools and 70 vocational colleges; 109 TVET institutes under the management of enterprises, of which there were: 81 vocational secondary schools and 29 vocational colleges; 95 TVET institutes under the management of socio-political organisations and other organisations and the private sector, including 64 vocational secondary schools and 31 vocational colleges.

Figure 7: TVET institutes categorised by managing agencies



*** TVET institutes categorised by special investment into high-quality TVET institutes**

Following the implementation of the Decision No. 761/QD-TTg dated 23/5/2014, there are 45 institutes selected for special investment to become high-quality TVET institutes, which are capable of training occupations recognised by developed countries in the region and in the world. At the same time, the master planning of key occupations at national, ASEAN and international levels has been approved, including: 26 occupations with international standards, 34 occupations with ASEAN standards, and 100 occupations with national standards.

The network for the TVET institutes selected for special investment to become high-quality TVET institutes is nationwide. 23 out of 63 provinces and cities along the Northern, Central and Southern regions have high-quality institutes, accounting for 41.3% of the high quality institutes. Among six economic regions, the Red River Delta has 7 out of 11 provinces/cities, which have 16 expected high-quality TVET institutes (out of 45 vocational colleges), accounting for 35.6%, followed by the North Central and Central Coastal Area with 6 out of 14 provinces/cities.

According to the infrastructure investment roadmap for high-quality TVET institutes, by 2020, Viet Nam will have about 40 high-quality TVET institutes capable of training the occupations that are recognised by ASEAN region and internationally, contributing to the fundamental and comprehensive reform of vocational training in Viet Nam and providing high-quality human resources for the socio-economic development of the country. In the period of 2014-2016, the pilot training based on the vocational training programmes imported from other countries within the framework of the project approved by the Prime Minister, trained 34 occupations with at least 25 students per occupation per year. The selected TVET institutes that have good training competence close to the standards of high-quality TVET institutes have been prioritised for concentrated and synchronised investment. Implementing the Decision No. 371/QD-TTg dated 28/02/2013 and Decision No. 1820/QD-TTg dated 26/10/2015 by the Prime Minister; GDVT and MoLISA conducted 41 pilot training courses at 25 out of 45 TVET institutes on 12 out of 34 occupations which were transferred from Chisholm Institute, Victoria, Australia.

General comments

The current state of TVET institutes, viewed under different management perspectives indicate that re-planning of the TVET institute network according to the Law on Vocational Education and Training is essential, however, this process will certainly face numerous difficulties. Re-planning of the TVET institutes network should be directed at increasing the TVET institute's scope, reducing the number of superior management agencies in the vocational education and training system, and improving the quality of training and performance through positive solutions such as promoting socialisation, giving autonomy to TVET institutes, rearrangement of TVET institutes by criteria such as economic sectors, occupations, training levels, types of TVET institutes, etc. This will contribute to a comprehensive reform of the vocational training system, help in training qualified human resources, and promote Viet Nam's competitive competence in the international integration process.

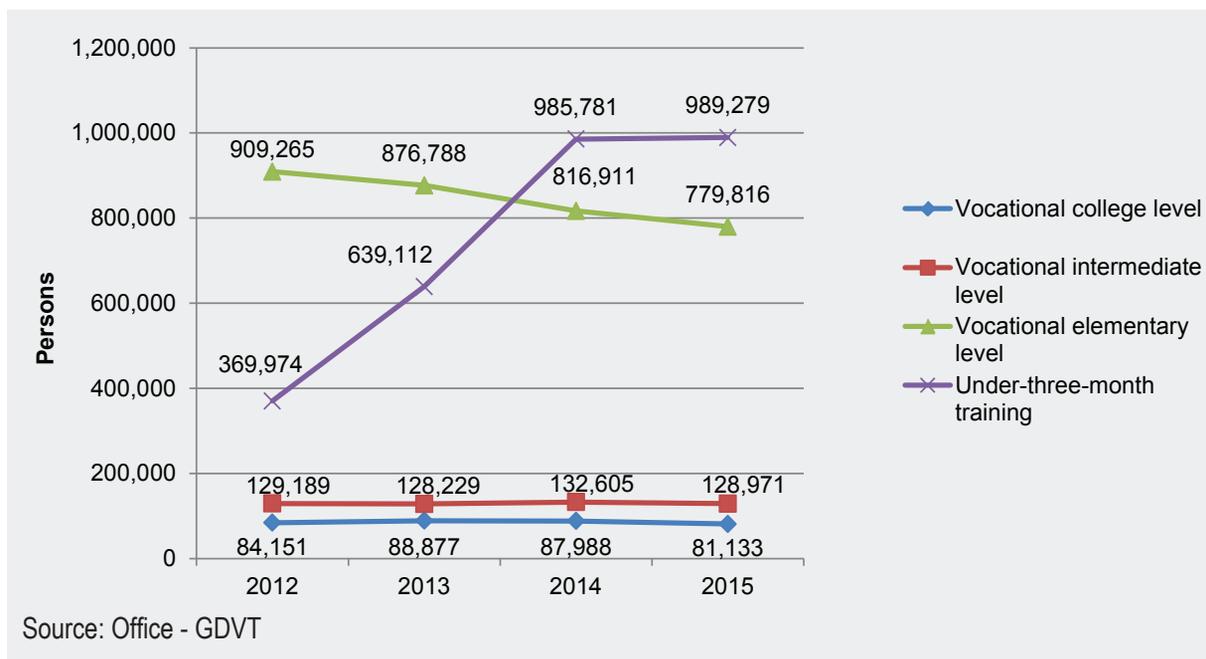
2.2. Admission and graduation

2.2.1. Admission information

*** Admission information at TVET institutes**

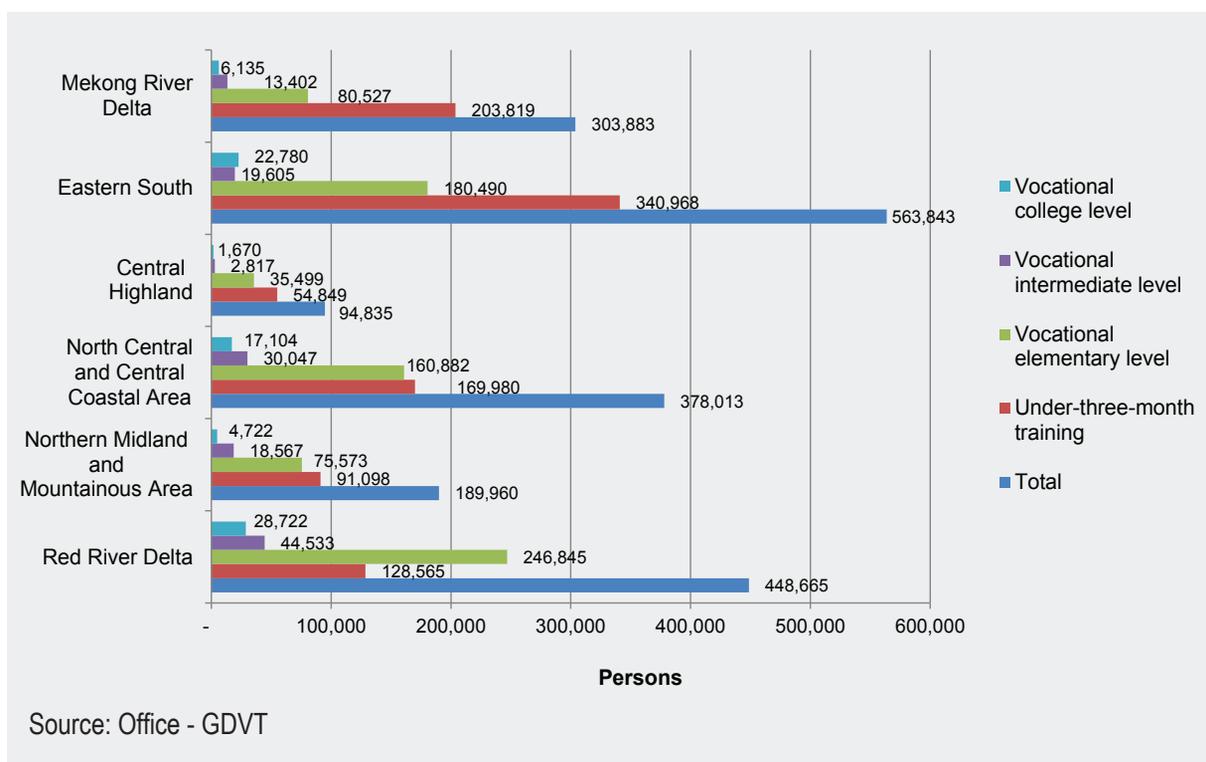
According to the reports on vocational training admission conducted by 63/63 provinces/central cities, as of 31/12/2015, 1,979,199 people were enrolled in training (92.1% of plan); including 210,104 people at vocational college level and vocational intermediate level (84.0% of the admission plan), and 1,769,095 people at vocational elementary training level and under-three-month training level (93.1% of the enrolment plan).

Figure 8: Admission results 2012-2015



In general, the number of admissions across the country in 2015 had increased compared to 2014, 2013 and 2012. Specifically, in 2015, it increased by 14.3% compared to 2013. However, in 2015, the number of admissions at vocational college level decreased compared to 2 years ago, with 6,012 less people compared to 2013 and 10,489 less people compared to 2014.

Figure 9: Admission structure in 2015 by socio-economic regions and training levels



The vocational training admission structure in 2015 that is categorised by vocational college level, vocational intermediate level, vocational elementary level and under-three-month training level is respectively 4%, 7%, 39%, and 50% (Figure 10).

Figure 10: Admission structure by training qualification levels in 2015 (in %)

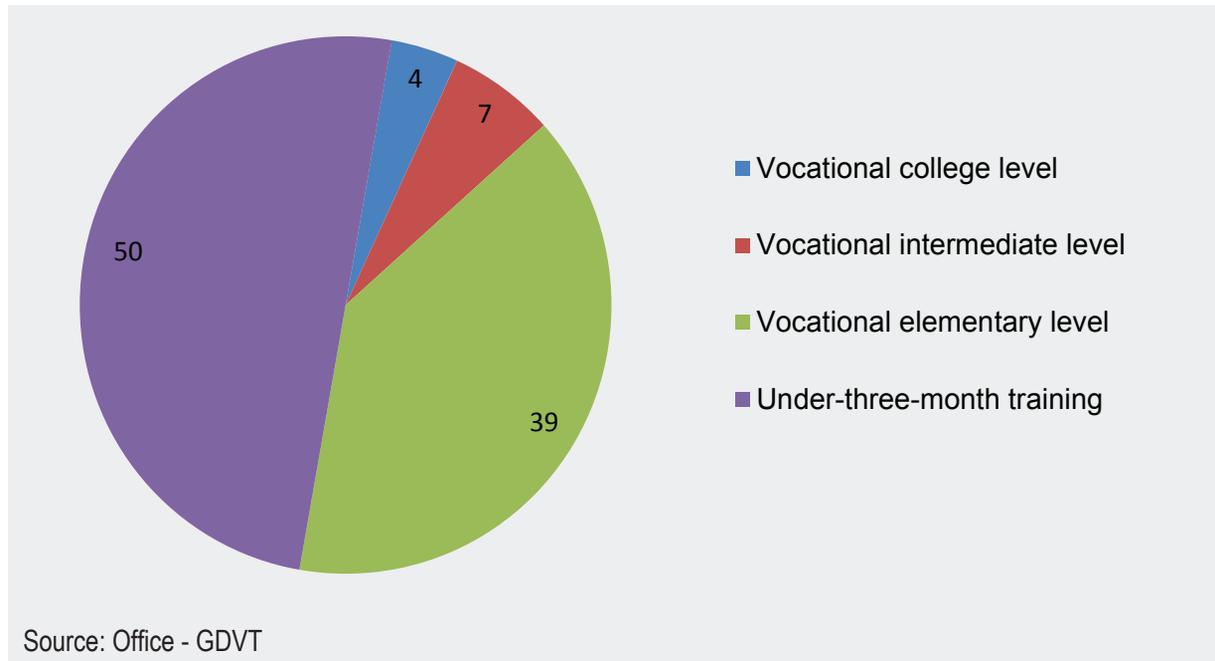
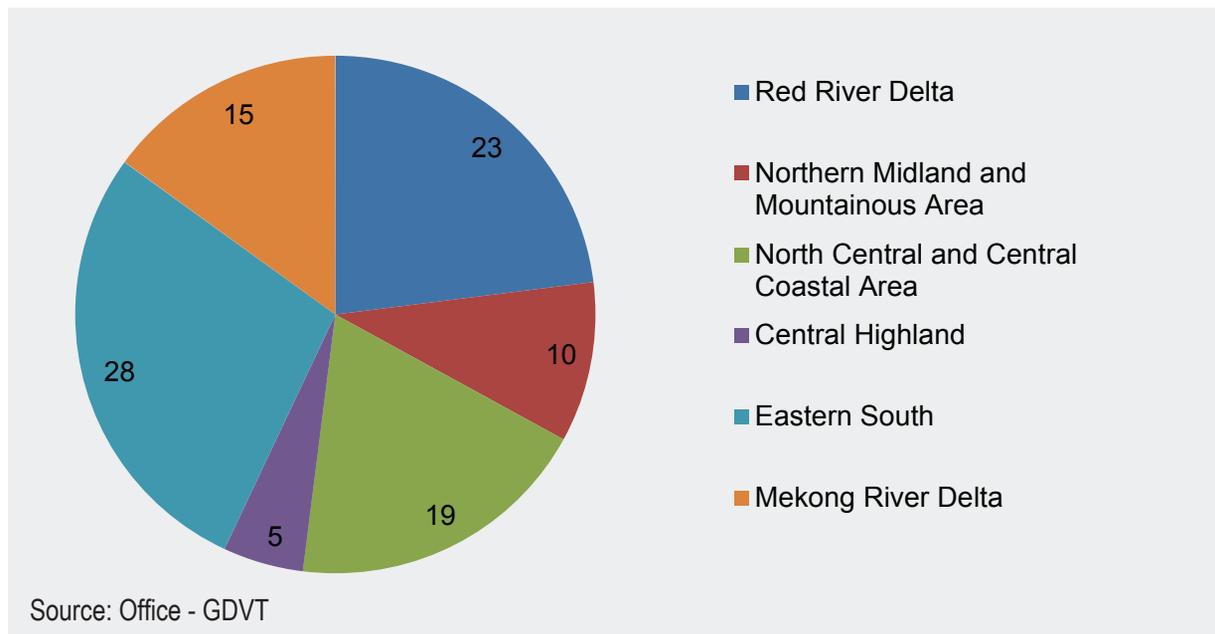


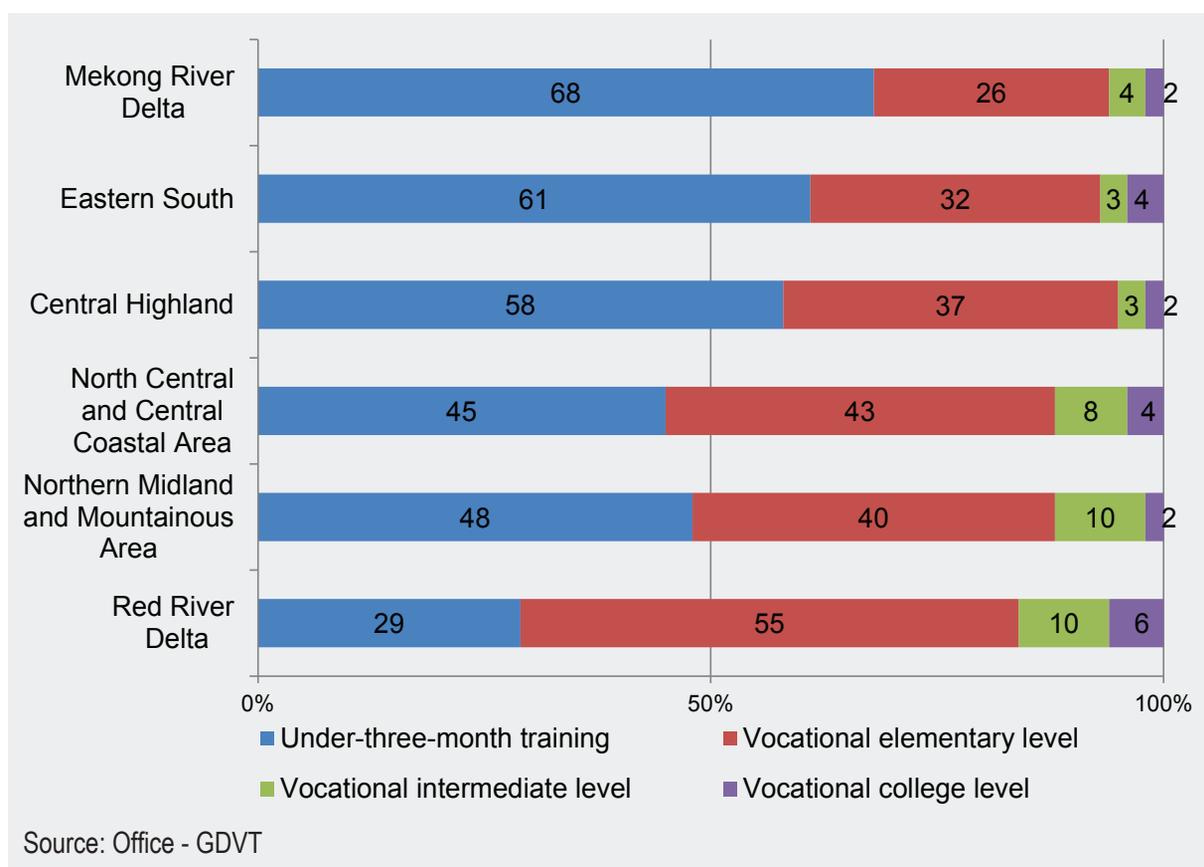
Figure 11: Admission structure by socio-economic regions in 2015 (in %)



Admission structure by economic regions: Among six economic regions, the two regions having the biggest number of admissions are the Eastern South and the Red River Delta, accounting for 28% and 23% respectively of the total number of admissions in the whole country. These are the two economic regions, which have the largest TVET institutes network in Viet Nam.

The Central Highland has the least number of TVET institutes and the smallest number of vocational training admissions (Figure 11).

Figure 12: Admission structure by training levels in socio-economic regions in 2015 (in %)



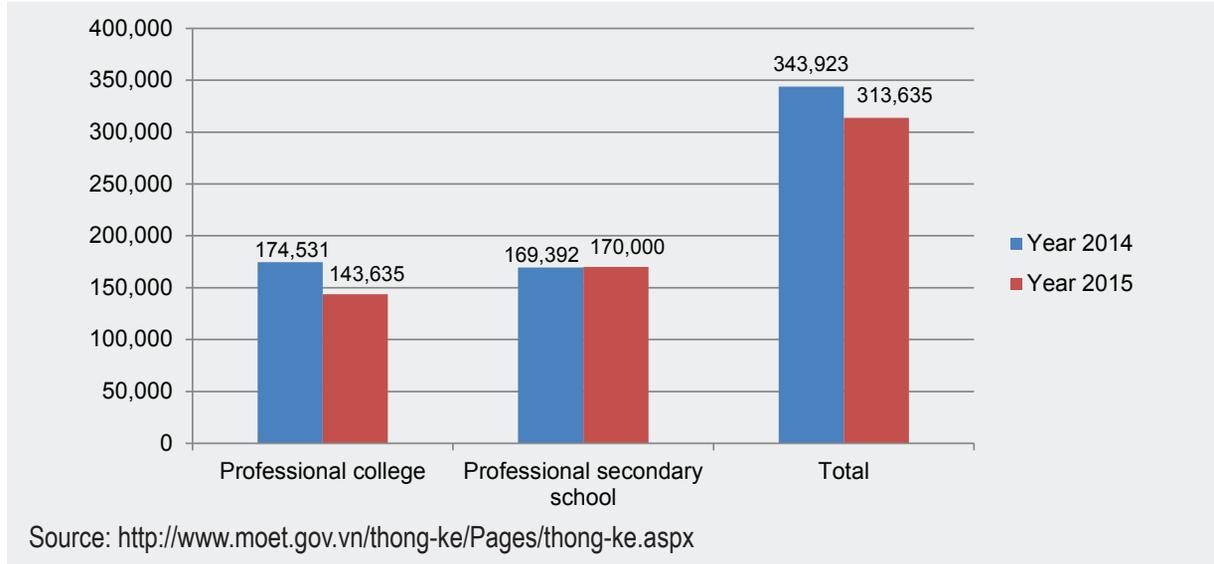
The vocational training qualification levels in different regions clearly vary. The most common training level is elementary level and under-three-month training level while the percentage of college level is low, fluctuating from 2% to 6%.

*** Admission at professional colleges and professional secondary schools**

In 2014, nationwide, there were 217 vocational colleges (including: 187 public colleges and 30 non-public colleges) and 313 professional secondary schools (185 public schools, 128 non-public schools). The number of admissions to professional colleges and professional secondary schools in 2014 was 343,923 people (including 174,531 people at professional college level and 169,392 people at professional intermediate level). In 2015, there were 219 professional colleges nationwide (including: 189 public colleges and 30 non-public colleges), and 303 professional secondary schools (175 public schools, 128 non-public schools). The number of admissions to professional colleges and professional secondary schools in 2015 was 313,635 people (including 143,635 people at professional college level and 170,000 people at professional intermediate level).

In 2015, the number of admissions was 30,288 people lower than 2014 (see Figure 13).

Figure 13: Admissions to professional colleges and professional secondary schools in 2014 and 2015



2.2.2. Graduation information

* Graduation from TVET institutes

According to the reports by 63 provinces/central cities, the results of vocational graduation exams as to 31/12/2015, shown in Figure 14, indicate that 1,727,644 students have graduated (achieving 89,8% of the total students meeting graduation exam requirements), including: vocational college graduates: 59,538 people (96.8% of the total number), graduates of vocational intermediate level: 89,826 people (97.2% of the total number); graduates of vocational elementary training and under-three-month vocational training: 1,578,280 people (89.2% of the total number).

Figure 14: Number of vocational training graduates in 2015

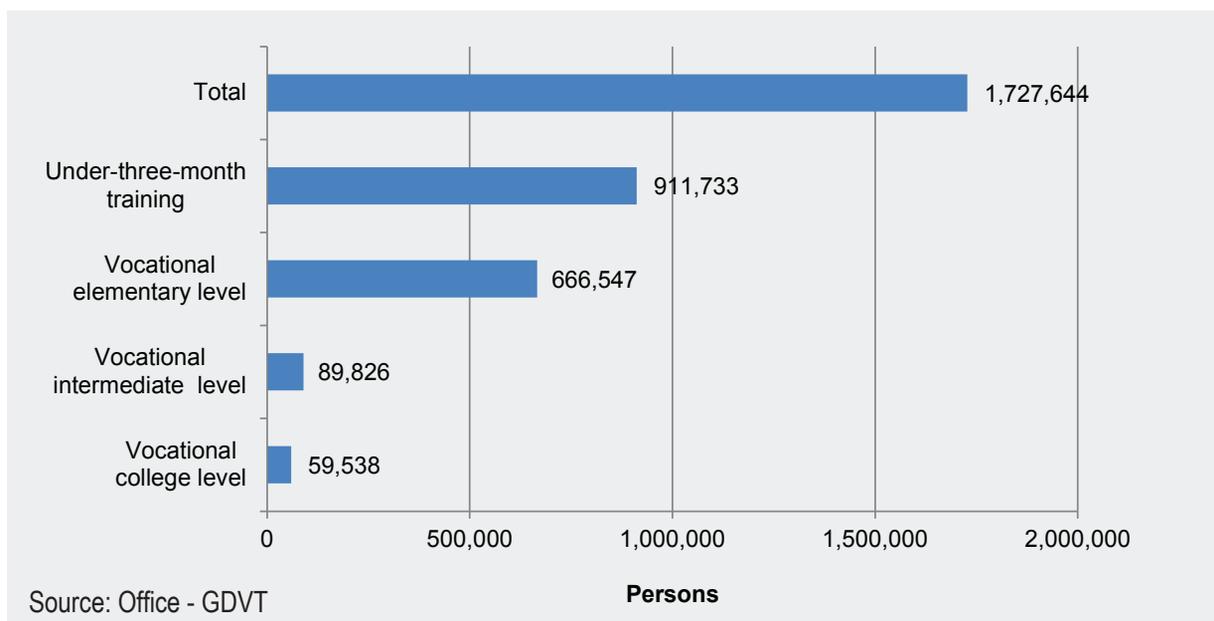


Figure 15: Qualification structure of graduates (in %)

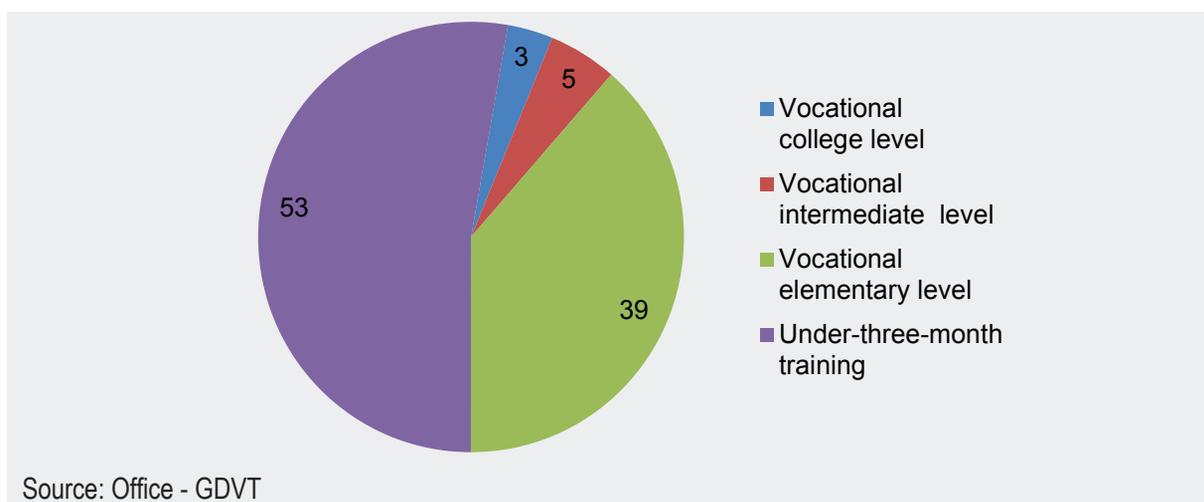
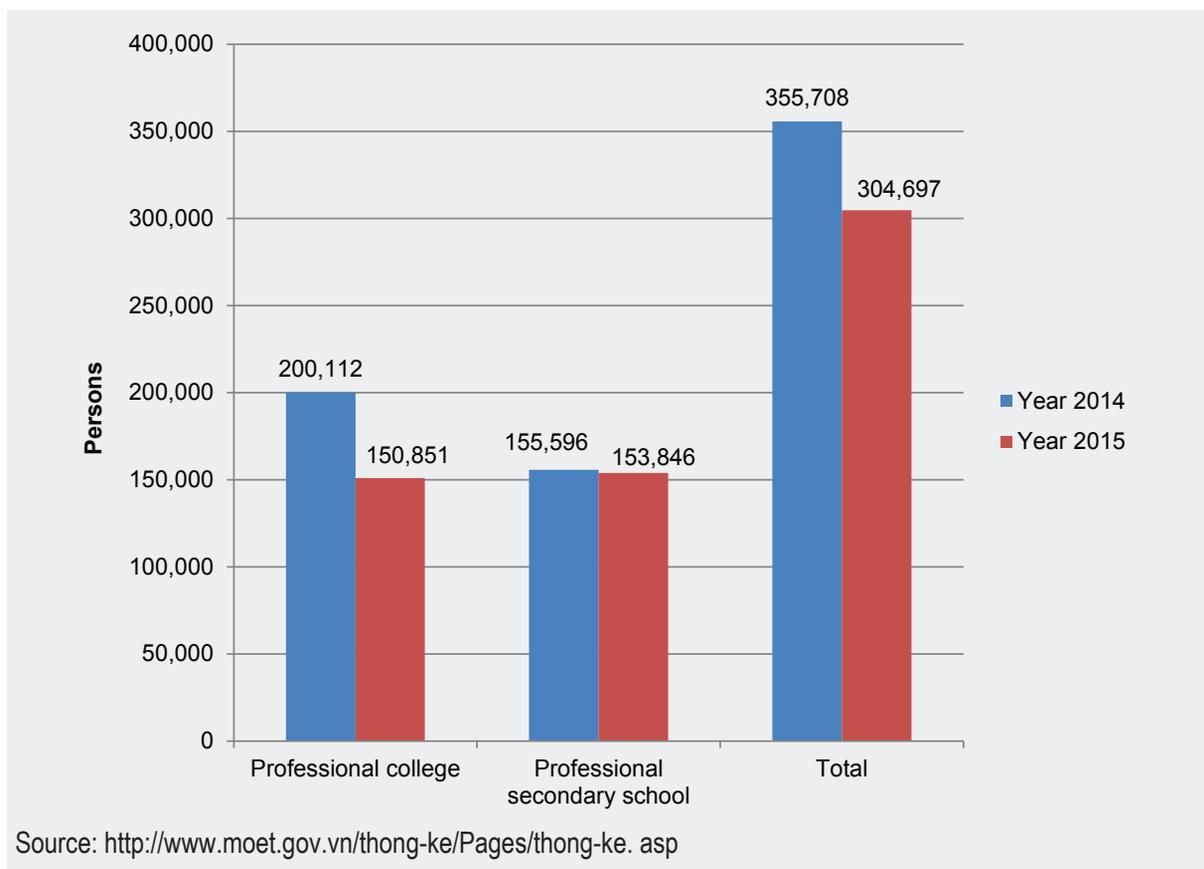


Figure 15 shows the qualification structure of vocational training graduates where the majority are graduates of under-three-month vocational training (53%) and vocational elementary training (39%).

*** Graduation from professional colleges and professional secondary schools**

Figure 16: Graduation results in 2014 and 2015



The number of graduates in 2015 was 51,011 people less than that in 2014.

2.2.3. Scope of 45 TVET institutes selected for special investment to become high-quality TVET institutes

* Training scope

Box 5: Criteria defined in the Decision No. 761

Each TVET institute of vocational secondary and college level has a minimum operational requirement of 2000 students (...) out of which 30% learn the key occupations.

Source: The Decision 761/QĐ-TTg issued by the Prime Minister on Approval of “Project on development of high-quality TVET institutes by 2020”

23 out of 45 TVET institutes (51.1%) met both criteria, including (i) at least 2,000 students of vocational intermediate level and vocational college level and (ii) of which at least 30% of students are trained in the key occupations).

24 out of 45 TVET institutes (53.3%) met the requirement (i) at least 2,000 students of vocational intermediate and vocational college levels (see Appendix 2), in particular:

Table 1: TVET institutes meeting the requirement of minimum 2,000 students of vocational intermediate and vocational college levels

Between 2,000 and 2,500 students	12 TVET institutes
Between 2,500 and 4,000 students	10 TVET institutes
>= 4,000 students (Quy Nhon vocational college: 4,292 students; Hanoi Industrial Vocational College: 4,096 students)	2 TVET institutes

- 21 out of 45 TVET institutes (46.7%) have a training scope of less than 2,000 students (see Appendix 2), in particular:

Table 2: TVET institutes meeting the requirement of minimum 30% students learning key occupations

Between 1,500 and 2,000 students	7 TVET institutes
Between 1,000 and 1,500 students	9 TVET institutes
< 1,000 students	5 TVET institutes

2.2.4. Vocational training for rural workers

*** Assessment of the 5-year implementation (2010-2014) of the Project “Vocational Training for Rural Workers”**

Result

During 5 years (2010-2014), nearly 3.2 million rural workers attended vocational training, making up 70.8% of the project target (3.2 million out of the expected 4.5 million workers). Among them, 2,169,562 rural workers were supported in vocational training within the framework of the project, accounting for 90.4% of the targeted objective of 2.4 million workers, and equivalent to 33.1% of the 11-year plan (2009-2020) (2.169 out of the expected 6.54 million workers).

Efficiency

Out of 2,169,562 rural workers, who were supported to participate in vocational training programmes, there are 1,941,168 workers who finished their training programmes. In details: 1,526,883 people have jobs after finishing their training programme, accounting for 78.7%, which means 8.7% higher than the expected project target (70% rural workers have job after finishing their training programme), in particular:

- 347,915 people have been recruited by enterprises, accounting for 22.8% of people getting jobs after finishing their vocational training programme. On average, every year, 69,583 rural workers are recruited by enterprises after finishing a vocational training programme, increasing by 8.1% as compared to the average number in the first three years of the project implementation (rural workers recruited by enterprises are mostly those attending training on non-agricultural occupations, accounting for 87.7% of the total number of people recruited by enterprises);
- 153,620 people were able to produce some product, and they had their products purchased by enterprises, making up 10.1% of the people finding job after graduation. On average, every year, 30,724 rural workers, who finished their vocational training programme, have their products purchased by enterprises;
- 1,007,284 people continue in their current occupations but their labour productivity and income has increased, accounting for 65.9% of the number of people having jobs after finishing their vocational training programme. On average, every year, 201,456 people are able to create their own jobs after finishing vocational training programmes, increasing 20% as compared to the average number in the first three years of the project implementation (most of those who create their own job after finishing a vocational training programme follow agricultural occupations, accounting for 64.2% of the total number of people creating their own job after finishing vocational training programmes);
- 18,064 people established production groups, cooperatives and enterprises, accounting for 1.2% of the total number of people having jobs after finishing their vocational training programme. On average, every year, 3,612 people establish production groups, cooperatives and enterprises after finishing their vocational training programme, creating jobs for themselves and others at the localities (most of the people who established production groups, cooperatives and enterprises after finishing vocational training follow

non-agricultural occupations, accounting for 73.2% of the total number of people establishing production groups, cooperatives and enterprises after finishing vocational training).

According to local statistics, 59,285 poor households have people who have attended vocational training, having jobs and getting out of poverty, accounting for 24.5% of the total number of poor households having people attending vocational training; 98,122 households have people attending vocational training, getting jobs and incomes higher than the local average income level (becoming households with good income), accounting for 4.5% rural workers attending vocational training.

*** Assessment of the project implementation result in 2015**

In 2015, about 900,000 rural workers were vocationally trained nationwide. Among them, about 550,000 rural workers were supported in vocational training thanks to the Project on Vocational Training for Rural Workers ("Project 1956") (equivalent to 100% of the project annual plan). The percentage of rural workers having jobs after finishing vocational training programmes is 78%.

It can be seen that during 6 years (2010-2015) of the project implementation, more than 4.1 million rural workers have been vocationally trained, accounting for 74.1% of the target set for the period (5.53 million). The number of people supported in vocational training in the framework of the project was more than 2.7 million, equivalent to 91.5% of the project plan for period 2010-2015 (the plan is 2.95 million people), accounting for 41.3% of the project 11-year plan (the target of 11-year plan is 6.54 million people). On average, every year, 680,000 rural workers are vocationally trained, accounting for 75.5% of the project average target.

Conclusion

In general, the number of admissions across the country in 2015 is increasing as compared to that of 2014, 2013 and 2012. The admission mainly focuses on elementary vocational training level. Although the number of vocational colleges and vocational secondary schools in 2015 increased as compared to that of 2014, the number of admissions is lower than that in 2014.

The annual number of people who are trained at vocational college and vocational secondary school level is still low.

CHAPTER 3

TVET TEACHERS AND MANAGEMENT STAFF

This chapter deals with the implementation of Vocational Training Development Strategy 2011-2020 and the Law on Vocational Education and Training and how it relates to TVET teachers and management staff in 2015. Based on information in the aforementioned documents readers can see the current situation and development trends of teachers and management staff in vocational education and training at the moment. However, as mentioned in Chapter 2, since the network of TVET institutes of MoLISA and MoET has not been merged, data reported on teachers and management staff in the TVET institutes under MoLISA and those in professional secondary schools and professional colleges under MoET remained separated. Furthermore, there has been insufficient data available from professional secondary schools and professional colleges on which to base a report.

