



Business engagement to promote quality vocational training in Vietnam

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Key messages

- Vietnam's acute skill shortage represents a major challenge for the country as it tries to improve its global competitiveness.
- Despite government efforts, the Technical Vocational Education and Training (TVET) system remains a complex one, with multiple stakeholders operating at different levels, which has led to many inefficiencies and duplication of efforts.
- A fundamental shift is needed from quantity to quality and more and better engagement with businesses in order to achieve a demand-led TVET system that answers to the needs of the workforce and the private sector.
- There is significant space within the system for a new player to look at successful and innovative ways in which the private sector can be engaged in TVET.

Table of contents

1 Background	3
1.1 Introduction	3
1.2 Objective	3
1.3 Methodology	3
2 TVET in Vietnam	5
2.1 Country context	5
2.2 How the system is structured	7
2.3 Regulatory framework and organisational structure of TVET	8
2.4 Key stakeholders in TVET provision	10
2.5 Financing of the TVET system	11
2.6 Enrolments in the TVET system	12
2.7 Employment	13
2.8 Private sector involvement in TVET	14
2.9 Main challenges to the TVET system	14
2.10 TVET in the Mekong Delta – Dong Thap Province	15
2.11 TVET in the Mekong Delta – Can Tho	18
2.12 Challenges to the TVET system in the Mekong River Delta	21
2.13 TVET as an option for livelihood restoration after resettlement	22
3 The way forward	24
3.1 Successful models of partnerships between TVET institutions and the private sector	24
References	27
Appendix	29
Appendix I – Diagram of the educational system in Vietnam	29
Appendix II – Ongoing multilateral and bilateral funded vocational training projects (2007-2012)	30
Figures	
Figure 1: Key stakeholders in TVET	10
Tables	
Table 1: Labour force at working age by technical qualification	6
Table 2: Different training programmes in TVET	8
Table 3: State budget for vocational training 2001-2011	11
Table 4: Percentage of graduates entering the next educational level	13
Table 5: Enrolments in TVET system nationwide and in six economic regions (2011)	13
Table 6: Challenges of the TVET system	14
Table 7: Types of TVET providers in Dong Thap province	15
Table 8: Types of TVET providers in Can Tho City	18
Table 9: Table: Challenges of the TVET system in the Mekong River Delta	21
Boxes	
Stories of success – Dong Thap Community College	16
Stories of success – Can Tho Technical and Vocational College	19

Abbreviations

ADB	Asian Development Bank
CEO	Chief Executive Officer
CTTVTC	Can Tho Technical and Vocational College
DFAT	Australian Department of Foreign Affairs and Trade (formerly AusAID)
DOLISA	Department of Labour, Invalids and Social Affairs
DP	Displaced People
DTCC	Dong Thap Community College
GDP	Gross Domestic Product
GDVT	General Department of Vocational Training
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GSO	General Statistics Office
ILO	International Labour Organization
JFPR	Japan Fund for Poverty Reduction
MDG	Millennium Development Goals
MHA	Ministry of Home Affairs
MOET	Ministry of Education and Training
MOF	Ministry of Finance
MOLISA	Ministry of Labour, Invalids and Social Affairs
MOU	Memorandum of Understanding
MPI	Ministry of Planning and Investment
SBV	State Bank of Vietnam
TSS	Technical Secondary School
TVET	Technical Vocational Education and Training
VC	Vocational College
VND	Vietnamese Dong
VSS	Vocational Secondary School
VTC	Vocational Training Centres

1 Background

1.1 Introduction

DFAT Vietnam is currently in the process of designing its next country strategy, and this research project seeks to inform and advise DFAT on how best to engage with business in order to promote quality vocational training.

DFAT's largest single investment in Vietnam is the Cao Lanh Bridge project in the central Mekong Delta. While the Mekong Delta economy is predominantly agricultural, there is a significant landless rural population and underemployment in the rural sector, compounded by traditionally low levels of education and skills. Migration of unskilled labour to industrial centres in Ho Chi Minh City, Dong Nai and Binh Duong is a common response of the rural poor. Development of appropriate workforce skills is an important economic and social issue for the region. Technical vocational education and training (TVET) is a part of the educational system where the potential role of the private sector – in terms of curriculum development, job placements, funding and even provision of services – is clear.

The proposed research on business engagement to promote quality vocational training will provide the evidence base needed to better understand how the vocational training system works in Vietnam, what the main challenges of the system are and how the private sector could be engaged in order to address these challenges. The purpose of this research is to provide background information on the main TVET providers in the central Mekong Delta as a basis and rationale for selecting the focus of the second stage of the project.

This study has mainly focused on the Dong Thap Province and Can Tho City, as they are located in the central Mekong Delta with rapidly developing TVET services and potentially greater scope for business engagement.

1.2 Objective

The research paper will answer the following questions:

- How is the TVET system structured in Vietnam?
- What are some of the main challenges of the TVET system?
- What are some of the main characteristics of TVET provision in the Mekong Delta?
- How has the private sector been engaged in vocational training?
- What are some of the opportunities for engagement with the private sector in order to expand quantity and quality of skills provision?
- What have been some successful models of TVET used in cases of resettlement that could be applied to Vietnam?

1.3 Methodology

This section provides an overview of the approach and methodology used.

Literature review: the research started with a desk review, which included conducting a broad and relevant search of content including academic literature, research and technical papers, government reports and working papers; all of which were considered useful in answering the main research questions. A structured approach was used to determine the source of materials for review.

In addition, three different reports were commissioned to help inform this report: the first was commissioned from a TVET specialist, Dr Phan Chinh Thuc, the second from the Centre for

Promotion of Quality of Life, which helped map the different TVET providers in the Mekong Delta, and the third from Chamber of Commerce and Industry of Vietnam (VCCI) in Can Tho to assess economic opportunities in the region.

2 TVET in Vietnam

2.1 Country context

Since the introduction of economic reforms in 1986, Vietnam has experienced a period of unprecedented economic growth and poverty reduction, which as a consequence has brought a considerable expansion of the labour force. Vietnam is now concentrating on strengthening its economy and improving its global competitiveness in order to sustain growth, but as the country moves in this direction, it faces critical challenges. One of the major challenges is associated with its poor labour market outcomes and low productivity, which are related to the ‘paucity of the job-relevant skills among workers and the limited opportunities for workers to acquire or enhance their skills’ (World Bank, 2013).

With the Vietnamese population growing at about one million people a year and the size of the labour force also increasing at a rate of one million a year, the skills training systems and those responsible for the creation of new jobs for workers have come under an enormous amount of pressure (Thuc, 2013).

This represents a major challenge for Vietnam if the country is serious about improving its global competitiveness. A recent global survey among 1,000 Chief Executive Officers (CEOs) highlighted that the inability to secure new talent with the right skills prevents firms from scaling up operations, meeting demand in new locations and launching new products and services. Of the CEOs, 30% mentioned that talent constraints keep firms from pursuing market opportunities; this figure jumps to 50% for business leaders in Southeast Asia (Winthrop et al., 2013).

2.1.1 Economic growth and poverty reduction

Vietnam has transformed from a centrally planned economy to a market-oriented one. From 2004 to 2012 the average annual growth rate was above 5% with gross domestic product (GDP) per capita in real terms increasing from about \$400 in 2001 to \$1,224 in 2010. Decades of economic growth have led Vietnam to be considered a lower middle income country with significant achievements in realising its Millennium Development Goals (MDGs). Poverty rates have decreased rapidly in both urban and rural areas. The country managed to reduce the poverty household rate from 58.1% in 1990 to 14.5% in 2008. In 2012 the national poverty household rate was 9.6% and the Mekong Delta poverty rate was 9.24%. However, poverty incidence and progress of poverty reduction varies among provinces, and income gaps are increasing between urban and rural areas (Thuc, 2013).

Despite its growth, GDP per capita in Vietnam remains low, vulnerability to poverty is high and the country is still considered one of the poorest in the region.

2.1.2 Demographics

According to the General Statistics Office (GSO), as of April 2011 the population of Vietnam was 87.6 million, with 30.6% of the population living in urban areas and 69.4% in rural areas. The population of the Mekong River Delta accounted for 19.8% of the total population, with over 17 million people living in the region. Despite the gradual reduction of the population growth rate from 1.17% in 2005 to 1.04% in 2011, Vietnam remains the third most populous country in Southeast Asia, ranking 13th in the world.

The country has a very young population and still falls under the ‘golden population structure’, in which the working-age population is nearly double that of the dependent population. 24% of the population is under 14 years old, and the working age population represents 70% of the people.

