





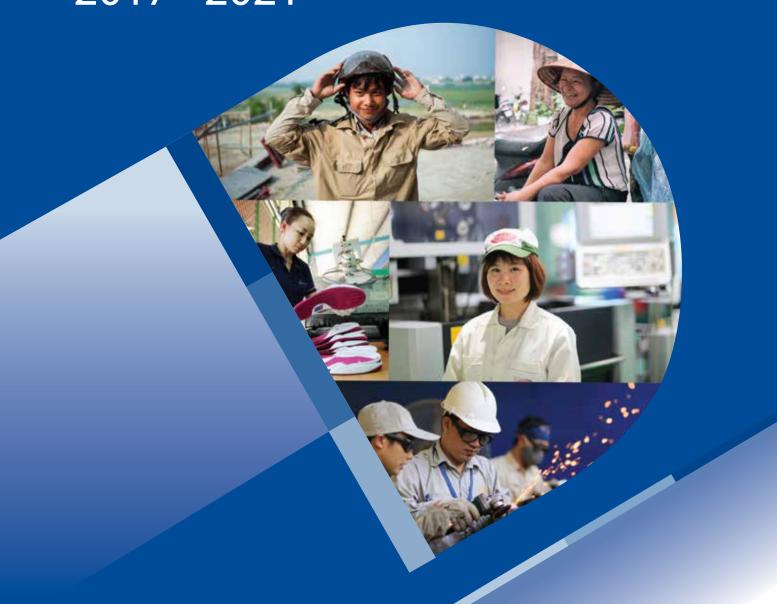






Vietnam Cooperative Alliance

Decent Work Country programme 2017 - 2021





Decent Work Country programme 2017 - 2021

VIET NAM

December 5, 2017

MEMORANDUM OF UNDERSTANDING

between

the Government of the S.R. of Vietnam, workers' and employers' organizations and the International Labour Organization on the Decent Work Country Programme in Vietnam, 2017-2021

Whereas the Government of the Socialist Republic of Vietnam, the undersigned workers' and employers' organizations, and the International Labor Organization (ILO), represented by the International Labor Office (referred collectively as Parties), wish to collaborate in order to promote and advance decent work in Vietnam;

Recalling the existing legal framework applicable to such collaboration, in particular the Agreement of 4 February 2002 between the Government of the Socialist Republic of Vietnam and the ILO on the establishment of an ILO Office in Ha Noi. Now therefore, the Parties hereby agree as follows:

- 1. The Parties affirm their commitment to collaborate in the implementation of the Decent Work Country Programme (DWCP). The following are agreed as priorities of the DWCP:
 - <u>Priority 1:</u> Promoting decent employment and an enabling environment for sustainable entrepreneurship opportunities;
 - <u>Priority 2:</u> Reducing poverty by extending social protection for all and reduce unacceptable forms of work, especially for the most vulnerable; and
 - <u>Priority 3</u>: Building effective labour market governance compliant with fundamental principles and rights and at work.
- 2. The ILO agrees to collaborate with the Government in the mobilization of resources and to provide development cooperation assistance in the implementation of the DWCP, subject to its rules, regulations, directives and procedures, the availability of funds and conditions to be agreed upon in writing.
- 3. This Memorandum of Understanding (MOU) may be modified by agreement between the Parties. Any such amendment or supplement shall form an integral part of the Memorandum of Understanding.
- 4. Nothing in or relating to this MOU shall be construed as a constituting a waiver of privileges and immunities enjoyed by the ILO as provided in the Agreement of 04 February 2002 between the Government of the Socialist Republic of Vietnam and the ILO on the Establishment of an ILO Office in Hanoi, Vietnam and in the 1956 Revised Standard Agreement concerning technical assistance between the ILO and Vietnam.

5. The DWCP is attached to this MOU. In the event that the terms contained in the DWCP document are incompatible with the terms of this MOU, the latter shall govern and prevail.

This MOU has been written and signed in Hanoi, Vietnam on 5/12/2017 in four (4) original copies in English. If this MOU is translated into another language, the English version shall govern and prevail.

This MOU, superseding all previous communications on the DWCP on this matter between the Parties, shall enter into force with effect from its signature by the authorized representatives of the Parties.

For and on behalf of the International Labour Office

Mr. Chang-Hee Lee
Director
ILO Office in Viet Nam

For and on behalf of Employers' organization

Mr. Vu Tien Loc
President
Viet Nam Chamber of Commerce
and Industry

Mr. Nguyen Ngoc Bao
President
Viet Nam Cooperative Alliance

ngulul

For and on behalf of the Government

Mr. Dao Ngoc Dung
Minister of the Ministry of Labour,
Invalids and Social Affairs

cear

For and on behalf of Workers' organization

Mr. Bui Van Cuong President

Viet Nam General Confederation of Labour

Executive summary

Viet Nam has justifiably been applauded internationally for economic and social development during the past 30 years, through implementation of policy of Doi Moi. Development of a socialist market oriented economy has yielded outstanding results as measured against national and international benchmarks. Viet Nam is today a lower middle-income country that has achieved most of the Millennium Development Goals. Consolidation of progress, international integration and securing social and economic development against risks are now at the top of the policy agenda in Viet Nam.

In Viet Nam Decent Work has long been perceived as part and parcel of the socially oriented market economy under construction. Progress in each of the four interdependent and mutually supportive pillars of decent work, albeit somewhat uneven, has clearly been achieved in Viet Nam. Yet there are still challenges to overcome in assuring all Vietnamese women and men opportunities for work that is productive and delivers a fair income; security in the workplace and social protection for families; better prospects for personal development and social integration; and freedom for people to express their concerns, organize and participate in the decisions that affect their lives. To meet these challenges, this Decent Work Country Programme for Viet Nam, 2017-2021, sets out 3 Country Priorities – identified in consultation with the International Labour Organization (ILO)'s national constituents – on which the ILO will seek to support Viet Nam's efforts. The priorities are to:

- Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities;
- Reduce poverty by extending social protection for all and reduce unacceptable forms of work, especially for the most vulnerable; and
- Build effective labour market governance compliant with fundamental principles and rights and at work.

These 4 pillars of decent work – employment, rights, protection, and dialogue – are inseparable, interrelated and mutually supportive; Viet Nam is committed to promoting and securing decent work for its citizens.

Nine Country Programme Outcomes describe the results sought within these priorities; 3 under Priority 1 (employment), 2 under Priority 2 (protection), and 4 under Priority 3 (rights and dialogue)

Outcome 1.1

Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups

The focus of work under this Outcome is to improve the formulation and implementation of employment policies and programmes that promote productive and freely chosen employment. Emphasis is placed on the employment opportunities for vulnerable groups in Viet Nam with a view to maximizing employment.

Outcome 1.2

More women and men working in the informal economy engage in decent work through increased formalization.

Dedicated work to help transition workers in the large informal economy to the formal economy will be pursued under this Outcome, specifically with the aim of improving decent work outcomes for this group of workers, including ethnic minorities. Actually strategies will be based on the decisions of those affected in the informal economy developed through social dialogue, aligned with national targets of expanding the scope of social protection and safety and health protections. An incremental approach will be taken designed to develop best practices for further dissemination.

Outcome 1.3

Prospects for freely chosen and productive employment are maintained and expanded for women and men through migration and better preparedness for jobs and sustainable entrepreneurship in global value chains.

National development policy has specifically identified migration for employment and improving the quality of national human resources as part of employment promotion. These will be pursued under this Outcome. Support to improve legal and fair migration will contribute to this priority. Institutional capacity to offer vocational guidance and training that is appropriate to Viet Nam's new needs will be targeted for development.

Outcome 2.1

Social protection is extended and delivered to larger targeted population (men and women) through a more efficient and effective system.

In terms of protection, continued technical and operational supports will be pursued to assist in nation's pursuit of expanded real coverage of social protection, including health services.

Outcome 2.2

Unacceptable forms of work, especially child and forced labour, measurably reduced.

Protection from unacceptable forms of work, particularly child and forced labour, are the target of this Outcome. The requirements of international integration and improved human resource development are important policies drivers for this Outcome, in addition to the rule of law.

Outcome 3.1

Effective industrial relations systems built in line with international labour standards and fundamental principles and rights at work.