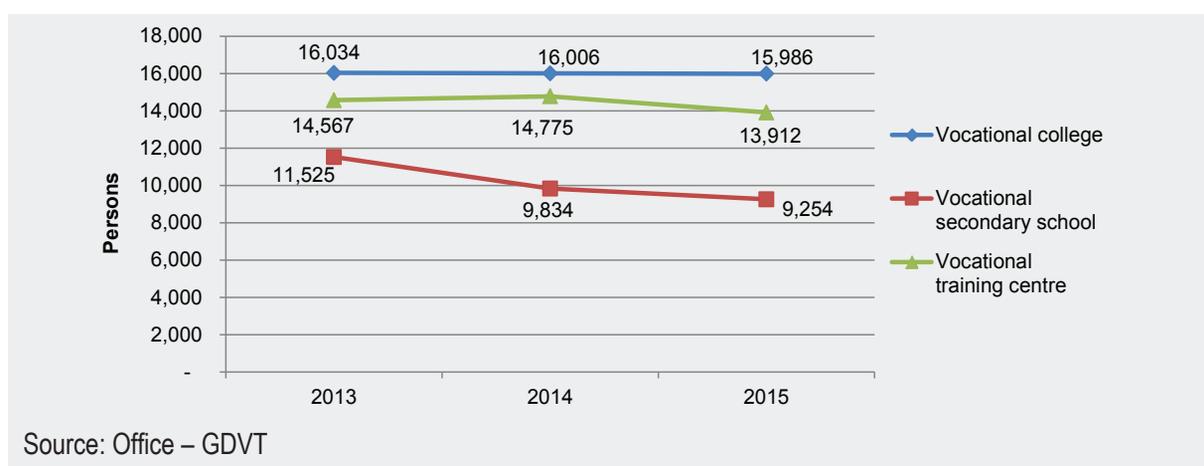
3.1. TVET teachers and management staff

Teachers in TVET institutes

TVET teachers come from different backgrounds such as: Those graduated from technical education universities, technical education colleges; those with technical qualifications being trained in occupational skills and pedagogy to become teachers; teachers specialising in teaching practice selected among skilled workers, artisans, etc. As a result, their qualifications and competences are different.

By December 2015, based on statistics of GDVT, there were 39,152 TVET teachers, with 15,986 teachers at vocational colleges (accounting for 40.8%), 9,254 teachers at vocational secondary schools (accounting for 23.6%) and 13,912 teachers at vocational training centres (accounting for 35.5%). In three years (from 2013 to 2015), the number of TVET teachers declined slightly as follows: in 2013: 42,126 persons, 2014: 40,615 persons, and in 2015: 39,152 persons (see Table 2). By 2015, the number of TVET teachers reached only 76.77%^[9] compared to the objective set in Vocational Training Development Strategy for the period of 2011-2020.

Figure 17: Teachers in TVET institutes 2013-2015



⁹The objective is set for 51,000 teachers by 2015, but the number has been 39,152 persons only.

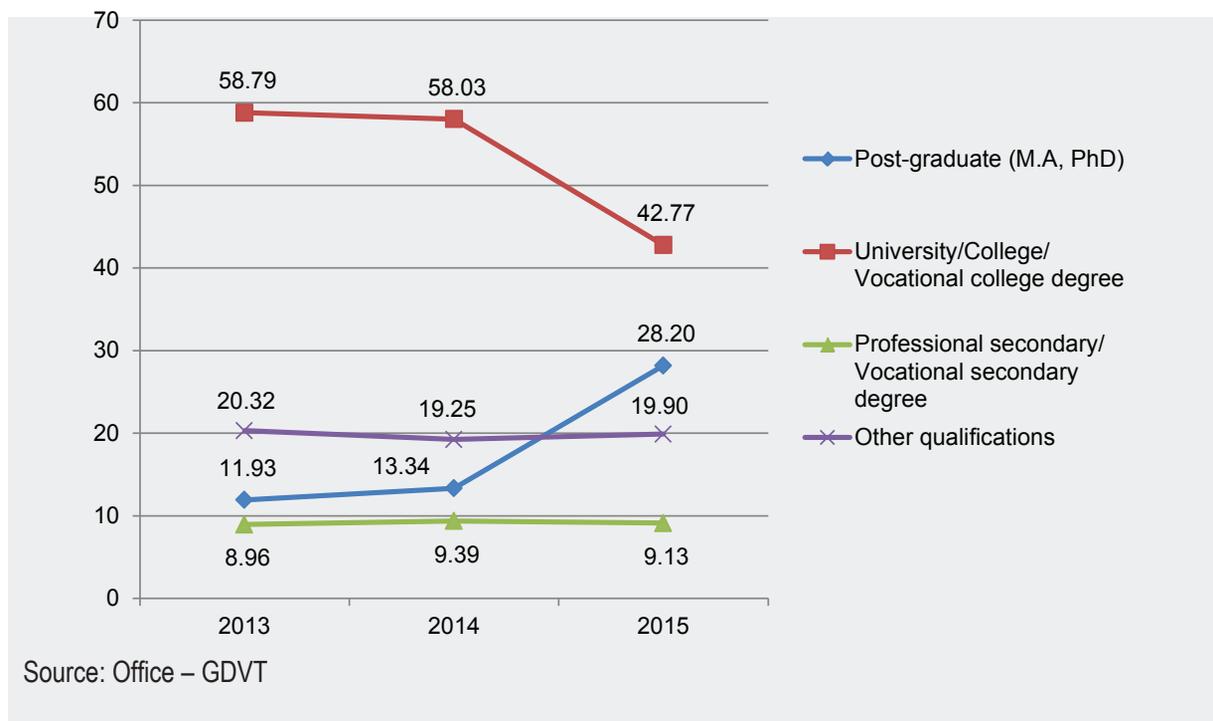
* Training qualifications

In 2015, there were some significant improvements in teachers' qualifications.

- 7,791 teachers (19.9%) obtained additional qualifications (for example, vocational secondary school teachers, technical workers, elementary vocational school teachers, etc.);
- 3,575 teachers (9.13%) had graduated from professional or vocational secondary schools;
- 16,747 teachers (42.77%) had graduated from universities, professional colleges and vocational colleges;
- 11,039 teachers had graduated with an M.A. or higher qualification which represented a huge increase from 5,417 in 2014. This represented an increase from 14.86% of teachers in 2014 to 28.2% in 2015;
- Teachers with post graduate university qualifications increased as follows: 2013 - 11.93%; 2014 - 13.34%; 2015 - 28.2%.

Based on a preliminary report on five years of implementing the Vocational Training Development Strategy for the period of 2011-2020, 100% of teachers and lecturers met standards on training qualifications, where those teaching in vocational colleges with M.A. qualification or higher accounted for 20.25%, those teaching in vocational secondary schools with M.A. qualification or higher represented 9.61%; those teaching in vocational elementary schools with M.A. qualification or higher represented 1.7%. Although the number of teachers and lecturers meeting and exceeding the standard of training qualification were very high, the competence and professional qualification of many of them remained insufficient, especially in occupational skills.

Figure 18: Training qualification of TVET teachers 2013-2015 (in %)

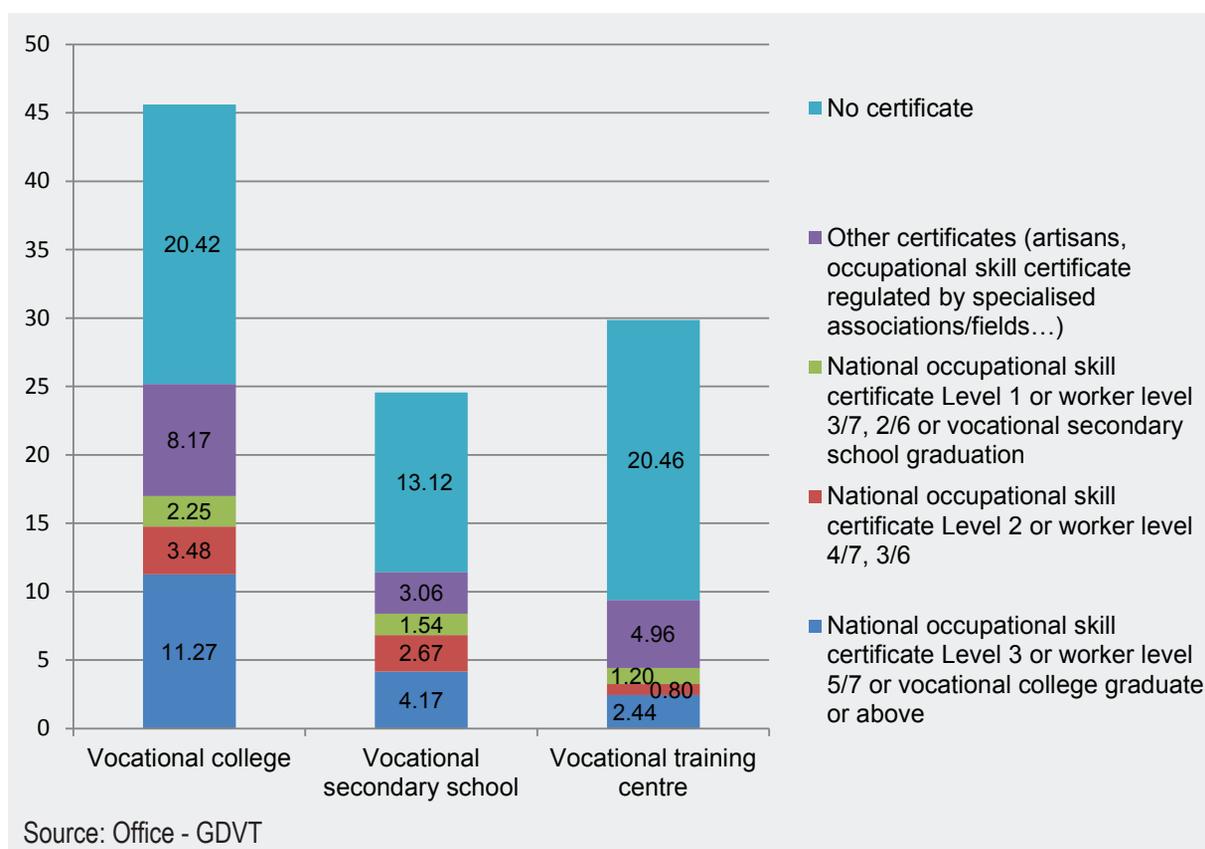


Occupational skills

Based on statistics of GDVT, only 711 out of 1,467 TVET institutes^[10] have provided reliable data; others have provided inconsistent data. Consequently, the report only analysed occupational skills of 24,882 teachers and lecturers (accounting for 63.55% of teachers and lecturers across Viet Nam) in 711 TVET institutes. Of that number, 11,344 teachers/lecturers taught in vocational colleges, 6,110 taught in vocational secondary schools and 7,428 taught in vocational training centres.

Of 24,882 vocational training teachers and lecturers, 11,445 had certificates of national occupational skills, accounting for 46% (see Figure 19). Of 11,445 teachers, the number of teachers and lecturers having such certificates in vocational colleges was 6,263, representing 25.17%; in vocational secondary schools 2,846 teachers have such certificates, representing 11.44%; vocational training centres have 2,336 teachers with such certificates, representing 9.39%. 13,437 teachers and lecturers have no certificates, representing 54%. Of that percentage, 20.42% of teachers were in vocational colleges, 13.12% were in vocational secondary schools and 20.46% were in vocational training centres. The objective set in the Vocational Training Development Strategy to have 100% of teachers and lecturers meet the standards of occupational skills by 2014 has not been achieved.

Figure 19: Structure of occupational skills certificates of teachers in TVET institutes (in %)

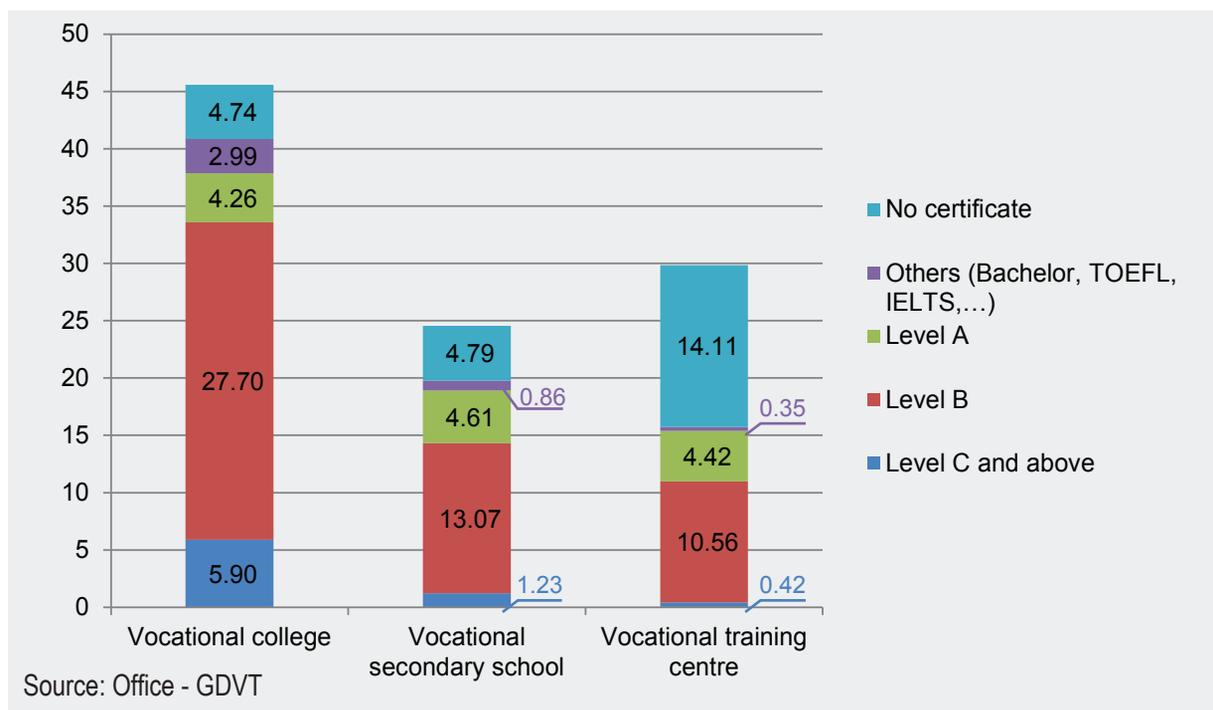


¹⁰ Among 711 TVET institutes, there were 115 vocational colleges, 149 vocational secondary schools and 447 vocational training centres.

* Foreign language level

Out of 24,882 TVET teachers, 19,000 had foreign language certificates, representing 76.37% of TVET teachers (see Figure 20). Most of them have B and A levels (accounting for 64.62%). Out of 19,000 teachers who had foreign language certificates, 10,164 teachers came from vocational colleges (accounting for 40.85%); 4,919 teachers came from vocational secondary schools (representing 19.77%); and 3,917 teachers came from vocational training centres (representing 15.74%). 5,882 teachers did not have any foreign language certificates, representing 23.64%, thereof teachers from vocational colleges accounted for 4.74%; from vocational secondary schools: 4.79%; and from vocational training centres: 14.11%. Teachers' and lecturers' foreign language standards were in compliance with the Decision No. 177/QD-TCBT of MoET released in year 1993 on practice English A, B and C. In fact, national foreign language certificates levels A, B and C are no longer suitable and are steadily being replaced by the Common European Framework of Reference for Languages (CEFR). As a result, the certificates levels A, B and C will be superseded by the new CEFR which should help the international integration process in vocational training.

Figure 20: Structure of foreign language levels of TVET teachers (in %)

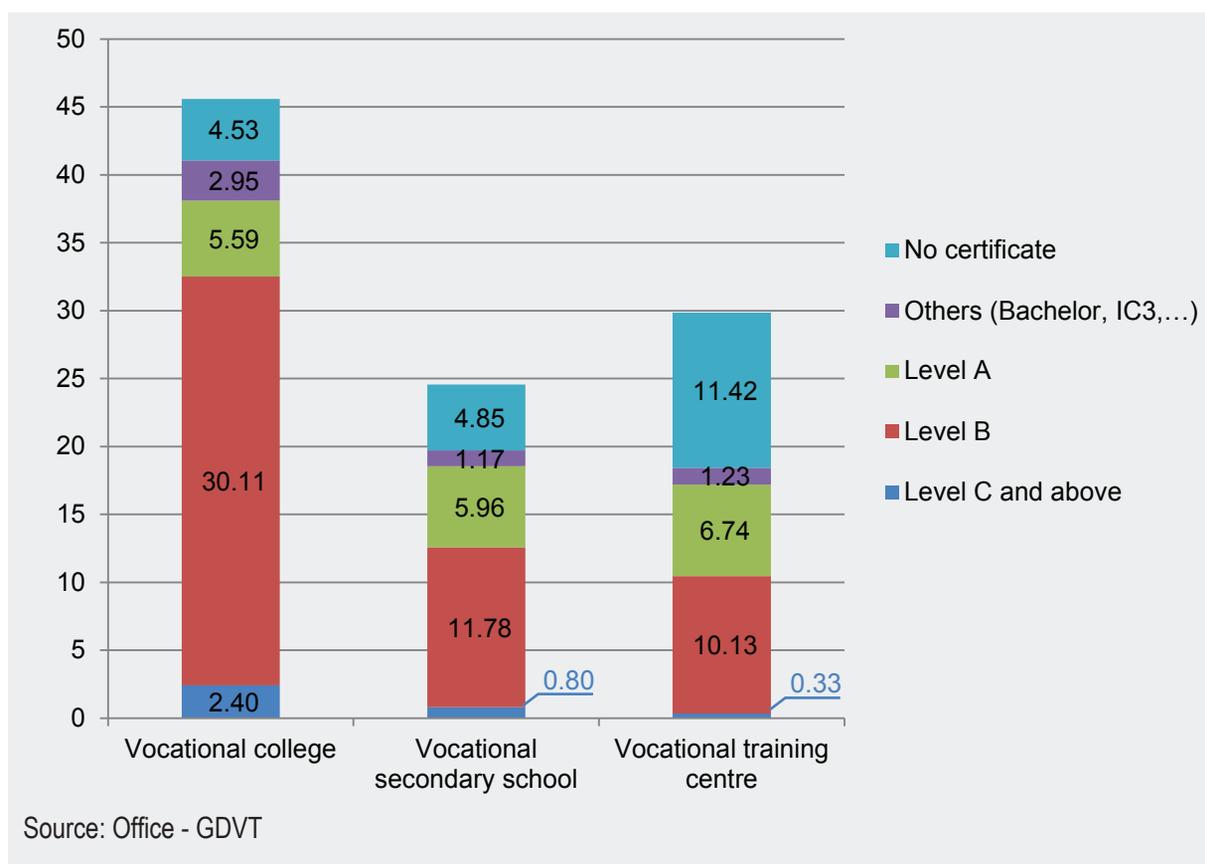


* Computer skill levels

Among the total of 24,882 teachers and lecturers, 19,705 had computer skill certificates, (representing 79.19%). Of that number, 10,210 teachers of vocational colleges held computer skill certificates, representing 41.06%, 4,902 teachers of vocational secondary schools held computer skill certificates, accounting for 19.70%, 4,587 teachers of vocational training centres held computer skill certificates, representing 18.44%. The number of teachers and lecturers who did not have computer skill certificates was 5,177 persons, accounting for 20.81% (vocational colleges: 4.53%; vocational secondary schools: 4.85%, and vocational training centres 4.85%).

Although TVET teachers having computer skill certificates represented a relatively high percentage, most of their certificates were in levels B and A (70.32%), while such levels are not suitable and do not meet the requirements on knowledge and skills. Limitation in computer skills will hinder teachers from using information technology in their teaching process.

Figure 21: Structure of computer skill levels of TVET teachers (in %)



Box 6: Foreign language and computer skill certificates levels A, B and C

1. Foreign language certificates levels A, B and C: granted to those who have completed corresponding practice English training courses at levels of Elementary, Intermediate and Advanced.

Source: Decision No. 177/QD-TCBT dated 1993 of Ministry of Education and Training on practice English programme levels A, B and C

2. Computer skill certificates levels A, B and C:

Level A: The basic and minimum level of applied computer skill

Level B: Continuing level A, improving knowledge of computer skill.

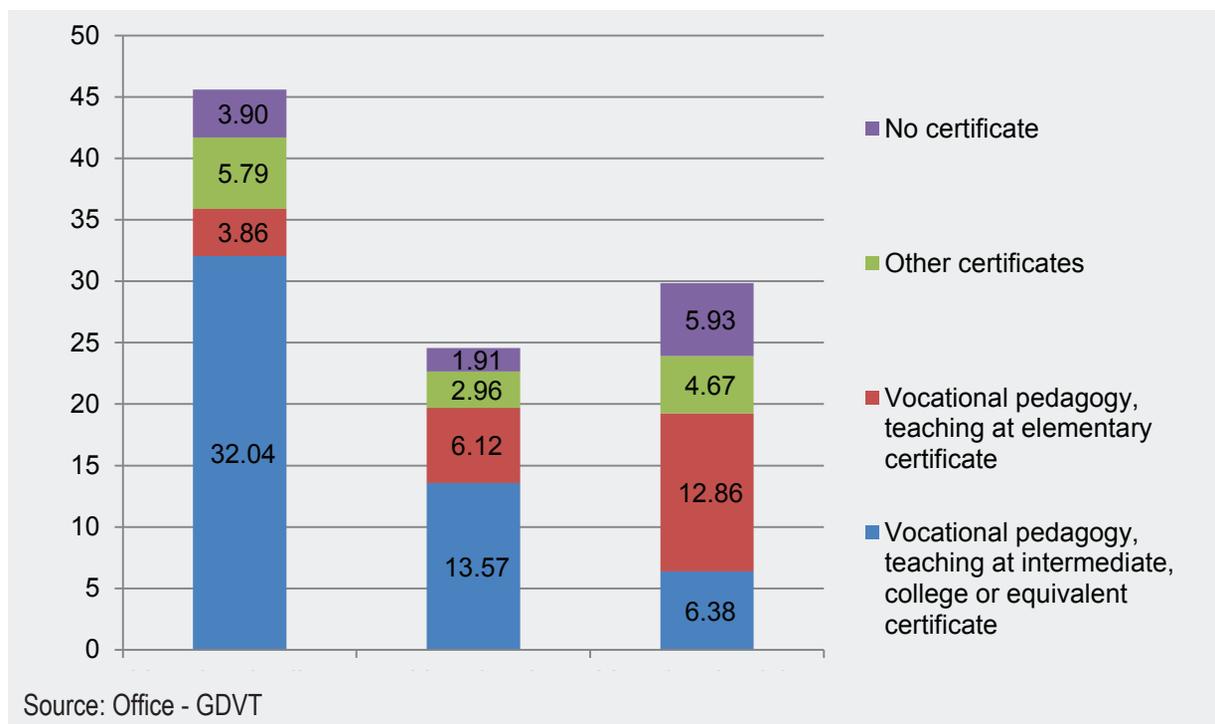
Level C: Learners can perform programming with some programming languages, able to apply their knowledge to create software to meet their own demand and for the society.

Source: Decision no. 21/2000/QD-BGDDT dated 03/7/2000 of Ministry of Education and Training on the issuance of Applied Computer Skill Programme Levels A, B and C

* Vocational training pedagogy

In 2015 21,961 teachers had pedagogy certificates, representing 88.26% of teachers. Out of that number were 10,374 teachers in vocational colleges, representing 41.69%, vocational secondary schools 5,636 persons, representing 22.65% and vocational training centres 5,952 persons, representing 23.92%. Teachers and lecturers who have not had such certificates were 2,921 persons, representing 11.74% (vocational colleges 3.90%; vocational secondary schools 1.91%; vocational training centres 5.93%).

Figure 22: Vocational training pedagogy certificates of TVET teachers (in %)



* TVET teachers training

In order to perform the breakthrough solution of the Strategy, teacher's development has focused on training in and outside Viet Nam in order to improve qualifications and complete policies for teachers and lecturers.

In the period of 2011-2015, it was estimated that 7,352 teachers and lecturers were trained. Of that number, GDVT has cooperated with international organizations (EBG, APPE, City&Guilds, British Council) and TVET institutes across Viet Nam to provide occupational skill training for 860 national vocational training teachers and lecturers; providing training courses on vocational pedagogy for 2,136 teachers and lecturers; providing overseas training for 601 teachers and lecturers, reaching 57% of the plan. Of the total number, central agencies trained 392 persons (including: 198 persons in Malaysia; 194 in Australia), local agencies trained 209 persons (including: 142 persons in Malaysia; 56 in Korea and 11 in Germany).

In 2015 alone, GDVT provided training for 2,020 teachers and lecturers in and outside Viet Nam. Of that number, 1200 (59.4%) teachers were trained in how to plan lessons based on students'

prior learning credits and also in the organisation of integrated teaching^[11]; 300 people were studying vocational training pedagogy, accounting for 14.85%; those being trained, tested and evaluated in occupational skills were 290 persons, representing 14.35%; trained in English for specific purposes were 160 persons, representing 7.92%; those being trained in Malaysia in improving occupational skill for occupations in frame of a programme transfer project^[12] were 70 persons. In addition, in order to meet the demand of training teachers and lecturers, 37 vocational training pedagogy departments were established in vocational colleges across Viet Nam.

Table 3: Number of teachers and lecturers participating in training programmes held by GDVT in 2015

No.	Training programme	In Viet Nam (Participants)	Overseas (Participants)
1	Training on occupational skill improvement for teachers of occupations under programme transfer		70
2	English for specific purposes for teachers of key occupations in ASEAN and the world	160	
3	Credit-based training, training by compiling lesson plan and integrated teaching	1,200	
4	Training and testing, evaluating occupational skills	290	
5	Pedagogic skills for teachers of key occupations in the region and in the world	300	
Total		1,950	70

Source: Department of Teacher and Managerial Staff Affairs, GDVT

* *TVET management staff structure*

State management staff of TVET at ministerial and sectorial levels

State management staff of TVET at ministerial and sectorial levels in the Report include: Officers in charge of vocational training in ministries (Ministry of Industry and Trade, Ministry of Agriculture and Rural Development, etc.), groups, corporations, associations (Viet Nam Farmers' Association, Viet Nam Women's Union...) and other organizations (excluding management staff of GDVT).

By December 2015, the number of state management staff of TVET at ministerial and sectorial levels, in associations, unions, groups and corporations was 125 people, which had remained unchanged since 2014.

¹¹ Integrated teaching in vocational training is the structured and systematic combination of necessary related theory (general subjects, specific subjects, and specific theory) and occupational practice skills into certain skill content, in order to provide learners with specific competence to perform their tasks.

¹² Programme transfer refers to the process of importing a complete training programme from abroad and the training of staff in the process of delivering the training to students.

- 1.6% of state management staff had college degrees;
- 96.8% had bachelor degree or higher with 1.6% of that number holding an Associate Professor title;
- 11.2% with PhD;
- 40% with MA;
- 45.6% with engineering degree;
- 1.6% with diplomas or other qualifications.

Table 4: Training qualification of TVET management staff at ministerial and sectorial levels, in associations, groups and corporations

(Unit: Person)

No.	Organisation	Quantity		Training qualification					
		2014	2015	Assoc. Prof.	PhD	M.A.	Bachelor	Diploma	Others
1	Ministry/ministerial agencies	54	46	2	13	23	8		
2	State-owned economic groups	17	17			12	5		
3	Socio-political organizations	12	20			8	12		
4	Corporations	6	6			2	4		
5	Associations	36	36		1	5	28	1	1
Total		125	125	2	14	50	57	1	1

Source: Department of Personnel and Organisation, GDVT

TVET management staff in provincial DoLISA

Officers working at provincial department level referred to in this report were those managing vocational training departments at localities. The quantity of VET management staff in DoLISA was not high, often two to four persons. Few of them had five or six persons per department. By December 2015, there was a total of 286 management staff working in DoLISA nationwide, which was a reduction of 9 people from 2014. Most regions were reduced from 1 to 6 managers. The Red River Delta alone showed an increase of 4 persons, resulting in the highest proportion of management staff of 22.4%. The lowest proportion belonged to the Central Highland with 7.3%, which has the smallest number of TVET institutes across Viet Nam.

Management staff having bachelor degree or higher represented 98.6%, diploma level represented 1.4%. Management staff who had foreign language certificates represented 96.5%; those who had computer skills certificates represented 3.5% (see Table 5).

Table 5: TVET management staff in DoLISA

(Unit: Person)

No.	Region	Quantity		Training qualification			Computer skill	Foreign language
		2014	2015	M.A.	Bachelor	Diploma		
1	Northern Midlands and Mountainous Area	58	52	16	34	2	50	50
2	Red River Delta	60	64	22	42		61	61
3	North Central and Central Coast Area	65	63	19	44		62	63
4	Central Highland	22	21	3	18		19	19
5	Eastern South	32	32	7	25		32	30
6	Mekong River Delta	58	54	9	43	2	52	53
Total		295	286	76	206	4	276	277

Source: Department of Organisation and Personnel, GDVT

Management staff in TVET institutes

Management staff in TVET institutes consisted of officers working in specialized departments to support the training in TVET institutes such as training, scientific research, students, enrolment, corporate relations, etc. and teachers who also undertake specialised management such as team leaders, department managers, etc.

In order for the training activities in TVET institutes to work effectively in accordance with regulations, TVET management staff plays a very important role. The effective and reasonable utilisation and efficient use of resources to serve the purpose of training and development of TVET requires TVET management staff to have specialized competence, management operation, computer skill and foreign language skills, etc.

In 2015, based on the statistical report of GDVT which surveyed 1,149 out of 1,467 TVET institutes (163 out of 190 vocational colleges, 210 out of 280 vocational secondary schools, 776 out of 997 vocational training centres), there was a total of 10,516 management staff, which was an increase over the previous year of 274 people or 2.6% (There were 10,242 staff in 2014). Out of the total number of management staff, 4,196 (39.9%) worked in vocational colleges, 2,330 (22.16%) worked in vocational secondary schools, 3,990 (37.94%) worked in vocational training centres. 27.3% were female managers. Altogether there were 5,217 persons (52.5%) participating in teaching.

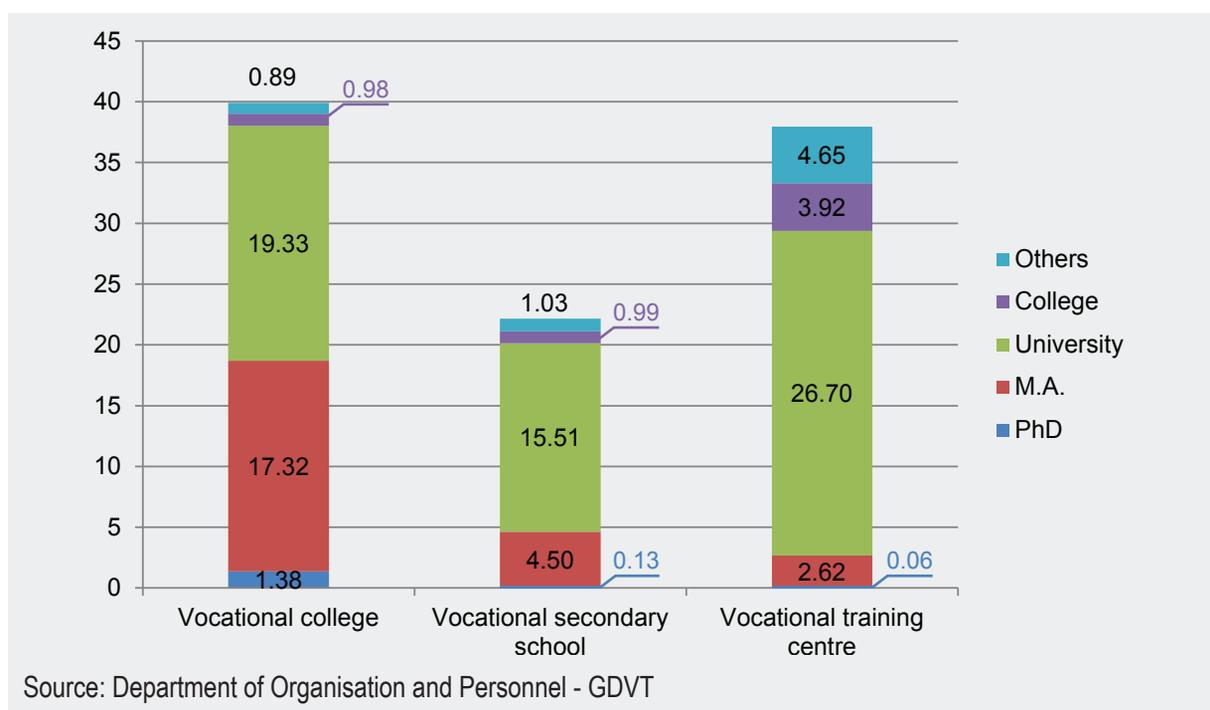
Table 6: Quantity of TVET management staff in 2015

No.	TVET institutes	Total (persons)	Female	Management staff participating in teaching (persons)
1	Vocational colleges	4,196	1,010	2,619
2	Vocational secondary schools	2,330	671	1,395
3	Vocational training centres	3,990	1,194	1,503
Total		10,516	2,875	5,517

Source: Department of Organisation and Personnel, GDVT

Training qualifications

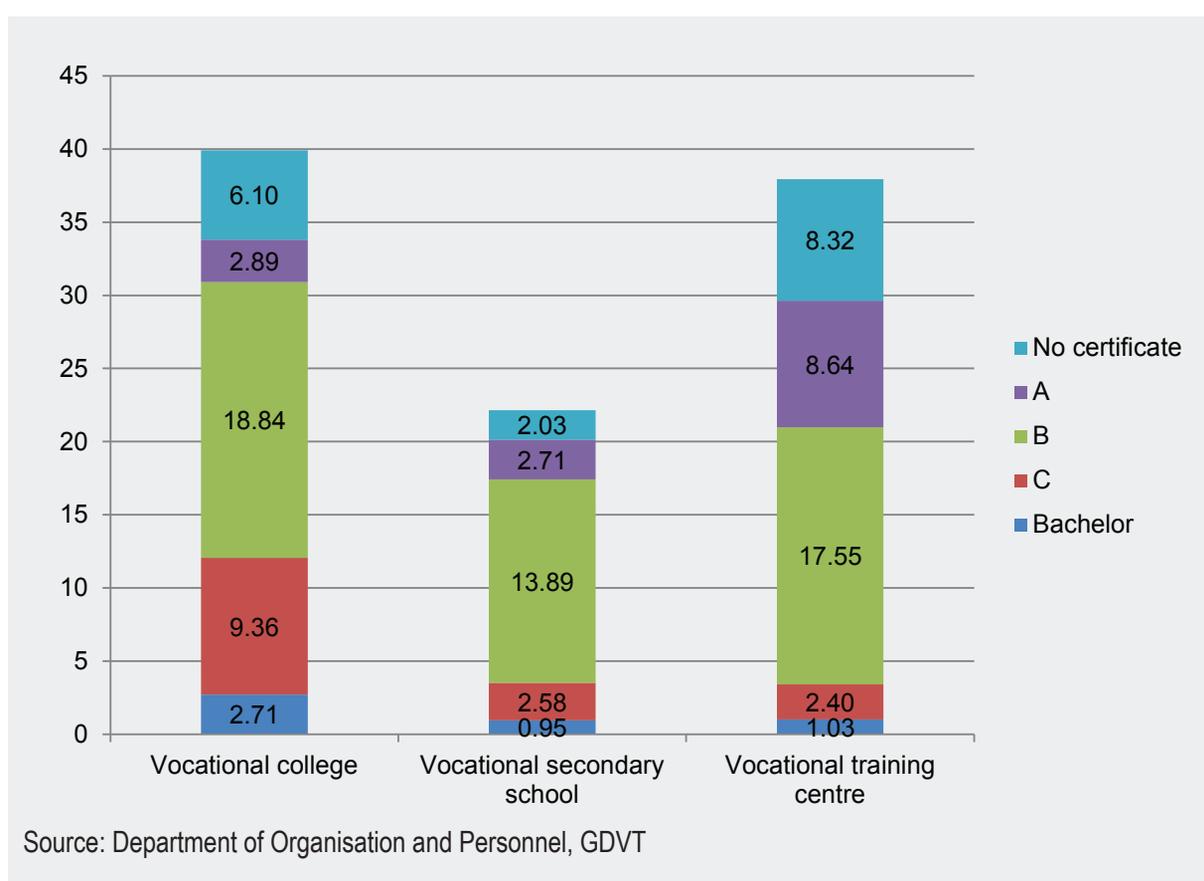
The training qualifications of the management staff at TVET institutes have clearly improved. The number of management staff who had other qualifications was 6.57%, college degree was 5.89% and university degree was 61.54%. 2,734 managers had an M.A. or higher qualification, representing 26.0%, increasing 3.38% from that in 2014 (the number in 2014 was 22.62%), where 18.7% worked in vocational colleges, 4.63% worked in vocational secondary schools and 2.67% worked in vocational training centres. In general, the training qualifications of management staff have improved remarkably. Most of the management staff had diploma or bachelor degree or higher (representing 93.43%). However, the quality of management staff largely depends on their competence, management, computer skill and foreign language ability.