2.1.3 Employment

According to the Ministry of Labour, Invalids and Social Affairs (MOLISA), the employment rate for the population over 15 years old is high, at 75.1%, while the youth participation rate increased from 37.1% in 2007 to 43.8% in 2009.

Agriculture, forestry and fisheries remain as the main sources of employment in the country. The industry and services sectors also account for a significant percentage of the total workforce. The state sector represents only 10.9% of employment, while the domestic private sector accounts for 86% of total employment.

Unemployment has seen only small variations, from 2.1% in 2006 to 2.2% in 2011, while underemployment has been estimated at 2.96% in 2011 (World Bank, 2012). However, considering the size of the informal economy in Vietnam there are high probabilities that unemployment and underemployment rates are underestimated.

2.1.4 The skills shortage

Economic development in the context of global integration and fast-changing technologies requires a highly skilled workforce with high levels of adaptability to rapid changes in economic conditions. In Vietnam, however, the labour force is characterised by its low skills and qualification levels. The skills shortage is shocking: 83.7% of the population has no professional or technical qualification.

According to the GSO, only 16% of the working population is trained and only 3.9% has received some type of vocational training, with marked differences between urban and rural populations. When we disaggregate the data, it shows that 90% of the rural population has no professional/technical qualification versus 67.8% of the urban population. In rural areas only 2.8% of the population has received some type of vocational training versus 6.7% in urban areas.

Vietnam's acute shortage of skilled workers has harmed and will continue to harm its global competitiveness unless the quality of skilled workers is improved. According to the Global Competitiveness Report, Vietnam ranked 75/144 in 2012, losing ten places when compared to 2011.

Table 1: Labour force at working age by technical qualification

	Total	Professional/technical qualification (%)					
		No qualification	Vocational	Secondary professional	College	Bachelor and higher	Not specified
The whole country	100.0	83.7	3.9	3.8	1.9	6.6	0.13
Male	100.0	82.4	5.8	3.4	1.2	7.0	0.12
Female	100.0	85.2	1.8	4.2	2.6	6.1	0.14
Urban	100.0	67.8	6.7	6.0	3.1	16.3	0.07
Male	100.0	65.8	9.5	5.0	2.2	17.4	0.04
Female	100.0	70.1	3.5	7.2	4.1	15.0	0.11
Rural	100.0	90.4	2.8	2.8	1.4	2.5	0.15
Male	100.0	89.3	4.3	2.7	0.9	2.7	0.15

Female	100.0	91.6	1.1	3.0	1.9	2.3	0.15
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Source: Report on Labour-Employment, GSO

2.2 How the system is structured

2.2.1 TVET within the education structure

TVET is a branch of the national education system. TVET is seen as playing a critical role in the country as it is expected that 80% of the labour force will receive training by 2020. TVET reform in Vietnam started in 1986 as part of the economic reform process, and since then the system has rapidly developed (Thuc, 2013). Vietnam's 1992 Constitution (Article 36) states that the national education system is composed of preschool education, general education, TVET and higher education.

The Law on Vocational Training (76/2006/QH11) issued by the National Assembly of the Socialist Republic of Vietnam on November 29 2006 regulates TVET in the country. According to this law, vocational training aim is to train technical personnel directly involved in production or services in order for them to gain the necessary professional capabilities to find jobs after graduation, to create jobs for themselves or to further their study, meeting the requirements of national industrialisation and modernisation (Centre for Promotion of Quality of Life, 2013). The law establishes three main levels of vocational training qualifications:

Vocational elementary: This is usually conducted for a period of three months to less than one year. Elementary-degree vocational training institutions include vocational training centres; intermediate vocational-training schools and colleges that register for elementary-degree vocational training; and enterprises, professional secondary schools, colleges, universities and other educational institutions that are also registered to provide elementary-degree vocational training.

Vocational secondary: Two types of courses are provided at this level:

- Courses conducted for one to two years, targeted at people with an upper secondary education diploma
- Courses that last between three and four years, targeted at people with a lower secondary education diploma (6th to 9th grade).

Intermediate-degree vocational training institutions include professional secondary schools, vocational training colleges, and universities registered for intermediate-degree vocational training provision.

Vocational college: Two types of courses are provided at this level:

- Courses conducted for two to three years, targeted at people with a higher secondary school diploma (higher secondary education covers grades 10 to 12)
- Courses that last between one and two years, targeted at people with an intermediate professional degree in the same disciplines.

Collegial-degree vocational training institutions include vocational training colleges, colleges, and universities registered for collegial-degree vocational training.

Table 2: Different training programmes in TVET

Qualification	Training duration	Entry requirements	Degree/Certificate
Vocational college level	2-3 years	Upper secondary graduates	Vocational college diploma
	1-2 years	Vocational secondary graduates of the same occupational training programme	Vocational college diploma
Vocational secondary level	1-2 years	Upper secondary graduates	Vocational secondary diploma
	3-4 years	Lower secondary graduates	Vocational secondary diploma
Technical secondary level	1-2 years	Upper secondary graduates	Technical secondary diploma
	3-4 years	Lower secondary graduates	Technical secondary diploma
Vocational elementary level	from 3 months to less than 1 year	Educational qualification relevant to training programme	Vocational elementary certificate
Short-term training of less than 3 months	Less than 3 months	Educational qualification relevant to training programme	Vocational certificate

2.3 Regulatory framework and organisational structure of TVET

The legal framework for TVET is composed of the following:

- The *Law on Vocational Training* details the organisation and operation of vocational training institutions and introduces the three levels of vocational training qualification.
- *Decision No. 630/QĐ-TTg, dated 29/5/2012 by the Prime Minister*, approves the Vocational Training Development Strategy for 2011-2020 and sets specific targets on training development for the period. Under the current strategy the state seeks to promote socialisation and diversification of resources for vocational training development. The strategy states that MOLISA should introduce mechanisms for vocational training institutions to operate independently and autonomously and adopt systems and policies to attract domestic and foreign resources for vocational training development. The strategy also establishes that the state shall provide capital, land and tax incentives for non-public vocational training institutions.
- *Decision No. 579/QĐ-TTg, dated 19/4/2011, by the Prime Minister*, approves the Human Resource Development Strategy for the period 2011-2020. The strategy establishes specific targets on human resources development by 2015 and 2020 and provides guidance to achieve these targets.
- *Decision No. 07/2006/QĐ-BLDTBXH, dated 2/10/2006, by MOLISA*, approves the Master Plan for the Development of a Network of Vocational Colleges, Vocational Secondary Schools, and Vocational Training Centres until 2010, and orientation to 2020. The decision

emphasises the development of a network of vocational training institutions that will provide skilled labour to meet market demands in terms of quantity, quality and on sectoral and regional structures.

- *Decision no. 1201/QĐ-TTg, dated 31/8/2012*, approves the National Target Programme on Employment and Vocational Training for the period 2012-2015.