With labour rights in mind, a new industrial relations framework closer in conformity with ILO Declaration on Fundamental Principles and Rights at Work will continue to be pursued under this

Outcome. Need for effective industrial relations in the context of international integration drive activities under this Outcome, which will eventually have a very important influence on labour market institutions in Viet Nam

Outcome 3.2

Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women and men, and particularly young workers.

This Outcome foresees continuation of ILO work with MOLISA, DOLISAs, and the social partners to improve the public labour inspectorate, and to develop capacity for new safety and health enforcement functions. Work to broaden approaches borrowed from, and synergies with, Better Work Viet Nam, will continue to be pursued.

Outcome 3.3

Decent work opportunities increased through integrated approaches to compliance and workplace innovation applied at sectorial and workplace level for sustainable enterprise development.

The localization and dissemination of initiatives inspired by longstanding ILO work capitalizing on synergies between good working conditions, enterprise productivity and competitiveness, and resulting employment creation are the focus of work under this Outcome. Sectorial social dialogue will be promoted as well as workplace level actions for innovations with domestic and multi-national enterprises designed to expand decent work and competitiveness.

Outcome 3.4

Deepened commitment to ratify and apply international labour standards.

Explicit national policy directives targeting the ratification and application of international labour standards underpin this Outcome. Supports will be pursued to advocating, illuminating, and supporting further compliance with international standards identified by the government and social partners.

This DWCP draws on results and lessons learned set out in a Review of the previous. It is tightly aligned with the national Socio-economic Development Strategy and Plan, as well as other relevant national development plans. Innovations in implementation and management of the DWCP include the inauguration of a steering committee, a horizontal/vertical dissemination initiative, and a capacity building coordination function in the ILO Country Office. Provision is made for annual reviews of progress; a resource mobilization plan is set out, as well as a strategic approach to advocacy and knowledge sharing.

The ILO considers that effective tripartite social dialogue between the Government institutions, the employers and workers' organizations is the most efficient means of achieving Decent Work goals. Therefore, the primary objective of this document is to have an agreed framework on how best to advance the decent work agenda in Viet Nam among the tripartite partners, and to use it as a planning, monitoring and communication tool for the next five years in full collaboration and ownership with all parties concerned.

Table of contents

Execu	utive summary	İV
Table	e of contents	vii
Abbre	eviation and acronyms	ix
1.	Introduction	1
2.	Country context	3
2.1.	Context moving towards 2020 – A view from national development plans	3
2.2.	Viet Nam's real successes in social and economic development	6
2.3.	Viet Nam's international integration continues	8
2.4.	Decent work in Viet Nam	10
	2.4.1. Employment	11
	2.4.2. Social protection	20
	2.4.3. Social dialogue and tripartism	23
	2.4.4. Fundamental principles and rights at work	24
2.5.	UN frameworks	25
2.6.	ILO and international partners' cooperation with Viet Nam	26
2.7.	Opportunities and risks for the future	27
2.8.	Lessons learned from implementing last DWCP	28
3.	Country priorities and country programme outcomes	29
3.1.	Country Priority 1. Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities	30
3.2.	Country Priority 2. Reduce poverty by extending social protection for all and reduce unacceptable forms of work	40
3.3.	Country Priority 3. Build effective labour market governance compliant with fundamental principles and rights and at work	46
4.	Implementation planning, management, monitoring, reporting and evaluation arrangements	60
4.1.	Implementation and performance monitoring arrangements, including roles of the ILO constituents	60
4.2.	Evaluation arrangements	61

4.3.	Risks	61
5 .	Funding plan	62
6.	Advocacy and communications approach	63
APPE	NDICES	64
Annex	1. Decent work country programme at a glance	65
Annex	2. ILO Conventions ratified by Viet Nam	68
Annex	C3. DWCP Results Matrix	69
Biblio	graphic References	79

Abbreviation and acronyms

Acronyms are used in this paper from the outset, for the sake of brevity.

Association of Southeast Asian Nations **ASEAN**

BWV Better Work Viet Nam

CO **Country Office**

CPO Country programme outcome **CPR** Country Programme Review

DOLISA Department of Labour, Invalids and Social Affairs

DWCP Decent Work Country Programme DWT Decent Work Technical Team

Technical Support for Enhancing the National Capacity to Prevent and **ENHANCE**

Reduce Child Labour in Viet Nam

ESSA Extending Social Security Coverage in Asean European Union Viet Nam Free Trade Agreement **EUV**

FTA Free trade agreement **GDP Gross Domestic Product**

General Department of Vocational Training **GDVT GET** Gender and Entrepreneurship Together

General Statistics Office **GSO**

human immunodeficiency virus/ acquired immunodeficiency syndrome **HIV/AIDS**

HVDI horizontal/vertical dissemination initiative ILO International Labour Office/Organization

ILSSA Institute of Labour Science and Social Affairs

Know Your Business KAB

LED Local economic development M&E Monitoring and evaluation

MOLISA Ministry of Labour, Invalids and Social Affairs **MPSAR** Master Plan for Social Assistance Reform

NGO Non-governmental organization New Industrial Relations Framework NIRF National Labour Relations Committee **NLRC**

ix

NOSS National occupational skill standards

OSH Building a Generation of Safe and Healthy Workers (SafeYouth@Work)

P&B Programme and budget (of the ILO)

Prodoc Project Document

SCORE Sustaining Competitive and Responsible Enterprises

SEDP Socio-economic Development Plan
SEDS Socio-economic Development Strategy

SIYB Start/Improve Your Business

SSC Sector Skills Council

STED Skills for Trade and Economic Diversification

TBP Time Bound Programme

TRIANGLE Tripartite Action to Enhance the Contribution of Labour Migration to Growth

and Development in ASEAN

TPP Trans-Pacific Partnership FTA

TVET Technical and vocational education and training

UN United Nations

UNFPA United National Fund for Population Activities

UNICEF United Nations International Children's Emergency Fund

USDOL United States Department of Labour

VAMAS Vietnamese Association of Manpower Suppliers

VCA Viet Nam Cooperative Alliance

VCCI Viet Nam Chamber of Commerce and Industry

VETR Viet Nam Employment Trends Report

VGCL Viet Nam General Confederation of Labour VLSTR Viet Nam Labour and Social Trends Report

VSS Viet Nam Social Security Fund
WISH Work Improvement for Safe Home

WTO World Trade Organization

1. Introduction

- 1. Viet Nam has been a member of the ILO since 1992, and an ILO Office was established in country in 2003. In following ILO global operational procedures, the ILO Office for Viet Nam has prepared this Decent Work Country Programme 2017-2021, in consultation with its tripartite constituents. A DWCP is a results-based framework for ILO action at the country level. It is a governance document that has its objectives to:
- specify the Office's support to the constituents' priority results during a specific time period in a specific country;
- be consistent with the ILO commitment to tripartism and social dialogue, drawing on consultation with constituents (governments, workers' organizations and employers' organizations) to help establish its Country Programme priorities;
- be designed and implemented with the engagement of constituents; and
- respond to the policy priorities in the Bali Declaration and in line with the commitments articulated by the constituents in the 16th Asia and the Pacific Regional Meeting.
- provide a vehicle for the Office to manage its collaboration with other UN agencies and partners through relevant UN programming frameworks, including the UN's One Strategic Plan in the case of Viet Nam.
- 2. This is the third DWCP for Viet Nam. It covers the period from 2017 to 2021, coinciding with the ILO's programming and budget cycle¹ and with the UN's One Strategic Plan for Viet Nam 2017-2021.
- 3. The previous DWCP covered the period 2012-2016. An evaluatory Country Programme Review was conducted in mid-2016 building on earlier national monitoring work.² The Review looked both back at implementation of the DWCP and forward to preparation of the current Programme. Thus, the first formal consultations on this DWCP took place on 5 July 2016 as part of the Country Programme Review.³ Subsequent consultations were held individually in

¹ Current P&B 2016-2017, next P&B 2018-2019, and the following P&B 2020-2021.

² http://hanoitimes.com.vn/social-affair/2014/02/81e0765a/ilo-Viet Nam-decent-work-country-programme-review/ (accessed 8 October 2016).

³ Interests noted during the first consultation included, inter alia, the future of work in the Vietnamese context, including relations to climate and technology change; the importance of monitoring and international integration for the DWCP; the importance of supporting a "culture of compliance" through labour inspection and in relations to safety and health at the workplace and in relation to TPP requirements; the interaction of related ILO-supported interventions; communication and integration between national and provincial initiatives, including raising the importance of province-level results; consistency of DWCP with domestic legal frameworks; development of "bottom-up" initiatives and partnerships with new civil society organizations in the DWCP.