Figure 23: Structure of training qualifications of management staff (in %)

Foreign language levels

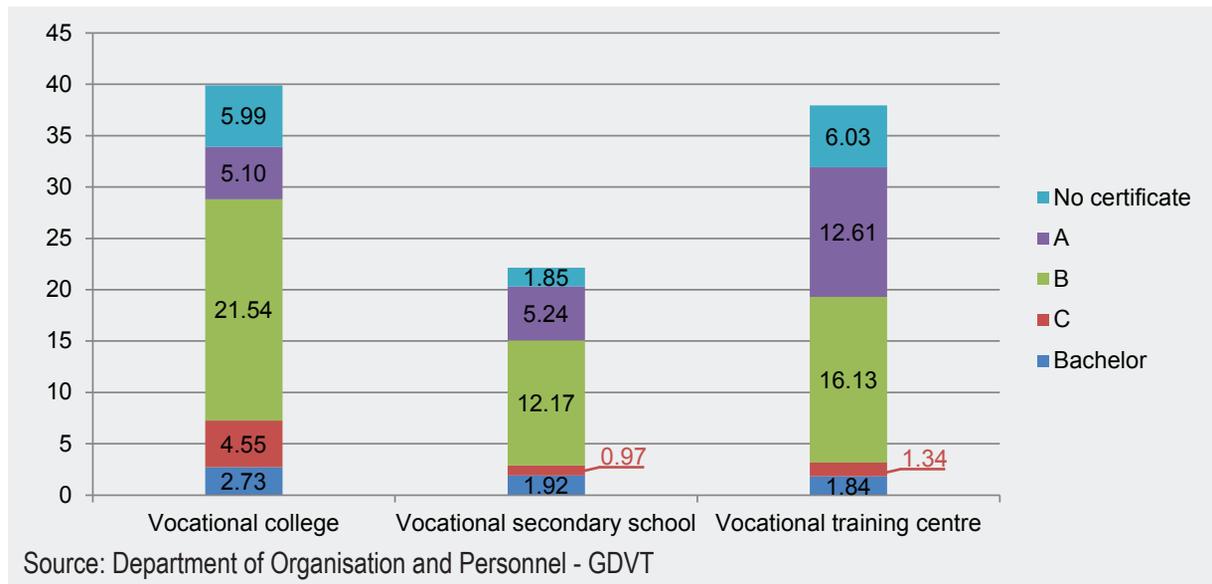
8,785 out of 10,516 managers had foreign language certificates, representing 83.53%, where vocational colleges comprised 3,553 persons, representing 33.78%; vocational secondary schools 2,117 persons, accounting for 20.13% and vocational training centres 3,115 persons, representing 29.62%. Most of the management staff had certificate B (50.29%). Management staff having no such certificates in TVET institutes were 1,730 persons, accounting for 16.45%, where those in vocational colleges were 6.10%, vocational secondary schools: 2.03%, and vocational training centres: 8.32%. Foreign language limitation still had large impacts on management in the context where TVET institutes are enhancing international cooperation.

Figure 24: Structure of foreign languages of management staff in 2015 (in %)

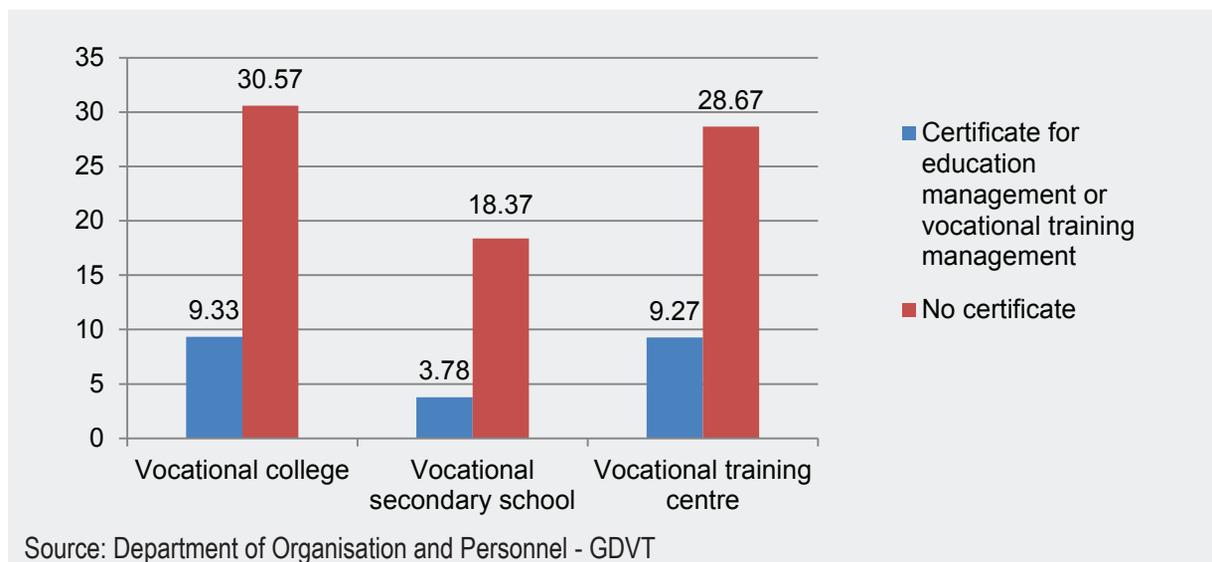


Computer skill levels

At present, the application of information technology by management has become more and more popular and common, although, so far only 9,057 managers hold computer skills certificates, representing 86.13% of the total 10,516 persons. Thereof 3,566 persons were in vocational colleges, representing 33.91%, 2,135 in vocational secondary schools, representing 20.30% and 3,356 in vocational training centres, representing 31.91%. There were 1,730 management staff having no computer skill certificates, accounting for 13.87%, with 5.99% in vocational colleges, 1.85% in vocational secondary schools and 6.03% in vocational training centres. Limitation in the application of information technology has had large impacts on the quality and effectiveness of TVET management.

Figure 25: Structure of computer skill levels of management staff in 2015 (in %)**Professional management certificates**

Most managers in TVET institutes also undertake other tasks and were formerly teachers, so they have experience in training, but not much experience in management. At present, managers having professional management certificates represent a relatively low percentage with only 2,345 out of a total of 10,516 managers who have education or vocational training management qualifications, accounting for 22.38% of the total. Out of that number, those in vocational colleges represent 9.33%, vocational secondary schools 3.78% and vocational training centres 9.27%. 8,162 managers have no management certificates, representing 77.62% (including 30.57% in vocational colleges, 18.37% in vocational secondary schools and 28.67% in vocational centres). This has negative impacts on management effectiveness in TVET institutes.

Figure 26: Management staff having professional management certificates (in %)

Training TVET management staff

Training and improving the qualifications of training management staff in TVET institutes have been the focus at different levels of authority in TVET institutes. Classes providing training and improving management capacity have been regularly held. A lot of TVET management staff have participated in training courses in and outside Viet Nam. Among them, 45 managers from high-quality TVET institutes and 5 managers in TVET state management were trained in TVET management skills and leadership skills in Australia; 2,010 management staff of TVET institutes were trained under programmes of ILO (representing 19.6% of management staff of TVET institutes); 1,008 state management officers at different levels were trained (100% of state TVET management officers at provincial and district levels and 850 TVET management officers in TVET institutes (accounting for 8.3% of TVET management staff were trained).

3.2. Teachers and management staff at 45 vocational colleges selected to be invested to become high-quality TVET institutes

Box 7: Criterion 5 - Teachers and lecturers

- (i) 100% teachers and lecturers meet specified standards;
- (ii) 100% teachers and lecturers have IC3 computer skill level or equivalent or higher; English level at 350 TOEIC score or equivalent or higher. Of which, lecturers of transferred key occupations have English level at 450 TOEIC score or equivalent or higher.

Source: Decision No. 761/QĐ-TTg dated May 23, 2014 of Prime Minister approving high-quality vocational school development scheme by 2020

Teacher's training qualification and pedagogic skill standard

A statistical analysis by the Viet Nam Vocational Training Accreditation Agency (VVTA) of GDVT, which conducted an evaluation of the 45 selected potential high-quality TVET institutes, indicated that there were 5,099 permanent and visiting teachers at the 45 TVET institutes. Of that number, 5,012 met the training qualification standard, accounting for 98.3%. 5,033 met the pedagogic skill standard, representing 98.7%. Thus, 20 of 45 TVET institutes (or 44.4%) met two standards, including 100% teachers meeting the training qualification standard and 100% meeting the standard of pedagogic skills.

Regarding training qualification standard alone:

Table 7: Requirement for professional qualification

100% teachers meeting standard	27/45 TVET institutes (57.8%)
Between 90% and 100% teachers meeting standard	17/45 TVET institutes (37.8%)
Between 50% and 90% teachers meeting standard	01/45 TVET institutes (2.2%)
Less than 50%	0

Noticeably, teachers failing to meet the training qualification standard included permanent-contracted teachers, with 16 of 45 schools having permanent-contracted teachers failing to meet the standard.

Regarding pedagogic skills standard:

Table 8: Requirement for pedagogic competence

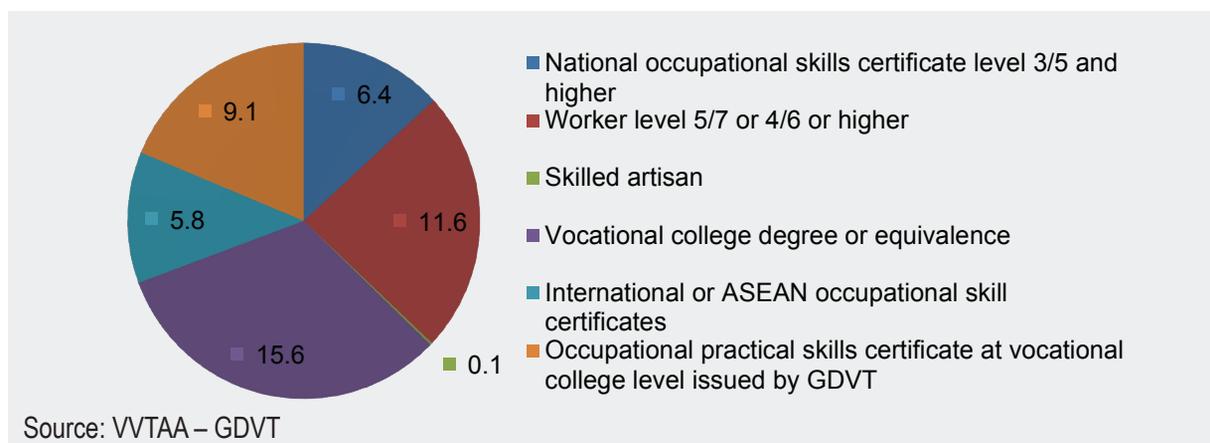
Regarding pedagogic skills standard: 100% teachers meeting the standard	33/45 TVET institutes (73.3%)
Between 90% and 100% teachers meeting standard	9/45 TVET institutes (20%)
Between 50% and 90% teachers meeting standard	3/45 TVET institutes (6.7%)
Less than 50%	0

Teachers' occupational skills

Based on statistics of a VVTAA survey, only 37 out of 45 TVET institutes provided reliable data¹³. Therefore, this report only analysed data of occupational skills of teachers teaching at vocational college and vocational intermediate levels at 37 TVET institutes.

Teachers who teach at vocational college level: 1,724 of 3,553 teachers in the surveyed TVET institutes held a certificate of national occupational skills standards, accounting for 48.5% of teachers meeting one of six occupational skill conditions, where those having vocational college or equivalent degrees were 542 persons, accounting for the highest percentage of 15.6%; those having certificates of worker skills level 5/7 or 4/6 or higher certificates were 412 persons, accounting for 11.6%; those having occupational skill certificate at vocational college level issued by GDVT were 324 persons, representing 9.1%; those having a certificate of national occupational skills at grade 3/5 or higher were 226 persons, representing 6.4%; those having international or ASEAN certificate of occupational skills standards specified by the partner country of the Programme Transferring Project were 216 persons, representing 6.1%; artisans were 4 persons, representing 0.1%.

Figure 27: Occupational skills certificates held by teachers of vocational college level (in %)



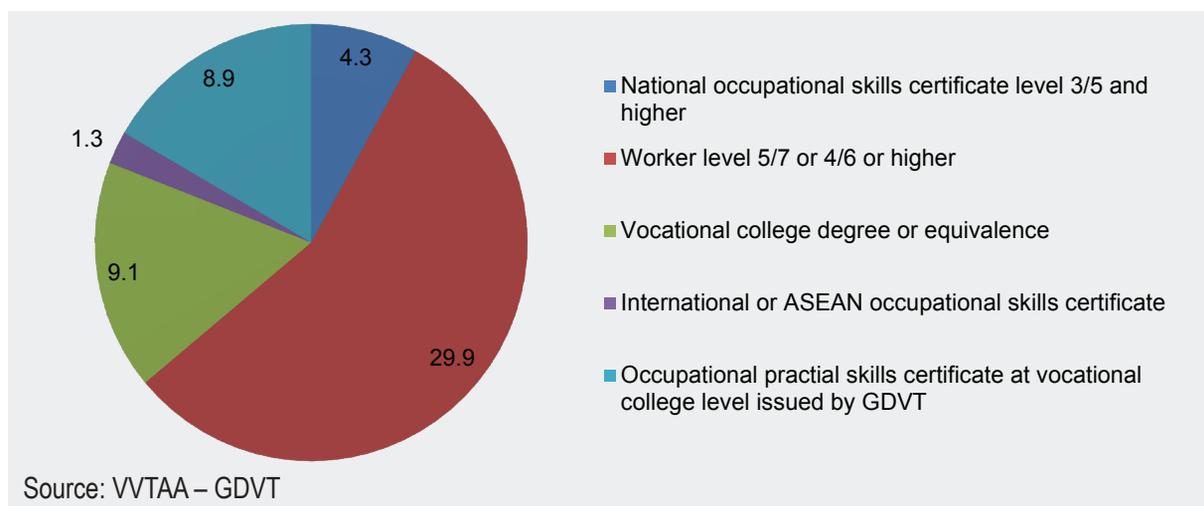
¹³ According to the "Report on results of survey and evaluation of 45 TVET institutes selected to be invested to become high-quality based on selection criteria for high-quality TVET institutes in 2015" produced by VVTAA, GDVT.

Evaluating the surveyed TVET institutes by the number of teachers meeting occupational skills conditions gave the following results:

- 100% teachers meeting conditions: 05/37 TVET institutes (13.5%);
- Between 90% and 100% teachers meeting conditions: 03/37 TVET institutes (8.1%);
- Between 50% and 90% teachers meeting conditions: 08/37 TVET institutes (21.6%);
- Less than 50% teachers meeting conditions: 21/37 TVET institutes (56.8%).

Teachers who teach at vocational intermediate level: Only 19 of 37 TVET institutes had teachers teaching vocational intermediate level¹⁴ with a total of 462 persons. Out of that number 247 persons met one of six occupational skills conditions, accounting for 53.5%. Teachers having worker skills level of 4/7 or 3/6 or higher represented the highest percentage of 29.9% (138 persons); teachers graduating from vocational colleges or equivalent accounted for 9.1%. Teachers having occupational skills certificate of vocational intermediate level issued by GDVT accounted for 8.9%; certificates of national occupational skills standards grade 2/5 or higher were 4.3%; International or ASEAN certificates of occupational skills standards specified by the partner country of the Programme Transferring Project accounted for 1.3%; no teachers were excellent artisans.

Figure 28: Occupational skills certificates obtained by teachers of vocational intermediate training level (in %)



Evaluating the surveyed vocational colleges by the number of teachers of vocational intermediate level meeting occupational skill conditions gave the following results:

- 100% teachers meeting conditions: 04/19 TVET institutes (21.1%);
- Between 90% and 100% teachers meeting conditions: 01/19 TVET institutes (5.2%);
- Between 50% and 90% teachers meeting conditions: 04/19 TVET institutes (21.1%);
- Less than 50% teachers meeting conditions: 10/19 TVET institutes (52.6%).

¹⁴ Number of teachers who teach both vocational college level and vocational secondary school level were summarised in the item named “teachers who teach at vocational college level”.

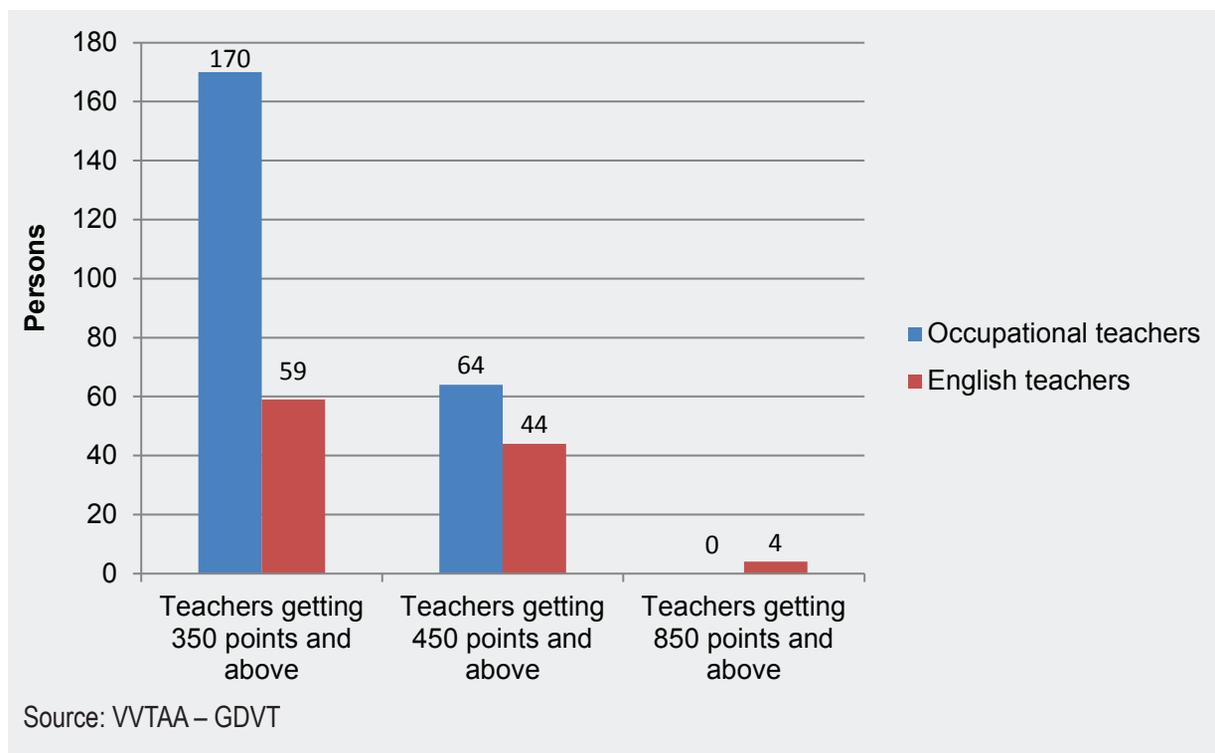
English level

In 2015, GDVT entered into a contract with IIG Viet Nam Joint Stock Company to evaluate English TOEIC level of teachers and lecturers at a selected 15 of 45 schools. Practical teachers were evaluated. They were teaching occupational skills and some teaching English (common subject). They had not had their English level evaluated according to TOEIC standard since 2010. In the total of 1,412 evaluated teachers, 1,343 were permanent teachers teaching occupational skills and 72 were permanent teachers teaching English (3 of them teaching both occupational skills and English). Only 170 out of 1,343 (12.7%) vocational teachers met the standard of 350 TOEIC score under Decision No. 761/QD-TTg and 64 (4.8%) of the vocational teachers met the standard of 450 TOEIC score.

Most practical vocational teachers (93%) of 15 schools met starting level (10-250 scores) and elementary level only (255 - 400 scores). The TVET institute with the highest percentage of teachers getting 350 TOEIC scores was Da Lat Vocational College, but the percentage was only 37.8% of total teachers attending the exams. Nearly half of the TVET institutes attending the exams (7 of 15) had less than 10% of teachers getting 350 TOEIC scores.

For English teachers, 5.6% of those attending the exams got 850 TOEIC scores (equivalent to level 5/C1 under Decision No. 66/2008/QD-BGDDT of MoET which regulates Continuing Education Programmes for English, being the standard for English teachers as specified in the Dispatch No. 1852/LDTBXH-KHTC of MoLISA dated 3/6/2014 on implementation of Foreign Language Teaching and Learning Improvement Project in the national education system in 2014).

Figure 29: Result of evaluating English level of teachers by TOEIC test at 15 of 45 TVET institutes



Management staff^{15]}

Management staff of TVET institutes include: Headmasters and deputy headmasters; Heads and deputy heads of training departments and other professional departments, chiefs/deputy chiefs of faculties and departments, chiefs/deputy chiefs of research units, TVET related services, production divisions, enterprises.

Box 8: Criterion 6 - Vocational training management staff

(i) 100% of management staff of TVET institutes are granted a vocational training management certificate.

(ii) Management activities of the TVET institutes are recorded on computers and modelled according to advanced international software.

(iii) Key training programmes are modelled and recorded on computer software..

(Source: Decision No. 761/QD-TTg dated 23/5/2014 of Prime Minister approving high-quality TVET institutes development scheme by 2020)

Vocational training management certificate

Of the total 1,394 managers at 45 TVET institutes, 669 had a vocational training management certificate, accounting for 47.99%. The result of evaluating the management staff meeting requirements is divided into groups as follows:

- 3/45 TVET institutes (7%) have 100% of managers who have management certificates;
- 5/45 TVET institutes (11%) have from 90% to 100% of managers who have management certificates;
- 11/45 TVET institutes (24%) have from 50% to 90% of managers who have management certificates;
- 26/45 TVET institutes (58%) have less than 50% of managers who have management certificates. Of the last group, many only had 20-30% managers holding a management certificate.

The evaluation indicated that few TVET institutes have met the requirement of all (100%) management staff being granted vocational training management certificates.

¹⁵ It has not been evaluated as to how many TVET institutes met/failed to meet criteria (ii) since the content of these criteria is not clear and no evaluation standard is available.

Figure 30: Management staff in TVET institutes having vocational training management certificates (in %)



3.3. Teachers in professional colleges and professional secondary schools

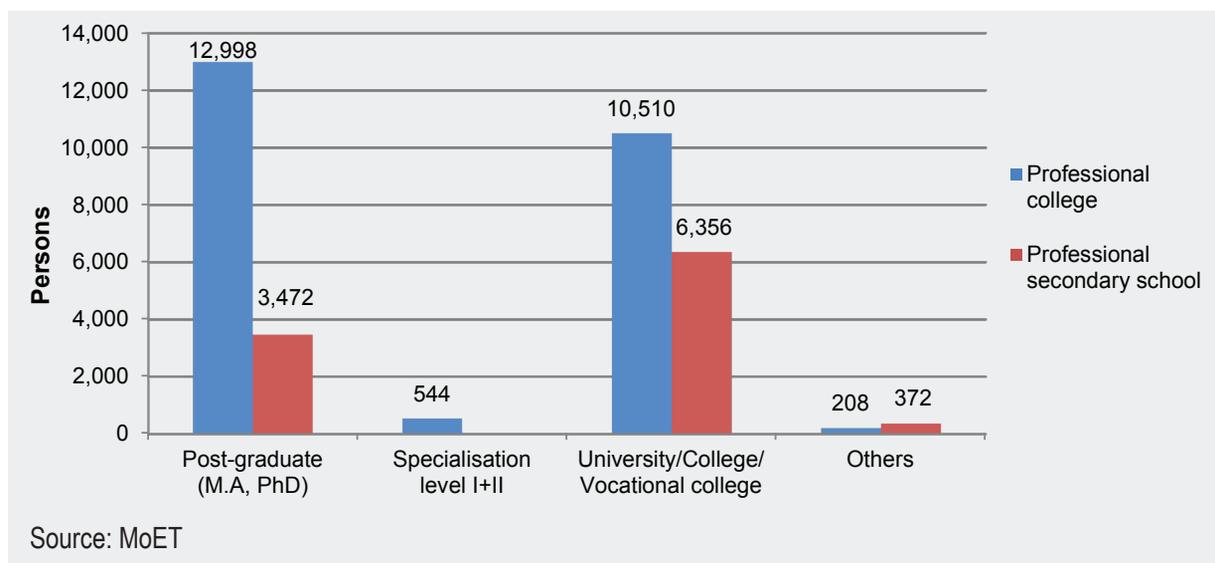
Quantity

Based on statistics of MoET in 2015 - 2016, total teachers in professional colleges and professional secondary schools were 34,460 persons, including 25,439 persons in public schools, representing 73.82%. Teachers in professional colleges were 24,260 persons, representing 70.40%, in professional secondary schools were 10,200 persons, representing 29.60%.

Quality

Training qualification: Of total 34,460 TVET teachers and lecturers in professional colleges and professional secondary schools, 16,470 had bachelor degrees, accounting for 47.79%. Those who possessed diploma level were 16,866 persons, accounting for 48.94%; the remaining had other qualifications.

Figure 31: Professional qualification of TVET teachers in professional colleges and professional secondary schools in 2015



Recommendations

In order to ensure the development and improvement of TVET teaching and management staff quality, especially for high-quality schools, it is necessary to focus on some of the following:

- To form, arrange and re-organise TVET teaching and management staff training institutions, develop the system of teacher training institutions in line with scientific research and job practice;
- To enhance management skill training activities for TVET management staff at different levels, improving vocational pedagogic skills, occupational skills, computer skill and foreign language levels among teachers and lecturers. State management agencies should publish the demand for training as the basis of planning and development for teaching and management staff;
- To develop sources of teachers and lecturers, it is necessary to create encouraging policies to attract trainers from enterprises as well as to develop a new teacher training model;
- To develop pilot policies to grant professional certificates to teachers and lecturers;
- To improve the TVET teacher training model. At present, TVET teachers come from many backgrounds such as: those trained in technical pedagogy universities, technical pedagogy colleges; those having technical qualification and being trained in occupational skills to become teachers; some teachers could be selected from skilled workers, artisans, etc. Consequently, their qualifications and competences are different. As a result, an improvement of the teacher training qualification is necessary in order to improve the quality of TVET teachers, such as periodically sending teachers to enterprises to have practical experience every 2 years; providing further training to teachers on professional knowledge, practical skills, new technologies, teaching methods every 2 to 5 years.



CHAPTER 4

NATIONAL OCCUPATIONAL SKILLS STANDARDS, ASSESSMENT AND CERTIFICATION OF NATIONAL OCCUPATIONAL SKILLS STANDARDS

This chapter provides information and the results of the formulation and promulgation of the National Occupational Skills Standard (NOSS); how to assess, and issue certificates of national occupational skills in Viet Nam in 2015. As a result, the status of this activity and its future trend can be observed.

4.1 National Occupational Skills Standards (NOSS)

National Occupational Skills Standards (NOSS) have been developed since 2008 under Decision No. 09/2008/QĐ-BLĐTBXH on 27th March 2008 by the MoLISA regarding regulations on the principles and processes to develop and issue NOSS. The total number of established NOSS is 191, of which 189 have been promulgated. In fact, the development of occupational skills standards has been conducted mainly from 2008 to 2013 with the total number of occupational skills standards reaching 190. Thus, the plan set by the government in the Development Strategy of Vocational Training has not been achieved (in the strategy, 250 sets of NOSS were targeted).

In 2015, one more occupational skill standard in the construction field was established. Besides, under the Project Development and Comparison of TVET Standards within the Programme Government Partnership for Development funded by the Australian government, three countries, namely Viet Nam, the Philippines and Australia cooperated to successfully establish common competence standards in the four fields of automobile (auto mechanics), agriculture (aquaculture team leader), construction (elementary engineering), and manufacturing (mechanics and welding). Within the framework of the APEC Project “Comparing the training levels in transportation and logistics”, the five countries of Australia, Indonesia, the Philippines, China and Viet Nam have developed the generic competence standards for five occupations of the logistics sector, namely Warehouse Operator, Logistic Administrative Officer, Freight Forwarder, Warehouse Supervisor, Supply and Chain Manager.

Figure 32: Number of NOSS established 2008-2015

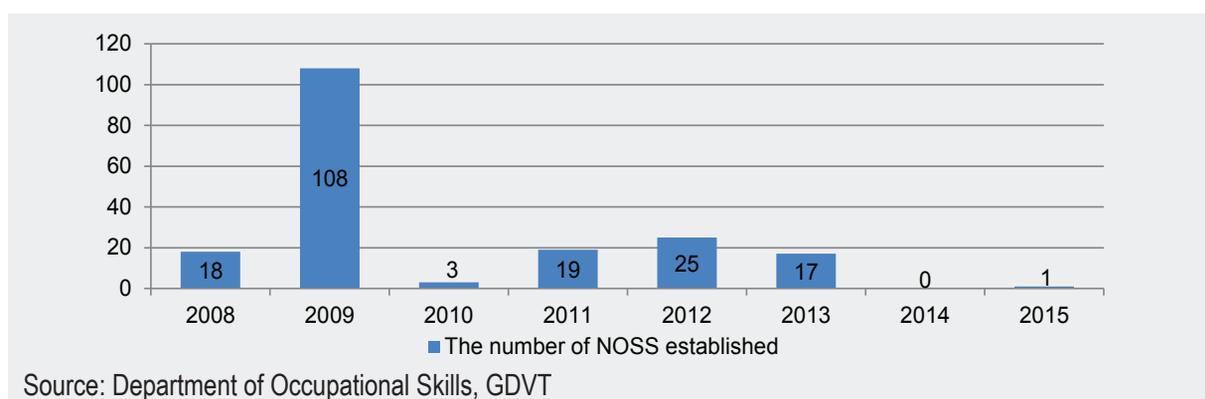
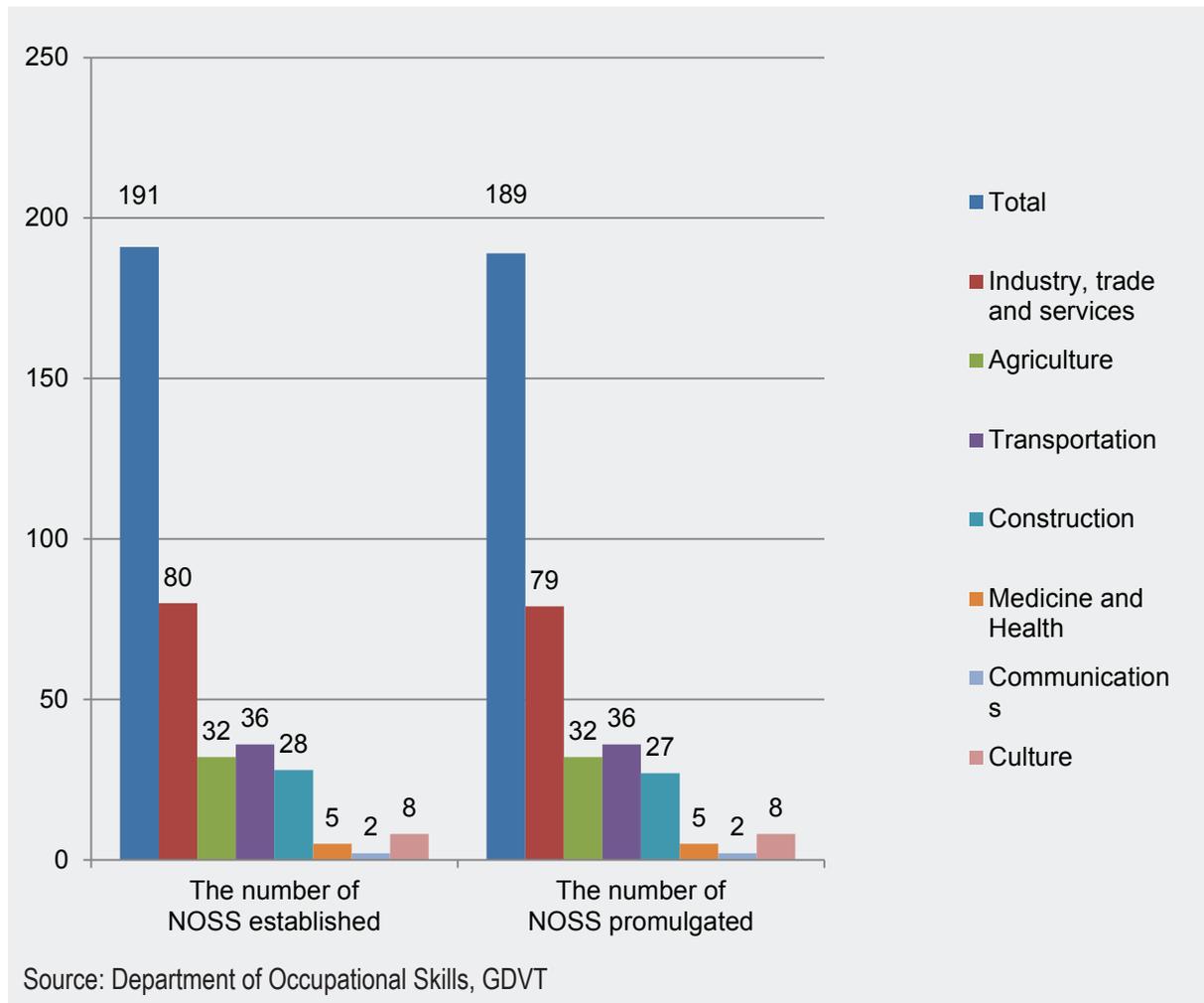


Figure 33: Number of NOSS established and promulgated until 2015 by sectors

After five years of developing NOSS, it is necessary to review and revise the existing NOSS. They should be relevant to and meet practical requirements more effectively as well as be more comparable to regional occupational skills standards in ASEAN and in the world for better regional and international integration in terms of mutual recognition of occupational skill certifications. Therefore, new regulations regarding the establishment and promulgation of NOSS have come into being.

According to the new regulations, the development, assessment and certification of national occupational skills, which was previously regulated under the Law on Vocational Training, are now adjusted in accordance with the Law on Employment. This confirms a positive change in the perception of the role and position of occupational skills assessment in the world of work and thus contributes to making the assessment and certification of occupational skills more practically relevant.

Accordingly, the Government has issued Decree 31/2015/ND-CP regulating the details of the implementation of a number of articles in the Law on Employment regarding the assessment and certification of national occupational skills. MoLISA issued Circular No. 56/2015/TT-BLDTBXH dated December 24, 2015 guiding the formulation, appraisal and promulgation of the NOSSs.

(The Circular is effective from 15th February 2016).

Government ministries, ministerial agencies, and other governmental agencies are responsible for developing NOSS in their respective sector. MoLISA governs the organisation of development, the appraisal and promulgation of the NOSS.

According to Circular No. 56/2015/TT-BLDTBXH, the development of NOSS has to be in accordance with the following principles:

1. Following the levels framework of the national occupation skills for each occupation and the National Qualifications Framework as stated in Paragraph 1 of Article 32 of the Law on Employment (see Box 9);
2. The format of structure must be uniform and follow the development process prescribed in this Circular;
3. Be relevant to ASEAN and international reference standards.