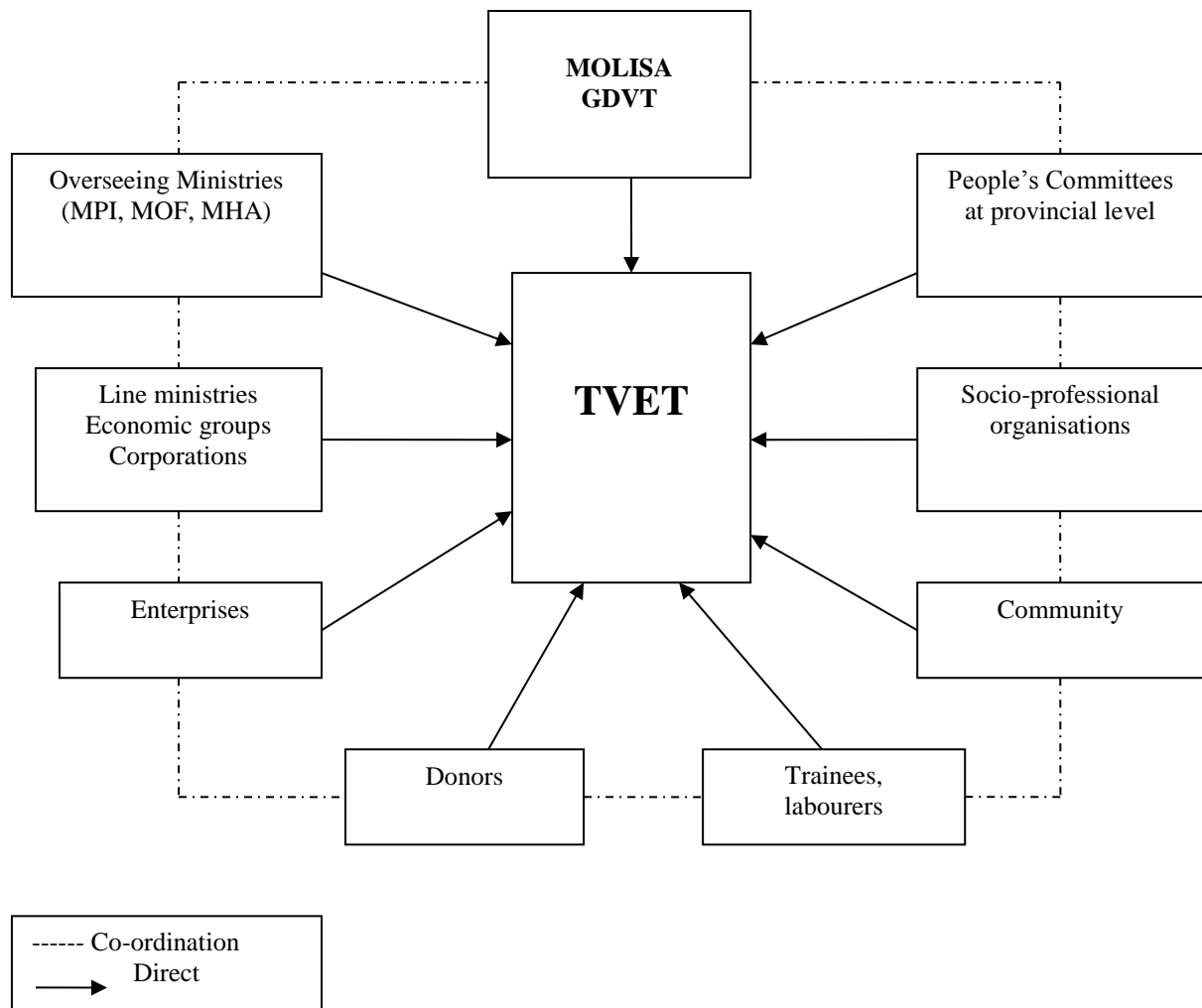
While the existing framework has helped establish a favourable environment and resources for many TVET establishments to develop in Vietnam (Centre for Promotion of Quality of Life, 2013), the organisational structure of TVET in Vietnam remains a complex one, with various ministries and agencies within the government assigned different levels of responsibility and oversight. In 1998 the responsibility for vocational training was transferred from the Ministry of Education and Training (MOET) to the General Department of Vocational Training (GDVT) under MOLISA.

MOLISA, through GDVT, is in charge of the state management of vocational training, including vocational colleges, vocational secondary, vocational elementary qualifications and vocational training courses shorter than three months. At the same time, MOET, through the Technical Secondary Education Department, is responsible for the state management of technical secondary education. In addition to these two ministries, multiple agencies also administer TVET institutions and a wide range of organisations' own public training institutions.

The complexity of the current structure has led to confusion, fragmentation and duplication of efforts (please refer to Appendix I for a detailed diagram of the educational system in Vietnam). The government is aware of the issues and has recently promoted the 'bold and comprehensive education reform' initiative, which proposes an important direction for restructuring the TVET system: merging the technical secondary stream with the vocational secondary stream. However, it is yet to be seen how the restructuring will work at the regional level and what the implications of these efforts will be.

2.4 Key stakeholders in TVET provision

Figure 1: Key stakeholders in TVET



Source: Thuc, 2012

- *MOLISA and MOET*: Responsible for the state management of TVET – MOLISA for the vocational training stream, and MOET for the technical secondary education stream. These two ministries work together with other relevant government ministries/agencies to develop policies and mechanisms related to the TVET system.
- *Overseeing ministries*: Ministry of Planning and Investment (MPI), Ministry of Finance (MOF), State Bank of Vietnam (SBV), Ministry of Home Affairs (MHA), etc. work together with MOLISA and MOET to develop policies on TVET.
- *Line ministries, economic groups, corporations*: Own and manage their TVET institutions; prepare development plans for their TVET institutions; develop policies and mechanisms within their mandates.
- *People's Committees of cities and provinces*: Own and manage their TVET institutions; prepare development plans for their TVET institutions; develop policies and mechanisms within their mandates.

- *Socio-professional organisations:* Own and manage their TVET institutions; prepare development plans for their TVET institutions; develop policies and mechanisms within their mandates; provide advice commentary on legal frameworks, policies, strategies, and plans in TVET development.
- *Enterprises:* Own and manage their TVET institutions.
- *Community:* Supervise and evaluate TVET activities.
- *Trainees, labourers:* Select and participate in TVET programmes, retraining programmes, transfer programmes, professional upgrading programmes.
- *Donors:* Work together with project-executing agencies to provide interventions to TVET system in order to expand training capacity, improve training quality and effectiveness, gain access to and adopt good training practices of developed countries, develop effective TVET models for future rollout to the whole system.

2.5 Financing of the TVET system

State budget allocated to vocational training has been increasing over time, from 4.9% in 2001 to 9% in 2010, showcasing the relevance of TVET for the government (World Bank, 2012).

Table 3: State budget for vocational training 2001-2011

Year	State budget for vocational training (billion Dongs)	State budget for vocational training in GDP (%)	State budget for vocational training in total state expenditures (%)	State budget for vocational training in total state expenditures for education and training (%)
2001	968	0.20	0.76	4.90
2002	1,240	0.23	0.86	5.50
2003	1,644	0.27	0.91	5.68
2004	2,162	0.30	1.03	6.20
2005	2,791	0.33	1.17	6.50
2006	3,671	0.38	1.24	6.70
2007	4,993	0.39	1.36	7.15
2008	5,985	0.41	1.47	7.35
2009	6,870	0.45	1.50	7.50
2010	8,937	0.46	1.45	8.53
2011	9,800	0.45	1.63	8.16

Source: GDVT

The financing structure for vocational training indicates that the socialisation¹ policy has been effective in vocational training. In 2009, of the total training expenditure, 63% was paid for by the state budget, 21% was paid by the students, 10% was contributed by enterprises and 3% came from income generated by training institutions and foreign investment. This financing pattern still stands (Thuc, 2013).

The government also encourages and provides favourable conditions for individuals and corporations, domestic and international, interested in establishing private TVET centres, as well as for the development and cooperation between local and foreign training institutions under the forms of joint training and technology transfer (World Bank, 2012).

Bilateral and multilateral funded projects

Since 2007 approximately 10 projects have been supported by multilateral and bilateral financial institutions, representing a total of \$150 million. Leading projects include those funded by the Asian Development Bank (ADB), Germany, Korea, Japan and Denmark (for details on the projects please refer to Appendix II).

Most of the projects focus their effort on improving the quality of training through the following: shifting the vocational training system in a more demand-driven direction; enhancing workers' skills; training and upgrading teachers and managerial staff; investing in key institutions and occupational training programmes to reach regional and international standards; developing national skill standards; advocating for policy reforms; improving school-industry partnership, etc. The Skills Enhancement Project funded by the ADB has a component (a loan of \$20 million) to support private vocational training centres (VTCs).

The following projects are targeted at and/or cover the Mekong River Delta region:

- Demand-driven Skills Training for Poverty Reduction in the Mekong River Delta project in Tra Vinh and Soc Trang provinces, financed by the Japan Fund for Poverty Reduction (JFPR), targeted at women and ethnic minorities
- Skills Enhancement Project covering 15 public VTCs, 3 of which are located in Soc Trang, Can Tho and Kien Giang provinces in the Mekong River Delta
- Vocational Training Program, funded by Germany, which seeks to upgrade, among others, VTCs in An Giang and Long An provinces
- VTCs Establishment Project funded by Korea that establishes, among others, a new VTC in Ca Mau province.

2.6 Enrolments in the TVET system

Despite the continuous efforts of the government to improve the quantity and quality of training provision, the social image of TVET is still poor. The general public still places more value on academic qualifications than on TVET. As a result, a serious imbalance persists in the human resources training system. In the past 20 years (1991-2011), the number of lower secondary graduates entering upper secondary schools has doubled, as has the number of upper secondary graduates entering universities/colleges. In 2011, the rate of lower and upper secondary graduates entering vocational training institutions was only 17.25% (Thuc, 2013).

¹ 'Socialisation' is understood as mobilisation of various financial resources from state budget, students, community, employers for vocational training.