September and October 2016, and again on 7 November 2016.⁴ The previous DWCP Review made several suggestions for this Programme that have been considered and incorporated; further details are found in section 2.8 Lessons learned from implementing last DWCP.

4. Consultations were also held with the ILO's partners in Viet Nam, including UN agencies and donors. The DWCP is substantively aligned with the Socio-Economic Development Strategy 2011-2020 (SEDS), which guided the formulation of two Socio-Economic Development Plans (SEDP), for 2011-2015 and for 2016-2020, the latter of which this DWCP is aligned. The Sustainable Development Goals (SDGs) have also been taken closely into account and integrated into ILO work.

⁴ URL of Review Document in English and Vietnamese when available on ILO Viet Nam website.

2. Country context

5. Viet Nam is a considered one of the most politically stable and economically dynamic countries in Southeast Asia. Although there are important urban areas in the north and south of the country, almost 65 per cent of its 90 million population still lives in rural areas. Its territory is more than 330,000 square kilometers. GDP in 2015 was US\$193,599 billion. Life expectancy at birth in 2014 was 75.6 years.⁵

2.1. Context moving towards 2020 - A view from national development plans

- 6. In the first 10 years of the New Millennium, Viet Nam took advantage of opportunities and advantages to overcome many difficulties and challenges. Economic growth was strong reaching an annual average of 7.26 per cent according to the SEDS 2011-2020 and 6.62 per cent according to World Bank data. It became a lower middle-income country in 2010, despite the shock of two financial crises. It joined the World Trade Organization in 2007. The World Bank reported that the poverty headcount fell from 58 percent in the early 1990s to 14.5 percent by 2008, and by these standards was estimated to be well below 10 percent by 2010.6 Most of the MDGs were achieved or exceeded.7 All in all, Viet Nam is today considered a development success story, having been transformed from one of the poorest nations in the world within just twenty-five years.
- 7. Moving toward 2020, Viet Nam continues to address the social and economic challenges to establishing the foundations of a modern industrialized country that were identified by its leaders in 2010.8 Despite progress, the quality of growth, productivity, efficiency and competitiveness of the economy is low. In 2016, the World Economic Forum's Global Competitiveness Index characterized Viet Nam's stage of development as one in transition between an economy that is driven by the low cost of factors of production and one driven by its efficiency in deploying factors of production. Viet Nam was ranked 56th out of 140 economies in terms of overall competitiveness, with a score of 4.3 a continued improvement over the previous three years.9

http://documents.worldbank.org/curated/en/563561468329654096/pdf/749100REVISED00al000Eng000160802013 pdf.

⁵ http://www.worldbank.org/en/country/Viet Nam

⁶ World Bank 2012. Well begun, but not yet done: Viet Nam's remarkable progress on proverty reduction and the emerging challenges, Available at: http://documents.worldbank.org/curated/en/563561468329654096/pdf/749100REVISED00al000Eng000160802013.

⁷ Socialist Republic of Viet Nam 2015. Country Report: 15 years of achieving the Viet Nam Millennium Development Goals, Available at: http://www.vn.undp.org/content/Viet Nam/en/home/library/mdg/country-report-mdg-2015.html.

⁸ SEDS, 2010-2020, 1. Situation of the country.

⁹ http://www3.weforum.org/docs/gcr/2015-2016/VNM.pdf

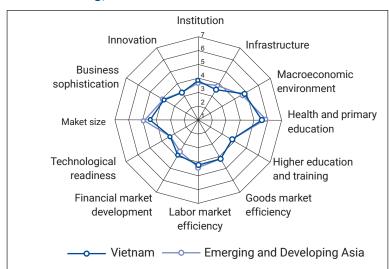


Figure 1: Competitiveness Ranking, 2015-16

- 8. The SEDP 2016-2020 sees Viet Nam's macroeconomic situation as stable, but not steady, with some particular weaknesses. The Plan observed controlling inflation and ensuring major balances in the economy as not really been sustainable. State management has yet to meet the development requirements of the market economy and integration. The mobilization and use of limited resources for development is inefficient, State management of enterprises in general is still weak, and the implementation functions of owners of state owned enterprises remains inadequate. Economic growth as confirmed by the Competitiveness Index still relies heavily on the investment of labour and factor inputs.
- 9. In terms of education, training and health, the SEDP noted existing weaknesses being slowly overcome. Indeed, adult literacy stands at 94,9 per cent (male 96.6 per cent, female 93.3 per cent), having steadily risen¹⁰ UNESCO has estimated that in 2012 1.79 per cent of eligible children were not attending primary school.¹¹ "In 2011 the primary school completion rate was 97.5 per cent. In terms of the work force, more than 80 per cent are untrained. This compares to a target set in the SEDP of 65 per cent-70 per cent being training by 2020, and of that figure 25 per cent having certificates or degrees. In fact, in 2015, 19.9 per cent of the labour force has a certificate or degree. 12 The SEDP submitted that the quality of human resources remains a constraint to development. The Global Competitiveness Index in 2016 ranked "health and primary education" 61st (out of 140) with a score of 5.9 (out of 7), but "higher education and training" 95th with a score of 3.8. Out of 16 factors stated as a problem for doing business in Viet Nam "inadequately educated workforce" was third most important, after "policy instability" and "access to financing". A new TVET Law, in effect since July 2015, brought in reforms through a comprehensive set of policies and improved system for promoting skills development in priority sectors, thus enabling Viet Nam to more successfully supply workers with skills appropriate to jobs on offer. This is in line with the SEDP goal in improving the quality of human resources by focusing on high value added, high productivity skills for modernization and innovation.

^{10 2015} Statistical Yearbook

¹¹ http://data.uis.unesco.org/?ReportId=184&IF_Language=eng

^{12 2015} Statistical Yearbook

- 10. The sustainability of Viet Nam's economic growth are threatened by environmental stresses; concern has been expressed in the SEDP. Many areas were said to be heavily polluted, and natural resources and land management is not good, with the result that resources are exploited and inefficiently used. Land policies were also identified as at some points as inappropriate. An emphasize is placed on actions to cope with climate change, increase forest coverage, improve water supply coverage, improve treatment of industry waste, improve treatment of solid waste, to prosecute polluters and to respond to sea-level rise and vulnerability of low-lying coastal regions. Additionally, it is important to note the employment and livelihood effects of dirty industry and climate change.
- 11. According to the SEDP, in the last 5 years the economy created 7.8 million more jobs, social security has been better assured, and people's living standards improved, but the labour market has not functioned smoothly. Information on labour supply and demand is limited according to the SEDP and this is confirmed by data showing that informal channels remain the predominant manner in which jobs are found and filled (see paragraph 31). Restructuring of labour utilization is proceeding slowly and the proportion of workers in rural areas and in agriculture is still high and, indeed, the structure of employment shows this in Table 10. While poverty reduction results must be acknowledged, the SEDP claims they are not sustainable and that there is a high risk of falling back in poverty. Finally, the proportion of workers in informal sector remains high confirmed by data shown in paragraph 26 and still lack of measures in order to protect them effectively.
- 12. The SEDP has cited certain governance issues as important reasons for on-going efforts in establishing the foundations of a modern industrialized society. According to the SEDS, the Party's mindset for socio-economic development and leadership modality has been slow to reform and not yet met the requirements of national development; state administration remains weak, with cumbersome organizations lacking capacity and high quality civil servants; and corruption remains a problem. With data from across the period of the previous DWCP, the Public Administration Performance Index (PAPI) appears to roughly correlate with SEDP assertions. Looking across the six dimensions that PAPI measures,¹³ "the 2015 results revealed a dip in performance in the first five measures. Specifically, there was a substantial drop in scores in the transparency and control of corruption dimensions, and a significant decline in local level participation and vertical accountability. There was also a slight decrease in the performance of public administrative procedures in comparison to previous years. On a positive note, public service delivery scores continued to increase modestly."¹⁴

¹³ They are (1) participation at local levels, (2) transparency, (3) vertical accountability, (4) control of corruption, (5) public administration procedures and (6) public service delivery.