Box 9: The national occupational skills framework

The National Occupational Skills Framework is for classifying levels of national occupation skills from level 1 to level 5 based on descriptive criteria regarding: the nature and the extent of the required jobs, the scope and situation in which the jobs are performed, the level of flexibility and creativity in performing the jobs; the level of coordination and responsibility in carrying out the job. The framework for each level is as follows:

1. Level 1:

- a. Perform simple tasks, repetitive tasks in fixed situations;
- b. Have the basic knowledge of the profession and understanding of the activities of the profession in limited areas; be able to use the knowledge and understanding to carry out the work as being instructed;
- c. Be able to receive, record and communicate required information; Be able to participate in teamwork; be partly responsible for the results of work.

2. Level 2:

- a. Perform routine tasks and some complicated tasks in certain situations;
- b. Have professional knowledge and understanding of a wide range of tasks in many areas; Be able to apply knowledge and understanding to solve common technical problems and some complex issues but need guidance when performing tasks;
- c. Be able to reason, judge and explain information; Be self-controlled in teamwork and able to work independently in some cases when performing tasks; Be mainly responsible for the results of work.

3. Level 3:

- a. Execute most of the complicated tasks, the tasks which have many options in many different situations;
- b. Have professional knowledge, basic knowledge of principles and theory and extensive knowledge of the activities of the profession in various fields; be able to apply gained knowledge and understanding to come up with solutions for complicated professional problems and to meet the management's requirements while performing the job;
- c. Be able to identify, analyse and evaluate the information from many different sources; work independently as well as guide others in the group while performing the job; take responsibility for the quality of the results/products according to the prescribed standards and take partial responsibility for the results of work that other members of the team execute.

4. Level 4:

- a. Do most of the complex work and work that includes decision making in many different situations;
- b. Have specialized professional knowledge, deep knowledge of principles, theory and extensive knowledge of the activities of the profession in various fields; be able to apply gained knowledge and understanding to come up with solutions for complicated professional technical problems as well as manager's requirements while performing the job;
- c. Analyse and evaluate information from various sources and use the results of such analysis and evaluation to provide opinions and recommendations for management and research purposes; Work highly independently and have high self-management; be able to manage and lead teams in the process of performing jobs; Take responsibility for the quality of work results and products according to the prescribed standards and take responsibility for the results of work or products made by other members of the teams.

5. Level 5:

- a. Perform the complex work and work that includes decision making in all situations;
- b. Have specialized professional knowledge, deep knowledge of principles, theory and extensive knowledge of the activities of the profession in various fields; Be able to analyse, consider, diagnose, and design solutions to solve complex technical and professional problems and to meet the management's requirements in a wide range of work;
- c. Analyse, evaluate and generate information to form ideas and initiatives; Work independently and have high self-management; Be able to manage and lead teams in the process of performing jobs; Take responsibility for the quality of work results and products and take responsibility for the results of work or products made by other members of the teams according to the prescribed standards.

Source: Circular No. 56/2015 / TT-BLDTBXH dated December 24, 2015

Box 10: The structure of the NOSS

The structure of the NOSS of a profession consists of three (3) basic components as follows:

1. **Job Description:** Describes the scope of the occupation, the working positions and the main tasks to be performed in the applicable contexts.

2. **Inventory of competency units:** Presents a list of competency units of the occupation and competency units of each position in the occupation. The inventory must list out all competency units which are grouped by the following categories:

- a. Basic competencies: including those applicable to general work, which is not specifically for a profession or a production, business or service sector (hereinafter referred to as industry);
- b. General competencies: including the required competencies when working in various industries;
- c. Occupational competencies: including the necessary competencies of the occupation that an individual needs to be recognized as competent at a particular level.

3. **Description of the units of competency:** Presents each of the competency units in the inventory of the competency units. For each specific unit of competency, the following contents must be presented:

- a. Name of the unit of competence;
- b. Composition and performance criteria: The full description of the components in a unit of competency needs to be implemented, the performance level and outputs that can be measured, calculated and determined.
- c. Critical skills and essential knowledge: Provides information on the skills and knowledge needed to perform effectively and to select resources or alternatives in order to achieve the expected outputs.
- d. Conditions for implementation: Describes the parameters for the application of the competency and the types of jobs, resources and services that can be employed when the competency is applied.
- e. Assessment guidelines: Provides the context and the method to select evidence supporting the assessment to determine whether an individual qualifies for a unit of competency.

Source: Circular No. 56/2015 / TT-BLDTBXH dated December 24, 2015

4.2. Assessment and certification of NOSS - Compilation of the national occupational skills examinations

The national occupational skills examination is still subject to Decision No. 571/QĐ-TCDN dated 03/11/2011 by the Director General of GDVT regarding regulations on the process of compiling the national occupational skills examination for workers.

The design of the national occupational skills examination includes a multiple choice test and a practical skills test. They are used for the development of a data base for multiple choice test questions and practical skills tests.

Multiple-choice questions are designed to test the understanding of essential knowledge. Practical skills tests are designed to assess the critical skills that are required for a certain level of national occupation skills for the occupation based on the national occupational skills framework.

The compilation of the national occupational skills examinations for workers has been conducted since 2009. In 2015, a national occupational skills examination for one more occupation was developed. By 2015, national occupational skills examinations were compiled for a total of 83 occupations. Out of these, 62 occupations had national occupational skills examinations deployed. The remaining examinations for 21 occupations had not been appraised for promulgation (see Annex 3 for list of the occupations).

The national occupational skills assessment centre

The national occupational skills assessment centre is a unit which assesses occupational skills and is certified by GDVT after satisfactory evaluation of their facilities, expert staff and financial resources under the specific regulations of Circular No. 15/2011/TT-MoLISA dated 10/5/2011 on the organisation and management of the assessment and certification of national occupational skills.

By 2015, 4 more occupational assessment centres were certified, making a total number of 36 skill assessment centres which have been established and certified for operation. Most of these assessment centres are located in training institutes (universities and vocational colleges); only one assessment centre is corporate-owned (Tan Phat Electric Devices Joint Stock Company). 15 assessment centres are in the list of TVET institutes to be developed into high-quality TVET institutes (see Table 9).

Table 9: List of organisations that are licensed national occupational skills assessment centres

No.	Name of centres	No.	Name of centres
1	Chu Lai - Truong Hai Vocational College	19	LILAMA 2 Vocational College*
2	Hanoi Vocational College of Electronics and Mechanics*	20	Long Bien Vocational College

3	Dong An High Technology Vocational College	21	Vocational College No.1 – Ministry of Defence*
4	Southern Vocational College of Technology, Agriculture and Forestry	22	Vocational College No.2 – Ministry of Defence
5	Hanoi Industrial Vocational College*	23	Vocational College No.3 – Ministry of Defence*
6	Da Lat Vocational College*	24	Vocational College No.5*
7	Da Nang Vocational College*	25	Vocational College No.8 – Ministry of Defence*
8	Dak Lak Vocational College	26	Son La Vocational College
9	Vocational College of Electricians	27	Viet Nam Mining Vocational College (Hong Cam Mine Vocational College-Vinacomin)
10	The Central Vocational College of Transport No. 2*	28	Vinh Phuc Vocational College (Viet Nam-Germany Vocational College)*
11	Kien Giang Vocational College*	29	Construction Vocational College No.2
12	Ho Chi Minh City Vocational College of Technology*	30	Tan Phat Equipment Joint-Stock Company
13	Tuyen Quang Vocational College of Technology	31	Hanoi University of Industry
14	Vocational College of Technology (Centre of High Technology of Automobiles)*	32	Nam Dinh University of Education and Technology
15	Dung Quat Vocational College of Technology	33	Vinh Long University of Education and Technology
16	Viet Nam- South Korea Technical Industrial Vocational College*	34	Nguyen Tat Thanh University
17	Licogi Vocational College	35	Vinh University of Education and Technology
18	Lilama 1 Vocational College	36	Hung Vuong Secondary Vocational School of Technology (expired in 2015)

Note: TVET institutes that are marked with “*” are those which are invested to be developed into high-quality TVET institutes (Source: Department of Occupational Skills, GDVT)

Training, further training and certification of assessors^[16] of national occupational skills

The training of national occupational skills assessors has been carried out since 2009. In 2015, an additional number of 696 skills assessors were trained, bringing the total number of trained assessors to 1785, among which, 120 assessors were certified. Certified assessors are those who meet the criteria set by regulations on certification of National Occupational Skills assessors. This shows that the number of certified assessors for National Occupational Skills is still very small in comparison to the number of those who were trained to become National Occupational Skills assessors.

Assessment and certification of NOSS

According to the regulations, employees working in all economic sectors have the right to register for the national occupational skills examinations. Depending on their ability, workers can register for national occupational skills examination from level 1 to 5^[17].

MoLISA is the authority that assists the Government in performing the management of the assessment and certification of national occupational skills. The assessment of National Occupational Skills is implemented by organizations that are accredited and certified by MoLISA (currently GDVT is the agency under MoLISA responsible for these functions). The assessment of occupational skills for workers is implemented periodically in the year in accordance with the schedule announced by MoLISA at the end of December of the previous year. MoLISA issues certificates of national occupational skills for the qualified participants and is responsible for publishing the list of people who have been granted national occupational skills certificates.

The national occupational skill certificates are recognised and validated in countries and territories that Viet Nam has mutual recognition agreements with and vice versa.

By 2015, authorisation for assessment and certification has been granted to a total number of 42 occupations, in which assessment and certification has been carried out for 26 occupations; 4 of which are assessed under Japanese standards (milling, turning, testing and installation of mechanical and cable communication networks). Japanese experts developed the tool kit for vocational occupational skills based on Japanese standards.

Table 10: List of licensed occupations

No.	Occupations	No.	Occupations
1	CNC Metal Cutting	22	Operation and Repair of Refrigeration Equipment
2	Metal Cutting-Turning	23	Concrete
3	Mechatronics	24	Water Supply

¹⁶ NOSS assessors are those who directly carry out the assessment of occupational skills of the workers participating in the national examinations of occupational skills, and are certified as assessors of occupational skills by competent authorities. For more information, refer to Decree 31/2015/ND-CP regarding specific regulations of some articles on the assessment and certification of NOSS in the Law on Employment.

¹⁷ For detailed information related to workers' participation in assessment and certification of national occupational skills, refer to Decree 31/2015/ND-CP regarding specific regulations of some articles on the assessment and certification of NOSS in the Law on Employment.

4	Automotive Technology	25	Rubber Production
5	Information Technology	26	Mechanical Equipment Manufacturing
6	Formwork - Scaffolding	27	Rural Electro-Mechanical Engineering
7	Industrial Electrics	28	Steel Reinforcement - Welding
8	Industrial Electronics	29	Electrical Measurement
9	Assessment of Coal Quality and Quantity	30	Electrical Installation and Control Technology in Industry
10	Welding	31	Techniques for Installation of conduits and pipework
11	Electricity System	32	Forestry Workers
12	Underground Electro-Mechanical Engineering	33	Installation of Water Pipes
13	Underground Mining Techniques	34	Computer Programming
14	Mining Construction Techniques	35	Civil Woodworks
15	Power Transmission Lines and Transformer Substations	36	Fine Art Carpentry
16	Garment Sewing	37	Computer Network Administration
17	Masonry - Finishing	38	Garment Manufacturing
18	Electric Testing	39	Repair of Sewing Equipment
19	Graphic Design	40	Drainage
20	Planting and Tending Rubber Trees	41	Crane operator
21	Planting and Tending Coffee trees	42	Operation and repair of electric pump stations

Source: Department of Occupational Skills, GDVT

In 2015, occupational skills assessment was conducted for 2,806 workers, out of which 1,472 (52.5%) met the requirements of the assessment. By the end of 2015, occupational skills assessment was conducted for a total number of 8,407 workers, in which 4,179 (49.7%) met the requirements of the assessment. The total number of workers who received financial support from state budget for skills assessment was 7,751, out of which 3,790 (48.9%) met the requirements of the assessment. The number of workers who were funded by training centres for occupational skills assessment was 396, out of which 271 (73.44%) met the requirements of the assessment. Thus, compared with the targets stated in the Vocational Training Development Strategy 2011-2020, this figure is rather low. (According to the Vocational Training Development Strategy 2011-2015, occupational skills assessment and certification was planned to be carried out for 2 million workers.)

Figure 34: Number of workers who received national occupational skills assessment by 2015

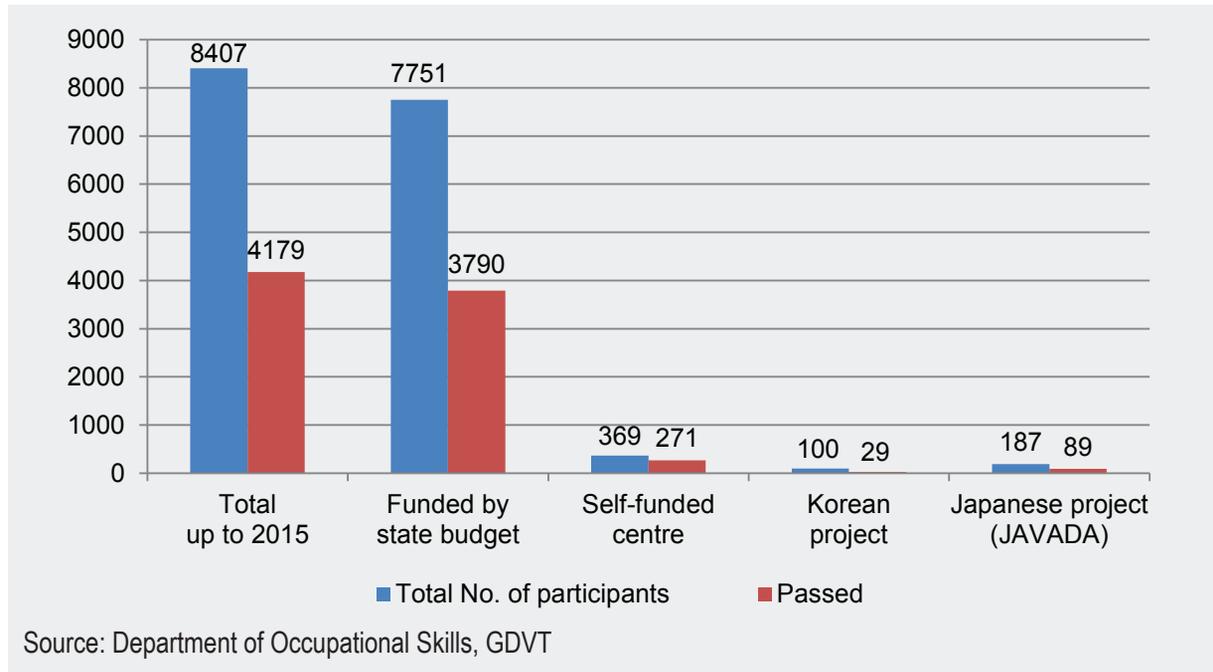


Table 11: Number of workers who received assessment of occupational skills from state budget and from self-funded budget by TVET institute by 2015

No.	Occupation	Level 2			Level 3		
		Partici-pants	Pass (persons)	Pass Rate (%)	Partici-pants	Pass	Pass Rate (%)
1	CNC Metal Cutting	325	134	41.2%	594	235	39.6%
2	Metal Cutting-Turning	150	15	10.0%			
3	Mechatronics	75	29	38.7%			
4	Automotive Technology	885	462	52.2%	250	78	31.2%
5	Information Technology	60	49	81.7%			
6	Formwork - Scaffolding	100	92	92.0%			
7	Industrial Electrics	309	201	65.0%	825	485	58.8%
8	Industrial Electronics	160	83	51.9%			
9	Assessment of Coal Quality and Quantity	125	69	55.2%			

10	Welding	210	91	43.3%	951	177	18.6%
11	Electricity System	25	16	64.0%	54	51	94.4%
12	Underground Electro-Mechanical Engineering	300	178	59.3%			
13	Mining Techniques	1125	634	56.4%			
14	Mining Construction Techniques	225	134	59.6%			
15	Installation of transmission lines and substations	50	25	50.0%			
16	Power Transmission Lines and Transformer Substations	525	307	58.5%	100	42	42.0%
17	Garment productions	122	116	95.1%			
18	Masonry - Finishing	25	17	68.0%			
19	Electric Testing	150	86	57.3%			
20	Graphic Design	50	49	98.0%			
21	Planting and Tending Rubber Trees	50	45	90.0%			
22	Operation and Repair of Refrigeration Equipment	300	161	53.7%			
Total		5,346	2,993	56.0%	2,774	1,068	38.5%

Source: Department of Occupational Skills, GDVT

The number of workers who received occupational skills assessment funded by Japanese and Korean projects is as below:

Table 12: Worker's occupational skill assessment funded by Korean project in 2015

No.	Occupation	Year	Level	Participants	Pass (persons)
1	Industrial Electrics	2013	1	40	16
2	Automobile Technology	2013	2	30	9
3	Welding	2013	3	30	4
Total				100	29

Source: Department of Occupational Skills, GDVT

Table 13: Number of workers received occupational skill assessment funded by Japanese fund (JAVADA) by 2015

No.	Occupation	Year	Level	Participants	Pass (person)
1	Turning	2012, 2013, 2014, 2015	2 and 3	119	53
2	Mechanical Testing	2015	2 and 3	17	10
3	Installation of Information Network Cables	2014, 2015	3	25	20
4	Milling	2013, 2014, 2015	3	26	6
Total				187	89

Source: Department of Occupational Skills, GDVT

Recommendations

It is necessary to amend and update the NOSS in accordance with the new regulations. The amendments and updates must be implemented in close cooperation with competent experts from the business sector to ensure the quality of the NOSS.

In order to encourage workers to take NOSS exam/assessment a preferential salary policy for workers with NOSS certificate should be developed.

CHAPTER 5

ACCREDITATION AND QUALITY ASSURANCE

The accreditation of vocational training quality is an important tool to improve the training quality according to the set objectives and to strengthen the training quality management system in TVET institutes. However, due to insufficient information related to accreditation of training quality from professional secondary schools and professional colleges under MoET, this chapter only provides information about the situation of accreditation of training quality in the vocational education and training system under MoLISA.

5.1. Accreditation of vocational training quality

The accreditation of vocational training quality aims at assessing and determining the level of achievement of objectives and training curricula of vocational colleges, vocational secondary schools and vocational training centres for a certain period, helping TVET institutes to continue to improve the quality and effectiveness of the training.

Box 11: Process of accrediting vocational training quality

The process of accrediting vocational training quality contains four steps:

1. Self-accrediting vocational training quality by the vocational institute itself;
2. Registering for accreditation of vocational training quality by vocational institute itself;
3. Accrediting vocational training quality by GDVT;
4. Recognising the results of vocational training quality accreditation and certifying TVET institutes that meet the vocational training quality standards.

(Source: Circular No. 42/2011/TT-BLDTBXH)

MoLISA has promulgated a system of criteria and standards for vocational training quality accreditation of vocational colleges, vocational secondary schools, and vocational training centres as the basis for implementing quality accreditation activities. The systems of criteria and standards of vocational college and vocational secondary school are similar, differing only in the content of some indicators.

Box 12: Accreditation criteria

Vocational college - Accreditation criteria and benchmarks for each criterion		Vocational training centre - Accreditation criteria and benchmarks for each criterion	
a) Goal and mission	06 points	a) Goal and mission	06 points
b) Organisation and management	10 points	b) Organisation and management	08 points
c) Teaching and learning activities	16 points	c) Teaching and learning activities	16 points
d) Teachers and management staff	16 points	d) Teachers and management staff	18 points
e) Training curriculum and training material	16 points	e) Training curriculum and training material	18 points
f) Library	06 points	f) Library	02 points
g) Training facilities, devices, teaching aids	14 points	g) Training facilities, devices, teaching aids	18 points
h) Financial management	10 points	h) Financial management	08 points
i) Services for vocational trainees	06 points	i) Services for vocational trainees	06 points
The total maximum score for all criteria is 100 points		The total maximum score for all criteria is 100 points	
Source: Decision No. 02/2008/QD-BLDTBXH		Source: Circular No. 19/2010/TT-BLDTBXH	

Self-accreditation for vocational training quality in TVET institutes

Self-accreditation of vocational training quality is a self-assessment activity by the TVET institute itself, based on the system of criteria and standards for vocational training quality. Accreditation is issued by the MoLISA. The goal of self-accreditation is to reveal the strengths and weaknesses of the institution before developing plans and measures to meet the set vocational training objectives. Self-assessment of vocational training quality is conducted once a year for TVET institutes nationwide based on the set of criteria and standards issued by MoLISA.

Box 13: Process of self-accreditation of vocational training quality

1. Preparing self-accreditation of vocational training quality
2. Conducting self-accreditation of vocational training quality in training departments and other specialized and professional departments, faculties and units specializing in research, vocational training service, production units, enterprises (collectively referred to as units) in TVET institutes

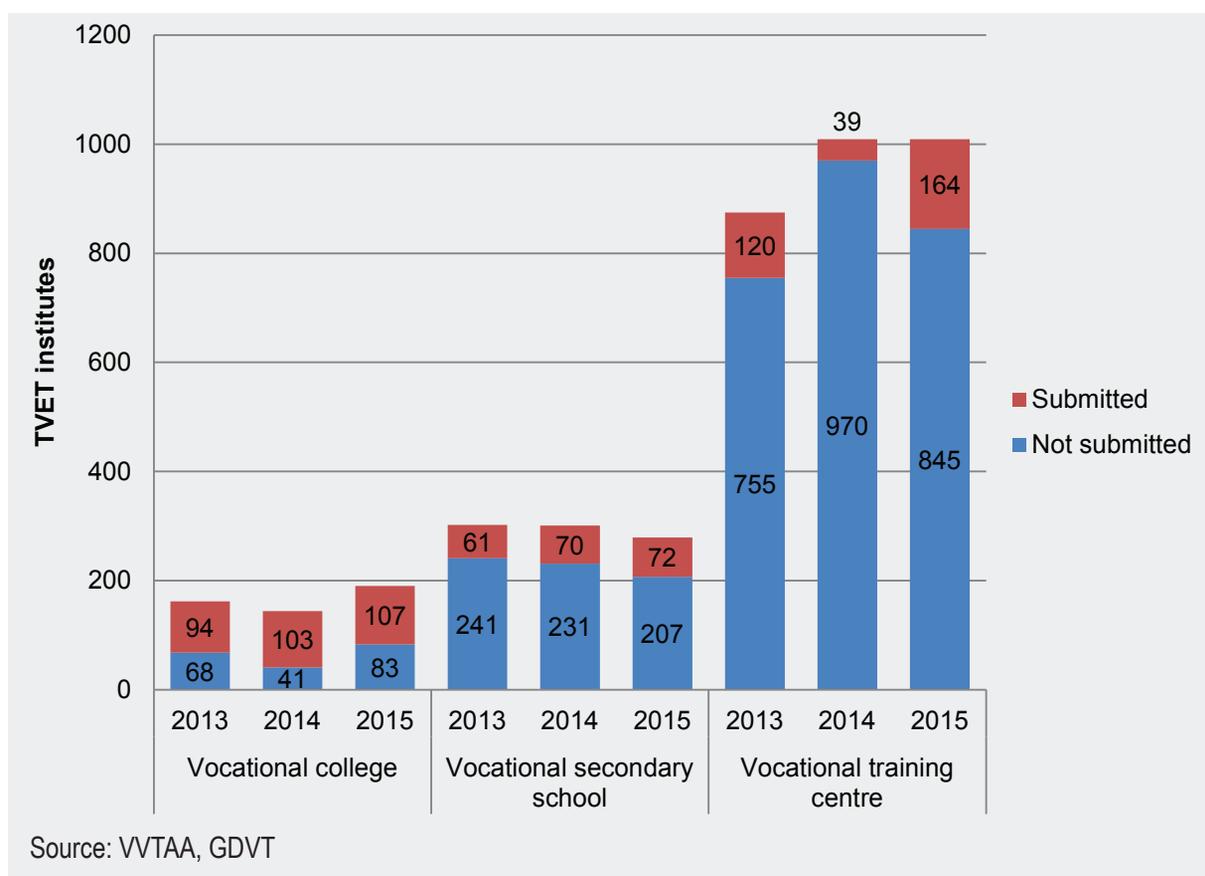
3. Conducting self-accreditation of vocational training institution quality by the council of accreditation of vocational training quality

4. Announcing the results of self-accreditation of vocational training quality in TVET institutes and sending out the report on vocational training quality self-accreditation

Source: Circular No. 42/2011/TT-BLDTBXH

As of 31/12/2015, there were 343 TVET institutes that conducted self-accreditation and submitted the self-accreditation results of vocational training quality in 2015, which accounted for 23.4% of total TVET institutes nationwide, of which 107 were vocational colleges (accounting for 25.8% of the total number of vocational colleges) and 164 were vocational training centres (accounting for 16.4% of the total number of vocational training centres).

Figure 35: Number of TVET institutes that submitted the report on self-accreditation of vocational training quality in 2013-2015



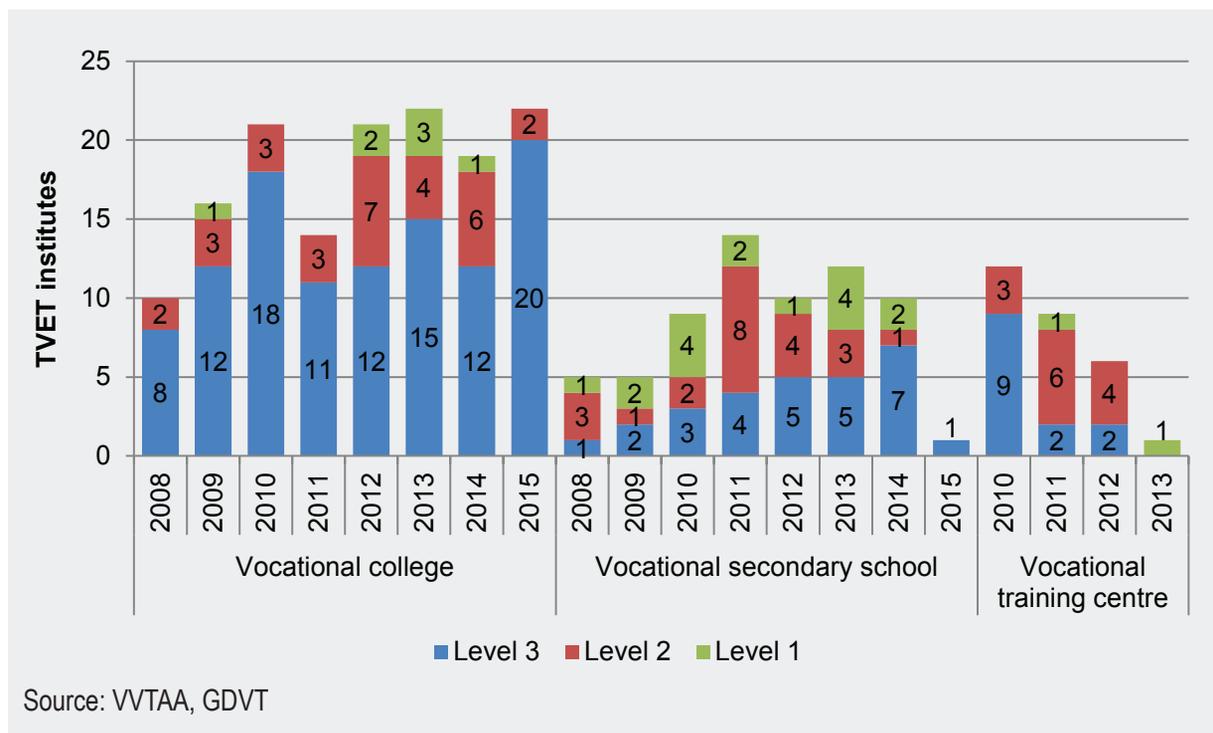
Although the number of TVET institutes that conducted self-accreditation in 2015 was higher than in the previous years (2013: 275 TVET institutes, 2014: 212 TVET institutes), there were still 1,123 TVET institutes (accounting for 76.6% of the total number of TVET institutes nationwide) that did not perform self-accreditation and did not submit reports to GDVT as required.

Results of TVET institute quality accreditation

The quality accreditation of TVET institutes is an assessment conducted by a vocational training quality accreditation team, which is formed by GDVT for vocational colleges, vocational secondary schools, and vocational institutions, based on the criteria and standards issued by MoLISA.

In 2015, GDVT implemented vocational training quality accreditation at 23 TVET institutes (of which 22 were vocational colleges and 1 was vocational secondary school). Therefore, in 2015, the number of TVET institutes that were accredited was less than the previous years (2013: 35 TVET institutes; 2014: 29 TVET institutes). The results were recognized as follows: 22 TVET institutes reached the third level (of which 1 was vocational secondary school) and 1 TVET institute reached the second level (according to the Decision No. 814/QD-LDTBXH dated 18/6/2015 and Decision No. 1901/QD-LDTBXH that recognized the accreditation results for vocational secondary school and vocational college which had implemented the accreditation activities in 2015).

Figure 36: Results of TVET institutes quality accreditation 2008-2015



By the end of 2015, GDVT has accredited 184 TVET institutes with a total of 239 rounds of accreditation, of which, as of 12/2015, 113 TVET institutes had valid certificates of vocational training quality accreditation (2 vocational training centres and 3 vocational secondary schools have been upgraded to vocational colleges but only the vocational college No. 5 of the Ministry of Defence had implemented the accreditation activities for vocational college). In the case of numerous accredited TVET institutes, a department or unit specializing in vocational training quality accreditation has been formed at those institutes in order to ensure and improve the quality of vocational training.

Table 14: Accreditation results of TVET institutes 2008-2015

No.	TVET Institute	Number of TVET Institutes	Accreditation Round	Number of TVET institutes with valid certificate on vocational training quality accreditation
1	Vocational Training Centre	28	28	13
2	Vocational Secondary School	59	66	22
3	Vocational College	97	145	78
Total		184	239	113

Source: VVTAA, GDVT

5.2. Accreditation of vocational training quality at the 45 TVET institutes selected for investment in high-quality

In 2015, GDVT reviewed and evaluated 45 TVET institutes that had been given the priority for a concentrated and concurrent investment according to the criteria on high-quality TVET institutes, to be completed by 2020, in order to provide recommendations and solutions to achieve the objectives set in the Decision No. 761/QD-TTg. This also served to study, develop, and finalise the Circular detailing the criteria, procedures, and processes of assessing and recognizing high-quality TVET institutes. An institute is recognized as a high-quality TVET institute when it meets the six criteria set by VVTAA: training scale; employment after training; qualification of participants and students after training; quality accreditation; teachers; institution administration. This section only focuses on analysing the results of vocational training quality accreditation in institutes.

Box 14: Quality accreditation criteria for high-quality TVET institutes

“In institutes that reached the third level of standards on TVET institutes quality accreditation; 100% of trained occupations reached the accreditation standards for training programmes.”

According to Decision No. 761/QD-TTg issued on 23/5/2014 that approved the “Scheme for developing high-quality TVET institutes up to 2020”

Quality accreditation of TVET institutes

As of 31/12/2015, the vocational training quality accreditation was implemented in 42 institutes selected for investment in high-quality (of which one institute reached the second level and 41 reached the third level). The three remaining TVET institutes were not accredited according to the criteria for vocational colleges. They were: the Bac Giang Viet Nam - Korea Vocational College of Technology (as it was newly established, there were no students graduated from

the programme yet), the Vocational College No. 20 – Ministry of Defence (it participated in the process of accreditation while still being an vocational secondary school) and the Hung Vuong Vocational Secondary School of Technology (it has already participated in the process of accreditation in 2014 and reached the third level).

Pilot accreditation of training

Since 2012, GDVT has piloted the programme on quality accreditation at selected TVET institutes with priority given to those on the list of 45 TVET institutes with special investment priority according to the criteria on high-quality TVET institutes. This aims at serving the implementation of research, improving the system of accreditation criteria and the procedures for training programme quality accreditation. Accordingly, 25 out of 45 institutes (55.6%) participated in the pilot accreditation of training programme quality with a total of 37 training programmes at a vocational college level that received a pilot accreditation. Most of these institutes had at least one training programme that was accredited; some even had 2-3 accredited programmes.

The accreditation results at the institutes were as follows:

- 19/25 institutes (76%) with accredited training programmes that reached the third level;
- 6/25 institutes (24%) with accredited training programmes that reached the second level (of which 2 institutes with 2 programmes reached the second level and 4 institutes with one programme reached the second level).

The results of accreditation according to accredited programmes were among 37 accredited training programmes:

- 8 out of 37 programmes reached the second level (21.6%);
- 29 out of 37 programmes reached the third level (78.4%).

Thus, in order to achieve the criteria to become a high-quality TVET institute, those that have not yet implemented a quality accreditation and are about to have their current accreditation result recognition expire, should prepare to be re-accredited. In addition, the results of the pilot accreditation of training programme quality have shown that it is necessary to re-examine the feasibility of the criterion which required “100% of trained occupations to meet the standards of quality accreditation for training programmes.”

5.3. Accreditors of vocational training quality

Box 15: Conditions and standards for issuing accreditor cards

1. Conditions:

- a. Being teachers (trainers) for vocational training, management staff at vocational institutes or trainers at technical colleges and universities, or vocational trainers at ministerial or provincial level, or technical researchers on vocational training;
- b. Being requested by the vocational institute or direct management unit to be issued the accreditor card;

c. Being ready to join the vocational training quality accreditation teams under the mobilisation of GDVT.

2. Standards:

- a. Having good moral qualities; loyalty, objectivity;
- b. Having thorough understanding of the law, the regime, and vocational training policies;
- c. Understanding vocational training activities;
- d. Having at least 5 years of experiences in teaching, managing, or researching on vocational training;
- e. Having good skills to communicate, and collect, analyse and compile information;
- f. Having a good health condition to fulfil working missions;
- g. Having a university degree or above;
- h. Have a certificate of a common foreign language at C level or above;
- i. Having good computer proficiency;
- k. Having a certificate of training for vocational training quality accreditor issued by GDVT.

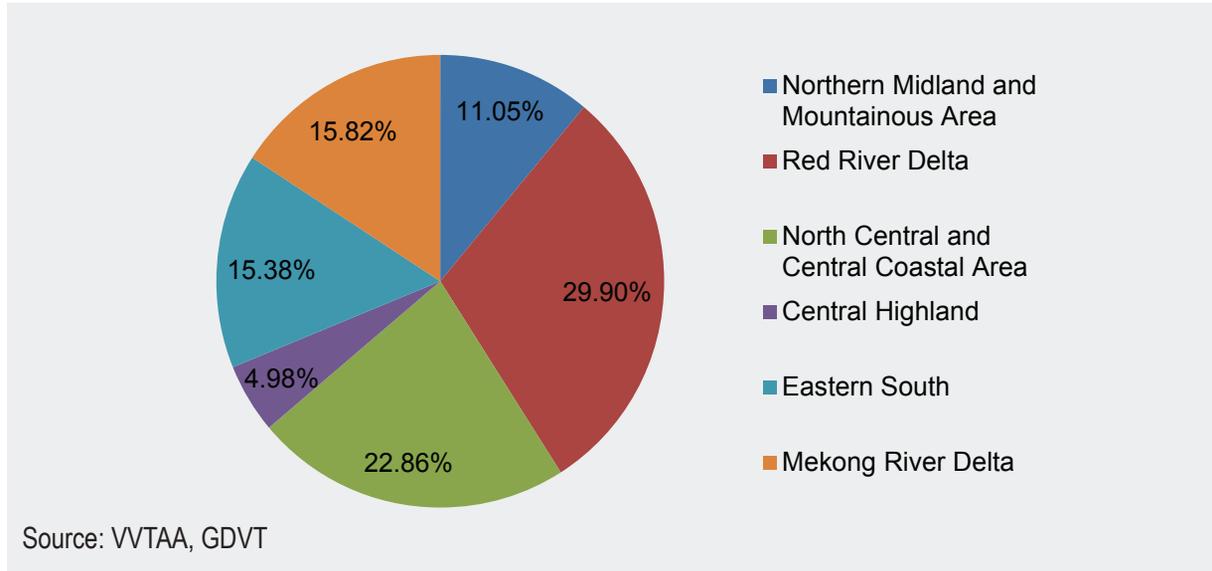
Source: Decision No. 07/2008/QĐ-BLDTBXH dated 25/3/2008 on the promulgation of regulations on vocational training quality accreditors

In 2015, GDVT has trained and issued certificates of completion of training on TVET institute quality accreditors for 139 people who were management staff in the vocational education sector at the central and local level, plus teachers and management staff at vocational colleges and vocational secondary schools. The number of accreditors was distributed according to the specific working units as follows:

- 5 accreditors who were working in ministries, branches, professional secondary schools, departments, institutes, and universities of technical pedagogy;
- 20 accreditors who were officials working at the provincial DoLISA;
- 56 accreditors who were lecturers, officials at vocational colleges;
- 58 accreditors who were lecturers, officials at vocational secondary schools.