Table 4: Percentage of graduates entering the next educational level

Rate/Year	1991	2001	2011
Lower secondary graduates entering upper secondary education	40.27%	75.38%	80.36%
Upper secondary graduates entering universities, colleges	25.6%	36.0%	54.54%
Lower and upper secondary graduates entering TVET (technical secondary schools, vocational secondary schools, vocational colleges)	N/A	N/A	17.25%

Source: Statistics of MOET and GDVT

The value put on academic qualifications, together with the growth of university enrolment, makes it very difficult for TVET institutions to enrol new students, thus reducing the number of TVET students and making it unlikely that the targets of the Human Resources Development Strategy 2020 will be achieved.

Table 5: Enrolments in TVET system nationwide and in six economic regions (2011)

	Northern Midlands & Mountains	Red River Delta	North & South Central Coast	Central Highlands	Southeast	Mekong River Delta	Total
Vocational College	5,420	33,306	16,151	708	18,625	5,527	79,737
Vocational secondary	24,746	40,515	41,393	3,904	18,740	12,331	141,629
Vocational Elementary	179,159	409,717	288,331	59,276	408,801	206,841	1,552,125
Technical secondary	8,511	37,594	16,166	4,154	41,286	8,966	116,677
Total	217,836	521,132	362,041	68,042	487,452	233,655	1,890,168

Source: Statistics of MOET and GDVT

2.7 Employment

Employment after training is a basic indicator, frequently used, to assess the effectiveness and impact of training programs. According to MOLISA reports, employment rates after vocational training range from 70% to 80%. The overall employment rate of vocational college (VC) graduates is 81%, and is exceptionally high at 96% in some VCs. The current statistics present an interesting paradox within the educational system in Vietnam: many university graduates are unemployed (more than 26%, a recent survey shows), but at the same time university enrolments are on the rise. While there are many employment opportunities for TVET graduates, enrolling students in TVET has been difficult and numbers have been decreasing (Thuc, 2012). Vocational training development strategies

should focus their efforts on solving this paradox and shifting the image of TVET from a second-best option to one with specific links to the market.

2.8 Private sector involvement in TVET

The Law on Vocational Training (Chapter V) establishes the rights and obligations of enterprises in vocational training. The Labour Code also has a chapter on ‘apprenticeship, training, improvement of occupational skills’, which defines the responsibilities of enterprises to provide training and improvement of occupational skills for workers.

According to Thuc (2013), there are approximately 210 enterprise-owned training institutions, of which 129 are technical secondary schools (TSSs), vocational secondary schools (VSSs) and vocational colleges (VCs). Most of the big corporations and economic groups own their training institutions in order to meet their human resources requirements and at the same time provide training for the general public. Foreign companies and large private companies are active in providing training and upgrading of skills to help meet their labour needs. Training institutions owned by private companies account for 67% of total enterprise-owned training institutions.

Partnerships between training institutions and enterprises take many different forms including funding for training, donation of equipment, teaching assistance, acceptance of teachers and students for training, involvement in curriculum development and occupational skill standards, signing of training contracts, joint scientific research, etc. However, involvement of enterprises in TVET is still limited compared to potential.

2.9 Main challenges to the TVET system

Some of the main challenges the TVET system faces today, which are described in the table below, are related to quality of training and linkages with the private sector, not only in order to make training timely and relevant but also to ensure a direct connection with the labour market.

Table 6: Challenges of the TVET system

Features of the current TVET system	Requirements for a TVET system in the future
A supply-driven TVET system that offers whatever existing training/courses it has	A demand-driven TVET system that offers services that respond to the needs of the labour market and enterprises
Training curriculum is focused on theory rather than practice	Theoretical and practical training are integrated into the training curriculum with a stronger focus on practical skills training
A TVET system that focuses on the public, formal sector	A TVET system that covers both the public and private sector and the formal and informal sector.
The system is centralised and inflexible	A decentralised, flexible and diversified TVET system that offers multiple entries and exits for all
Assessment is mainly exam-based	Assessment are conducted against occupational skill standards and they concentrate on competencies, adaptability and creativeness
The system is heavily subsidised with training institutions being commanded by higher level authorities	Training institutions are responsible for their operations with a certain degree of command and subsidy from higher level authorities
Focus on quantity (increase training capacity)	Focus on quality assurance and management

Source: Thuc, 2012

2.10 TVET in the Mekong Delta – Dong Thap Province

2.10.1 Overview

All vocational schools in Dong Thap province are guided by the Vocational Training Development Strategy 2011-2020. As reported by representatives of Dong Thap Department of Labour, Invalids and Social Affairs (DOLISA), in recent years, the network of vocational training institutions in the province area has developed rapidly, which has allowed all districts to have VTCs, and more than 20,000 people are expected to receive vocational training in 2013. ‘Tailor made’ vocational training courses (‘dao tao nghe theo dia chi’ in Vietnamese) have been widely developed by many training centres in Dong Thap. The courses include a combination of basic theory and practical job skills, as demanded by businesses, which makes the likelihood of employment of trainees higher (Centre for Promotion of Quality of Life, 2013).

Twenty-five vocational training institutions (including 6 private ones) were identified in Dong Thap. However, following verification, 15 TVET institutions and 2 private establishments were confirmed to be operating.

Table 7: Types of TVET providers in Dong Thap province

Types of TVET providers in Dong Thap Province	Total	Operation model	
		Public	Private
Vocational training schools	5	5	
Universities, colleges, professional secondary schools providing vocational training	1	1	
Vocational training centres	9	8	1
Other establishments providing vocational training including Centre for Employment Introduction	2	1	1
Total mapped TVET institutions	17	15	2

Source: Centre for Promotion of Quality of Life, 2013

2.10.2 Major TVET Providers in Dong Thap Province

Public TVET providers

Public TVET providers in Dong Thap include VCs, TSSs, VTCs, other centres providing vocational training (e.g. Centre for Employment Introduction) and businesses that provide vocational training or skill development opportunities.

Vocational Colleges

Most VCs have a full-time training/lecturing team, but they also invite guest trainers from universities and from TVET providers in other provinces, particularly from Vinh Long Province University and Can Tho City University. Most of these schools designed their training programs based on the level of demand by students (measured by registration), informal training needs surveys and requests by businesses. However, most VCs do not have formalised and long-term connections with businesses.

Most common vocational training courses for higher and intermediate levels include metal cutting, automotive technology, industrial electrics, refrigeration, air conditioner maintenance, computer services and assembling, and business accountancy. The number of students admitted per year varied depending on the school facilities and training team capacity, ranging from 150 to 300 students per year (Centre for Promotion of Quality of Life, 2013). Students are typically requested to pay training

fees, which vary depending on their level of qualification and support received from the government. Students at the intermediate level were requested to pay a fee of 6,900,000 Vietnamese Dong (VND), while at the college level the fee was 9,600,000 VND with the state contributing amounts that ranged between 4,500,000 and 5,000,000 VND.

Stories of success – Dong Thap Community College

Dong Thap Community College (DTCC) is administratively governed by the People's Committee of Dong Thap Province and technically supported by Dong Thap Department of Labour, Invalids and Social Affairs, providing two- and three-year training programs with well-recognised certifications in the region.

During 2011-2012, DTCC recruited approximately 2,000 college and intermediate-level students. Full-time training programmes include locally popular vocations such as food technology, business accounting, applied information technology, aquaculture cultivation, fisheries, veterinary service and plant protection. The part-time training programs were designed to meet business-driven demands in the areas of accounting, business administration, conversational English skills, culture management and land management. DTCC also provides distance-training programs in accounting, business law and business administration.

With an active 'Division of Business Relations', DTCC has established formal and informal partnerships with more than 28 companies including Hoang Long Group Joint Stock Company, TrustBank, Nong Huu Plant Breeding Limited Company, Thien Bang Vietnam's Special Zone Breeding Food Company, Hoang Long Aquatic Products Processing Limited Company, and Vietnam Posts and Telecommunications Group of Dong Thap. Through these partnerships, students were allowed to practice their newly acquired skills at the companies for one or two weeks. Students' performance appraisals were completed by designated supervisors following the practice period. Furthermore, DTCC has collaborated with various universities, organisations and research institutions to conduct scientific research studies and has engaged with businesses to provide apprenticeships for DTCC's students. The College's Division of Business Relations monitors the students' employment status for up to a year.

In November 2012, during the graduation ceremony, DTCC conducted a survey to assess the students' level of satisfaction on a number of training aspects (e.g. training curriculum, lecturers and training methods, training materials, infrastructure) and also to identify the number of employed students. Almost 92% of its students were reported to be employed, 85% of whom had a job in their field of training. The school management uses the comments and feedback from the survey to modify its training curriculum, strengthen its training methods and improve efficiency and quality of training.