¹⁴ Centre for Community Support and Development Studies, Centre for Research and Training of the Viet Nam Fatherland Front & United Nations Development Programme 2016. The Viet Nam Provincial Governance and Public Administration Performance Index: Measuring citizens' experiences, Available at: http://papi.org.vn/eng/wp-content/uploads/2016/04/PAPI-2015_REPORT_ENGLISH-1.pdf. p. xx. See also http://papi.org.vn/eng/index (accessed 9 October 2016).

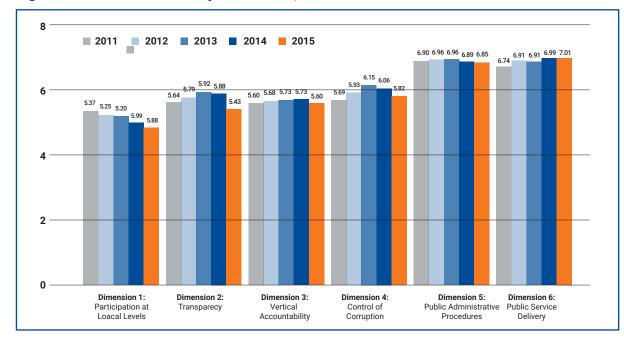


Figure 2: PAPI mean scores by dimensions, 2011-2015

Source: (Centre for Community Support and Development Studies et al., 2016) p. 6

2.2. Viet Nam's real successes in social and economic development

- 13. The demonstration in the SEDS perhaps reflects the laudable steadfastness of the country's leadership to implore national actors to contribute further to national development. Indeed, since the last DWCP was prepared in 2012, Viet Nam has continued to make economic and social advances grounded in sustained policies aimed at integrating with the global economy. Progress has been registered again virtually every metric.
- 14. In terms of UN Human Development Indicators, in Viet Nam between 1980 and 2014
- life expectancy at average increased by 8.2 years,
- mean years of schooling increased by 3.3 years
- expected years of schooling increased by 3.3 years, and
- GNI per capita increased by about 371.5 percent.¹⁵
- 15. Overall, Viet Nam's HDI value has risen from .657 in 2011 to .666 in 2014. With inequality taken into account, the value is reduced by 17.5 per cent, which is significant, but somewhat less than comparators in the region.¹⁶
- 16. In terms of gender-based inequality, Viet Nam ranked 60 out of 155 countries in the 2014
- 24.3 per cent of parliamentary seats are held by women
- 59.4 per cent of adult women have reached at least a secondary level of education compared to 71.2 percent of their male counterparts

¹⁵ United Nations Development Programme 2015. Briefing note for countries on the 2015 Human Development Report: Viet Nam, Available at: http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/VNM.pdf.

¹⁶ 18.1 per cent for Philippines, 19.4 per cent for all East Asia and the Pacific, and 20.6 per cent for Thailand.

- for every 100,000 live births, 49 women die from pregnancy related causes
- the adolescent birth rate is 29.0 births per 1,000 women of ages 15-19
- female participation in the labour market in 2015 was 72.9 per cent compared to 83 per cent for men, up from 2012, but down slightly from 2014.¹⁷

17. In terms of the Social-economic Development Plan 2016-2020 targets

Table 1: Socio-economic Development Plan 2016-2020 targets

	Indicator	Target	Actual
1	Average GDP Growth	6.5%-7.0%/year	6.6 % in 2015
			6.4% average since 2000 (a)
2	Annual GDP per capita	3,200-3,500 USD	2,111 USD in 2015 (current USD) (a)
3	Industry, Construction & Services' share of GDP	85%	13.8 Services (2015) (c)
4	Total average social investment over 5 years	32% - 34% GDP	
5	Budget deficit by 2020	4% GDP	5.4% in 2015; 5.6% 10 year average (b)
6	Total factor productivity's contribution to economic growth	30- 35% GDP	
7	Average increase in productivity	5%/year	
8	Decrease in power drain as share of GDP per capita	1% - 1. 5%/ year	
9	Urbanization rate by 2020	38%- 40%	14.4% of population in urban agglomerations of more than 1 million in 2015(a)
10	Share of agricultural workforce by 2020	40%	44% in 2015, in agriculture, forestry, and fishing (c)
11	Trained labour	65%- 70%	Untrained 2015 = 80%(c)
	Of which have a degree, certificate	25%	19.9 in 2015 (c)
13	Urban unemployment	<4%	3.37 in 2015 (c)
14	Number of doctors per 10,000 people	9 – 10	8 per 10000 inhabitants in 2015(c)
15	Number of hospital beds per 10,000 people	> 26.5	27.1 patient beds per 10,000 people in 2015 (c)
16	Health insurance coverage	> 80%	
17	Reduction in poverty rate	1% - 1. 5%/ year	
18	Hazardous waste treated 85%	85%	
19	Hospital waste treated	95%- 100%	n/a
20	Forest coverage	42%	40.4% in 2014(c)
21	Access to clean water by 2020	90% in rural areas 95% in urban areas	

Source: "Indicator" and "Target" are from SEDP; "Actual" are from World Bank(a), Asian Development Bank(b), GSO(c) 18

¹⁷ General Statistics Office 2015. Report on the Labour Force Survey, 2015, (Hanoi, Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5<emID=16027.

http://e.vnexpress.net/infographics/data-speaks/factbox-so-cio-economic-development-targets-for-2016-2020-3377779.html

18. **Progress has been significant in terms of real GDP per capita,** which has risen almost 60 per cent since 2010.

Table 2: Real GDP per capita, 2000-2014

1 '	
Year	USD
2010	1 333.58
2011	1 542.67
2012	1 754.54
2013	1 907.56
2014	2 052.31
2015	2 111.13

Source: World Bank data

2.3. Viet Nam's international integration continues

- 19. After the start of Doi Moi, membership in the WTO in 2007 marked an important symbolic and real milestone for Viet Nam's international integration. Important and measurable results flowed from membership, although the global financial crisis starting in late 2008 had early countervailing effects where job creation and economic results were concerned. Awareness of international labour standards and corporate social responsibility standards increased, along with the critical importance of a skilled labour force ready to take on job opportunities created by integration. Premiums claimed by well skilled workers started opening a wage differential with unskilled workers, affecting the dispersal of incomes overall. The Gini Co-efficient was estimated at 37.44 in 2006, 38.15 in 2008, 42.68 in 2010 and then down again to 38.7 in 2012 "fairly small increases in inequality" according to the WB/MPI. And where unskilled workers also happened to be women, the gender wage gap was compounded.
- 20. Although membership in ASEAN provided early integration benefits, a new series of trade agreements is broadening the Association's trading relations. Viet Nam's membership in ASEAN gave benefits in agreements between ASEAN and China (2005/7), Japan (2008), Korea (2009), Australian and New Zealand (2010), and India (2010/2015). Bilateral agreements were made between Viet Nam and Japan (2009), Chile (2014), and Korea (2015). The establishment of the ASEAN Economic Community (AEC) in 2015 has opened the door to further intra-regional integration agreements. Another FTA that lies in near future is the Regional Comprehensive Economic Partnership (RCEP) that is being negotiated among the 10 ASEAN Member States, Australia, China, India, Japan, Republic of Korea and New Zealand.

¹⁹ Central Institute for Economic Management 2010. Impacts of international economic integration on Viet Nam's economy after three years of WTO membership, Available at: http://mutrap.org.vn/index.php/en/library/finish/61/607.

World Bank & Ministry of Planning and Investment of Viet Nam 2016. Viet Nam 2035: Toward Prosperity, Creativity, Equity and Democracy (Overview), Available at: https://openknowledge.worldbank.org/bitstream/handle/10986/23724/VN2035English.pdf?sequence=10&isAllow ed=y., figure 1(d) at page 4. The Gini coefficient is a measure of statistical dispersion intended to represent the income distribution of a nation's residents. It is the most commonly used measure of inequality. A coefficient of "0" expresses perfect equality, where all values are the same, i.e. everyone has the same income. A coefficient of "1" expresses maximal inequality. See https://en.wikipedia.org/wiki/Gini_coefficient (accessed 9 October 2016).