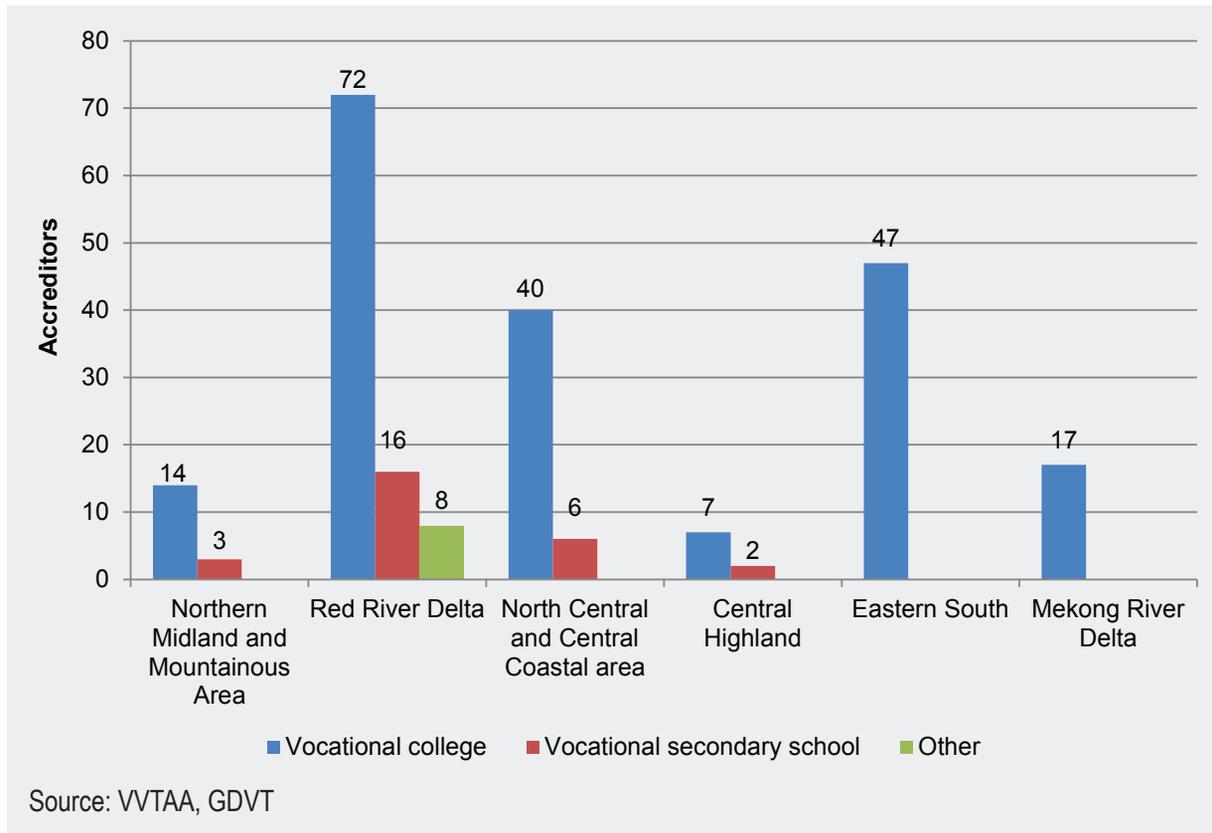
At the end of 2015, the number of accreditors who had been trained was 923. Out of these 427 were lecturers and staff working in vocational colleges; 310 were teachers and staff working in vocational secondary schools; 42 were teachers and staff working in vocational training centres; 64 were officials working in DoLISAs and 80 working in other Ministries and sectors.

Figure 37: Distribution of accreditors for TVET institutes by socio-economic regions until 2015 (in %)



Also, up to 2015, GDVT conducted training for 232 accreditors for training programmes. Out of that number, 197 were staff and lecturers in vocational colleges, 27 were staff and teachers in vocational secondary schools and 8 working in other institutions.

Figure 38: Number of accreditors for training programmes by socio-economic regions until 2015



5.4. Vocational training quality assurance

Researching, developing and piloting a quality management and assurance system at some selected potential high-quality TVET institutes

Within 2 years (2014-2015), GDVT piloted a model on the management system for vocational training quality at six vocational colleges, which were selected for investment for high-quality. The achievements of this pilot project are as follows:

- Developed and piloted a quality management system framework for vocational colleges in six vocational colleges;
- Developed and promulgated training programmes and training materials on the development and implementation of a quality management system in vocational colleges; and promoted training curricula on the monitoring and evaluation of a quality management system;
- Organised training on how to develop and implement a quality management system in vocational colleges; and training on controlling and evaluating the quality management system for 360 participating staff and teachers of the piloting TVET institutes;
- Developed and promulgated the application of a quality management system at 6 vocational colleges that had participated in the pilot. Each of the 6 vocational colleges had developed at least 78 quality management procedures. On an average, each college had applied approximately 380 quality assurance templates and some procedures of management. Those templates and procedures will be standardised and promulgated for common use for all activities of the colleges. Also, depending on the need for management, some colleges have developed additional management procedures in order to improve the vocational training management efficiency.

However, due to the short pilot implementation period, some contents/components of the quality management system have not been piloted and applied yet, such as the information management system or training efficiency evaluation system.

International cooperation in vocational training quality assurance

In 2015, GDVT and the British Council signed a Memorandum of Understanding on the building and development of a quality assurance system in some vocational colleges that had received investment for high-quality in Viet Nam.

In the first phase of the cooperation, there were 9 vocational colleges of Viet Nam that cooperated with three British universities. Specific results included:

- Organisation of 9 training courses for 428 rounds of managers, staff, and lecturers from 9 vocational colleges who had been selected to participate in the cooperation programme in 3 regions in the North - Central - South of Viet Nam;
- Organisation of one training course in the United Kingdom for 31 officials and teachers from 9 vocational colleges who participated in the cooperation programme;
- Development of a number of quality assurance tools appliances at some TVET institute clusters, for example: Improving the quality and developing skills in curriculum development

and evaluation; Integrating soft skills and tools apparatus in training for teachers; Conducting benchmarking studies before and after the project implementation; Building a quality management cycle; Developing a set of appliances for class observations and teaching quality assessment; Developing guidelines for implementing quality assurance at schools.

In 2016, GDVT and the British Council will implement the second phase of the cooperation, which is about building and developing a quality assurance system for vocational training at 18 vocational colleges that have been selected to be invested to become high-quality TVET institutes.

In addition, in June 2015, GDVT and GIZ signed a cooperation agreement on the integration of quality management tools, which had been developed and implemented within the framework of the Vietnamese-German “Programme Reform of TVET in Viet Nam”, into the quality assurance system for TVET institutes in Viet Nam.

Three quality management tools (enterprise survey, tracer study, and workshop management) were piloted at 8 TVET institutes (including 6 vocational colleges participating in the pilot to develop a quality management system and 2 TVET institutes chosen by GIZ, which were the Vocational College LILAMA 2 and the Vocational College of Machinery and Irrigation-VCMI). VVTAA and GIZ coordinated the coaching and capacity building activities for leaders and practitioners at selected TVET institutes on the effective use of these tools. In July 2015, a basic training course on the implementation of tracer studies and enterprise surveys with basic interviewing and data analysis skills was organised to improve the capacity of staff from 10 TVET institutes selected for investment for high-quality. After the training, 9 participating institutes undertook enterprise surveys and performed data analysis as the basis for offering training quality improvement solutions based on the enterprises’ feedback.

In addition to the basic training courses, from 2016, VVTAA and GIZ will organise advanced training courses on in-depth data analysis, report writing on survey results, and managing practical workshops for TVET institutes. After piloting three quality control instruments at selected TVET institutes, these instruments will be integrated into the quality assurance system of GDVT and applied in TVET institutes in Viet Nam. The results of the implementation of these appliances will support GDVT to manage the vocational education and training system in Viet Nam based on evidence, which contributes to the improvement of the training quality required by the labour market.

As such, the pilot of the quality management system model at 6 vocational colleges that were invested to become high-quality TVET institutes, and the implementation of cooperation programmes between GDVT and the British Council and the Vietnamese-German Programme Reform of TVET in Viet Nam implemented by GIZ has brought positive results.

CHAPTER 6

FINANCING VOCATIONAL EDUCATION AND TRAINING

This chapter will provide data on the state budget for vocational training until 2014. The chapter will focus on evaluating the situation of budget allocations to vocational training, in which attention will be given to the National Target Programme within the period of 2012-2015 for two projects: “Reform and Development of Vocational Training” and “Vocational Training for Rural Workers”. In addition, the report will also provide statistics of ODA projects on vocational training development in 2015.

6.1. Budget for vocational training

Although the state budget^[18] is limited, over the past years the State has always reserved a considerable proportion of its budget for education and training. The total amount of the state budget allocated for vocational education and training in 2015 is VND 224,826 billion, accounting for 20% of total state budget expenditure (of which: allocation for recurrent expenditures of vocational training is VND 184,070 billion, investments for vocational training development is VND 33,756 billion, and investment funded by revenue derived from a lottery for education and training on national defence and security is VND 7 billion)^[19].

Under the current mechanism of spending the state budget on vocational training, MoLISA is only allowed to participate in the process of estimating and allocating the state budget for the national target programmes in vocational training. MoLISA is not allowed yet to get involved in the estimation and allocation of the state budget for recurrent expenditures and infrastructure of vocational training, leading to a lack of related statistic updates for the year of 2015.

Table 15: State budget expenditure for vocational training 2010-2014

Year	State budget for vocational training (billion VND)	Ratio of state budget for vocational training in GDP (%)	Ratio of state budget for vocational training in total state budget (%)	Ratio of state budget for vocational training in total state budget for education and training (%)
2010	8,937	0.46	1.45	8.53
2011	9,800	0.45	1.63	8.16
2012	10,746	0.47	1.55	8.08
2013	11,784	0.46	1.21	8.15
2014	14,308	0.53 ^[1]	1.42 ^[**]	8.20 ^[***]

Source: Calculation of the GDVT technical group based on GSO statistics

¹⁸ State budget includes national state budget and local state budget.

¹⁹ Decision QD 3137/QD-BTC dated 10/12/2014 on announcement of state budget estimations for 2015.

* In 2014, the GDP was VND 2,695,796 billion according to statistics from GSO: <https://gso.gov.vn/default.aspx?tabid=715>.

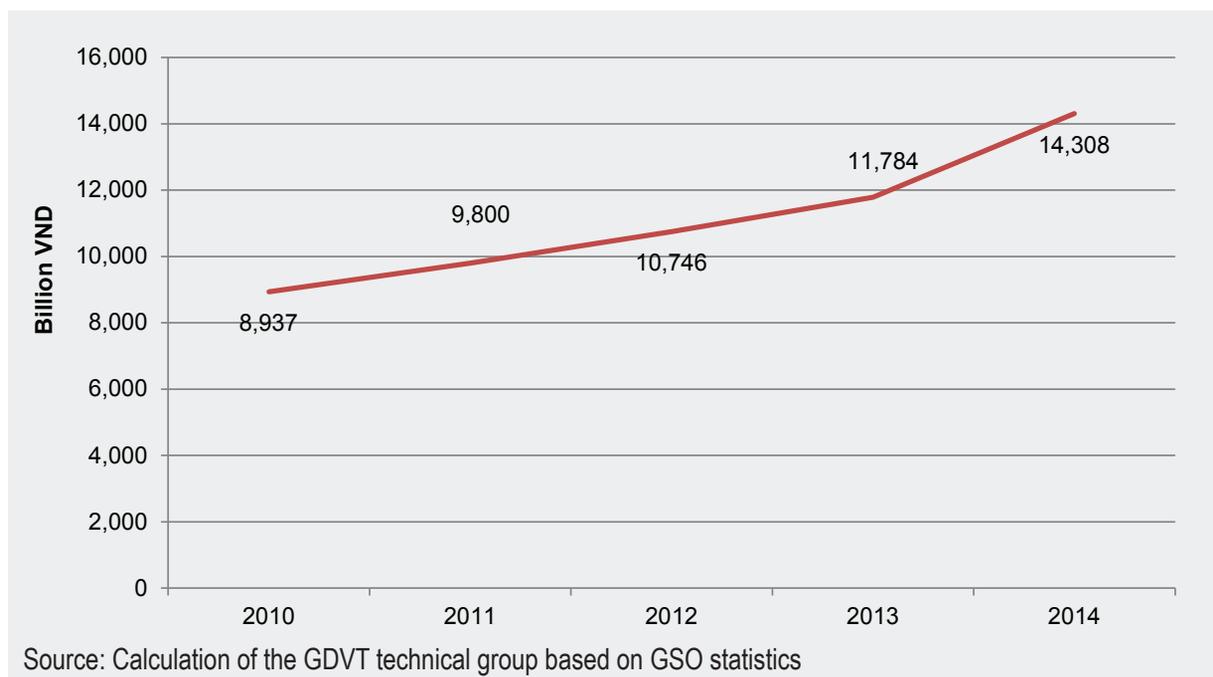
** The total state budget expenditure in 2014 was VND 1,006,700 billion according to the Decision QD 3016/QD-BTC dated 4/12/2013 on the public announcement of state budget estimations in 2014.

*** The total state budget expenditure for education and training in 2014 was estimated at VND 174,487 billion.

In terms of structure, the ratio of the state budget expenditures for vocational training in GDP and in the total state budget, as well as in the total budget for education and training has basically increased annually. In 2014 alone, the state budget expenditures for vocational training accounted for 0.53% of the GDP, 1.42% of the total state budget and 8.2% of the total state budget for education and training.

Figure 39 illustrates the status of budget allocation for vocational training for period 2010-2014. The state budget for vocational training increased steadily between the period of 2010 and 2014, spending about VND trillion per year on vocational training. In particular, in 2014, it increased by VND 2,524 billion compared to 2013.

Figure 39: State budget expenditure for vocational training 2010-2014



Finance for vocational training is being allocated to three main groups of expenditures: recurrent expenditures, basic construction expenditures and national target programmes.

6.1.1. Recurrent expenditures for vocational training

Budget allocation items

Budget allocations for recurrent expenditures of vocational training represent a major source of funding for achievement of vocational training targets. They are often associated with the costs to implement regular tasks spent by TVET institutes which are entitled to receive state funds, including: (i) Personnel related payments, such as salaries, wages, allowances, bonus, collective benefits, insurance payments associated with staff salaries; (ii) Expenditures related to operational teaching, learning and academic researches, such as: purchases of training materials, textbooks, teaching aids, raw materials; (iii) Administration expenditures, such as per diem, public utility charges (electricity, water, telephone, internet, etc.), expenses for reception of guests and other office administration expenditures at TVET institutes; (iv) Expenditures for

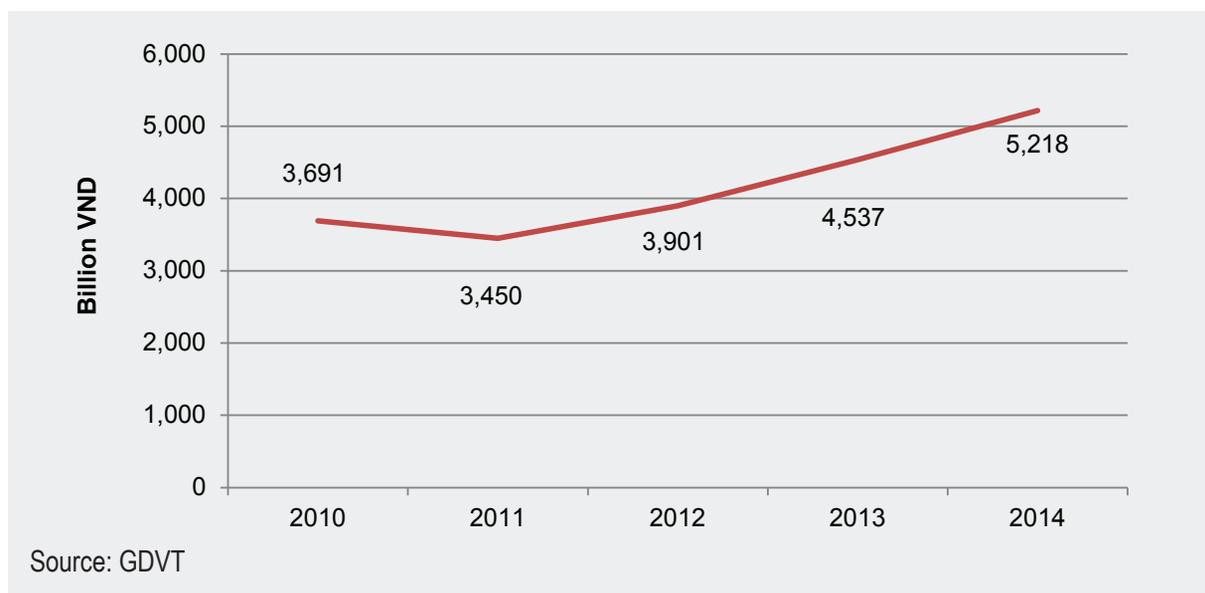
purchases and maintenance of fixed assets, such as equipment for classrooms, work offices, laboratories, workshops, libraries, and equipment for teaching, learning, and research work at TVET institutes.

Under the current mechanism, this source of funds is only available for implementation of “long-term” formal training. “Short-term” training is hardly financed by the State; it is mainly financed by the tuition fees paid by trainees (to comply with Decree No. 86/2015/ND-CP dated October 2, 2015 on the mechanism of collection and management of tuition fees for educational service providers in the national education system and the policies on tuition fee exemption and reduction, and support for study expenses for the school years from 2015-2016 to 2020-2021). There are not any specific regulations yet specifying the level of financial support for private vocational institutes.

Status of budget allocation

The total state budget allocated for recurrent expenditures of vocational training during the period of 2010-2014 constitutes of VND 20,797 billion, accounting for 37.4% of the total state budget expenditure for vocational training. Figure 40 shows a steady increase of the recurrent expenditures for vocational training from VND 3,450 billion in 2011 to VND 5,218 billion in 2014 (an increase of 51.25% for four years).

Figure 40: Recurrent expenditures for vocational training 2010-2014



6.1.2. Funding for basic construction investment in vocational training

Budget allocation items

Expenditures for basic construction investment include expenditures for the technical infrastructure needed by individual vocational training institutes. They include: expenditures for new constructions, renovation and upgrading of schools, classrooms, laboratories, workshops, libraries, working offices and equipment for teaching and learning, and academic research in TVET institutes.

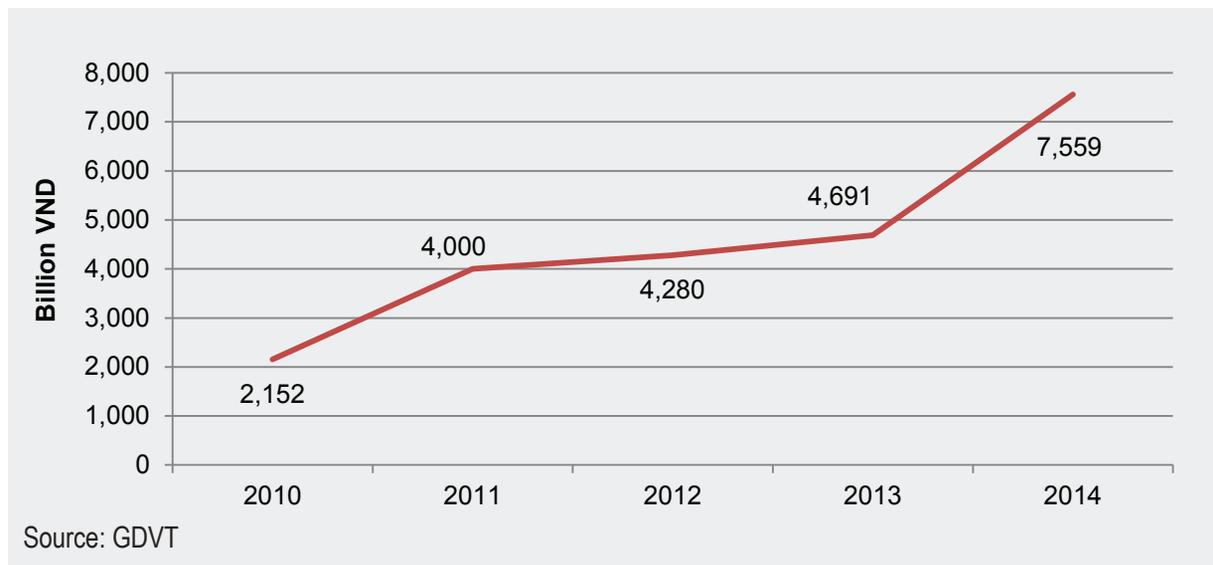
According to the current regulations, the funds for basic construction investment are to be allocated to both vocational training colleges/schools and vocational training centres; however, in reality, these funds are mainly spent for vocational training colleges (i.e. long-term formal vocational training providers).

The budget allocation for basic construction investment in vocational training does not only provide financial resources for maintaining, strengthening and developing TVET infrastructure, but also helps in orienting the TVET development according to certain objectives. Along with the funding for national target programmes, budget allocations for basic construction help improve the situation of schools, classrooms and workshops, etc.

Status of budget allocation

There was an annual increase of the budget allocated for basic construction investment in the vocational training sector. This funding increased from VND 2,152 billion in 2010 to VND 7,555 billion in 2014, equivalent to 251.3% (see Figure 41). The total basic construction investment for vocational training over the period of 2010-2014 was VND 22,682 billion, which accounted for 40.81% of the total state budget expenditures for vocational training, of which most of the fund was spent to upgrade vocational secondary schools into vocational colleges. However, the reported figures on basic construction investment for vocational training are often inaccurate and incomplete, sometimes overlapping with other capital sources of investment nature.

Figure 41: Basic construction investment for vocational training 2010-2014



6.1.3. Funds for National Target Programmes

Budget allocation items

Funds for National Target Programmes aim at achieving specific urgent objectives or addressing major shortcomings in vocational training within specific periods. During the period of 2011-2015, there were two vocational training projects under the National Target Programme on Employment and Vocational Training. They were: the Project for Vocational Training for Rural Workers and the Project for Reform and Development of Vocational Training. The major contents

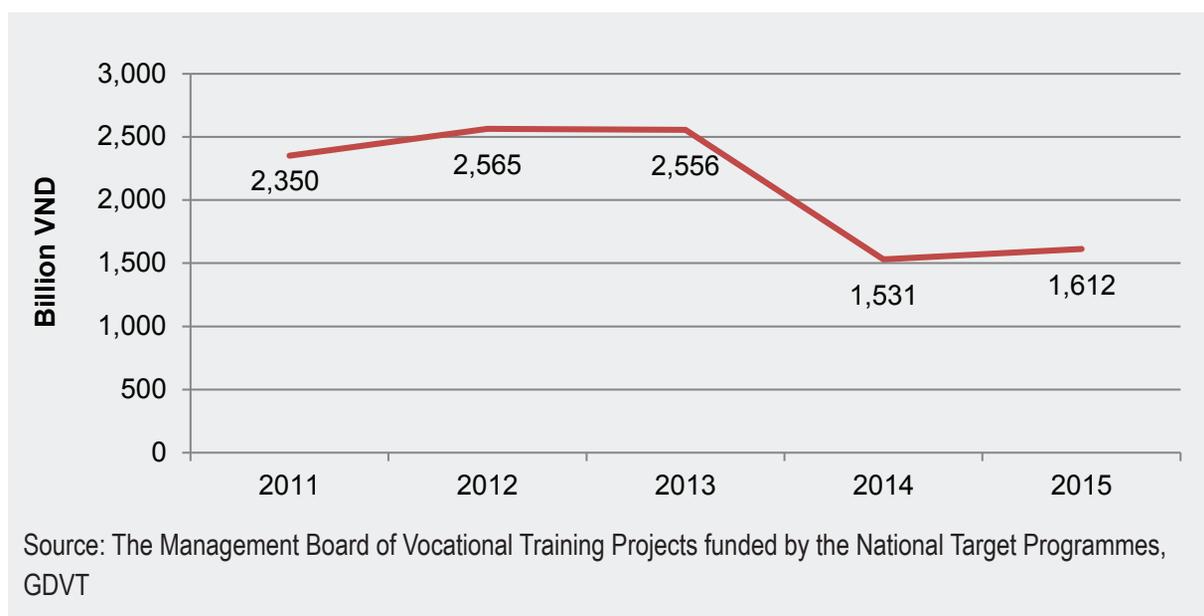
of vocational training projects funded by the National Target Programme will be analysed in detail in the following section.

The national ministries and agencies implementing the National Target Programmes and the local People's Committees prepare estimations of budget allocations for the National Target Programmes broken down into each specific programme or project, along with estimations of annual state budget allocation which are later sent to the finance agency of the same administrative level for supervision purposes as required by the State Budget Law and the by-law guiding documents.

Status of budget allocation

Expenditures for the National Target Programme of vocational training varied greatly throughout the period of 2011-2015. The significantly higher expenditure during the years 2011, 2012 and 2013 was gradually reduced to the lower figures for 2014 and 2015. In 2011 alone, the National Target Programme expenditure was VND 2,350 billion, while in 2014, it was VND 1,531 billion, which was equivalent to 65,1% compared to 2011 (see Figure 42).

Figure 42: National Target Programme expenditures 2011-2015



The comparison of the expenditure structures for vocational training within the period of 2010-2014 shows that the proportion of funds allocated from the National Target Programmes to vocational training had a tendency to decrease, while recurrent expenditures on vocational training remained unchanged, and basic construction investments had a tendency to increase quite fast. This structure reflects the actual financial status of vocational training over the period of 2011-2013, which focused on infrastructure upgrading for newly upgraded and newly established vocational training institutes. Nevertheless, as National Target Programmes play an important financial role in strengthening and developing training quality assurance elements (e.g. training equipment, curricula, teachers, quality accreditation and assessment), the dramatic decline of their proportion in the budget allocations to vocational training, in the long-term, would have a negative effect on the training quality.

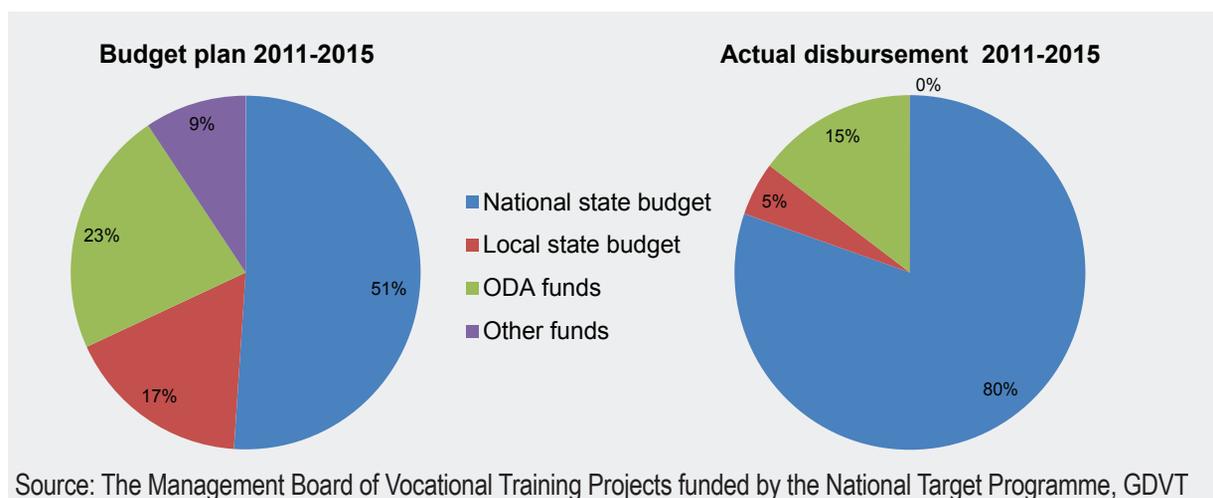
The year of 2015 was an important milestone to reflect on the overall implementation of the National Target Programme of Employment and Vocational Training during 2012-2015, in order to evaluate whether the programme had achieved its set progress and objectives. This report will explain in more details the costs and outcomes of the Project for Reform and Development of Vocational Training and the Project for Vocational Training for Rural Workers.

Project for Reform and Development of Vocational Training

The project aimed: To support the development of a vocational training system capable of training high-skilled workers, which could gradually create a breakthrough in the quality of vocational training; To support the concurrent development of approximately 130 key occupations at the national, regional and international levels; To provide concentrated investment support to selected TVET institutes for special investment to become high quality TVET institutes, of which 26 TVET institutes were prioritised as of 2015; To contribute to increase the rate of trained workers by 2015.

The implementation period of the project was from 2011 to 2015 with a total budget of VND 20,236 billion according to the approved plan (of which: the support from the national budget was expected to be VND 10,336 billion, the local budget with VND 3,445 billion, the ODA with VND 4,552 billion and other mobilising sources with VND 1,903 billion). In reality, the actually allocated funds encompassed VND 6,568 billion from the national state budget, equivalent to 63.5% of the plan, VND 400 billion from the local state budget, equivalent to 11.6% of the plan, and VND 1,203 billion (or USD 54.93 million^[20]) from the ODA, equivalent to 26.4% of the plan. It is then possible to realise that the budget allocated for the period of 2011-2015 was still low and only reached 40.4% compared to the project approved budget plan. In addition, there is a big difference in the funding structure of the national state budget, the local state budget, and the ODA. Of the total investment, the state local budget only accounted for 5% while it should be 17% according to the plan; mobilisation of funds from other sources accounted for 0% while it was planned to be 9% (see Figure 43).

Figure 43: Project funding structure 2011-2015 (in %)

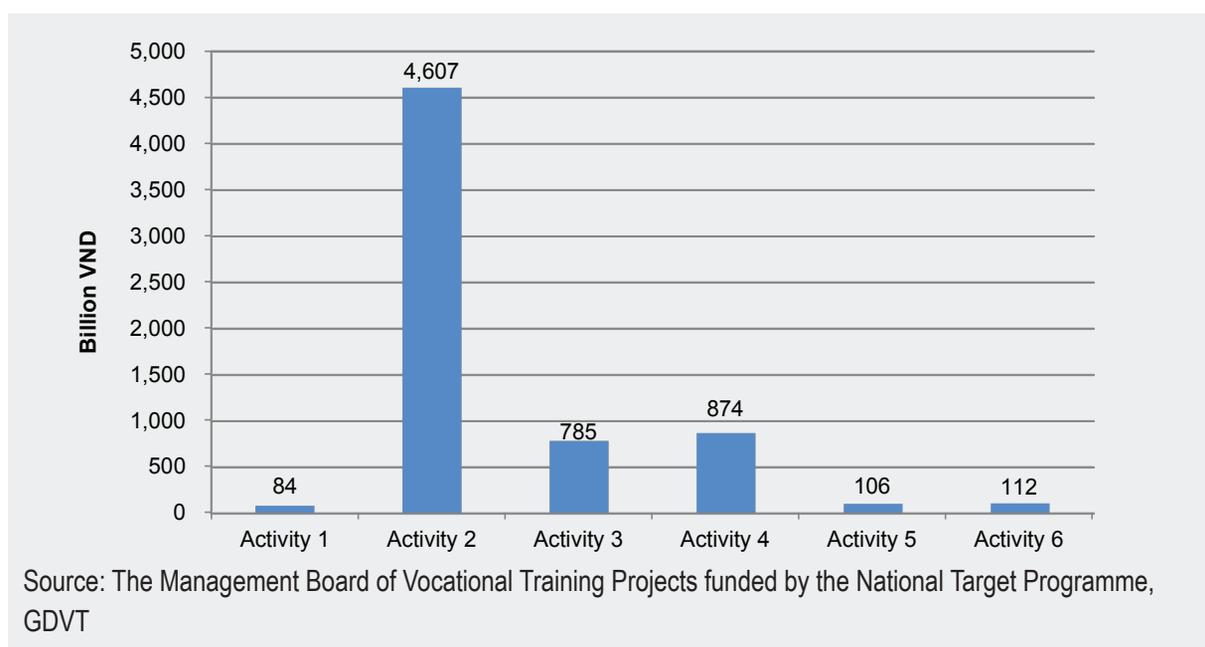


²⁰ The amounts translated from VND into USD in this report are converted at the exchange rate of 1 USD = 21,900 VND (Average exchange rate applicable on the last day of the months in 2015 published by Vietcombank on website: <https://www.vietcombank.com.vn/exchangerates/default.aspx>)

The following activities have been financed by the national state budget: Activity 1 - TVET information and database management system; Activity 2 - Improvement of vocational training infrastructure and equipment for key occupations; Activity 3 - Capacity building for vocational teachers and managing staff; Activity 4 - Curriculum and training material development; Activity 5 - Development of vocational training accreditation; Activity 6 - Development of the national skills assessment system.

During the five years of implementation from 2011 to 2015, the funding for vocational training infrastructure and equipment in key occupations accounted for the highest proportion of 70.1% of the project budget; curriculum development and capacity building for vocational teachers and managing staff accounted for 13.3% and 12% respectively; funding for TVET information and database management system accounted for the lowest proportion of 1.3%. Among the six activities, only Activity 1 was allocated with an actual 120% higher-than-planned budget. The actual budget for curriculum development activities achieved 95.4% of the planned budget, while the actual budget disbursements for Activity 5 and Activity 6 only reached 36.6% and 24.9% of the respective plan.

Figure 44: Budget expenditures by activity 2011-2015



Project implementation results^[21]

Activity 1: Implement IT applications in the field of vocational training: An Electronic Information Portal on vocational training was set up along with vocational training database; Software for management of trained rural workers; Technical support and online training on vocational training database was provided; Developed national vocational training software will be used by vocational training institutes nationwide. The activity was initially implemented in 26 out of 45 TVET institutes; Digitalisation and simulation (2D/3D simulation) of electronic lessons was piloted in such occupations as metal cutting, automobile technology, mechanical engineering,

²¹ Project Evaluation Report, Project for Reform and Development, National Target Program of Employment and Vocational Training for Period 2011-2015 and Directions for 2016-2020.

industrial electrics, welding, computer repair and assembling (107 electronic lessons and 70 practical lessons and simulations).

Activity 2: 45 TVET institutes were selected to be invested to become high-quality TVET institutes by the year of 2020, where an investment of VND 1,799 billion was made (accounting for 39% of the budget for Activity 2). The investment allocated for 4 universities of technology and education was VND 18 billion; for 26 ethnic boarding schools, vocational training schools for ethnic minority people: VND 491 billion. Investment for 178 TVET institutes teaching key occupations and TVET institutes tailored to specific target groups consisted of VND 2,199 billion (accounting for 47.7%).

The number of people enrolled in vocational training during five years 2011-2015 consisted of 9.1 million (of which admissions to vocational college and vocational secondary school accounted for 1.1 million, enrolment to elementary vocational training and vocational training under 3 months consisted of 8 million), achieving 95.5% of the targets specified in the National Strategy for Vocational Training Development. The enrolment number reached during this period increased by 18% as compared to the period of 2006-2010. The quality of vocational training has changed positively (according to the evaluation of enterprises, 80% - 85% of trained workers were properly employed according to their training level).