DTCC is currently focusing its efforts on forecasting the human resource needs of local businesses, promoting the College's profile, and increasing tailor made training services.

Source: Centre for Promotion of Quality of Life, 2013

Vocational Secondary School

Similarly to the VCs, VSSs also have their own training/teaching teams and often invite guest lecturers from universities and colleges from other provinces. VSSs provide elementary and technical levels of qualifications, with each centre training about 2,000 students per year at each level. Courses include accounting, secretarial skills, industrial and domestic electricians, aquaculture, marine product processing and preservation, construction, and maintenance of industrial sewing machines. While the elementary level programme is free of charge, the intermediate level programme has a cost for students, ranging from VND 1,100,000 to VND 2,100,000, depending on the course.

All VSSs mapped in Dong Thap mentioned that they have informal connections with businesses inside and outside the province. While some schools received support through companies providing samples of their products, e.g. motorbikes or machinery parts, other schools successfully sent their students to companies for apprenticeships. Most of the training provided is 'tailor made' for business

employees or soon-to-be-recruited future employees, or it is based on needs of local labourers. According to managers of the mapped VSSs, 90-100% of those who received technical elementary training were easily able to find a job locally or work at home-based businesses such as animal husbandry and particularly handicraft making. On the other hand, the employment rate for intermediate training is at 50-60%. However, the manager of Hong Ngu Vocational Secondary School stated that, 'finding employment in Dong Thap is not an easy task. Most jobs are found out of the province as there are not many businesses operating in Dong Thap, and while there are a number of factories in the locality, they tend to recruit unskilled workers and train them themselves.' (Centre for Promotion of Quality of Life, 2013)

Vocational Training Centres

Unlike the VCs and VSSs, VTCs mainly use guest trainers with practical skills, particularly cooperative leaders, artisans, and skilled/master workers for their training.

During 2012-2013, VTCs focused on providing training for rural labourers in highly demanded vocations such as electricity, handicraft production, assembly of plastic stools/chairs, animal husbandry, and motorbike and mobile phone repair. Training duration varied from 15 days to three months. Each centre provided training for more than 1,000 rural labourers per year, and all courses were free of charge.

These centres support economically disadvantaged trainees and people with disabilities with a daily stipend of 15,000 VND/person/day from the provincial budget. In addition, the centres often have strong connections with small businesses in their localities. As a result, a high percentage of people (90-100%) found a job after training. There seemed to be a particularly high demand for workers specialising in handicrafts products, which were ordered by Dong Thap-based agents who sourced for manufacturing companies in other provinces including Binh Duong Province.

Centre for Employment Introduction of Dong Thap Province (<http://www.vieclamdongthap.vn/>)

The main functions of employment introduction centres are to identify employment opportunities, establish linkages with employers, and introduce job applicants to relevant employers. The Centre for Employment Introduction of Dong Thap Province has made about 6,000 introductions for applicants per year, all of which were free of charge. Additionally, the centre has provided travelling costs to help trainees go to job interviews or get to their jobs on the first day.

The centre has organised several vocational training courses, which are conducted on request by DOLISA, other agencies (mainly project-based) and businesses. The training courses are usually facilitated by guest lecturers/trainers from the training institutions in Dong Thap and other provinces. Training courses last between 6 and 24 months. The centre trains about 1,500 students per year and charges training fees that range from 1,100,000 VND to 2,100,000 VND.

The centre also has a number of employment promotion activities, including an online employment transaction platform. Furthermore, the centre conducts employment transaction sessions once a month, which are attended by approximately 30 businesses from the province.

Private TVET providers

There are few private TVET establishments in Dong Thap. Trainees, actually apprentice employees, received on-the-job training by 'trainers' who were usually the establishments' owners. Most private providers train their employees in decorative Bonsai planting, motorbike services, hairdressing and electronics repair. In most cases, the only requirement for trainees is to submit personal identification documents. These establishments are characterised by their small size and limited space, with only two to five employees accepted at one time.

Depending on the nature of the work, training usually takes between 3 and 24 months. Most training is provided free of charge as long as trainees perform minor or supporting work during their apprenticeship. A limited number of well-known business owners/trainers, such as hairdressers, charged a trainee fee ranging from 5 to 10 million VND. Most apprentices tend to secure their jobs after the training.

Sao Mai Joint Stock Company is a garment company providing training in industrial sewing and management of production lines. In 2012-2013, Sao Mai trained 211 workers in industrial sewing for a period of two months. Training was free to all, and all trainees were recruited to the company as long as they were successful at training. The company also organised advanced training courses to help the workers increase their income. According to a supervisor at Sao Mai, all employees are closely supervised and technically supported in their jobs in order to ensure product quality, with salaries being set and adjusted accordingly to employees' skill levels.

2.11 TVET in the Mekong Delta – Can Tho

Compared to Dong Thap, the system of vocational training institutions in Can Tho is more developed, the vocational training scope has been expanded, and vocational training methods have become quite diversified. In 2012, the budget from the National Target Programme allocated 14 billion VND to be invested in the purchase of vocational training equipment and the improvement of public TVET facilities. According to the Can Tho DOLISA/Vocational Training Management Division, public TVET institutions provided training to approximately 36,247 people in 2012.

During the mapping, 61 TVET providers, of which 25 are public and 36 are privately owned, were confirmed to be operating in Can Tho City.

Table 8: Types of TVET providers in Can Tho City

Types of TVET providers in Can Tho City	Quantity	Operation model	
		Public	Private
Vocational training schools	10	6	4
Universities, colleges, professional secondary schools providing vocational training	8	6	2
Vocational training centres	21	8	13
Other establishments providing vocational training including Centre for Employment Introduction	20	5	15
Business associations	2		2
Total mapped TVET institutions	61	25	36

Source: Centre for Promotion of Quality of Life, 2013

2.11.1 Major TVET Providers in Can Tho Province

Public TVET providers

Public TVET providers in Can Tho were mostly classified as TTSs or VTCs. Most of the centres have a full-time training/lecturing team, but they also invite guest trainers from universities and businesses as well as experienced artisans. Common training programs include informatics, electronics, foreign languages, mechanics, tailoring, lathing, welding, automotive services, motorbike services, cooking, hospitality, etc. While the majority of TSS students were those who had completed lower or higher secondary education, attendees of VTCs were mainly youth, women (introduced by the local Women's Union) and other rural people who were eligible for the state's social policies including the 'Vocational Training for Rural Labourers' Project.

Depending on the training programme, duration of the training courses ranges from one to six months, with 50 to 100 trainees per course. Training fees range from 500,000 VND to 3,000,000 VND per course. For vocational training schools such as *Can Tho Technical and Vocational College*, *Software Technological Centre* at Can Tho University, and the *High School of Tourism*, the duration

of long-term courses varied from one to two years with training fees from 1,500,000 VND to 5,000,000 VND per course. In the *Software Technology Centre* at Can Tho University the training fee for the two-year ‘international programmers’ course was up to 45,000,000 VND.

Unlike in Dong Thap, the TVET institutions in Can Tho have regular linkages and agreements with companies and particularly with centres for employment introduction in both Can Tho and other provinces.

Stories of success – Can Tho Technical and Vocational College

Can Tho Technical and Vocational College (CTTVVC) is a vivid example of a VC that has strong linkages with companies. In 2012, CTTVC signed a Memorandum of Understanding (MOU) with Bosch, a multinational engineering and electronics company, which enabled students to practice with Bosch manual electric tools. Within the agreement framework, CTTVC and Bosch co-organised a workshop entitled ‘Safety in Using Manual Electric Tools’ for all students.

CTTVVC also signed an inter-sectoral MOU for cooperation in vocational training, apprenticeships, and employment placement for the college’s students with the Management Boards of Export Processing Zones in Can Tho City. Through this MOU, CTTVC has been working with 35 companies in the export processing zones. Representatives of these companies attended a workshop that CTTVC organised in order to obtain feedback, comments and assessment on the Colleges’ training programs.

CTTVVC also conducts a post-training survey to measure students’ satisfaction with the training programme one year after graduation. Areas of assessment include training programs, lecturers’ teaching competence and methods, and school infrastructure.