²¹ World Bank data, http://data.worldbank.org/country/Viet Nam?view=chart (accessed 25 September 2016).

http://rtais.wto.org/UI/PublicSearchByMemberResult.aspx?MemberCode=704&lang=1&redirect=1 (accessed 2 October 2016)

Decent **2017** Work **2021**

21. **Moving beyond the region, Viet Nam has now negotiated trade agreements.** Agreement on the EU-Viet Nam (EUV) FTA came in December 2015, and the agreement is expected to come into force in early 2018. The Transpacific Partnership (TPP) agreement was concluded and signed in early 2016. Labour standards figure in both, whereby all parties have agreed, *inter alia*, to respect the ILO's fundamental principles and rights at work, and more. See Box 1, below. Although the TPP is not expected to come into force, its negotiated labour-related provisions set important law reform processes in motion in Viet Nam.

Box 1: Labour standards provisions of EUV FTA

Each of the parties to the EUV FTA ¬ reaffirmed their commitment "to respect, promote and effectively implement the principles concerning the fundamental rights at work, namely:

- a) the freedom of association and the effective recognition of the right to collective bargaining;
- b) the elimination of all forms of forced or compulsory labour;
- c) the effective abolition of child labour; and
- d) the elimination of discrimination in respect of employment and occupation."

The Parties to the EUV FTA agreed to "make continued and sustained efforts towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions, and the Parties will regularly exchange information in this regard." The Parties, "will also consider the ratification of other conventions that are classified as up to date by the ILO, taking into account its domestic circumstances" and agreed to exchange information in this regard." Finally, "each Party reaffirm[ed] its commitment to effectively implement in its laws and practices the ILO Conventions ratified by Viet Nam and the Member States of the European Union respectively."

22. The export and import of manufactured goods predominates international trade, with China, the United State, the European Union, Korea and Japan as the most important trading partners. In 2014, more than three quarters of all imports and exports were manufactured goods, agricultural products representing 17.6 per cent of exports and 11 per cent of import. Exports and imports have been consistently growing, and the structure of trade has evolved considerably over the last 15 years. Imports of primary products along with more technology-intensive manufactures have gained in importance. There has also been a recent shift away from primary product exports toward more technology-intensive manufacturing, particularly in electronics and electrical goods, while low-technology manufacturing exports of textile, garments and footwear continue to account for a quarter of total exports of Viet Nam.²³ Overall, the World Bank calculates Viet Nam as seventh worldwide for its openness to international trade.²⁴ Only Hong Kong SAR, China, Luxembourg, Singapore, Ireland, Maldives and the Slovak Republic surpass Viet Nam's rank in 2016. Such openness to trade, together with its changing structure, has important implications for the structure of employment, earnings and skills in demand.

²³ ILO's preliminary estimate by applying Lall's (2000) technological categorization of products in SITC Rev.3 at 3-digit level on data extracted from COMTRADE (http://comtrade.un.org/db/) (accessed October 2016).

²⁴ http://data.worldbank.org/indicator/NE.TRD.GNFS.ZS (accessed 2 October 2016). The Openness Index is an economic metric calculated as the ratio of country's total trade, the sum of exports plus imports, to the country's gross domestic product. = (Exports + Imports)/(Gross Domestic Product). The interpretation of the Openness Index is: the higher the index the larger the influence of trade on domestic activities, and the stronger that country's economy. (Wikipedia)

Table 3: Main trading partners, 2014

Exports to:		Imports from:	
European Union	18.4	China	27.9
United States	18.1	Korea, Rep. of	15.7
Japan	10.3	Japan	8.8
China	10	European Union	7.1
Korea, Rep. of	5.1	Taipei	7.1

Source: WTO

Table 4: Imports/Exports, total merchandise (US\$, at current prices, in millions)

	2011	2012	2013	2014	2015
Exports	96 906	114 529	132 033	150 217	162 107
Imports	106 750	113 780	132 033	147 849	166 103

Source: WTO

The pattern of trade is also partly shaped FDI flows. FDI flows to Viet Nam increased more than ten-fold between 2000 and 2015, from US\$1.3 to US\$11.8 billion.²⁵ By 2015, Viet Nam was the third biggest recipient of FDI among the ASEAN Member States, following Singapore and Indonesia. FDI inflows accounted for roughly a fifth of gross fixed capital formation in 2014, which is slightly higher than the ASEAN total (18.4 per cent) but much lower than Singapore (87.7 per cent) or Cambodia (48.9 per cent). At the same time, FDI as share of total trade in goods and services is much more moderate, standing at 6.2 per cent in 2014, lower than the ASEAN total of 8.3 per cent. While FDI is increasingly becoming important in shaping the structure of the economy and trade, with implications for employment opportunities (figure 3), dependence on FDI to drive trade and structural change is moderate, compared to some of the neighbouring countries, the linkage and technological spill-over with the domestic enterprises is limited. Maintaining a strategic balance and enhancing linkages between foreign investment and domestic enterprises when Viet Nam is increasingly integrating with the global economy remains important for continued enterprise development and employment opportunities. A question remains on value-added nature of domestic enterprises, as Vietnamese firms are at the low end of the global supply chains, with low profits and productivity.

2.4. Decent work in Viet Nam

For the ILO decent work involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. These 4 pillars of decent work – employment, rights, protection, and dialogue – are inseparable, interrelated and mutually supportive; Viet Nam is committed to promoting and securing decent work for its citizens.

²⁵ This information for this paragraph is taken from UNCTADSTAT: http://unctadstat.unctad.org/ (accessed 2 November 2016).

2.4.1. Employment

24. **Viet Nam's labour force continues to grow.** There are some 53.9 million persons (27.8 male, 26.1 female) in the labour force – with a sizable majority, some 68 per cent – in the rural areas. Despite an overall increase in the labour force by some 3 per cent between 2012 and 2015, the increase in the urban labour force has risen more than in the rural labour force (6.5 per cent versus 1.7 per cent), reflecting the rural to urban migration.

Table 5: Labour force, 2012-2015, with yearly change (,000)

	2012	2013	2014	2015	Change between 2012-2015
Overall	52 348	53 246	53 748	53 984	+3.1%
		+1.7%	+0.9%	+0.4%	
Male	26 918	27 371	27 561	27 843	+3.4%
		+1.7%	+0.7%	+1.0%	
Female	25 430	25 875	26 187	26 141	+2.8%
		+1.7%	+1.2%	-0.2%	
Urban	15 886	16 042	16 526	16 911	+6.5%
		+1.0%	+3.0%	+2.3%	
Rural	36 462	37 203	37 222	37 073	+1.7%
		+2.0%	+0.1%	-0.4%	

Source: (General Statistics Office, 2015)

Table 6: Labour force participation rate (per cent), 2012-2015, with yearly change

	2012	2013	2014	2015
Overall	76.8	77.5	77.7	77.8
		(+0.7)	(+0.2)	(+0.1)
Male	81.2	82.1	82.5	83
		(+0.9)	(+0.4)	(+0.5)
Female	72.5	73.2	73.3	72.9
		(+0.7)	(+0.1)	(-0.4)
Urban	70	70.3	70.3	71.1
		(+0.3)		(+0.8)
Rural	80.1	81.1	81.6	81.3
		(+1)	(+0.5)	(-0.3)

Source: (General Statistics Office, 2015)

25. **Employment opportunities are growing; disproportionately in the non-state and foreign investment sectors.** Between 2005 and 2015, the annual employed population grew by just over 10 million, with roughly 218,000 in state employment, 8.76 million in non-state employment and 1.1 million in foreign investment enterprises.s.²⁶ Today, as shown in Figure 3 below, 86 per cent

²⁶ 42.77 million in 2005 and 52.84 million in 2015. General Statistics Office. 2016. Statistical Yearbook of Viet Nam, 2015, Hanoi, Statistical Publishing House. Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&id-mid=5<emID=16052

are employed in the non-state sector (not to be confused with "private sector"27), 9.8 per cent in the state sector, and 4.7 per cent in foreign investment enterprises. An average of year-on-year gains in employment in state, non-state, and foreign investment enterprises during this period was .46 per cent, 2.2 per cent and 7.4 per cent, respectively. Even taking into account years in which employment in the foreign investment enterprises actually declined - the global financial crisis shock years of 2009 and 2011 - foreign investment enterprises clearly play and increasingly important role in job growth in Viet Nam. Analysis of employment by firm size firm shows that SMEs provide 60 per cent of total (formal) employment, contribute 40 per cent to GDP, and account for 97 per cent of firms in the country. SMEs also have the greatest potential for growth, integration into global supply chains and further job creation. In relation to women, youth and migrants, they may offer the most realistic opportunity for decent formal employment. The UNDP has reported that with the conclusion of FTAs, Viet Nam's economy is expected to add six and a half million additional jobs by 2030, most of them linked to export manufacturing industries. Concerns remain, however. This number will certainly be revised downward without the TPP coming into force. Reports of automation of manual assembly work in the electronics industry and also garment industry have raised concerns of strategic measures to be taken to help assure that an upturn in jobs in the sectors is not sudden reversed.²⁸ Concerns for SME are also significant. Openness in some sectors, processed foods, for example, can lead to direct competition with local providers. On the other hand, the export of handicraft products has certainly created many thousands of jobs. The challenge is managing these opportunities and risks, to support labour market adjustments in a timely manner.