Activity 3: 8,334 teachers were trained, including in-country training for 6,835 teachers, which accounted for 23% of the planned number; and further training overseas for 626 people, equal to 63% of the planned target. A total of 3,618 management staff were trained.

Activity 4: 34 sets of key vocational training curricula and programmes of key occupations at international and regional levels were handed over as planned according to the Decision No. 371/QĐ-TTg; 265 framework curricula for vocational college and vocational secondary levels were developed; 205 job analysis sheets were revised and modified; 32 framework curricula for vocational college and vocational secondary levels were modified; 96 training programmes, training materials and course exams were developed, along with 71 framework curricula for vocational college and vocational secondary levels. 201 lists of vocational training equipment and 55 training programmes with training material for elementary vocational training were developed for 55 non-agricultural occupations.

Activity 5: 1,260 VT accreditors and 1,938 VT quality self-accreditors trained; 162 TVET institutes accredited; Training programme accreditation piloted to develop a system of accreditation criteria, standards and procedures for 39 training programmes; A system of vocational training quality management and assurance for 12 TVET institutes developed and piloted.

Activity 6: National occupational skill standards developed and issued for 60 occupations; a bank of multiple-choice test items and practical exams developed for 64 occupations; 1,924 assessors of national occupational skills trained. Five banks of multiple-choice test items and practical exam questions updated and supplemented; 8,015 vocational education teachers and workers assessed and certified on national occupational skills.

(See detailed budget allocation for project activities in Appendix 7).

Box 16: Funding for TVET institutes selected for special investment to become high-quality TVET institutes

As “High-quality TVET institutes” is an important topic of the 2015 report, funding from the National Target Programme to these TVET institutes will be shown in more details.

According to the data of separate financial sources invested from the National Target Programmes to 45 TVET institutes selected for special investment to become high-quality TVET institutes by 2020, funding to these institutes within the period of 2011 to 2015 was VND 1,799 billion (39% of the total project budget for improvement of vocational training infrastructure and equipment in Activity 2). Each TVET institute received an average support equivalent to VND 40 billion (approximately VND 8.0 billion per year). This investment was higher than the average investment in other schools (e.g. each university of education and technology received approximately VND 5.9 billion per year, each ethnic boarding school and TVET institute for ethnic minority people received VND 3.8 billion per year, TVET institutes teaching key occupations and TVET institutes tailored to specific target groups received approximately VND 2.47 billion per institute per year).

Funding from the National Target Programme to 45 TVET institutes selected for special investment to become high-quality institutes 2011-2015

Unit: billion VND

Year	Amount	Increase/decrease compared to the previous year	Average investment to each TVET institute
2011	398.000	0	8.844
2012	245.000	(153.000)	5.444
2013	386.000	141.000	8.578
2014	327.000	(59.000)	7.267
2015	443.000	116.000	9.844
Total	1,799.000	45.000	39.978

Source: The Management Board of Vocational Training Projects, GDVT

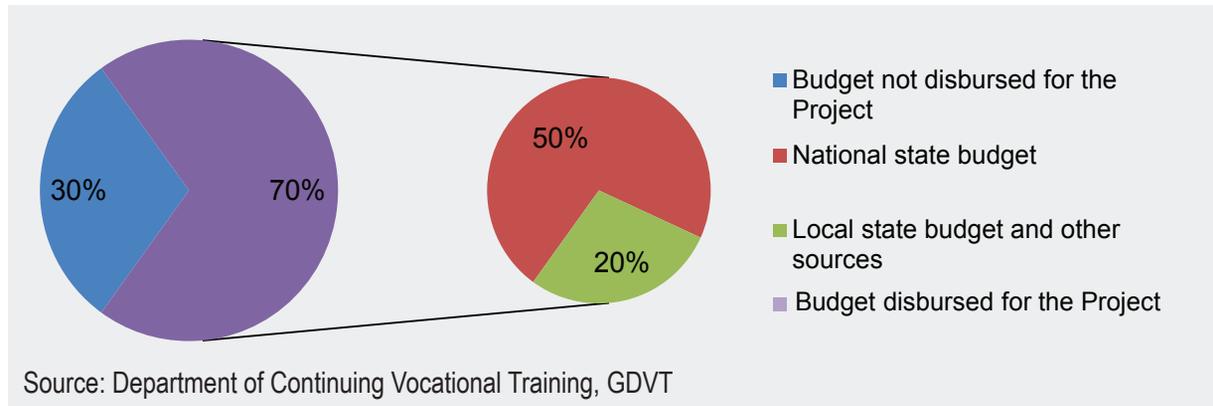
Project for Vocational Training of Rural Workers

The Project for Vocational Training of Rural Workers until 2020 was approved by the Prime Minister in the Decision No. 1956/QD-TTg dated 27/11/2009, to be implemented during 11 years (2010-2020) with the objectives: to provide vocational training for about 10.6 million rural workers, of which 6.54 million people are from the project target groups; and to train and re-train 1.1 million participating communal officials and civil servants.

Within six years (2010-2015), the total budget disbursed for the implementation of the project was over VND 8,170.53 billion, achieving 70% of the planned budget for this period, and 31.5% of the estimated budget for 11 years of project implementation. The national state budget provided over VND 5,870.53 billion, accounting for 71.9% of the total budget disbursements; the local state budget and financial resources from other programmes and projects provided

approximately VND 2,300 billion, accounting for 28.1% of the total budget disbursement (see Figure 45).

Figure 45: Structure of financial resources allocated for project implementation (in %)



The total disbursed budget of VND 8,170.53 billion has been utilised for implementation of the two major project missions as follows:

- The budget utilised for vocational training of the rural workers (vocational training infrastructure investments, support for vocational training for rural workers, etc.) was VND 7,887.15 billion, representing 62.8% of the planned budget allocation for the period of 2010-2015;
- The budget utilised for training and re-training communal officials was VND 289.85 billion, accounting for 44.6% of the planned budget for the period of 2010-2015.

Results of the Project of Vocational Training for Rural Workers

- In 2015, there were about 900,000 rural workers who received vocational training. Among them, 550,000 people received vocational training under the Project of Vocational Training for Rural Workers (“Project 1956”) (achieving 100% of the annual plan). Over the period of 6 years (2010-2015) of the project implementation, more than 4.1 million rural workers were trained, reaching 74.1% of the objective of the period. The number of rural workers who benefited from vocational training in the “Project 1956” was over 2.7 million people, achieving 91.5% of the plan for the period of 2010-2015 (it was initially planned to reach 2.95 million people), and 41.3% of the plan for 11 years of the project implementation. The major target groups of vocational training include rural workers, accounting for 59.86%, ethnic minorities for 20.05%, and people from poor households for 11.06%;
- The rate of people being employed after training in the period of 2010-2014 was 78.7%, exceeding the project target of 8.7%. Of which, 65.97% (1,007,284 people) continued to work in their job but with a higher labour productivity and income. The number of graduates who were recruited by enterprises accounted for 22.79% (347,915 people). The number of people who were able to produce product and had their products purchased by enterprises was 10.06%, and the remaining 1.18% training graduates established their production teams, cooperatives and enterprises (see Figure 46). In 2015, the rate of rural workers who had a job after training was 78%.

Figure 46: Structure of employment after training 2010-2014 (in %)

Results of training and re-training communal officials and civil servants

The Ministry of Home Affairs assumed the prime responsibility for, and coordinated with concerned ministries and branches to develop and issue 26 sets of training programmes and training material for the respective job titles. 485,241 communal officials and civil servants have been trained and improved their knowledge and skills, achieving 80.8% of the 2010-2015 targets and 44.1% of the targets for the whole period of 2010-2020.

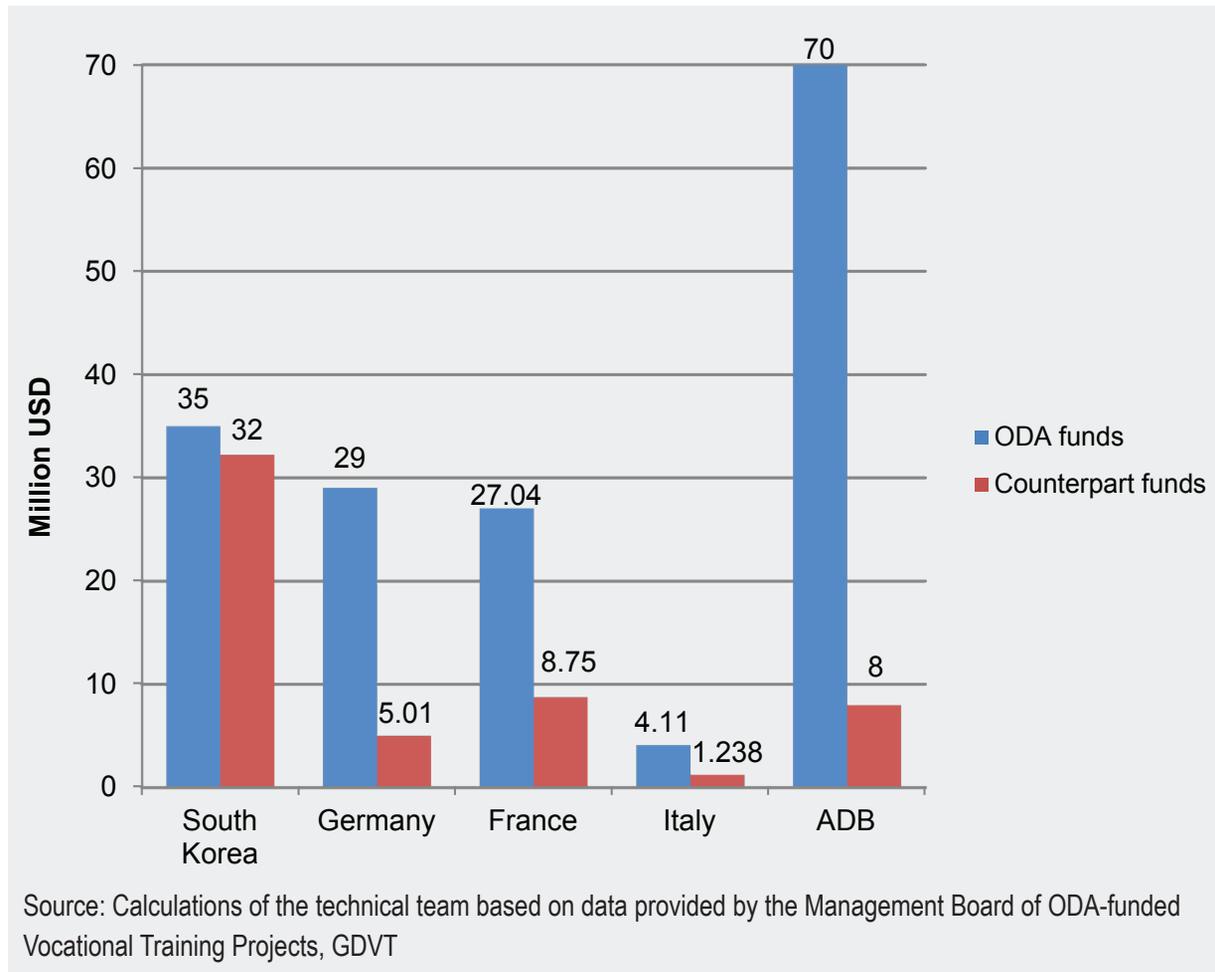
6.2. The ODA funding for vocational training development

In the period of 2011-2015, GDVT, together with other localities, participated actively in the implementation of international cooperation activities and ODA-funded projects. During this period, GDVT implemented 10 ODA-funded projects in cooperation with foreign countries and international organisations such as Germany, France, Korea, and the Asian Development Bank. These projects have contributed to the improvement and advancement of the training facilities and equipment of TVET institutes; provided technical assistance, developed training programmes and curricula, and improved the capacity of teachers and management staff. The ODA-funded projects were not only consistent with the activities set in the Vocational Training Development Strategy for 2011-2020, but also helped vocational training in Viet Nam develop new training models and new organisational approaches based on the regional and international experiences. The project investments were focused on key occupations and beneficiary TVET institutes that have been selected to become high quality TVET institutes.

By the end of 2015, two projects had been completed, i.e. “Programme Vocational Training 2008” supported by Germany^[22] and the Project “Demand-oriented Vocational Training for Poverty Reduction in the Mekong Delta^[23]” financed by the Japanese Fund for Poverty Reduction through the Asian Development Bank. There are eight on-going ODA projects for vocational training development.

²² The Project has contributed to improving job opportunities in the selected occupations, providing trained skilled workers to the labour market, improving the performance-based and practice-oriented training approach, capacity building for teachers and effective use of training equipment in Viet Nam.

²³ The Project has contributed in improving the life quality of the poor and minority people in two provinces of Tra Vinh and Soc Trang by training them occupational and work skills needed for their job seeking and self-employment and contributed in the implementation of the Government strategic objectives of poverty reduction and narrowing the gaps in the regional development

Figure 47: Total approved investment capital of ODA projects by partners in 2015

The loans value of the eight ODA projects consisted of USD 165.194 million, and the counterpart contribution was USD 55.241 million. Of which, GDVT was the project owner responsible for the loan of USD 66.674 million, accounting for 40.4% of total loan value, and counterpart contribution of USD 4.074 million, accounting for 7.4% of the total counterpart fund. The accumulated loan amount disbursed as of 31/12/2015 recorded by GDVT was VND 629,796 billion (USD 28.053 million), achieving 42.1% of the loan GDVT was responsible for as a project owner; and VND 45.236 billion of counterpart fund (USD 2.015 million), accounting for 49.5% of the counterpart fund assigned to the GDVT as the project owner.

CHAPTER 7

COOPERATION WITH ENTERPRISES IN VOCATIONAL EDUCATION AND TRAINING

Cooperation between TVET institutes and enterprises plays an important role in the reform of TVET. The Law on Vocational Education and Training No.74/2014/QH13 dated November 27th 2014 and the Decree No. 48/2015/ND-CP dated May 15th 2015 provide detailed regulations on the rights and responsibilities of enterprises in vocational education and training activities. Further, the Strategy for Vocational Training Development for 2011-2020 defines solutions for linking vocational training with the labour market and promoting active participation of enterprises in VET activities. In this regard Vocational Training Report 2013-2014 presented a costs-benefit analysis for enterprises participating in vocational education and training activities and showed the benefits of the three involved parties, i.e. the learner, the enterprise and the TVET institute when learners receive internship in the enterprise. This report will look deeper at the practice of cooperation between TVET institutes and enterprises through: (a) a survey of enterprises' assessment of the competence of vocational college graduates, who are working in the enterprises, and (b) selected pilot models of cooperative vocational training.

7.1. Enterprises' assessment of the graduates' competency

Within the framework of the Vietnamese-German “Programme Reform of TVET in Viet Nam”, an enterprise survey was conducted in 2015 at 280 enterprises across the country which employ graduates from 26 TVET institutes. The TVET institutes selected for the survey include: colleges selected for special investment to become high quality TVET institutes in accordance with the Decision No. 761/QD-TTg, the TVET institutes supported by the “Programme Reform of TVET in Viet Nam” and TVET institutes, which are willing to use the enterprise feedback instruments developed by the Programme.

The survey instruments were developed and applied in 2013 and 2014 and have been updated in 2015. The survey questionnaire includes questions related to the following information:

- General information about the surveyed enterprise;
- The labour force demand of the surveyed enterprise (classified by qualification levels of with/without technical knowledge), by occupations, availability and accessibility for disabled employees in the enterprise (including the status of recruitment and reasons for not employing disabled people);
- Status of employment and training in the surveyed enterprise (number of employees recruited from TVET institutes, average income of employees classified by occupations, difficulties in recruiting workers by occupations, reasons why enterprises meet difficulties in recruiting employees with relevant qualifications, number of newly recruited employees retrained by occupations and average number of retraining days);
- Competencies of graduates including: general comparison of enterprises' competency requirements and the graduates' achieved competency level (in regard of occupational theoretical knowledge, practical occupational skills, soft skills and work attitude).

The survey results have provided useful information regarding the enterprises' demand for a skilled workforce, the situation of labour recruitment and training at enterprises, the employees' income and, especially, the enterprises' requirements for competencies as compared with the actual competencies achieved by the college graduates, who are working in these enterprises. This report will only address the enterprises' feedback on the graduates' competencies, that can be used by TVET institutes for the purpose of improving their training programmes and enhance students' abilities to meet the needs of enterprises. The figures in charts which follow below show the evaluation of the responding enterprises according to the Likert scale from 1 to 5 (where 5 is completely satisfactory and 1 is not satisfactory).

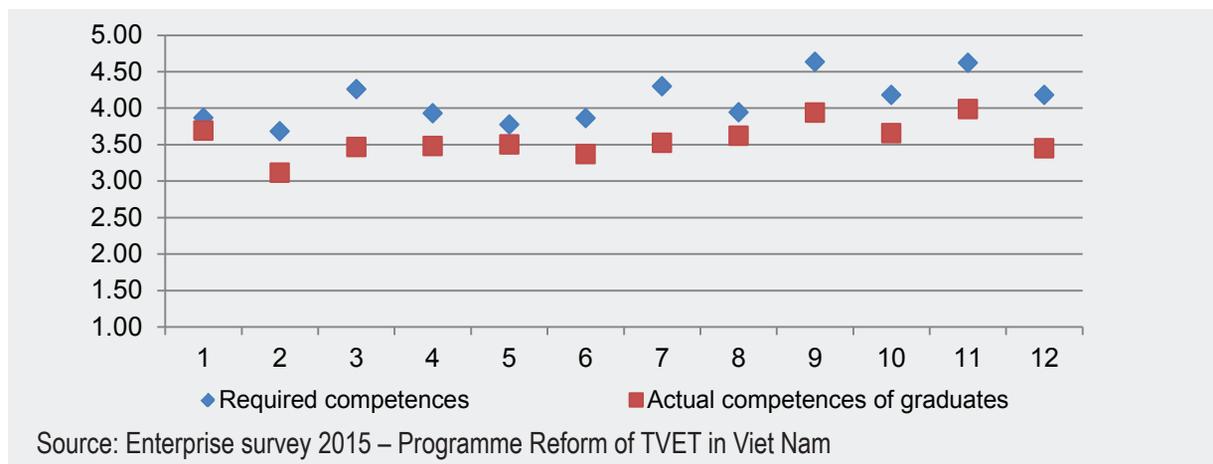
Knowledge of occupation

Box 17: Key of surveyed occupational theoretical knowledge

1. Applied sciences (e.g. mathematics, physics, chemistry)
2. Foreign language (e.g.: English)
3. Technology and production
4. Manufacturing and processing
5. IT and telecommunications
6. Administration and management
7. Quality regulations and standards
8. Transportation and storage arrangements
9. Occupational health and safety
10. Environment protection and green technology
11. Professional ethics
12. Resources management: Efficient use of energy and excess material/ recycling system

Source: Enterprise survey 2015 – GIZ

Figure 48: Comparison of enterprises' requirements for theoretical knowledge and graduates' actual competencies (See box 17 for key)



The survey results show that the theoretical knowledge of graduates in all subjects is lower than that required. However, this gap is not considerable. The major knowledge gap, that the TVET institutes need to deal with, is connected with knowledge of (3) Technology and production; (7) Quality regulations and standards; (9) Occupational health and safety; (11) Professional ethics; and (12) Resources management: Effective use of energy and excess materials.

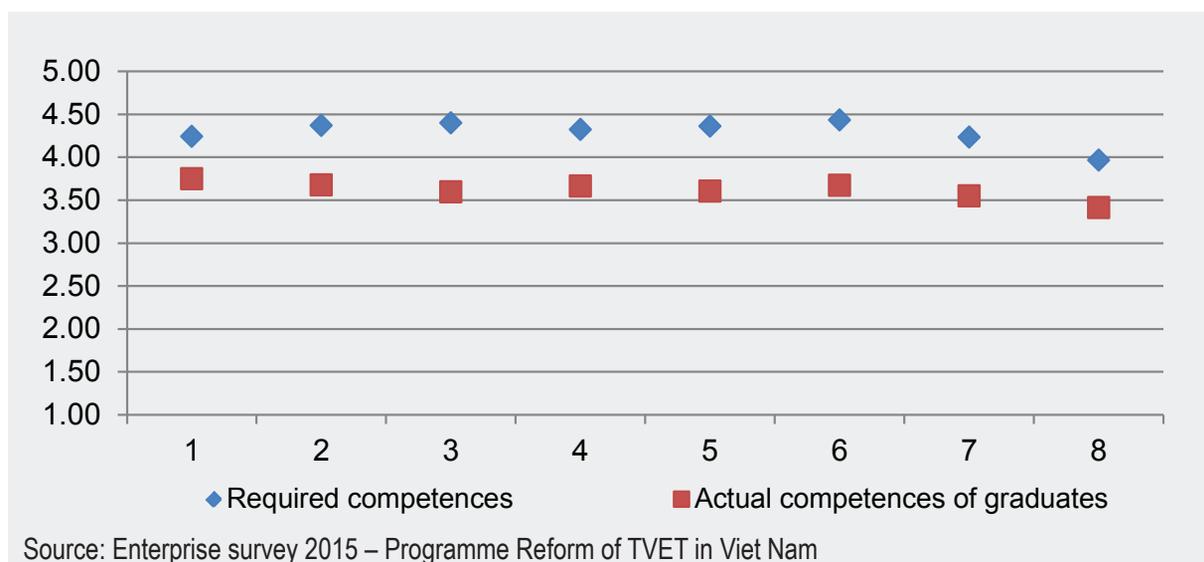
Occupational skills

Box 18: Key of surveyed occupational skills

1. Handling and transportation of materials, tools, components, equipment and machines
2. Standard use of measuring, testing and calibration instruments
3. Installation and operation of production machines, equipment and tools
4. Operation in a production line in accordance with instructions
5. Assembly, installation, inspection of parts, equipment, machines and systems
6. Maintenance and repair/ replacement of parts, equipment/ machines
7. Use of maps, designs, drawings, and technical instructions
8. Efficient use of energy and excess materials/ recycling systems

Source: Enterprise survey 2015 – Programme Reform of TVET in Viet Nam

Figure 49: Comparison of enterprises' requirements for occupational skills and graduates' actual competencies (See box 18 for key)



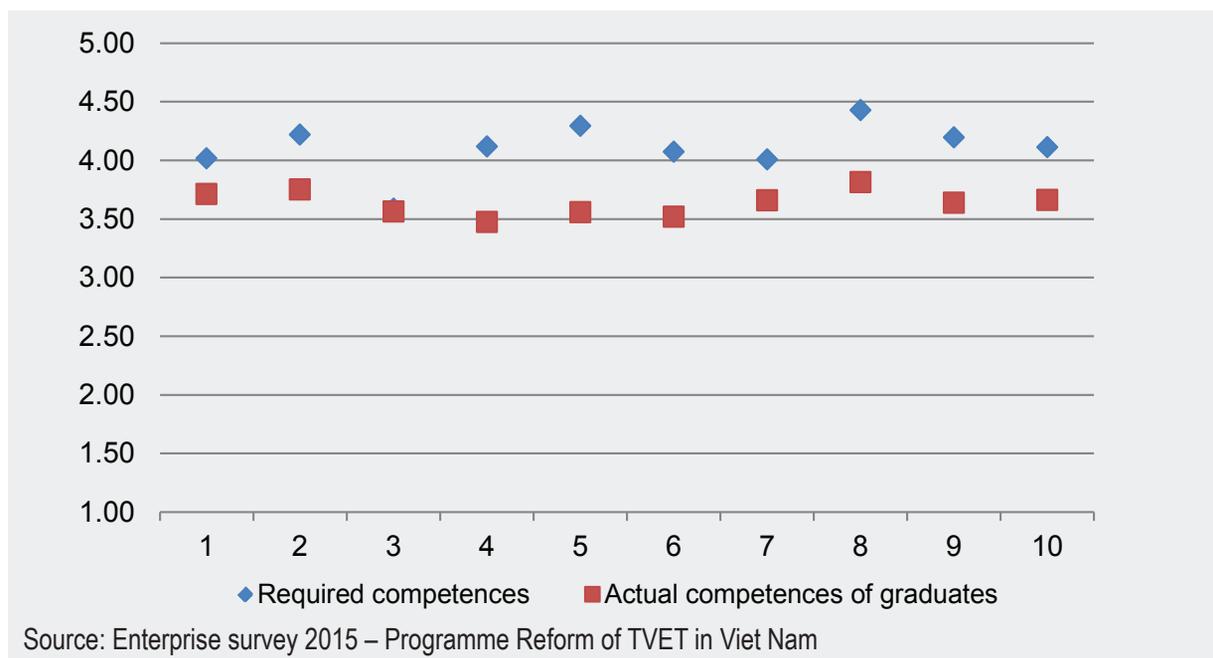
The survey results related to occupational skills present a consistent picture, where the graduates' competencies in all surveyed occupational skills items are lower than that required by the enterprises. Bigger gaps, that should be overcome by TVET institutes, are related to the skills of (3) Installation and operation of production machines, equipment and tools; (5) Assembly, installation, inspection of parts, equipment, machines and systems; and (6) Maintenance and repair/ replacement of spare parts and equipment.

Work skills - Soft skills**Box 19: List of surveyed work skills (soft skills)**

1. Collect, process, and manage information
2. Work with others in a team
3. Use concepts and mathematical techniques
4. Make decisions and solve problems
5. Organize, plan and prioritize tasks
6. Use computer technology, control equipment and software
7. Support the implementation of training in the workplace
8. Apply regulations on occupational safety and health
9. Promote and apply measures to protect the environment and save energy
10. Provide customer care services

Source: Enterprise survey 2015 – Programme Reform of TVET in Viet Nam

Figure 50: Comparison of enterprises requirements for soft skills and graduates' actual competencies (See box 19 for key)



According to the enterprises' feedback, the actual competence of soft skills of graduates is lower than those required by the enterprises in all surveyed skill items. Soft skills, that need to be improved considerably, include: (4) Decision making and problem solving; (5) Organising, planning and prioritising tasks; (8) Applying regulations on occupational safety and health;

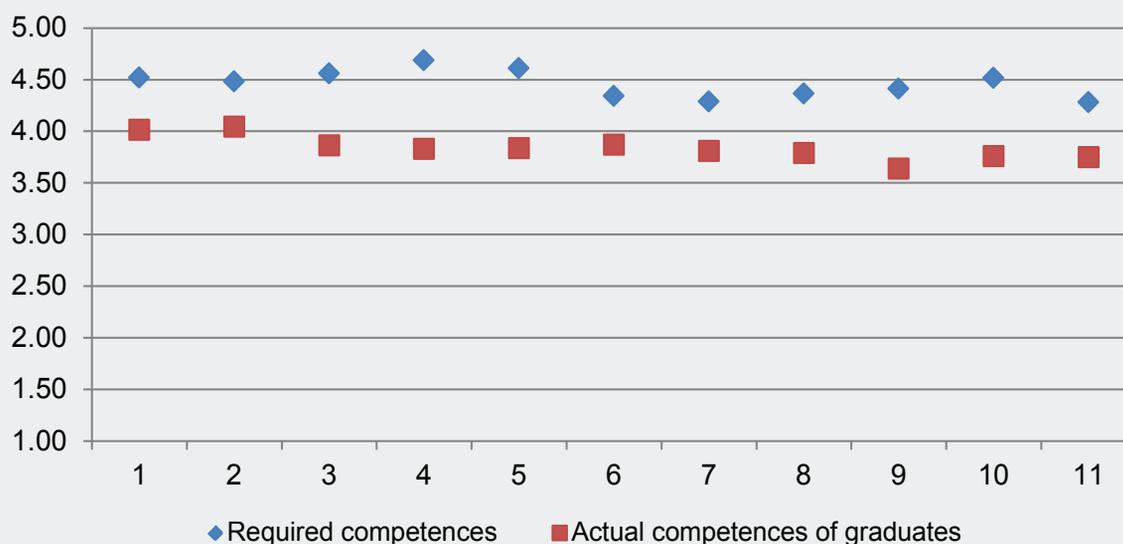
9) Promoting and applying measures to protect the environment and save energy. This evaluation shows that TVET institutes need to pay attention to soft skills training to help their trainees better meet the enterprises' practical requirements.

Work attitude

Box 20: Surveyed work attitude

1. Reliable and responsible
2. Straightforward and respectful
3. Committed, loyal and dedicated
4. Accurate, careful and focused
5. Disciplined and punctual
6. Co-operative and supportive
7. Flexible and adaptive
8. Willingness to learn, career orientated and motivated
9. Creative and innovative
10. Tolerant and patient with work pressure
11. Compliant with working etiquette

Figure 51: Comparison of enterprises' requirements for work attitude and graduates' actual competencies (See box 20 for key)



Source: Enterprise survey 2015 – Programme Reform of TVET in Viet Nam

Similar to the assessment of theoretical knowledge, hard skills and soft skills, the work attitude of the graduates is rated as low in comparison with the enterprises' requirements. The work attitude items which are rated as much lower than the requirements and need improvement include: (4) Accuracy, care and focus; (5) Discipline and punctuality; 9) Creativity and innovation; 10) Tolerance, patience and resilience with work pressure.

The results of the survey of enterprises' assessment of the graduates' competencies have shown that the graduates' competencies have not met the enterprises' requirements, in particular in respect of occupational skills and work attitude, where there is a big skills gap between the enterprises' requirements and the graduates' competency (see Table 16). Therefore, TVET institutes should improve their training quality and enhance the competencies of their graduates.

Table 16: Comparison of enterprises' competency requirements and graduates' actual competencies

Competencies	Enterprises' requirements	Graduates' competencies	Gaps
Theoretical knowledge	4.10	3.57	0.53
Occupational skills	4.30	3.62	0.68
Soft skills	4.11	3.64	0.47
Work attitude	4.46	3.83	0.63

Source: Enterprise survey 2015 – Programme Reform of TVET in Viet Nam

7.2. Pilot cooperative training models

Cooperative training approaches and models are being piloted within the framework of the Vietnamese-German "Programme Reform of TVET in Viet Nam" implemented by GDVT and supported by GIZ on behalf of the Federal Ministry of Economic Cooperation and Development (BMZ). This report will introduce three pilot models of cooperative training which were piloted by (i) the Project "Vietnamese-German Vocational Training Centre - Hai Phong Vocational Polytechnic College" in metal cutting/CNC occupation; (ii) the "Cooperative Training Programme for Mechatronic Technicians of the University of Technology Education (UTE) Hung Yen" in cooperation with two German companies, Messer and B. Braun; and (iii) Programme Field of Activity "TVET for Skilled Workers in the Wastewater Sector" of Ho Chi Minh Vocational College of Technology. In fact, each of these pilot cooperative training programmes has its specific features, however, certain common features have been observed in their cooperation approach and the cooperation process with the business sector:

7.2.1 Common features of cooperative training models

Cooperation approach

Cooperation between a TVET institute and an enterprise will improve the quality of teaching

occupational knowledge and skills, work skills and attitudes at the workplace. The characteristics of this cooperation partnership are:

- The TVET institute takes the lead. The cooperating partners are the enterprises. The enterprises are responsible for implementation of a defined part of the training programme, which is based on the occupational standards jointly developed by the TVET institute and the business sector;
- There are two learning venues: at the TVET institute (classrooms and practical workshop): for building theoretical knowledge and basic practical occupational skills and at the enterprises: for building practical skills in the work process;
- Assessment of learning achievement is implemented jointly by the TVET institute and enterprises.

Cooperation process

The cooperation process includes the following basic steps:

Preparation phase:

- Enterprise survey: The purpose of enterprise survey is to study the demand for technical skills in the selected occupation, to identify the current state of the local technology in this occupation and to derive orientation for the development of the training programme;
- Development of occupational standards: Occupational standards are developed by the college based on the respective German occupational standards and with the participation of GDVT, relevant line ministries and local enterprises and business associations;
- Development of module-based training programmes and training materials: The training programme is developed based on the developed occupational standards;
- Selection of partner enterprises and concluding cooperation agreements: Cooperating enterprises are selected based on agreed criteria; Signing of memorandum of understanding on training cooperation; Signing training cooperation contract and decision document on sending students to study at enterprises: Clarify the responsibilities of each party and the specific contents of each practical training period; identify personnel (coordinators, training staff, teachers) to carry out training activities;
- Prepare and implement training of in-company trainers: Conduct further training on teaching methodology and practical skills for the training coordinators and trainers of the enterprise; Organise further training on the training schedules, training organisation methods, monitoring and evaluation, and coordination between the college and enterprises.

Training phase:

- Cooperation with enterprises to train industrial modules: The college is active in the preparation and coordination of cooperation activities; Follow the contract provisions signed between the college and the enterprise on the training content and duration and the model of cooperative training; The management and monitoring of cooperative training should be carried out effectively in order to improve the quality of vocational training.

Evaluation/ assessment/ examination and certification:

- Examination: Theoretical tests are conducted at the college. The in-company trainers of the enterprises and teaching staff of TVET institutes are members of the examination council at the enterprises and at the colleges; practical tests are conducted at selected enterprises, where the trainees are trained in the practical modules.
- Evaluation of the pilot models and learning experiences: Evaluation is carried out regularly after each training module conducted at the enterprise. The evaluation shall be comprehensive and covers all aspects, including the training programme and the coordination and implementation process. After each training period at the enterprise, it is necessary to obtain feedback from representatives of enterprises and trainees and make timely adjustments and improvements to improve the efficiency of learning at the enterprise.

7.2.2 Pilot cooperative training models

(i) Cooperative training at Hai Phong Vocational Polytechnic College^[24]

The pilot cooperative training model was developed for metal cutting/CNC occupation and applied by Hai Phong Vocational Polytechnic College (HVPC).

Cooperation approach and process

The cooperation approach applied by HVPC follows the general cooperative approach described above.

The training process and training plan is described in Figure 52.