Other schools, such as the *Vocational High school of Mekong Delta Region* and the *High School of Tourism*, also have partnerships with local companies, which accept students for apprenticeships and recruit from the schools. The Vocational High school of Mekong Delta Region has engaged with construction, waterway, and vehicle assembly companies such as Truong Hai Company (a locally popular vehicle producer) to place their students for apprenticeships. The High School of Tourism has reached an agreement with the Ninh Kieu Hotel and Xuan Khanh restaurant that allows its students to practise their skills.

Centre for Employment Introduction of Can Tho City

The centre provides vocational consulting services and in-depth vocational counselling, and it collects labour market information. DOLISA has recently directed the centre to focus on job introductions, employment counselling and transferring vocational training demands to vocational schools where training staff and equipment are available. In the near future, the centre is expected to conduct short-term training courses on soft skills such as industrial working behaviour, communication, English, etc. The centre’s Unit for Labour Market Information is currently involved in a project to develop a labour market information system, implemented by MOLISA with support from the International Labour Organization (ILO).

Twice a month, on the 15th and the 30th, the centre organises an ‘Employment Transaction Platform’ networking event, where companies can interact with the centre’s trainees. These events help the centre gain a better understanding of businesses’ human resource and skills needs. While the centre receives about 800 orders from the business sector for about 27,000 job vacancies per year, the centre can meet only a quarter or one fifth of the demand. Reasons for the unmet demand include trainee skills not meeting the employers required standards, mismatch of skills, distance from the workplace, etc.

The Centre for Employment Services of the Federation of Labour of Can Tho City and the Centre for Youth Employment Services managed by the Youth Union also provide vocational training apart

from their main function, which is employment introduction. All training programs are organised in cooperation with universities and vocational schools.

Private TVET providers

Most trainers at private vocational training establishments are the owners or managers of the centres, senior staff, artisans, or skilled trainees retained by the TVET providers for teaching/coaching other trainees. Private TVET providers also invite guest lecturers from universities and technical colleges in Can Tho City and neighbouring provinces such as Vinh Long Province and Ho Chi Minh City.

Private TVET providers offer a wide range of training courses, many of them at the elementary level. Training duration varies between one and six months and training fees vary from 700,000 VND up to 15,000,000 VND depending on training contents and duration. Examples of private TVET providers include the following:

- *Nha Thanh Vocational Centre* is staffed with an experienced training team of more than 20 trainers who apply active learning and teaching methods. Nha Thanh Centre is well known for its practical and applied training programs such as photo editing, graphic design, web design, web administration, mobile phone repair, and computer repair.
- *Kitchen-Bartender Skill Training Establishment* provides training courses in hospitality services including cocktail preparation, cooking, and fruit and vegetable presentation. They also offer express courses for bar owners and employees living far from central Can Tho or in other provinces.
- *Huynh Qui Vocational Cooking Co., Ltd* has provided training for over twenty years. The company offers short cooking courses (approximately four months) ranging from basic skills to chef level. The company has an experienced training team of well-known cooks and trainers and has an employment rate of 80-90%, with most trainees being hired by medium and large restaurants.
- *Mekong Star Joint Stock Company* is a member of the Can Tho Business Association. The company provides a range of services including brand consulting and development, construction and training. Mekong Star provides practical 'soft' skills training such as time management, teamwork, negotiation skills and public speaking skills. Approximately 200 to 300 trainees enrol in their training programs every year.
- *The Tay Do Vocational Training Centre* and *Vinh Tri Vocational Training Centre* have formal agreements with companies who recruit their trainees upon course completion. The Tay Do Vocational Training Centre has signed a five-year contract with Yamaha, the motorbike company, which not only provides the centre with updated information regarding its technology and products but also recruits the graduates to work as its sales agents. The Vinh Tri Vocational Training Centre has signed agreements with Phuong Dong Seafood Co., Ltd and Nam Hai Foodstuff Co. Ltd, aquaculture companies for apprenticeships and job placements.

Business associations

In addition, three business associations are providing training in the Can Tho area: the *Can Tho Business Association*, *Can Tho Investment-Trade-Tourism Promotion Centre*, and *Can Tho City Cooperative Alliance*. The majority of people receiving training from these associations are either company owners or employees of associated companies. Courses include short professional courses (2-3 days each) in topics such as marketing, office administration, project planning, time management, and business/production management. Most courses are funded through the state budget, with companies paying a partial training fee of approximately 1,000,000 VND per person.

The training provided by the associations is not technically considered vocational training, but these professional courses do contribute significantly to improving the management level and business skills of local companies.

2.12 Challenges to the TVET system in the Mekong River Delta

Not surprisingly, the main challenges to the TVET system at the national level are replicated at the provincial level, these being the low quality of training and the need to have a more demand-driven system that responds to the needs of the private sector. Some of the challenges identified in the Mekong River Delta, and ways to address these challenges, are summarised below and are derived from the mapping exercise conducted with training centres in the region.

Table 9: Table: Challenges of the TVET system in the Mekong River Delta

Challenges of the current TVET system	Potential ways to address the challenges
<ul style="list-style-type: none"> A large number of vocational training schools and centres do not have linkages with companies in the locality. 	<ul style="list-style-type: none"> DOLISA and the Centre for Employment Introduction conduct labour market demand surveys that provide updated labour market information, and share them widely among TVET providers. DOLISA and relevant authorities provide technical assistance and support to TVET providers to create strong links between training centres and companies. Increase the connection between TVET providers and businesses through bold and creative activities: promote dialogue between the two parties; organise employment fairs and workshops where TVET providers introduce their training programs and where graduating students and businesses interact; invite businesses to visit schools/centres.
<ul style="list-style-type: none"> A high proportion of technical trainers are not qualified or up to the vocational teaching standards. The number of trainers able to teach theory as well as give practical instruction is limited. A large number of trainers have not received advanced training to update their knowledge and skills, particularly in developing modern production lines for the manufacture of vehicles using new technologies. 	<ul style="list-style-type: none"> Provide trainers with refreshers and advanced training in new technologies related to the vocations/trades that they teach. Organise advanced training for teachers/trainers focusing on both vocational training and teaching skills. Organise regular teacher/trainer skill examination/screening. Send trainers on study visits so they can enrich their training experience.
<ul style="list-style-type: none"> Training equipment is outdated, resulting in trainees being unfamiliar with new technologies required by the job. 	<ul style="list-style-type: none"> Upgrade training aids (e.g. machines, models) and training curriculum to meet the regional or international vocation training standards.
<ul style="list-style-type: none"> Enrolment to vocational training programmes has faced many difficulties, particularly for TVET institutions that are not well equipped and do not have qualified teaching staff. 	<ul style="list-style-type: none"> Strengthen communication, awareness raising and promotional activities regarding TVET, at all levels, as well as in the general public, to remove barriers of social prejudice about vocational learning.
<ul style="list-style-type: none"> Job counselling and employment introduction for students/trainees have not yet received adequate attention from the management of some TVET institutions. Consequently, the employment rate has not been as high as expected, or trainees have accepted jobs not related to their training field. 	<ul style="list-style-type: none"> Provide information regarding the efficiency of TVET and set up units at training centres in charge of counselling and career orientation for trainees.
<ul style="list-style-type: none"> The quality of vocational training has not been regularly monitored. 	<ul style="list-style-type: none"> Conduct regular follow up and monitoring of recent graduates and collect feedback from trainees and

2.13 TVET as an option for livelihood restoration after resettlement

Most infrastructure development projects provide livelihood restoration options for displaced people (DP). According to Picciotto (2012), ‘the goal is to provide the displaced with the support they need during the transition period to restore their livelihoods and standards of living, including assistance for preparing the land, obtaining credit, and training and accessing job opportunities’. TVET and skills development is often part of the menu DPs are offered as part of the livelihood restoration strategy, but evidence is unclear about the effectiveness of TVET versus other options (i.e. land replacement, providing access to resources, direct employment, etc.), especially in rural settings. According to the World Bank (2004), land replacement is many times the preferred option for DPs who rely on, and wish to continue with, land-based livelihoods. However, there are still a number of successful cases that used TVET/skills development as part of the livelihood restoration strategy successfully, which are described below.

Often provision of employment is an acceptable strategy to restore and improve livelihoods and create assets in the form of skills. The *Second Shanghai Sewerage Project* in China is an example of this. The project provided DPs with specialised training at technical schools, municipal vocational training centres or training centres at large companies. The training was later linked to jobs already promised to the DPs. However, best practices indicate that in order to allow for a re-establishment of living standards, employment must be guaranteed for at least three years. Temporary jobs are not an acceptable rehabilitation measure. Another case in China highlights this point: the *Xiaolangdi Resettlement Project* encouraged non-agricultural employment for some displaced farmers. In order to ensure sufficient employment to acquire skills, the project provided five-year job guarantees (World Bank, 2004).