²⁷ Note: State owned enterprises include following types: (1) Enterprises with 100 per cent of state capital operating under control of central or local governmental agencies; (2) Limited companies under management of central or local government; (3) Joint stock companies with domestic capital, of which the government shares more than 50 per cent charter capital. Non-State enterprises are enterprises set up by domestic capital. The capital may be owned by private with 1 or individual group or the government when capital of the government is equal or less than 50 per cent of registered capital. There are following types of non state enterprises: (1) Private enterprises; (2) Cooperative name companies; (3) Private limited companies; (4) Joint stock companies without capital of State (5) Joint stock companies with 50 per cent and less than of charter capital shared by the government. Foreign direct invested enterprises are enterprises with capital directly invested by foreigners, not separated by percent of capital shared. There are following types of foreign direct invested enterprise: Enterprises with 100 per cent of capital invested by foreigners and Joint venture enterprise between domestic investor and foreigner. Ibid., part 4, p. 257.

²⁸ http://www.marketwatch.com/story/foxconn-replaces-60000-humans-with-robots-in-china-2016-05-25 (accessed 2 October 2016)

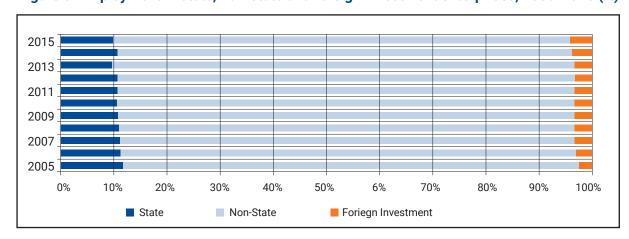


Figure 3: Employment in state, non-state and foreign investment enterprises, 2005-2015 (%)

Source: (General Statistics Office, 2016) Population and employment, table 49

Table 7: Employment in state, non-state, and foreign investment enterprises, 2006-2015, actual and yearly change

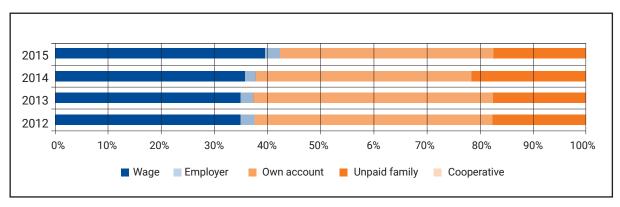
	Employment, thousand.			Increase	on previous	year, (%)
	State	Non-state	FI	State	Non-state	FI
2006	4 916	37 742.3	1 322	-1.03	2.85	18.80
2007	4 988.4	38 657.4	1 562.2	1.47	2.42	18.17
2008	5 059.3	39 707.1	1 694.4	1.42	2.72	8.46
2009	5 040.6	41 178.4	1 524.6	-0.37	3.71	-10.02
2010	5 107.4	42 214.6	1 726.5	1.33	2.52	13.24
2011	5 250.6	43 401.3	1 700.1	2.80	2.81	-1.53
2012	5 353.7	44 365.4	1 703.3	1.96	2.22	0.19
2013	5 330.4	45 091.7	1 785.7	-0.44	1.64	4.84
2014	5 473.5	45 214.4	2 056.6	2.68	0.27	15.17
2015	5 185.9	45 450.9	2 203.2	-5.25	0.52	7.13
			Average:	0.46	2.17	7.44

Source: (General Statistics Office, 2016), Population and employment, table 49

26. **Despite increased wage employment, informality and vulnerability remains an important concern.** Own account and contributing family workers account for more than half – 57.8 per cent – of Viet Nam's labour force. Although there is not yet agreed statistical definition of the "informal" labour force in Viet Nam, certain laws distinguish these two groups for purposes of coverage. This includes the Law on Social Insurance. Women dominate among contributing family workers, accounting for 65.7 per cent of the total, and the compound proportion of own account and of family contributing females is about 11.8 percent points higher than that of males. Yet today, more than 1/3 of total employed population are waged workers/employees, having increased by some 6 percentage points since 2009. Although waged employment has generally grown faster than the other employment status, contributing family workers appear in "safe harbour" family enterprises during difficult economic times – and the employment status

from which workers move into waged employment when times are good.²⁹ According to the World Bank, the proportion of workers in agriculture (where most family undertakings are) remains higher – and that of those in salaried jobs overall remain lower – in Viet Nam than in China, Indonesia or the Philippines. ³⁰

Figure 4: Employment by status, 2012-2015



Source: (General Statistics Office, 2016)

27. **Youth unemployment rates are double the average.** In terms of unemployment, the General Statistics Office reports the unemployment rate of 3.37 per cent for urban areas across the country, on target in terms of the SEDP. The rate for youth aged 15-24 is, however, double the average – 7.03 per cent. According to MOLISA, the youth unemployment rate in the first six months of 2016 was of 6.83 per cent – 3 times higher than the unemployment rate of Viet Nam. On average 700,000 youth enter the labour force every year; many face difficulties in finding productive employment that matches their education and aspiration. Digital technology creates significant opportunities for closing the productivity gaps. ILO estimates indicate that 86 per cent of all wage workers in Viet Nam's textile, clothes and footwear manufacturing could face a high risk of automation due to advances in technological engineering. This could have a profound impact on women workers in particular, who across all industries in Viet Nam are 2.4 times more likely than men to be employed in an occupation at high risk of automation³¹.

Table 8: Urban unemployment, 2010-2015

	2010	2011	2012	2013	2014	2015
Unemployed – urban (%)	4.29	N/A	3.21	3.59	3.4	3.37
Underemployed – urban (%)	1.82	N/A	1.56	1.48	1.2	.84

Source: (General Statistics Office, 2016)

²⁹ General Statistics Office 2015. Report on the Labour Force Survey, 2015, (Hanoi, Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16027.

³⁰ World Bank 2014. Skilling up Viet Nam - Preparing the workforce for a modern market economy (Main report), Available at: http://documents.worldbank.org/curated/en/610301468176937722/Main-report.

³¹ Source: ILO ASEAN in transformation how technology is changing jobs and enterprises Viet Nam country brief | November 2016

28. Qualified labour will be needed to take employment created by international integration. Currently, only 20 per cent of those in employment have received training;32 the difference between urban and rural workers who have received training stands at a remarkable 23.7 per cent.33 International integration will drive the demand for well-educated and trained workers able to take production as well as other jobs created as a knock-on effect of investment in productive resources. Any "skills gap" will need to be remedied by training given in the enterprise, or by training provided in vocational training institutions responding to enterprise needs. The SEDP 2016-2020 sets a target of 65-70 per cent of the labour force to be trained, with a specification that 25 per cent of those trained have a degree or certificate. As of 2011, around 1.7 million students were enrolled in 1,347 training institutions, and MOLISA plans to establish 200 more institutions by 2020 to enhance accessibility. SEDP also establishes that a focus should be on the quality rather than simple expansion of training, attaching importance to vocational training aimed at training 1 million rural labourers a year. The issue of ensuring access to and the quality of vocational training are parallel challenges. According to the World Development Report 2013 ".... the main driver of aggregate productivity growth is firms becoming better at what they do." Access to training adapted to modern industrial working and management practices, incorporating soft skills (such as workplace cooperation, problem identification and solving) alongside up-to-date technical skills, would be a significant driver for firm-level practice improvements. Viet Nam has made significant strides on TVET for the past years. But the country has yet to accelerate the reform process so that relevance of the system to labour market requirements can be strengthened; equitable access by vulnerable groups further improved and industry participation in policy and programme development enhanced. These provisions have been set forth as priorities under the Vocational Training Development Strategy 2011-20.