Results of the pilot cooperative training

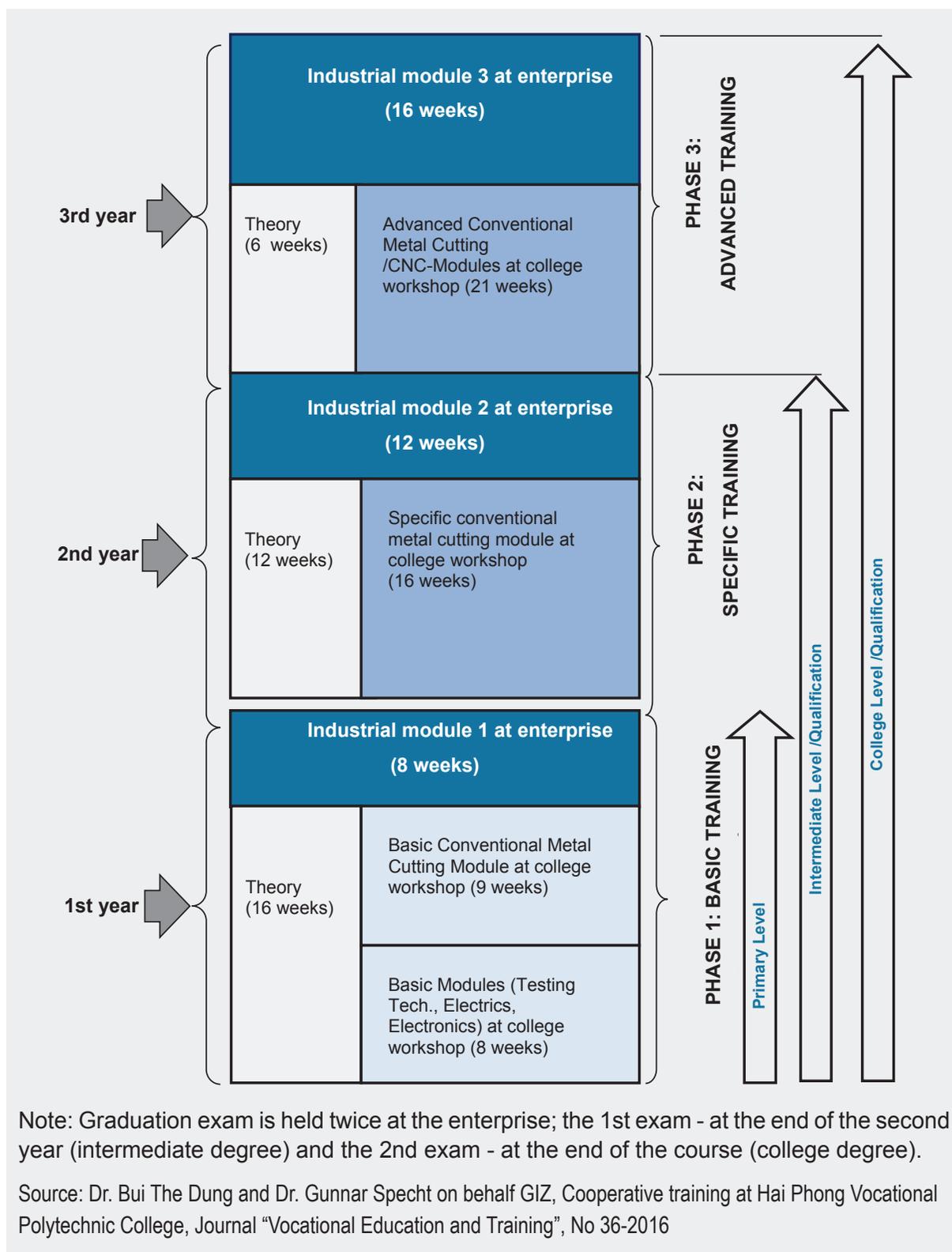
The cooperative training in metal cutting/CNC was first introduced at HVPC in November 2012. By 2015, a total of 45 students have been trained, of which there are 15 third-year students. According to initial evaluation, the cooperative training approach has achieved certain results, among which:

- Many enterprises in Hai Phong have signed cooperative training agreements with HVPC. The enterprises have affirmed that the cooperative training programme is in coherence with their requirements, and they wish to recruit the students after their graduation;
- The capacity of the college teachers and administrators and enterprises' instructors has been enhanced;
- Health and safety in the work place, effective use of resources and environmental issues have been integrated into the curriculum and in the teaching process (both at college and enterprise);
- The cooperative training programme benefits all involved parties. The learners have improved their occupational and work skills and gained more employment opportunities. The college has created a good image and saved on equipment investments as well as increased its income. The enterprises can ensure their human resources demand;

²⁴ Source: Dr Bui The Dung and Dr Gunnar Specht on behalf GIZ, Cooperative training at Hai Phong Vocational Polytechnic College, Journal "Vocational Education and Training", No 36 - 2016

- According to the external project evaluation report, the pilot cooperative training implemented at “Viet Nam-Germany Vocational Training Centre - Hai Phong Vocational Polytechnic College” is considered as a successful project.

Figure 52: Cooperative training plan of Hai Phong Vocational Polytechnic College



(ii) Cooperative training at Hung Yen University of Technical Education ^[25]**Cooperation approach**

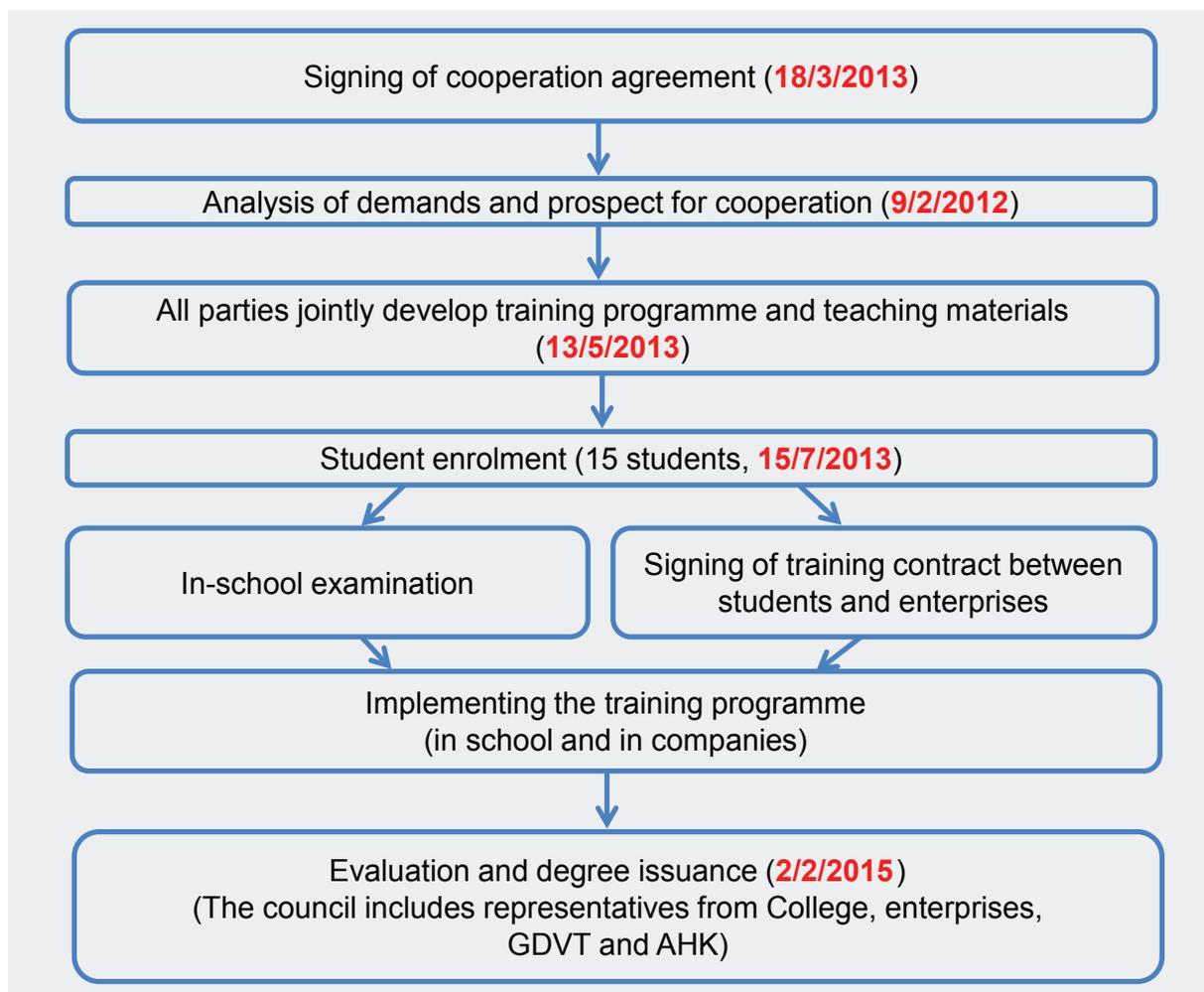
With support from GDVT and GIZ, Hung Yen University of Technical Education (HUTE) and two German companies, Messer and B. Braun, have successfully implemented the pilot programme of cooperative training in mechatronics for technicians at college level.

The total training time consists of 1,950 hours (1.5 years). There are 16 modules. Out of these are 12 modules which are taught at college, consisting of 975 hours (50%). The remaining four training modules are taught at the enterprise and have an equal duration of 975 hours (50%). The total time spent for training English communication is 240 hours (twice the normal programme).

Cooperative training process

The process of training cooperation between the college and the businesses is shown in Figure 53.

Figure 53: Pilot cooperative training programme roadmap at Hung Yen University of Technical Education



²⁵ Source: Workshop presentation of Hung Yen University of Technical Education “Cooperative Training of Mechatronic Engineers”

Results of the pilot cooperative training

- 15 trainees have been trained in the cooperative training programme. These students were assessed to have good qualities, meet the requirements of the enterprise and were able to find a job suitable with their occupational training;
- The trainee's qualification is nationally officially recognised. Trainees are able to work in different environments, especially the working environment of international companies in Viet Nam. The Delegate of German Industry and Commerce in Viet Nam (AHK) issued a supplementary training certificate which confirms the trainee's competence.

(iii) Cooperative training at Ho Chi Minh Vocational College of Technology (HVTC)^[26]

Cooperation approach

The cooperative training programme for "Sewerage Engineering Technicians" is another example of close cooperation of a vocational college with enterprises and a business association in the development and implementation of a training programme.

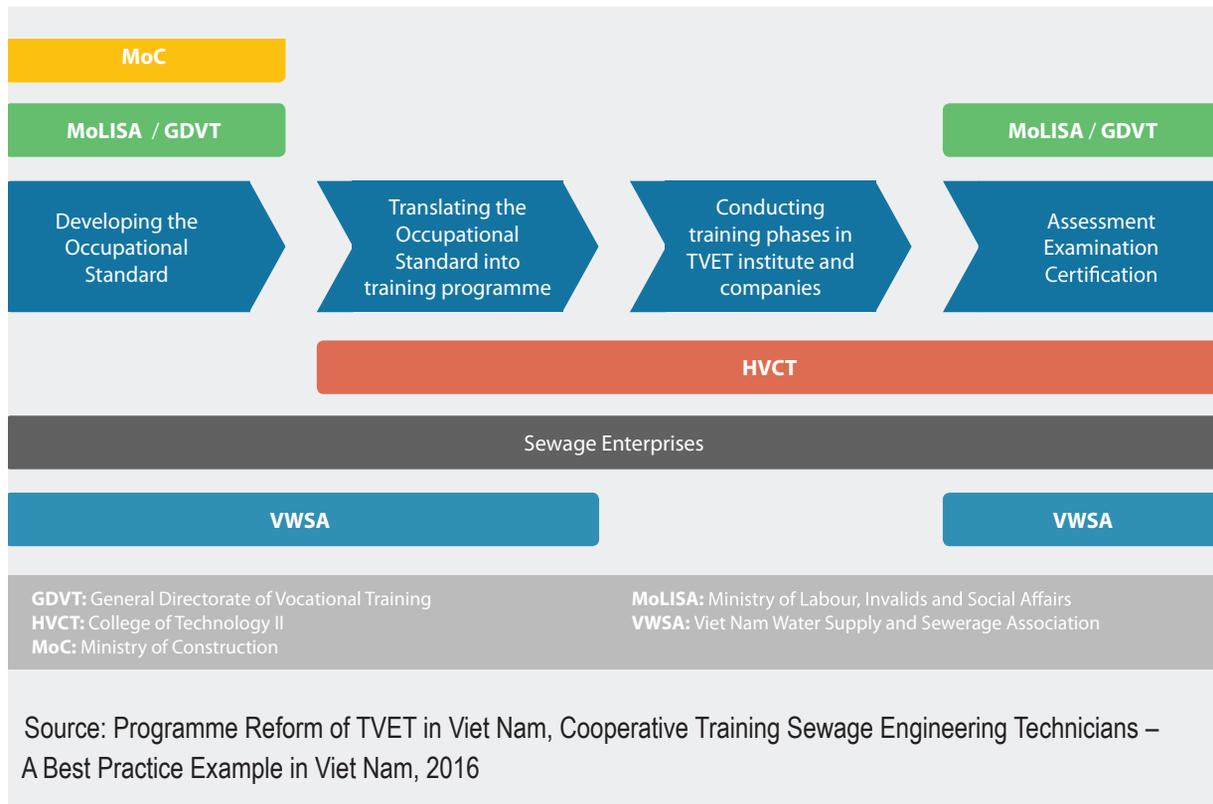
In order to enhance the practice and demand orientation of the training, companies are strongly involved in every decisive step of vocational training, such as developing the occupational standards, deriving the respective curriculum as well as implementing training and conducting examinations. The Viet Nam Water Supply and Sewage Association (VWSA) played a leading role in coordinating and working together with sewage companies in order to develop the occupational standard.

The training programme was derived from the jointly developed occupational standard. 30 theoretical and practical training modules are spread over three years in interlinked training phases at the TVET institute and companies. In the first year (2015), 22 pilot trainees completed two in-company training phases (total of two months) at wastewater treatment plants. Training phases, both at the college and in the companies, including coaching for the trainees on work attitude and appropriate behaviours (e.g. soft skills and occupational safety) help the trainees be aware of the challenges and requirements of the occupation and get prepared for their future job. All five companies participating in this training programme are committed to provide financial support to the trainees to cover transportation and accommodation cost during the in-company training phase.

Cooperative training process

The cooperative training process is described in Figure 54.

²⁶ Source: GLZ, Cooperative Training Sewerage Engineering Technicians – A Best Practice Example in Viet Nam

Figure 54: Pilot cooperative training process at HVCT

Results of the pilot cooperative training

The cooperative training programme for sewerage engineering technicians was first implemented in HVTC in 2015 and it has received positive feedback, for example:

- Enterprises are aware of the benefits of joining cooperative training and are willing to accept more students for internships;
- The training programme has been accepted by the business sector and oriented to the market demand and adjusted according to the actual situation of wastewater treatment;
- Trainees are equipped with theoretical knowledge at the TVET institute and learn practical work experience through on-the-job training at the company. The opportunity to work in the company after graduating is high;
- Teachers are exposed to modern manufacturing technology at the company.

7.2.3. Success factors of cooperative training

The TVET institutes participating in the pilot cooperative training programmes have drawn up the following success factors:

- Piloting the cooperative training programme by focusing on a specific industry;
- Joint development of occupational standards taking into account the needs of the business sector;

- Proactive leading role of the business association in coordinating and working together with the enterprises;
- Comprehensive capacity development approach: intensive practice-oriented further training for teachers and in-company trainers, advising on occupational standards development, training programme implementation, assessment and certification;
- Organisation of regular information exchange among stakeholders at all levels and formalisation of procedures to take joint decisions;
- Commitment and resources are needed by all stakeholders, especially the TVET institute which must be flexible in developing and adapting the training plan to bring it in line with the production plans of enterprises.

Box 21: Costs and benefits

Vocational Training Report 2013-2014 provides a detailed description of the Cost and Benefits Survey and recommendations for promoting cooperation between TVET institutes and the business sector, in particular:

- TVET institutes should work together with enterprises in developing training programmes based on jointly developed occupational standards, including internship programmes, delivering training courses and assessing trainees' occupational skills, where the responsibilities of each party should be clearly defined.
- TVET institutes should coordinate with enterprises to send their teachers to enterprises for the purpose of exchange of knowledge and experience between TVET teachers and enterprise instructors who coach and supervise students during their internship at the enterprise.

Conclusions and recommendations

Conclusions

The results of the 2015 enterprise survey show that college graduates' competencies (including theoretical knowledge, occupational skills and work attitude) are rated by enterprises as lower than their requirement. The feedback given by enterprises about the graduates' competencies serves as good information which can be used by TVET institutes to improve their training quality, to meet the market demand and to improve the trainees' job opportunities after college graduation.

Cooperation between TVET institutes and enterprises can be considered as a breakthrough in improving market oriented vocational training and education. In 2015, among the three described cooperative training models, only the Hung Yen University of Technical Education had graduates from the cooperative training programmes. The first group of trainees participating in the cooperative training programme in Haiphong were still in the third year of their training. Initial assessments have indicated the benefits of this training approach for the involved parties. The trainees have more chances to access the real world of work, which helps in improving their occupational skills and job opportunities.

Recommendations

TVET institutes should implement regular enterprise feedback surveys in order to obtain information about enterprises' employment demand by occupations and their requirement of employees' competencies in order to improve the training plans and programmes. Priorities for improvement should be given to those competencies where the biggest gap between the enterprises' requirement and the graduates' actual competencies is mentioned in this chapter.

The experience of cooperative training shows that training of in-company instructors plays an important role. Flexibility in the arrangement of the industry training programmes in accordance with the enterprise' operational plan should be ensured. Enterprise training modules should be arranged in different phases to help trainees obtain more practical skills. Involvement of policy makers and business associations play an important role in engaging and encouraging enterprises to participate in training activities.

Practices of cooperative training and their lessons learnt should be further implemented and disseminated and continue to contribute to the breakthrough of the market oriented vocational training.

CHAPTER 8 VOCATIONAL EDUCATION AND TRAINING FOR THE LABOUR MARKET

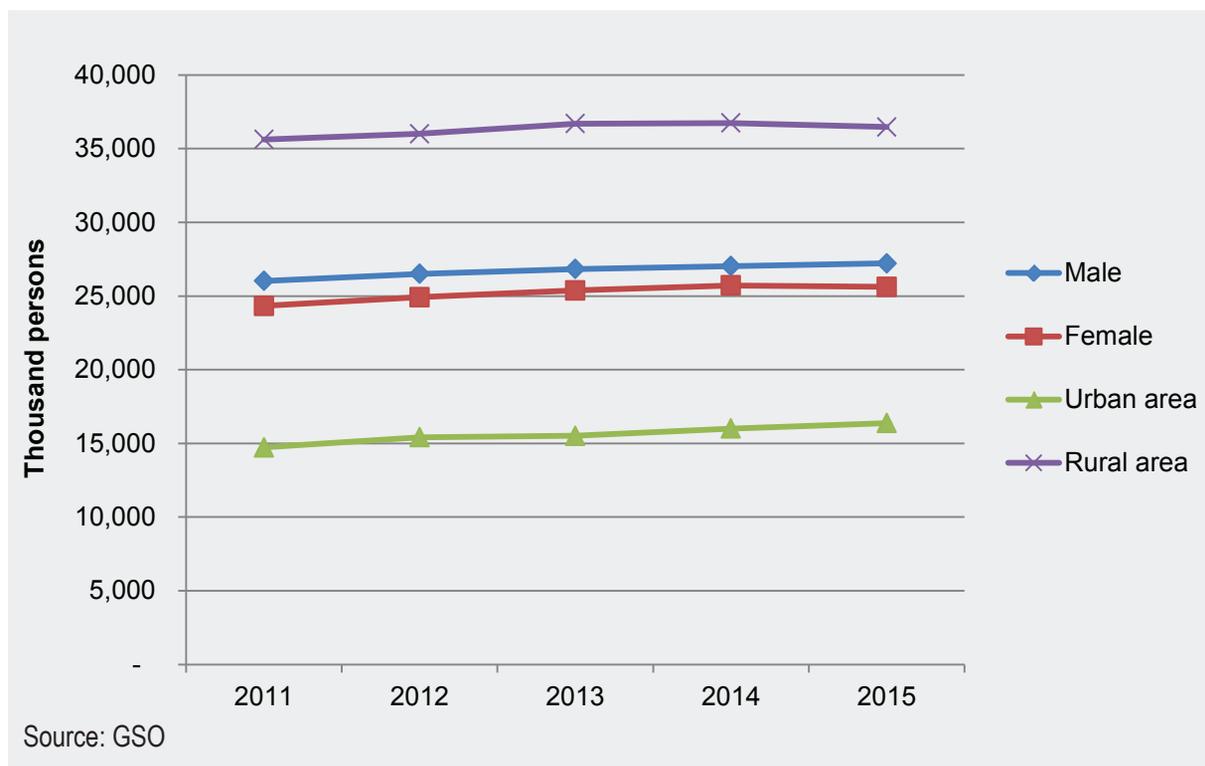
Vocational training will always be an integral part of the labour market. In other words, labour supply shall meet the labour demand as a principle of vocational training governance. This chapter addresses the specific issues of domestic and overseas labour demand, and the labour supply (examining demographic trends, labour force, unemployment and transactions in labour market, etc.) in order to examine the effects that the labour market imposed on vocational training in 2015 and the interaction between these phenomena.

8.1. Labour demand

Domestic labour demand

Since 2011, the number of workers aged 15 and above has increased every year. In 2015, the country had about 52.8 million employed people. Statistics show that the number of male and female employed workers has increased every year. However, in 2015, rural employment levels decreased to below 2014 levels while national employment levels continued to increase. Thus, the results show that the proportion of employed workers in urban areas was increasing.

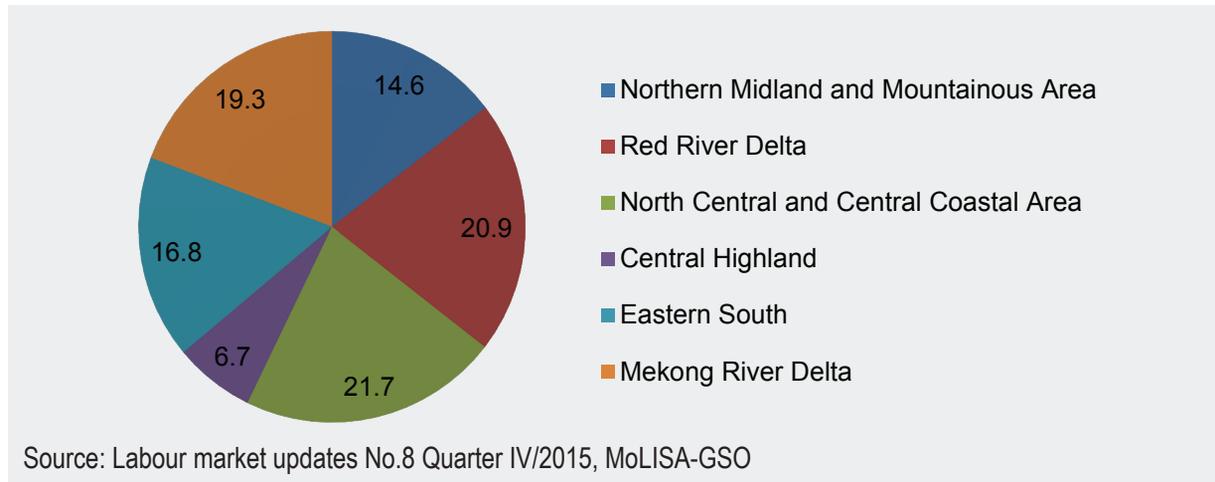
Figure 55: Employed workers aged 15 and above by sex, urban/rural areas



Of the total employed workers, the North Central and Central Coastal Area and the Red River Delta are the two regions with the highest number of workers (42.6%) in the country. Next was

the Mekong River Delta and the South East (19.3% and 16.8%); the lowest was the Central Highlands (6.7%).

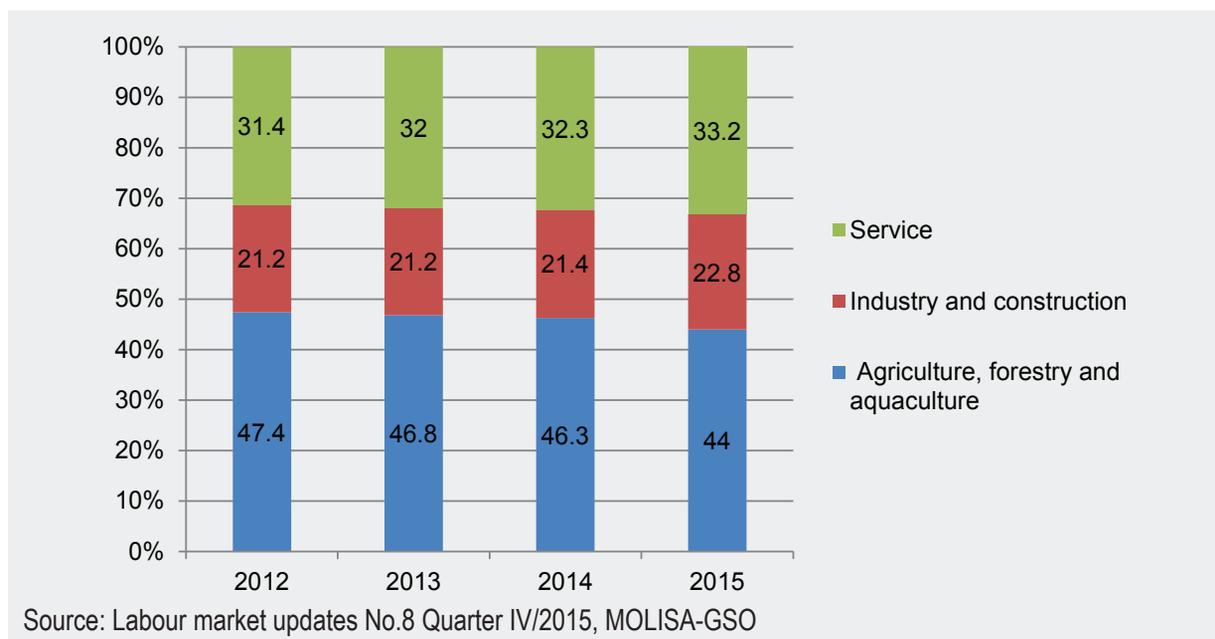
Figure 56: Employed workers distributed by socio-economic regions (in %)



Employment by economic sectors: Most of the employed workers are in agriculture, forestry and aquaculture (42.2%); while the employed workers in commerce and services account for 33.5% and 24.3% in industry and construction.

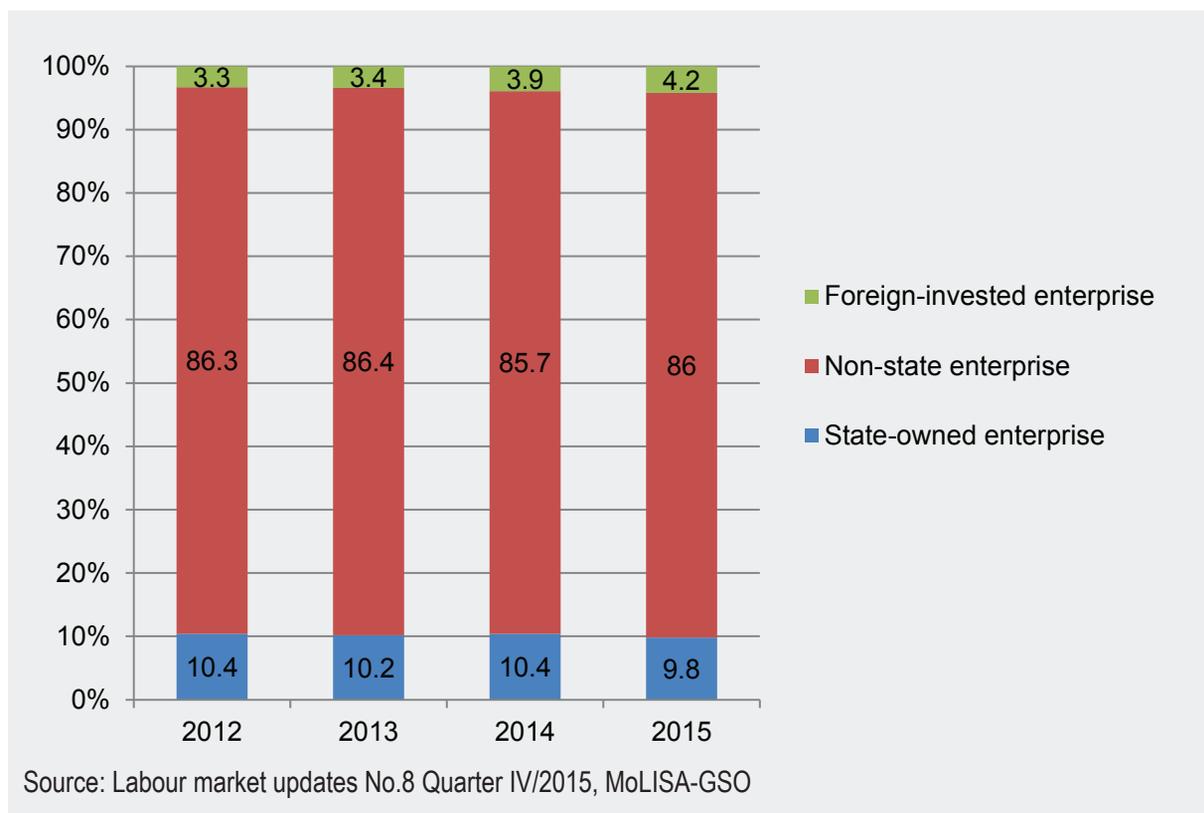
By economic sectors: Most of employed workers are concentrated mainly in the agricultural, forestry and fishery sectors, then the service sector, and then the fewest in the industrial and construction sectors. However, according to statistics over the last few years, the proportion of employed workers in the service, industry and construction sectors has increased, while the proportion in agriculture, forestry and fishery has declined. This also shows a good sign that the economy is moving in a positive direction.

Figure 57: Employed workers distributed by economic sectors (in %)



Comparing employment by economic sectors shows that most employed workers are working in the “non-state” sector, accounting for between 85.7% and 86.4%; next were workers employed in the “state” sector, while the “foreign investment” sector accounted for a very small percentage. However, from 2012 to 2015, the proportion of employed labourers working in the “foreign investment” sector was increasing.

Figure 58: Employed workers distributed by forms of enterprises (in %)



Employment compared by professions: More than a third (38.7%) of employed workers are working at jobs with no professional qualifications although some have technical skills; 16.8% are working at jobs with basic technical skills such as business people, security guards and salesman; 12.5% are working at jobs such as crafts and other related skilled occupations, technical workers in agriculture, forestry and aquaculture account for 10.1% while all other types of qualifications remain at below 10%.

Employment compared by professional qualifications: 20.0% of employed workers nationwide have attended vocational training with minimum 3-month courses. Of which 4.68 million people attended university and above accounting for 8.75% total employed workers. However, if we exclude the armed forces, only 76.2% employed workers are working in jobs appropriate with their qualifications, namely: “managers” (7.7%); “high professional qualifications” (68.5%). 22.48% over-qualified workers are working at jobs which don’t require such high qualifications, including “middle level professional qualifications” (3.6%), “office workers” (4.3%), “services and salespersons with technical skills” (8.0%), “workers with technical qualifications in agriculture, forestry and aquaculture” (0.6%), “craftsperson” (2.0%), “workers operating machines and mechanical equipment” (1.97%), and “casual workers” (2.2%).

Labour demand in enterprises

As of 30/6/2015, the total number of workers in all forms of enterprises nationwide was 12.2 million people, with the highest proportion (31.6%) in enterprises which are funded with 100% foreign capital, followed by those in limited companies which are funded with below 50% state capital (22.2%); employed workers in joint stock companies without state capital accounted for 19.8%; and a relatively small proportion of other types of enterprises employed less than 8%.

Table 17: Enterprise labour structure distributed by forms of enterprises and economic sectors (in %)

Forms of enterprises	Total	Agriculture, Forestry and Aquaculture	Industry and Construction	Commerce and services
Total	100.0	2.9	66.2	30.8
State-owned company Ltd.	5.2	40.4	3.2	6.3
Company, Company Ltd. with state capital > 50%	7.1	8.9	7.9	5.0
Private company	7.1	11.5	4.8	11.7
Joint-stock company	0.3	1.5	0.1	0.5
Company Ltd. with state capital ≤50%	22.2	16.8	15.9	36.4
Joint-stock company without state capital	19.8	13.7	16.8	27.0
Joint-stock company with state capital ≤50%	4.1	4.5	4.2	4.0
100% foreign-invested company	31.6	2.6	44.5	6.5
State-owned joint venture with foreign business	1.7	0.0	2.1	1.2
Other types of joint venture with foreign business	0.7	0.1	0.4	1.5

Source: Calculation based on the 2015 Survey on Labour, wage and labour demand in various types of enterprises, MOLISA

On the enterprise labour structure, the highest proportion of employed workers have no professional qualifications (31.0%); followed by the employed workers with a university degree and above (18.2%). 17.9% are technical workers without vocational qualifications/certificates and other types of employed workers account for less than 7% (see Table 18).

Table 18: Enterprise labour structure distributed by qualifications and economic sectors (in %)

Qualifications	Total	Agriculture, Forestry and Aquaculture	Industry and Construction	Commerce and Services
Total	100.0	2.9	66.2	30.8
No professional qualification	31.0	30.3	37.5	16.9
Technical workers without vocational qualifications/ certificates	17.9	21.0	22.6	7.3
Short-term vocational training certificate (under 3 months)	4.2	14.2	3.3	5.1
Elementary vocational/ short term vocational certificate (3-12 months)	7.0	5.0	7.3	6.5
Vocational intermediate certificate/ vocational intermediate level	6.2	3.4	5.6	7.7
Professional secondary qualification	6.5	6.3	5.2	9.3
Vocational college qualification	2.6	1.9	2.0	3.9
Professional college qualification	6.6	3.7	4.6	11.2
University and above	18.2	14.1	11.8	32.2

Source: Calculation based on the 2015 Survey on Labour, wage and labour demand in various types of enterprises, MOLISA

Underemployed workers

Among the total 53.5 million employed workers, 826,600 are underemployed people (1.6%); including 51.7% male workers and most of these underemployed workers reside in rural areas (86.4%) (see Table 19).

Table 19: Underemployed workers distributed by gender, economic sectors and urban/rural areas (in %)

Economic sectors	Total			Urban areas			Rural areas		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	100.0	51.1	48.9	13.5	52.0	48.0	86.5	51.0	49.0
Agriculture, Forestry and Aquaculture	81.0	79.8	82.4	45.2	50.1	39.9	86.6	84.5	88.8
Industry and Construction	5.8	7.4	4.2	8.1	8.3	7.8	5.4	7.2	3.6
Commerce and Services	13.2	12.9	13.5	46.7	41.7	52.2	7.9	8.3	7.6

Source: Calculation based on the Labour force survey Quarter IV/2015, GSO

Labour demand in overseas market

By the end of Quarter 4/2015, the number of organizations that were granted labour export licenses was 246, of which 17 were state-owned enterprises, (6.9%) and 229 were other types of enterprises (93.1%).

In 2015, the total number of workers nationwide going abroad under contract was 115,980, of which 33.31% were women (achieving 122% of the planned target and increasing 8.5% compared to 2014). This was the second year consecutively when Viet Nam exported over 100,000 workers abroad. Taiwan and Japan remain two major markets receiving the highest proportion of migrants (57.87% and 23.23% respectively in 2015). The actual number of workers going to Taiwan and Japan continued to increase compared to 2014, in particular: 67,121 workers went to Taiwan, showing an increase of 108%, 27,010 workers went to Japan, showing 136.6% increase.

Migrants in other labour markets abroad: Malaysia: 7,354 workers, Korea: 6,019 workers, Saudi Arabia: 3,975 workers, Algeria: 1,963 workers, etc.

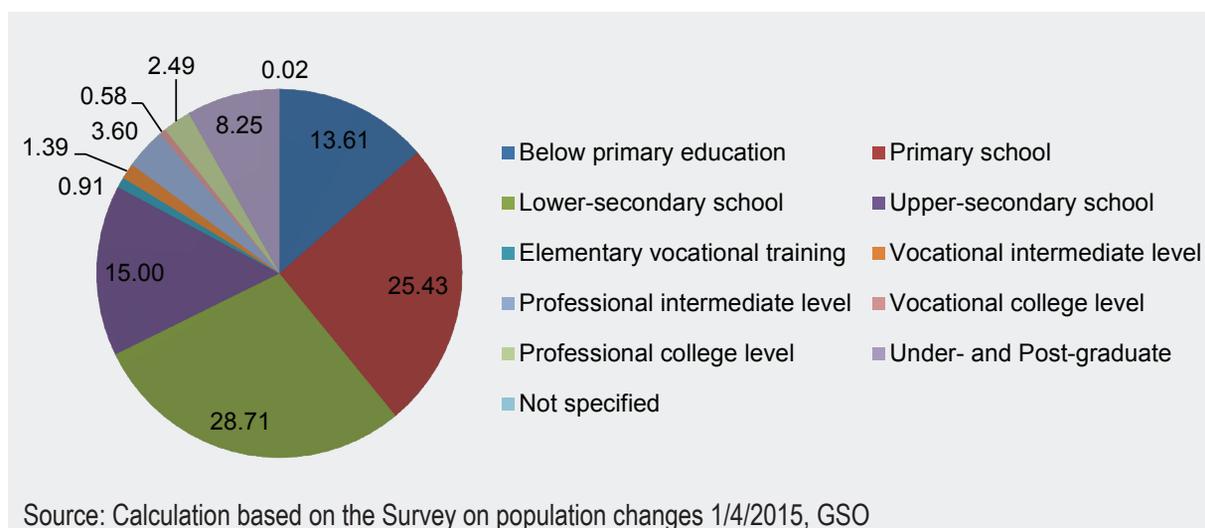
In Quarter 4/2015, 210 qualified candidates were recruited and trained in a 12-month intensive Japanese language course to work as nurses and assistant nurses according to the Economic Partnership Agreement (VJEPA).

Source: Department of Overseas Labour - MOLISA

8.2. Labour supply**Population**

By 1st April 2015, the total population nationwide was 91.5 million, of which 50.8% were females and 49.2% were males; with 33.7% residing in urban areas and 66.3% in rural areas.