The Oyu Tolgoi mine, a combined open pit and underground mining project in the Gobi Desert in Mongolia, is a joint venture between Turquoise Hill Resources (a majority owned subsidiary of Rio Tinto) and the Government of Mongolia. As part of the *Herder Livelihood Improvement Programme*, a series of compensations and livelihood improvement measures are offered, including training and skills development for herders. The programme includes training opportunities to eligible households to improve their vocational and/or business skills as prospect for long-term income generation. The training opportunities are offered either as an assistance measure for temporary construction impact or as part of a larger package of livelihood restoration for those most severely economically displaced by the project.

Affected herder households identified non-mining training as an important method to establish new and/or improved livelihoods. Short-term vocational training courses are offered to eligible households for an agreed amount and period of time (one training course of up to 45 days in Mongolia). Oyu Tolgoi also provides training packages for those interested in employment either at the mine or with contractors. Oyu Tolgoi along with Rio Tinto has developed a series of ‘bridging/job-readiness training packages’. The Khanbogd Technical and Vocational Education Centre was built in 2012 by Oyu Tolgoi. As owners and operators of the centre, the company will be able to prioritise local residents, including herders affected by the mine. This is particularly important because the state-run TVET system requires a minimum of secondary school education for entry, which most herders lack. Vocational training courses will include carpentry, electrics, mechanics, tailoring, catering, etc. Information about the impact and success of this ongoing programme is not yet available.

Newmont’s Ahafo Mine in Ghana is a similar case. Newmont had learnt important lessons about resettlement and community engagement the hard way through other projects in Peru, Indonesia and Uzbekistan and was committed to try to change its reputation through its work in Ghana. The company started operations in the country in 2002 and by 2012 Newmont-Ahafo employed 1,579

workers and 3,056 contractors. For the Ahafo Mine, Newmont had identified 1,701 households, comprising 9,575 people who needed to be resettled. Households were offered packages of resettlement benefits including the building of two new villages, land acquisitions and compensation and several other community development projects including health, education, water and sanitation.

In terms of employment and training, Newmont began employee training before construction at Ahafo commenced. According to the Wharton School of the University of Pennsylvania (2012), workers received two weeks' training in basic employment skills and had access to more than 800 distinct training course modules, which were also shared with other Ghanaian vocational schools free of charge. In addition, contractors had to provide their own training and, for unskilled jobs, they were required to hire from the local labour pool.

Starting in 2011, Newmont sponsored 5,000 junior-high graduates, who otherwise would not have furthered their education, to complete a one-year government TVET programme. Newmont also designed its own training programme, an apprenticeship programme, which lasted four years. By 2012 it had enrolled 69 students, with a goal of reaching 91, for training in areas such as plant maintenance, electrical work, and auto repair. Newmont spent about \$25,000 per student over four years and provided each student with a stipend, school materials, food, transportation and safety equipment. According to the Wharton study (2012), the results of the training programme are quite promising: 'Competency levels on an examination rose from 35% to 85% over the course of the programme. Furthermore, the company aimed to hire 90% of its graduates rather than having to recruit more expensive workers from elsewhere in Ghana and from outside of the country. It is estimated that turnover among these workers would be 50% lower than among outsiders, whose average tenure was three years. Lower turnover would mean lower hiring costs, which averaged 25% of first-year salary. On top of this, Newmont forecast that accident rates among its trainees would be 50% lower. This would further cut expenses, reducing unscheduled downtime and equipment damage, which together cost about \$360,000 per year. Newmont also estimated that productivity would be twice as high among its trainees'.

The *Lunawa Environment Improvement and Community Development Project* in Sri Lanka proved to be another successful case. According to UN Habitat (2009), it 'could be a model for involuntary resettlement of other infrastructure projects, especially in densely populated urban areas in the developing world'. Lunawa Lake catchment area on the outskirts of Colombo extends over an area of 6.94 sq. km. The drainage system of the catchment area consists of Lunawa Lake, the Lunawa sea outfall, and three main drains and secondary drains discharging into the lake. A network of tertiary road drains is also connected to the lake either through main or secondary drains. The main engineering component of this project is improving the environment in the Lunawa Lake catchment area by reducing floods, improving the storm water drainage system, and rehabilitating existing canals and streams. The population living in the catchment area is estimated at 85,000 covering about 18,000 households, of which 883 families were entitled to resettlement. While this was a very large and complex project, its community development component started an initiative to create a pool of project-affected persons with varied skill sets, namely 'Istharam Vikasitha Youth Skill Pool'. The concept of the 'Istharam' programme was developed by a partner NGO, the National Forum of People's Organizations, after seeing the potential income earning opportunities in the new resettlement sites. As the construction of houses and community infrastructure got under way, there was a natural demand for carpenters, masons, electricians, plumbers, painters and others. While some of the people who came together in the pool were skilled, many were semi-skilled, and others had been unskilled helpers at construction sites. The unskilled people were put through training programmes in various activities. The uniqueness of this initiative is that it provided skills to unemployed youth, connecting the skill pool with specific requirements in the resettlement sites. This provided the people who had been trained with specific employment opportunities.

3 The way forward

While considerable improvements have been achieved in TVET in Vietnam, the system is still in need of further streamlining, with obvious quick gains that could be achieved. Better and more engagement with the private sector is definitely one of them. However, evidence from the literature review and the mapping conducted in the Mekong Delta indicates that, despite government efforts to promote demand-led TVET, engagement of TVET institutions with the private sector is limited, fragmented and ad hoc.

Businesses' engagement with TVET can take different forms, ranging from basic funding of operations and/or provision of equipment for practice to more sophisticated relations, including their participation in curricula development and occupational skill standards, their involvement with the board and management of TVET institutions, and joint scientific research.

Unfortunately, involvement of enterprises in TVET is still limited compared to its potential. Some of the main obstacles that limit the engagement are related to but not restricted to the following:

- **Information:** Even if businesses wanted to engage with TVET institutions, there is no mechanism for them to find clear, easy-to-access and up-to-date information about the centres that operate in their proximity or in their area of interest, the type and level of courses they provide, the quality of trainers, and the impact training has had in terms of graduates' employment and quality of employment. Furthermore, the complexity of the system makes it extremely hard for companies to identify the right person at the right level to engage with for potential partnerships.
- **Incentives:** A study by Deutsche Gesellschaft für Internationale Zusammenarbeit surveying private companies in Vietnam found that most companies think that recent graduates have neither the level of technical skills to match the job requirements nor the soft skills necessary for success in the workplace. Consequently, many businesses have opted to establish their own training units, but a common concern amongst them is the fact that once workers are trained, they usually leave to pursue better job opportunities. This has caused the private sector to be cautious if not reluctant to invest in TVET.
- **Capacity:** A common complaint among TVET institutions involves the quality of trainers. A high proportion of technical trainers are not qualified or up to the vocational teaching standards, and a large number of them have not received advanced training to update their knowledge and skills, particularly in the development of modern production lines for companies/factories. The low quality of trainers represents a serious constraint in terms of capacity to establish proactive and creative partnerships with the private sector.

More could be done to better understand not only how TVET institutions' engagement with the private sector can be improved but also what type of engagement will bring the highest impact and the most benefit for both parties.

3.1 Successful models of partnerships between TVET institutions and the private sector

3.1.1 Background

Private sector engagement in TVET, as well as taking very different forms, can also occur at different stages in the process. Therefore, impact will depend not only on the stage at which the input/process/output of TVET businesses are engaged but also on how they are engaged. Forms of private sector involvement in TVET include but are not limited to the following:

- **Funding:** While funding is always an attractive option for both parties, what to fund, and how to fund it so that TVET institutions and trainees benefit from it the most, are more complex questions.
- **Curricula and occupational skills standards development:** Intense collaboration between the businesses and TVET providers is required in order to define what competencies and skills are needed and at what level. Curricula should be relevant not only to attaining educational outcomes but also to meeting employers' requirements. For this to happen, employers and providers need to work closely together.
- **Skills upgrading of TVET trainers:** Low skill levels of trainers is a common concern in TVET. Companies can help train the trainers and ensure that in addition to having the needed technical skills, the trainers also understand the constantly changing requirements of companies.
- **Education-to-work transition:** This can be achieved through various means including apprenticeships, on-the-job training and placements. While there are multiple mechanisms that could be used, the overall process could be improved, thus building stronger partnerships with the private sector.