Table 9: MOLISA's training institutions and enrolment

	Nι	ımber of i	nstitutions	Enrollment
	SY	SY 2011 2020		SY2011
	Total	Private	Total	('000s)
Vocational colleges	128	32	250	97
Vocational secondary schools	310	102	400	180
Vocational training centers	909	352	900	1 468
Total	1 347	486	1 550	1 745

Source: General Directorate of Vocational Training, MOLISA (2011) as cited in (Asian Development Bank, 2014)

29. The most significant change in the structure of employment in Viet Nam is in agriculture, where employment has declined as a proportion overall. As seen in Table 10 below, during the period of the last DWCP the proportion employed in agriculture has declined from 47.4 per cent to 44 per cent in 2015. Although there have been notable increases in manufacturing, construction, and services, the trends are moderate. They will become transformational – meeting the expectations of the SEDP – only in the longer term.

³² General Statistics Office 2015. Report on the Labour Force Survey, 2015, (Hanoi, Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16027., p. 1

³³ Ibid.

Table 10: Employment by economic activity, 2012-2015 (%)

	2012	2013	2014	2015	
Agriculture, forestry and fishing	47.4	46.7	46.3	44	-
Mining and quarrying	0.6	0.5	0.5	0.5	
Manufacturing	13.8	13.9	14.1	15.3	+
Electricity, gas, steam and air conditioning supply	0.3	0.3	0.3	0.3	
Water supply, sewerage, waste management and remediation activities	0.2	0.2	0.2	0.2	
Construction	6.4	6.3	6.3	6.5	+
Wholesale and retail trade; repair of motor vehicles and motorcycles	12.3	12.6	12.6	12.7	+
Transportation and storage	2.9	2.9	2.9	3	+
Accommodation and food service activities	4.2	4.2	4.2	4.6	+
Information and communication	0.6	0.6	0.6	0.6	
Financial, banking and insurance activities	0.6	0.6	0.7	0.7	+
Real estate activities	0.3	0.3	0.3	0.3	
Professional, scientific and technical activities	0.5	0.5	0.5	0.5	
Administrative and support service activities	0.4	0.5	0.5	0.5	
Activities of Communist Party, socio-political organizations; public administration and defence; compulsory security	3.1	3.1	0.32	0.32	-
Education and training	3.4	3.5	3.5	3.6	+
Human health and social work activities	0.9	0.9	0.9	1	+
Arts, entertainment and recreation	0.5	0.5	0.5	0.6	+
Other service activities	1.4	1.4	1.4	1.5	+
Activities of households as employers; undifferentiated goods and services producing activities of households for own use	0.3	0.3	0.3	0.3	
Activities of extraterritorial organizations and bodies	0	0	0	0	

Source: (General Statistics Office, 2016)

30. Average wage differentials between men and women, rural and urban employment exist. In terms of returns to labour, wage workers in most occupational groups earned more than 3.5 million VND per month (US\$157), except for those in elementary occupations. The average income in agriculture was about 3 million VND. In addition, professionals and leaders, managers and administrators of branches, levels and organizations earned around 6.8 million VND (US\$305) and 7.8 million VND each month (US\$350), respectively.³⁴ As seen in Table 11, the ratio of male to female monthly incomes was on average 1.13:1, with the largest in agriculture, forestry and fishery – where time taken in female dominated unpaid care work may be assumed to reduce income generating activities.

16

³⁴ Ibid. Table 3.4.

Table 11: Average monthly employment income of wage workers by sex and industry in 2015 (,000 VND)

Income	Total	Male	Female	Male/female ratio
Agriculture, forestry and fishery	3 129	3 451	2 518	1.37:1
Mining and quarrying	6 218	6 426	5 288	1.21:1
Manufacturing	4 588	4 992	4 275	1.16:1
Production and distribution of electricity, gas, steam and hot water and air-conditioners	6 340	6 326	6 401	.98:1
Distribution of water, management and processing activities of sewage and waste	4 781	5 402	3,832	1.4:1
Construction	4 372	4 383	4 259	1.03:1
Wholesale and retail trade, repair of cars, motorcycles and other motor vehicles	4 729	4 970	4 366	1.14:1
Transport and storage	5 932	5 975	5 623	1.06:1
Hotels and restaurants	3 848	4 351	3 503	1.23:1
Information and communication	6 661	6 850	6 307	1.09:1
Financial intermediation, banking and insurance	7 301	7 657	7 008	1.09:1
Real estate activities	6 017	5 973	6 093	.98:1
Technological, scientific and specialized activities	6 464	6 366	6 619	.96:1
Administrative activities and supporting services	5 231	5 238	5 220	1:1
Activities of communist party, social-political organizations, governmental management, national defence security; compulsory social security	5 158	5 361	4 627	1.16:1
Training and education	5 701	6 211	5 509	1.13:1
Health and social work	5 498	6 220	5 093	1.22:1
Recreational cultural and sporting activities	4 441	4 661	4 157	1.12:1
Other service activities	3 609	3 887	3 283	1.18:1
Activities of domestic hired labourers in households which producing products and services consuming by themselves	2 937	3 562	2 915	1.22:1
Extra territorial organizations and bodies (*)	6 319	7 260	5 551	1.31:1
Average	5 204	5 501	4 878	1.13:1

Source: Adapted from (General Statistics Office, 2015) table 3.4

31. As employment opportunities, qualification and skills requirements become more formal, the methods for matching job offers with takers needs to become more effective, accessible, and used. Most jobs in Viet Nam today are filled through personal contacts. The proportion of those persons who were seeking jobs via the channels of "job support"³⁵ in 2015 increased to a figure higher than that of previous years, but it still accounted for a small share of 8.0 per cent; the figure was 5.3 per cent in 2011.³⁶ The higher the educational/training attainment of a job seeker, the less likely she or he is to rely on friends or family in the job search. College graduates are those most likely to rely on employment services. Details are shown in Table 12 below.

³⁵ Term used in Labour Force Survey.

³⁶ General Statistics Office 2015. Report on the Labour Force Survey, 2015, (Hanoi, Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16027., p. 40. A direct citation of 8per cent from the report, although not clearly reflected in Table 12.

Table 12: Proportion of job seekers classified by manner of job search and level of training, 2015

	Job applications	Contacting the employment services	Via friends or relatives	Placing employment advertisements	Via recruitment notifications	Participating in job interviews	Job seeking by themselves	Preparing business activities	Other	Total
TOTAL	33.2	2.9	43.1	0.3	5.8	0.8	12.4	1.4	0.1	100
No technical qualification	21.4	2.1	52.9	0.1	3.2	0.3	17.8	2	0.1	99.9
Vocational training of at least 3 months	31.2	3.5	45.6	1.1	6.7	0.5	11	0.4	0	100
Primary vocational training	22.3	3.7	53.5	0.7	3.5	0.6	15.4	0.4	0	100.1
Mid-term vocational training	35.8	4.4	40.5	2.5	8.6	0	7.6	0.5	0	99.9
Vocational college	48.1	0.8	32.7	0	12	1.2	5.1	0	0	99.9
Professional training	53.4	3.9	26.3	0.4	9.8	1.5	3.7	0.8	0.2	100
Mid-term professional training	44.8	4.7	35.4	0.6	6.8	1.1	5.1	1.2	0.5	100.2
College	58.7	5.4	23.9	0	7.2	1.4	3.2	0.1	0.1	100
University or higher	54	2.8	23.9	0.5	12.5	1.8	3.4	0.9	0.1	99.9

Source: (General Statistics Office, 2015), p. 40

Internal migrants tend to be young and female, and moving from rural to urban areas in the 32. south east of the country; the proportion of them who participate in the labour force is greater than in the general population, leading to a deduction that the migration is for employment.³⁷ Migration has influenced the urbanization process in Viet Nam, requiring policies and programs not only to mitigate migration-related disruption, but also to optimize benefits drawn from both rural to urban as well as urban to rural movements. These policies deal with migrants' accessibility to social services as well as disorientation grounded in the differences in socio-economic development between the place of departure and the place of arrival. In 2015, the number of migrants was estimated at about 1.2 million, 57.7 per cent of whom were women. Most migrants moved to urban areas (63.0 per cent). The proportion of migrants remains, however, quite a small share of total adult population (1.8 per cent); that of urban areas was three times higher than that of rural areas - 3.3 per cent of total adult population compared with 1.0 per cent for rural migrants. The Southeast was the region occupying the largest number of migrants, currently accounting for 45.7 per cent of total adult migrants, with migration to Ho Chi Minh City constituting about a half of total migrants in this region. Migrants aged from 15 to 24 constituted nearly half of all migrants (47.3 per cent), with persons between 25-54 constituting nearly all of the remaining half (47.7 per cent). Of this migrant population, 78.4 per cent (male: 85.6; female: 73.1) participate in the labour force, as compared to 77.8 per cent (male: 83.0; female: 72.9) in the general population of the same age. The 2015 Labour Force Survey

³⁷ The GSO does not publish data on the reason for migration, only the fact of participation in the labour market. Thus, by knowing that the proportion of migrants participating in the labour force is higher than that in the general population, we can deduce that employment is a motivation for migration.

described how unemployment for these migrant groups and gender disparities in terms of labour force participation, is also greater than similar non-migrant populations.