Figure 59: Population ages 5 years and above distributed by education levels (in %)



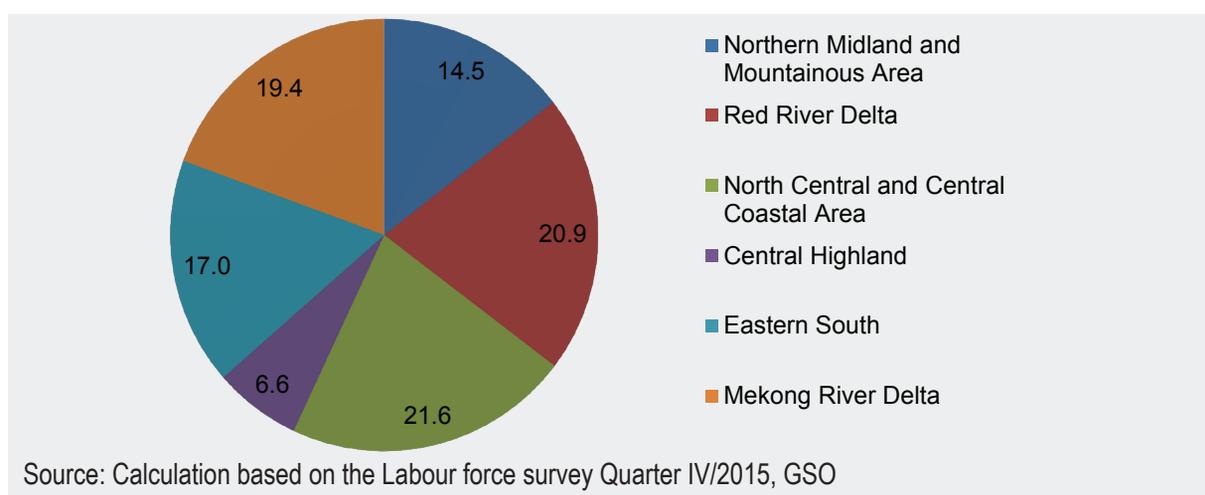
By Quarter 4/2015, the population aged 15 and above was 69.6 million with 51.4% female and 48.6% male; 34.6% were urban dwellers and 65.4% rural dwellers. Young people aged 15 - 29 accounted for 28.7%.

Labour force

The labour force aged 15 and above was 54.6 million nationwide with 26.5 million women (48.5%).

The labour force is disproportionally distributed between rural and urban areas and among socio-economic regions: Specifically 68.0% of the labour force is concentrated in rural areas; 61.9% of the total labour force is concentrated in three regions of the Red River Delta, North Central and Central Coastal Area and Mekong River Delta; 17.0% in the Eastern South. The Northern Midland and Mountainous Areas and the Central Highland are the two regions with the smallest labour force of 14.5% and 6.6% respectively.

Figure 60: Labour force distributed by socio-economic regions (in %)



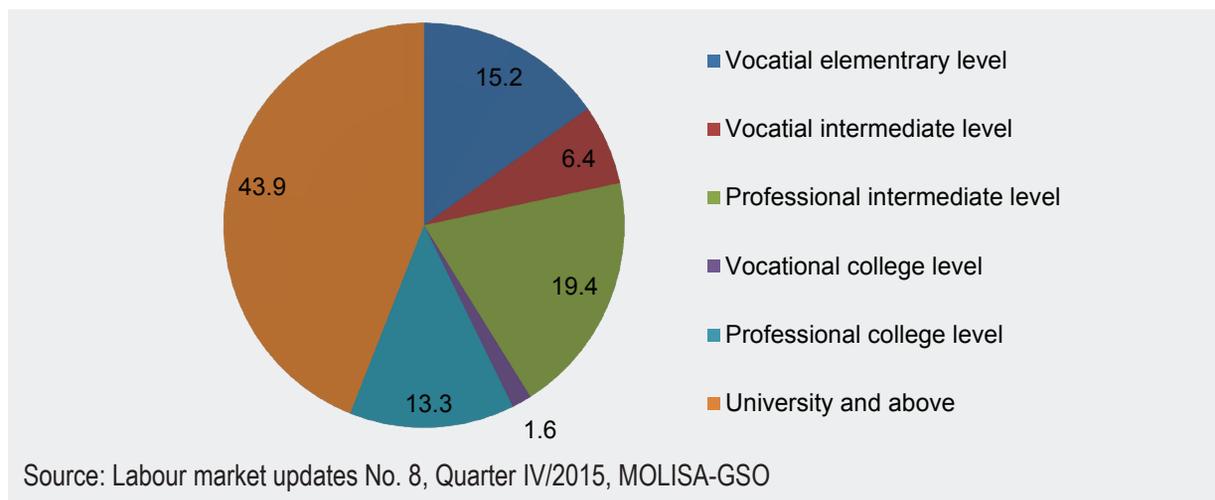
The labour force aged 15 and above is 78.8% of the total population. Within the labour force the proportion of male workers is 83.7% of the total male population and the proportion of female workers is 74.2% of the total female population. Also within the labour force the workers in urban areas is 72.7% of the total population in the urban areas and the proportion of workers in rural areas is 82.1% of the total population in the rural areas.

Viet Nam's labour force is relatively young, with over half (51.2%) between the ages of 15-39. Of which: young people between 15-29 account for 26%, equivalent to 14.2 million people.

The labour force aged 15 and above with professional qualifications including those with certificates from 3 months and above training courses account for 11.02 million people or 20.2%.

Labour supply in qualifications structure: 4.84 million people have university degrees and above (43,9%), over 1.47 million people have professional college certificates (13,3%), 180,000 people have vocational college certificates (1.6%), approximately 2.14 million people have vocational intermediate certificates (6.4%) and 1.68 million people have vocational elementary certificates (15.3%).

Figure 61: Labour force with professional qualifications (in %)



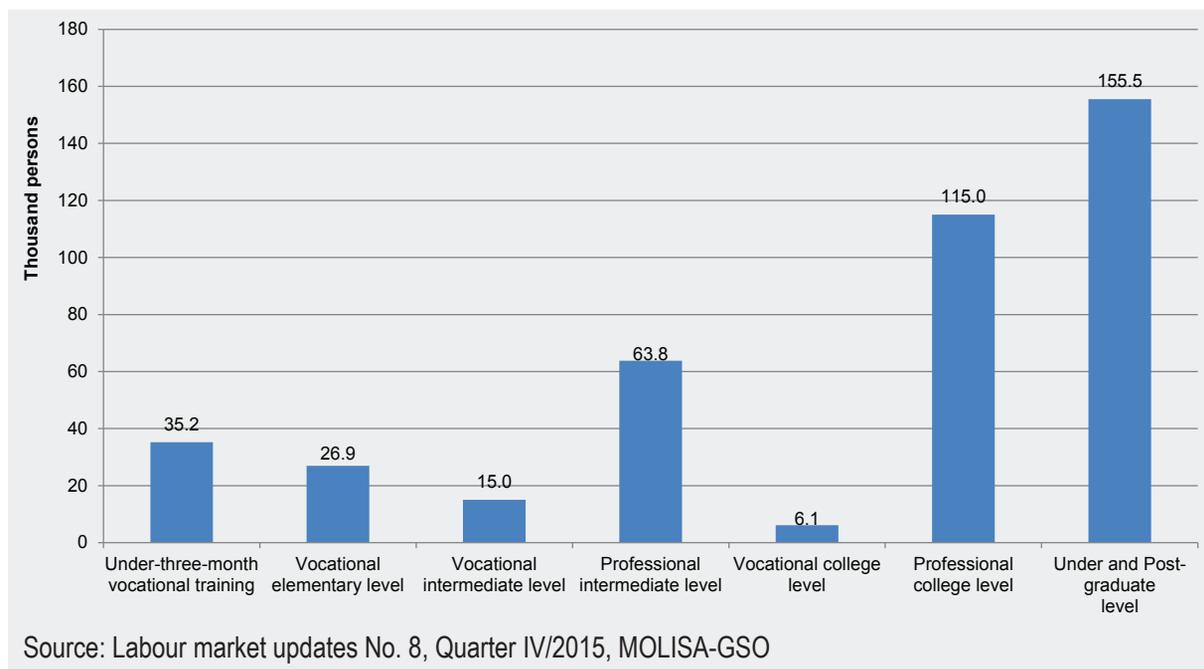
Unemployment

Quantity

As of Quarter 4/2015, there were 1.09 million people unemployed, accounting for 2.0% of the total labour force of aged 15 and above, of which female unemployment is lower than male (44.2% and 55,8%) and the proportion of unemployment in urban areas (47.5%) is lower than in rural areas (52.5%). The unemployment rate of young people (aged between 15-29) accounts for 66.5%. The total number of unemployed people in the labour force is 1.05 million, of which unemployed females are 461,200 (43.9%); unemployed urban dwellers are 502,900 (47.8%).

The unemployment rate of trained workers is 39.7% or 417,300 people, including: 155,500 people with university degree and above; 115,000 with college degree; 100 with vocational college certificates; 63,800 professional intermediate certificates; 15,000 vocational intermediate certificates; 26,900 vocational elementary certificates and 35,200 with under three months vocational certificates.

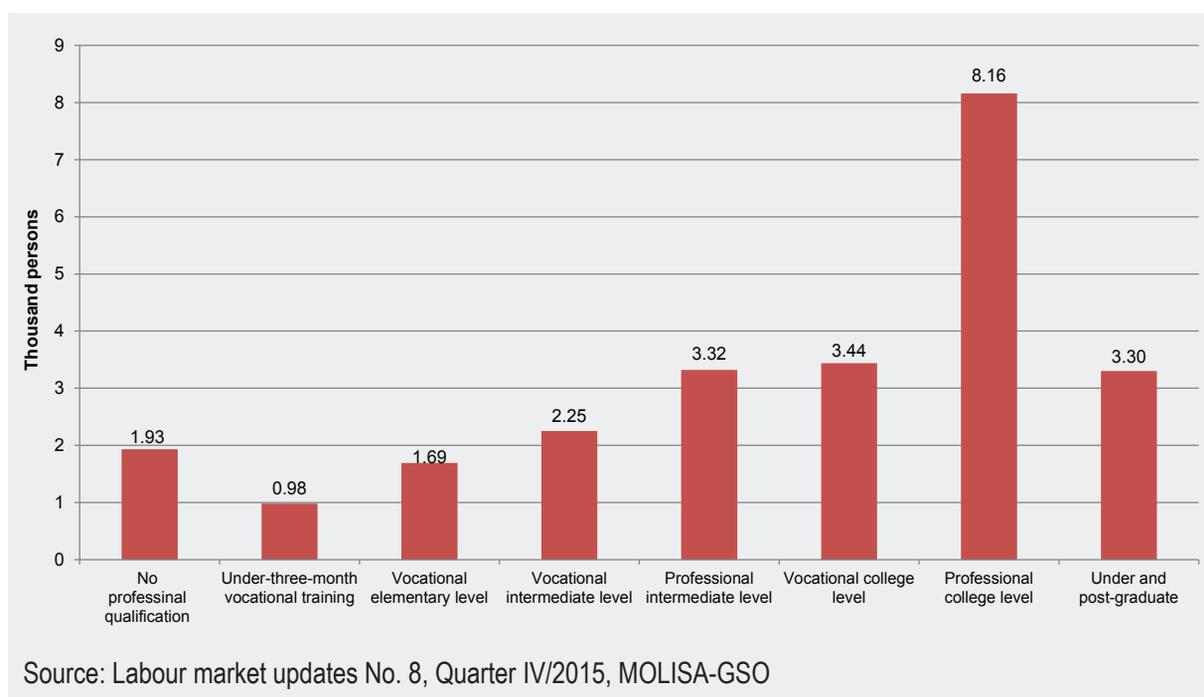
Figure 62: Unemployed people in the labour force distributed by qualifications



Unemployment Rate

The unemployment rate in the labour force of aged 15 and above is 1.99% (of which, the unemployment rate of the total people at working age is 2.18%), with 2.97% residing in urban areas (3.15% of total people at working age), 1.54% in rural areas (1.7% of total people at working age).

Figure 63: Unemployment in working age distributed by qualifications



8.3. Salaries, wages

This report only addresses salaries/wages, bonuses and work allowances (overtime, toxic work allowances) of the “salaried” category or income.

As of Quarter 4/2015, the average income per month from the main job of the salaried worker is VND 4.66 million/month; Men earn VND 4.89 million/month while women earn VND 4.35 million/month. The urban workers earn VND 5.45 million/month on average and rural workers earn VND 4.03 million/month.

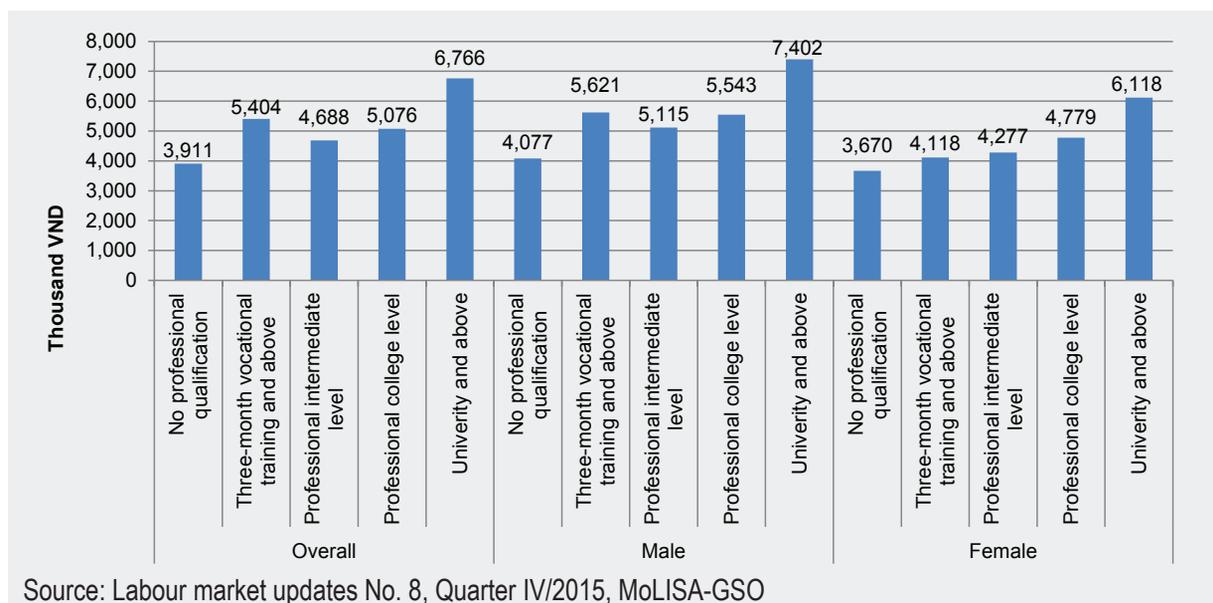
There are disparities of income between the different professions. The average income of the category “managers” is the highest (VND 7.8 million/month), followed by the category “high technical qualifications” (VND 6.6 million/month), and lowest income group is “casual workers” (VND 3.19 million/month).

If we compare different kinds of enterprises, workers who work in state-owned enterprises continue remaining in the highest income category (VND 5.5 million/month), those who work in the “non-state companies” earn the least (VND 4.3 million/month); and those who work in the foreign-invested companies earn VND 5.2 million/month.

Comparing economic sectors: the highest income category falls in the commerce and services sector (VND 5.2 million/month); followed by those in industry and construction (VND 4.6 million/month) and the lowest income group work in agriculture, forestry and aquaculture (VND 3.1 million/month).

There is a large disparity of average income by professional qualifications: workers with no professional qualifications only earn VND 3.9 million/month while workers with university degrees and above earn double (VND 6.8 million/month); workers with vocational training certificates earn VND 5.4 million/month which is higher than workers with vocational intermediate certificates (VND 4.7 million/month) and college certificates (VND 5.1 million/month).

Figure 64: Average monthly income of salaried workers distributed by professional qualifications

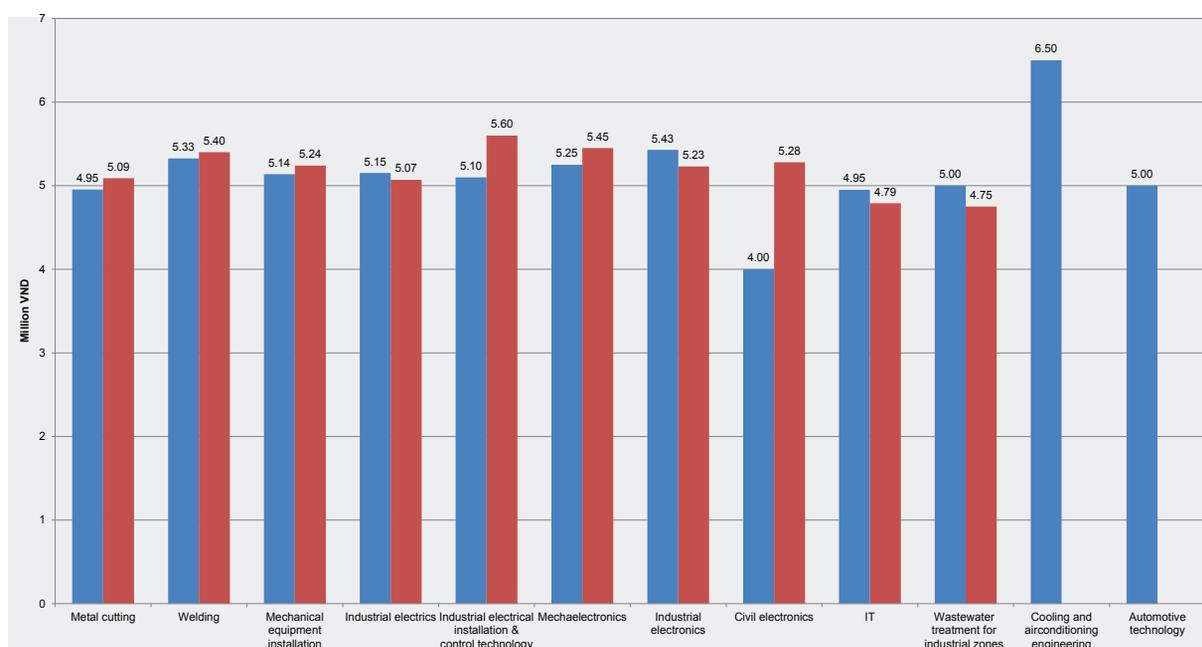


Box 22: Average income of workers by profession from enterprise survey in 2015 under the Vietnamese-German Cooperation Programme “Programme Reform of TVET in Viet Nam”

The Enterprises survey in 2015 within the frame of the Vietnamese - German “Programme Reform of TVET in Viet Nam” was conducted in 260 enterprises which employed graduates from 26 TVET institutes including: 8 TVET institutes selected to develop into high-quality TVET institutes (Hue Tourism Vocational College, Agro-Mechanic Vocational College, Ba Ria-Vung Tau Vocational College, Ha Noi Industrial Vocational College, Da Lat Vocational College, Viet Nam – Korea Industrial Technical Vocational School, HCMC Industrial Technical Vocational College, Vocational College LILAMA2) and 18 other TVET institutes (Thanh Hoa Industrial Vocational College, Hung Yen Technical Pedagogy University, Viet Duc Vocational College of Vinh Phuc Province, Viet Duc Industrial Vocational College in Thai Nguyen Province, Viet Duc Vocational College in Ha Tinh Province, Nghe An Technical Vocational College, Nam Dinh Technical Pedagogy University, Ninh Thuan Vocational College, Bac Ninh Technical Vocational College, Long An Vocational College, An Giang Vocational College, Thai Nguyen Electric-Mechanic and Metallurgy Vocational College, Dong Nai Mechanics and Water Resources Engineering Vocational College, Hai Phong Polytechnic Vocational College, Hai Phong Industrial Vocational College, Dong Nai Vocational College.

The survey findings indicate that there is not a large disparity of incomes between graduates regardless of their professions. The category of profession with slightly higher income includes remote control and electric installation in industry sector (VND 5.6 million/month), electronics (VND 5.45 million/month), Welding (VND 5.4 million/month), and the category of jobs, which earn the least, is in sewage water treatment (VND 4.75 million/month).

Figure 65: Average monthly income distributed by profession



Source: Enterprise survey 2015 – Programme Reform of TVET in Viet Nam

8.4. Transactions in the labour market

As of Quarter 4/2015, there were 130 job match centres nationwide and 146 enterprises operating job-matching services, which contribute to match the labour supply with the demand and facilitate the labour market of Viet Nam in 2015.

64 job match centres, which belong to MoLISA and DoLISA, carried out 320 job-matching sessions with nearly 607,000 people provided advice and services. Thereof 225,000 people successfully found a job (accounting for 37.1% of people provided services)^[27].

Conclusion

Significant characteristics of the labour market in relation to vocational training in 2015 were:

- As of 1/4/2015, the total population was 91.5 million, of which 1.95% of the population have vocational (elementary, secondary and college) certificates;
- The labour force was of immense size (by Quarter 4/2015, the labour force aged 15 and above was 54.6 million people). However, the professional qualifications remained low with only 20.2% of the labour force trained with certificates from 3 months and above. There was a disparity of labour force between urban and rural areas;
- A large proportion of people who had professional qualifications (39.7% of the total 1.09 million) were unemployed;
- Only one-fifth of employed workers had attended training from three months and above among 53.5 million employed workers; and one-third of the workers in enterprises were casual workers with no professional qualifications (31.0%);
- There was a large gap between average monthly incomes by professional qualifications: workers with university degrees and above earned double that of unqualified casual workers; workers with vocational certificates earned more than workers with vocational elementary certificates.

²⁷ Source: Labour market Update No. 8, Quarter IV/2015, MoLISA-GSO

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APPENDIX

Appendix 1: Documents and policies on Vocational education and training issued in 2015

No.	Issued date	Title	Searching address
No.	Issued date	Law on vocational education and training.	System of legal documents, government portal
No. 74/2014/QH13	27/11/2014	Government's decree on the implementation of a number of articles of the Employment Law on the evaluation and grant of national occupational skills certificates.	System of legal documents, government portal
No. 31/2015/ND-CP	24/ 3/ 2015	Government's decree on some articles of Law on vocational education and training.	System of legal documents, government portal
No. 48/2015/ND-CP	15/5/2015	Government's decree on the penalty for administrative violation of vocational education and training.	System of legal documents, government portal
No. 79/2015/ND-CP	14/9/2015	Government's decree on the penalty for administrative violation of vocational education and training.	System of legal documents, government portal
No. 113/2015/ND-CP	9/10/2015	Decree on special allowances, preferential allowances, allowances for job responsibilities and heavy, hazardous and dangerous allowances for teachers in public vocational education and training institution.	System of legal documents, government portal
No. 16/2015/ND-CP	14/02/2015	Government's decree on autonomy mechanism of public service institutions.	System of legal documents, government portal
No. 46/2015/QD-TTg	28/09/2015	Decision on policies to support elementary training level, training for less than 3 months.	System of legal documents, government portal

No. 53/2015/ QD-TTg	20/10/2015	Decision on residential policy for students, college students, vocational secondary student.	Legal Library, System of legal documents government portal
No. 86/2015/ ND-CP	02/10/2015	Decree on the mechanism for the collection and management of tuition fees for the educational institutions belonging to the national education system and the tuition fee exemption and reduction; study expenses support policy from 2015-2016 to 2020-2021.	System of legal documents government portal
No. 09/2016/ TTLT- BGDDT- BTC- BLDTBXH	30/03/2016	Guiding the implementation of some articles of the Government's Decree No. 86/2015 / ND-CP dated October 2, 2015 prescribing the mechanism of collection and management of tuition fees for the educational institutions belonging to the national education system and the tuition fee exemption and reduction; study expenses support policy from 2015-2016 to 2020-2021.	System of legal documents government portal- MoLISA
No. 39/2015/ TTLT- BLDTBXH- BGDDT-BNV	19/10/2015	Guiding for the merger of vocational training centres, continuing education centres, district-level public technical-general education centres into vocational education and training- continuing education centre; Functions, tasks, rights and organizational structure of vocational education and training-continuing education centre.	Legal Library
No. 56/2015/ TT-LDTBXH	24/12/2015	Guiding for the formulation, appraisal and announcement of national occupational skills standards.	Legal Library

Appendix 2: Training scale of 45 TVET institutes selected for special investment to become high quality TVET institutes in 2014

No.	Name of TVET institute	Number of key occupations				Number of students who switched to focal occupations							No. of students learning key occupations	Percentage of students learning key occupations
		International	Regional	National	Not focal	Students of Vocational colleges and vocational secondary schools w. converted programmes	<1000	1000-1500	1500-2000	2000-2500	2500-4000	>4000		
	Total of colleges						5	9	7	12	10	2		
1	Quy Nhon VT College	2	6	2	12	4,292						1	1,955	45.5%
2	Ho Chi Minh City College	4	6	2	15	3,004					1		1,021	34.0%
3	Viet Nam-Russian Power-engineering VT College	4	6	1	17	3,026					1		1,380	45.6%
4	Agricultural Engineering VT College	11	0	1	23	2,724					1		1,682	61.7%
5	Hanoi Industrial VT College	4	5	0	17	4,096						1	1,455	35.5%
6	Technical VT College	6	4	0	19	1,506			1				792	52.6%
7	Ba Ria-Vung Tau VT College	4	6	2	19	3,057					1		2,559	83.7%
8	Vinh Phuc VT College	3	3	3	13	2,247				1			833	37.1%
9	Viet Nam-Korea Technical Industrial VT College	8	4	0	5	2,187				1			1,658	75.8%
10	VT College No. 3 - MOD	2	4	2	13	2,899					1		1,574	54.3%
11	Hanoi High Technology VT College	10	0	0	24	2,396				1			775	32.4%
12	Nha Trang VT College	2	7	4	43	3,387					1		1,405	41.5%
13	Can Tho VT College	5	4	0	13	1,664			1				1,183	71.1%
14	Da Nang VT College	3	1	1	20	3,987					1		1,042	26.1%
15	VT College No 8-MOD	4	4	2	16	3,056					1		2,201	72.0%

No.	Name of TVET institute	Number of key occupations				Number of students who switched to focal occupations							No. of students learning key occupations	Percentage of students learning key occupations
		International	Regional	National	Not focal	Students of Vocational colleges and vocational secondary schools w. converted programmes	<1000	1000-1500	1500-2000	2000-2500	2500-4000	>4000		
	Total of colleges						5	9	7	12	10	2		
16	Middle M&E- Agriculture and Forestry VT College	8	0	4	15	1,470		1					886	60.3%
17	Viet Duc-Ha Tinh VT College	3	4	2	13	1,780				1			679	38.1%
18	Central Transportation II VT College	4	4	2	14	953	1						383	40.2%
19	Ho Chi Minh Engineering – Technology VT College	6	3	2	22	2,080				1			855	41.1%
20	Hue Tourism I VT College	5	0	0	9	1,667				1			1,235	74.1%
21	LILAMA 2 VT College	10	4	0	17	2,005				1			1,059	52.8%
22	Phu Tho Electro-Mechanic VT College		6	4	21	1,841				1			703	38.2%
23	Hai Phong Tourism and Service VT College	5	0	0	9	1,158		1					1,031	89.1%
24	Yen Bai VT College	2	6	0	16	887	1						360	40.5%
25	VT College No. 4- MOD	2	6	2	7	3,430					1		2,854	83.2%
26	Hai Duong VT College	2	0	0	8	1,468		1					1,006	68.5%
27	Hung Vuong Technology Engineering Vocational Secondary School		1	2	5	978	1						342	35.0%
28	Hanoi Electro-mechanic VT College	0	6	4	16	2,381				1			1,304	54.8%
29	Da Lat VT College	2	6	4	7	2,454				1			1,505	61.3%
30	Tay Nguyen Ethnic Minority People VT College	0	8	6	18	1,876				1			582	31.0%

No.	Name of TVET institute	Number of key occupations				Number of students who switched to focal occupations							No. of students learning key occupations	Percentage of students learning key occupations
		International	Regional	National	Not focal	Students of Vocational colleges and vocational secondary schools w. converted programmes	<1000	1000-1500	1500-2000	2000-2500	2500-4000	>4000		
	Total of colleges						5	9	7	12	10	2		
31	Mechanics and Irrigation VT College	8	0	1	12	2,028				1			1,509	74.4%
32	Bac Giang Viet Nam-Korea Technology VT College	4	4	0	0	161	1						161	100.1%
33	Central Transport Vocational College I	2	4	4	18	1,262		1					481	38.1%
34	Central transport VT College III	5	1	1	16	1,168		1					723	61.9%
35	Nam Dinh VT College	2	4	4	16	1,200		1					701	58.4%
36	Ninh Binh Mechanics VT College	1	5	2	25	2,290				1			767	33.5%
37	Vung Tau Tourism VT College	3	2	0	2	1,254		1					1,104	88.0%
38	Nghe An Tourism-Commercial VT College	5	2	0	7	2,850					1		1,832	64.3%
39	Ha Tinh Technology VT College	4	5	0	3	676	1						654	96.7%
40	Kien Giang VT College	0	7	2	10	1,355		1					693	51.2%
41	VT College No. 1-MOD	6	6	2	8	1,459		1					1,315	90.1%
42	VT College No. 20-MOD	6	10	0	12	2,013				1			1,968	97.8%
43	VT College No 5-MOD	0	2	6	11	1,588			1				874	55.0%
44	Bac Ninh Electro-mechanical Construction VT College	0	3	4	17	2,366				1			1,322	55.9%
45	Viet Nam-Singapore VT College	4	2	2	12	2,190				1			853	38.9%

Appendix 3: List of occupations that have test banks

No.	Name of occupations
Year 2009 (2 occupations)	
1	Mechatronics
2	Graphic design
Year 2010 (17 occupations)	
3	Masonry - finishing
4	Concrete
5	Steel reinforcement - welding
6	Formwork - Scaffolding
7	Stone carving
8	Urban tree management
9	Production of ceramic rough materials
10	Ceramic tiles manufacturing
11	Production of ceramic bathroom products
12	Glass production
13	Mining engineering technology
14	Mining engineering
15	Mine electromechanical engineering
16	Operation and repair of refrigeration equipment
17	Industrial electronics
18	Garment production
19	Information technology
Year 2011 (16 occupations)	
20	Transmission line and substation installation
21	Electricity system
22	Electrical measurement
23	Electrical testing
24	Automotive technology
25	Industrial electrics
26	Woodworking
27	Installation of water pipes
28	Pipefitting technology (Techniques for Installation of pipes and conduits)
29	Fabrication and erection of steel structures
30	Construction machine repair
31	Welding
32	Coal sorting screening machinery
33	Coal inspection and testing
34	Road and bridge evaluation quality assurance
35	Asphalt paving operation

Year 2012 (5 occupations)	
36	CNC metal cutting
37	Fabrication and assembly of ship interior systems
38	Installation of electricity systems
39	Wooden furniture making
40	Operation and repair of electric pump stations
Year 2013 to 2014 (22 occupations)	
41	Conservation of vegetation
42	Water supply
43	Consumer electronics
44	Automatic equipment repair
45	Forestry Workers
46	Carpentry and interior decoration
47	Marine and brackish water aquaculture
48	Freshwater aquaculture
49	Bench work
50	Computer network administration
51	Forging, stamping
52	Drainage
53	Veterinary
54	Hydropower plant operation
55	Hydro power plant electrical operation
56	Construction of water supply works
57	Construction and improvement of irrigation works
58	Database administration
59	Construction equipment operation
60	Medical imaging equipment
61	Medical electronic equipment
62	Medical device testing equipment
Year 2014 to 2015 (20 occupations, not yet ratified)	
63	Rural electrical engineering
64	Processing latex
65	Household electrics
66	Managing the exploitation and protection of irrigation works
67	Rubber tree planting and protection
68	Coffee tree planting
69	Crane operator
70	Operation of agricultural machinery
71	Installation of electrical equipment
72	Business management of petroleum and gas
73	Technology of pulp and paper production

74	Ship repair
75	Shipbuilding technology
76	Lacquer craft and mosaic technique
77	Casting, inlaid with fine art bronze
78	Operating and repairing ship engines
79	Fibber technology
80	Textile technology
81	Tunnel boring
82	Digging equipment repair
Year 2015	
83	Universal lathe

Appendix 4: List of vocational colleges selected for special investment to become high-quality TVET institutes participating in the pilot of developing a quality management model

No.	Name of college	Owned by Ministry, sector, province/city	Place, province/city
1	Vocational College of Agricultural Mechanics	Ministry of Agriculture and Rural Development	Vinh Phuc
2	Industrial Vocational College Hanoi	Hanoi	Hanoi
3	Viet Nam – Korea Vocational College	Nghe An	Nghe An
4	Hue Tourism College	Ministry of Culture, Sports and Tourism	Thua Thien Hue
5	Da Lat Vocational Training College	Lam Dong	Lam Dong
6	Ba Ria – Vung Tau Province Vocational College	Ba Ria – Vung Tau	Ba Ria – Vung Tau

Appendix 5: List of TVET institutes selected for special investment to become high-quality TVET institutes participating in phase 1 of cooperation programme of the pilot of developing quality management system

No.	Cooperation	
	Viet Nam TVET institute	Institute from the UK
1	Vocational College of Agricultural Mechanics	Coleg y Cymoedd
2	Industrial Vocational College Hanoi	
3	Viet Nam – Korea Vocational College	
4	Hue Tourism College	Highbury College
5	Nha Trang Vocational College	
6	Da Lat Vocational Training College	
7	HCM City Vocational College	West College Scotland
8	Kien Giang Vocational College	
9	Can Tho Vocational College	

Appendix 6: List of TVET institutes selected for special investment to become high-quality TVET institutes participating in the cooperation programme for pilot quality management system development - Phase 2

No.	Cooperation	
	Vietnamese TVET institute	Institute from the UK
List of institutes participating in phase 1 of the cooperation programme		
1	Vocational College of Agricultural Mechanics	Coleg y Cymoedd
2	Industrial Vocational College Hanoi	
3	Viet Nam – Korea Vocational College	
4	Hue Tourism College	Highbury College
5	Nha Trang Vocational College	
6	Da Lat Vocational Training College	
7	HCM City Vocational College	West College Scotland
8	Kien Giang Vocational College	
9	Can Tho Vocational College	
List of institutes participating in phase 2 of the cooperation programme		
1	Bac Giang province Viet Nam – Korea Vocational College	Loughborough College
2	Vinh Phuc Vocational College	
3	Yen Bai Vocational College	
4	Ministry of National Defence – The Vocational College – No.20	Brockenhurst College
5	Ministry of National Defence – The Vocational College – No.1	
6	Hai Phong Vocational College of Tourism and Service	
7	The Central Vocational College of Transport No. 3	Coleg Cymoedd
8	The Central Vocational College of Transport No. 1	
9	Ba Ria – Vung Tau Province Vocational College	

Appendix 7: State budget for Project “Reform and Development of Vocational Training”

Content	Planned budget for period 2011-2015 (billion VND)	Actual budget disbursement (billion VND)	Rate (%)
Total	10,336	6,568	63.5 %
- <i>Project funding</i>	9,215	6,321	68.5 %
- <i>Investment</i>	1,121	247	22 %
Activity 1 - TVET information and database management system (<i>Project fund</i>)	70	84	120 %
Activity 2 - Improvement of vocational training infrastructure and equipment for key occupations	7,376	4,607	62.5 %
- <i>Project funding</i>	6,255	4,360	69.7 %
- <i>Investment</i>	1,121	247	22 %
Activity 3 - Capacity building for vocational teachers and managing staff (<i>Project fund</i>)	1,235	785	63.6 %
Activity 4 - Curriculum and training material development (<i>Project fund</i>)	916	874	95.4 %
Activity 5 - Development of vocational training accreditation (<i>Project fund</i>)	290	106	36.6 %
Activity 6 - Development of the national skills assessment system (<i>Project fund</i>)	449	112	24.9 %





- ▶ Scientific research
- ▶ Training, further training
- ▶ Consultancy, transfer