Partnerships between TVET providers and the private sector can be a useful strategy to improve the quality of TVET so that trainees learn relevant skills that will ensure their employability after graduation. Partnerships can be formal or informal, large or small, whether they are conducted at the strategic level or at the level of training delivery. But creating partnerships between organisations that have very different goals is, at best, a challenging process. Businesses and TVET providers need to work together to define the relationship, determine the methods of collaboration, and establish shared goals that allow both parties to fully benefit from the partnership.

3.1.2 Objective

- To identify and assess how businesses can engage with TVET providers and which types of engagement can have the greatest impact on the system
- To identify successful models of partnerships between TVET institutions and the private sector

3.1.3 Expected outcomes

- The research would provide an assessment as an input to DFAT's consideration of this issue in its next country strategy paper.
- The report and findings would be disseminated to other donors active in the vocational training sector as potential input to their programme planning.

3.1.4 Activities

Literature review and background research that help answer the following questions:

- What are the different forms in which businesses can engage with TVET?
- Which of these forms have the greatest impact in terms of improving quality and quantity of provision?
- What are the different types of partnerships that take place between TVET institutions and businesses?
- What are the characteristics of these partnerships?
- Experiences of donors' roles in helping establish partnerships between TVET and businesses
- Lessons learnt and best practices for business engagement in TVET
- Can these different models be scalable /replicable? And if so, how?

The research will study different successful national cases (such as the Vietnamese Australian Vocational College, the Vocational College of Agriculture Mechanics, Hung Yen UTE and others) and international examples of partnerships with the private sector and will try to identify

opportunities to i) use local experiences as a benchmark for replication and ii) introduce international best practices.

Fieldwork will include visits to businesses and TVET centres in Vietnam that have been able to establish successful partnerships and *interviews with business representatives and TVET providers* in order to better capture lessons learnt and best practices. *Interviews with international TVET experts* will also be conducted to understand the role that donors can play in the establishment of these partnerships and to identify potential for replicability/scalability.

3.1.5 Outputs

Report on different models of partnerships between the private sector and TVET institutions, including case studies of successful cases at national and international levels.

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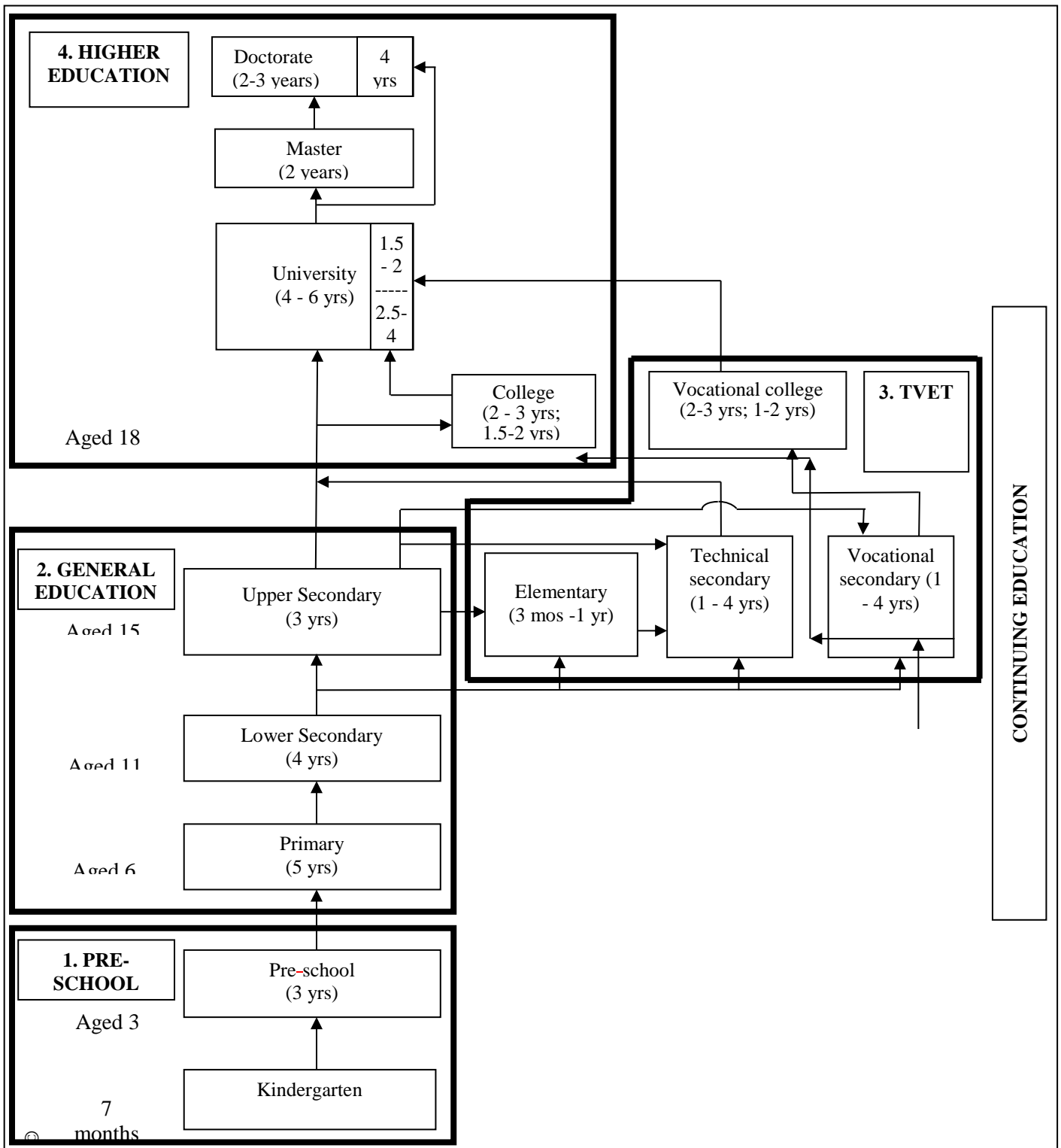
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Appendix

Appendix I – Diagram of the educational system in Vietnam

DIAGRAM 2 EDUCATION SYSTEM OF VIETNAM
(According to Amended Education Law 2009)



Appendix II – Ongoing multilateral and bilateral funded vocational training projects (2007-2012)

#	Project Name	Donor	Loan amount	Counterpart funding	Duration	Key Project Features
1	PPTA to prepare the Skills Enhancement Project	ADB	\$600,000 (grant)	\$150,000	2008-2010	Provide technical assistance for preparing the Skills Enhancement Project
2	Supply of Teaching Equipment to Dung Quat Vocational Secondary School	Denmark	\$3,850,000	VND 8,200,000,000	2009-2010	Supply training equipment and materials to improve and strengthen effectiveness and efficiency of Dung Quat Vocational Secondary School
3	Vocational Training Program	Germany	13.3 mil. EURO	5.8 mil EURO	2007-2012	Procure equipment and teacher training for 11 vocational institutions, with a focus on key occupations
4	Establish 5 Vietnam-Korea Vocational Colleges	Korea	\$35 mil.	\$26.5 mil.	2008-2013	Procure equipment and apply Korean vocational training model for 5 vocational institutions under the project
5	Skills Enhancement Project	ADB	\$70 mil	\$8 mil.	2010-2015	(i) Improve the quality and management of training programmes; (ii) upgrade 15 vocational colleges; (iii) strengthen partnerships with the private sector through the provision of a credit line for private VCs and greater involvement of enterprises in programme dev. and training
6	Demand-driven Skills Training for Poverty Reduction in the Mekong River Delta	JFPR	\$1.3 mil (grant)	\$350,000	2008-2012	Procure equipment, develop curriculum, deliver skills training, business start-up for the poor and ethnic minorities in the Mekong River Delta
7	Program Vocational Training 2008	Germany	10 mil. EURO	2.5 mil. EURO	2011-2014	Review and develop curriculum, syllabus for market-oriented training; capacity building for teachers and managers in schools participating in the project
8	Technical Support for	Germany	3 mil. EURO	300,000 EURO	2010-2014	Provide technical support

Vocational Training Project 2008		for preparing Vocational Training Project 2008				
9	System Advisory, phase II	Germany	3 mil. EURO	300,000 EURO	2011-2014	Improve quality and demand orientation of vocational training system in Vietnam
10	Capacity building for establishing skills testing and certification system for national occupational skills in Vietnam	Korea	\$1.5 mil. (grant)	\$300,000	2011-2015	Provide technical assistance and train teachers and managers, with goal of establishing skills testing and certification system for national occupational skills in Vietnam.

Source: Vietnam Vocational Training Report 2011, GDVT



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