- 33. International migration for employment is a targeted strategy being taken up and having effect. The SEDS called for an increase in the quality and effectiveness of activities to bring Vietnamese labourers to work in foreign countries. The Department of Overseas Labour estimated that there were 500,000 Vietnamese migrant workers abroad, about half the number of internal migrants for 2015;38 comprehensive data collection is not developed in Viet Nam.39 In 2012, 74 per cent of Vietnamese workers were deployed in Malaysia, Taiwan (China), South Korea and Japan; of the total number of migrants that left Viet Nam in 2008 and 2009, approximately 30 per cent were women.40 Personnel remittances have gone from 3.98 per cent of GDP in 2000 to 6.82 per cent in 2015, with a peak of 7.98 per cent in 2007. In US\$ terms, remittance rose from US\$1.34 billion in 2000 to 13.2 billion in 2015.41 Viet Nam has not ratified the UN Convention on the Protection of Rights of all Migrant Workers and Members of their Families, but the Prime Minister has decided that the instrument should be studied and considered for the possibility of ratification.42
- 34. **Viet Nam also receives migrants for employment.** Policies and regulations for the admission of expatriate personnel of foreign investment enterprises, and for other skilled workers needed by local companies, exist in Viet Nam. There were an estimated 400,000 foreign professionals, businesspersons and technical workers in Viet Nam in 2008. The need remains, however, for policies for the admission of the less-skilled. Viet Nam may well consider the possibility that it might become a destination area for foreign workers in the future, particularly from Lao PDR and maybe the poorer provinces of China.⁴³ The SEDS 2016-2020 includes an objective for strengthening management of foreign workers in Viet Nam.
- 35. Climate change and disaster related incidents impact employment and livelihoods. With its extensive coastline and river deltas, and highlands, Viet Nam is one of the world's five nations most vulnerable to climate change and weather-related disasters.⁴⁴ More climatic upheaval can be expected, bringing both human tragedy and economic shock to local communities, devastating impacts on businesses, livelihoods and jobs.⁴⁵ Very significant

³⁸ Quarterly Briefing Note, GMS TRIANGLE Project: Viet Nam, October-December 2014.

³⁹ Consular Department of the Ministry of Foreign Affairs of Viet Nam 2012. Review of VietnameseMigration Abroad, (Hanoi, Viet Nam, Available at: https://eeas.europa.eu/delegations/Viet Nam/documents/eu_Viet Nam/vn_migration_abroad_en.pdf.

⁴⁰ Bèlanger, D. 2014. "Labor migration and trafficking among Vietnamesemigrants in Asia", in The Annals of the American Academy of Political and Social Science, Vol. 653, p. 87-106. Available at: http://ann.sagepub.com.proxy.library.cornell.edu/content/653/1/87.full.pdf+html., p. 92.

World Bank data, http://data.worldbank.org/country/Viet Nam?view=chart (accessed 25 September 2016).

Prime Minister Decision 2528 of 2015.

⁴³ Abella, M. I. & Ducanes, G. M. 2011. The economic prospects of Viet Nam and what it means for migration policy, (Hanoi, MoLISA/ILO). Available at: http://www.ilo.org/wcmsp5/groups/public/--asia/---ro-bang-kok/---ilo-hanoi/documents/publication/wcms_171757.pdf. p. 42.

World Bank 2011. Vulnerability, Risk Reduction, and Adaptation to Climate Change - Viet Nam, Global Facility for Disaster Reduction and Recovery). Available at: http://sdwebx.worldbank.org/climateportalb/doc/GFDRRCountryProfiles/wb_gfdrr_climate_change_country_profile_for_VNM.pdf, Asian Development Bank 2013. Environment and Climate Change Assessment - Viet Nam, Available at: https://www.adb.org/sites/default/files/institution-al-document/33916/files/viet-nam-environment-climate-change.pdf.

Noy, I. & Vu, T. B. 2009. The Economics of Natural Disasters in a Developing Country: The Case of Viet Nam, Available at: http://www.economics.hawaii.edu/research/workingpapers/WP_09-3.pdf.

effects are projected in agriculture. International Fund for Agricultural Development (IFAD) experts predict "in the absence of adaptation measures, yields will likely be reduced for rice, maize, cassava, sugarcane, coffee, and vegetables." Crops will migrate north as temperatures rise. "Climate change will adversely impact coral reefs, maritime and estuarine sea grass beds; salinization in coastal zones will cause the loss or retreat of mangrove forests. The accompanying loss of habitat will the cause reduction in those stocks of fish, mollusks and crustaceans dependent upon these habitats." These are just the more immediate, direct effects. The SEDS addresses preparation both to the direct environmental effects of climate change – particularly rising sea level and associated salinity intrusion – and to the implications of change on economic and social life. The search of the complex of the c

2.4.2. Social protection

36. The Party's Resolution No. 15 on some Social Policies, adopted in 2012, defines the overall social protection strategy. Four pillars of protection are identified: (i) employment: income and poverty reduction; (ii) social insurance; (iii) social assistance for particular disadvantaged people and (iv) ensure a minimum level of basic services for the citizens. See Figure 5 below. Responsibilities for implementation social protection fall to several state agencies. The Resolution sets the goal of 50 per cent of the working population being covered by social insurance by 2020, and for 35 per cent of the workforce to be participating in the unemployment insurance scheme. The Law on Health Insurance of 2008 set universal coverage by 2014, but has since been revised to 80 per cent by 2020.

Figure 5: Pillars of social protection in Viet Nam

Employment and minimum income	Social insurance	Social Assistance	Basic social services
Job creation Preferential hiring Vocational training Job matching Public employment Poverty reduction	Compulsory social insurance Disability Sickness Maternity Work injury and occupational disease Old age Unemployment Voluntary social insurance Pension Survivor Supplementary pension insurance	Regular cash allowance Emergency relief Social care	Education Health Housing Clean water Information

Source: Adapted by ILO from (Institute of Labour Science and Social Affairs, 2013)

⁴⁶ Smyle, J. & Cooke, R. 2012. Climate Change Analysis and Adaptation Responses: Prepared for Informing IFAD's Country Strategic Opportunities Program 2012 – 2017 for Viet Nam, Available at: https://www.ifad.org/documents/10180/f3552462-c460-4825-bde3-4a57b91411b2.

Tran Duc Vien. 2011. "Climate change and its impact on agriculture in Viet Nam", in Journal of the International Society for Southeast Asian Agricultural Sciences Vol. 17, 17-21. Available at: http://www.issaas.org/journal/v17/01/journal-issaas-v17n1-03-vien.pdf.

- 37. Extension of one of the social protection pillars, social insurance, has been an important goal. Compulsory social insurance is meant to insure all persons working in enterprises with one or more employees. The reform of social insurance in 2012-2014 reflects the Government's commitment to extend coverage, strengthen the financial sustainability of the system and reinforce linkages with employment promotion and occupational safety and health. Four laws now regulate the social insurance benefits: the Social Insurance Law (2006, reformed in 2014) which remains the umbrella law covering seven branches, the Health Insurance Law (2008), the Employment Promotion Law (2013) with provisions on unemployment insurance, and the Occupational Safety and Health Law (2014) with provisions on employment injury insurance.
- Despite a rapid expansion of the social insurance coverage in the last decade, there are challenges to realizing social insurance extension goals. As of November 2015, at most 12 million and 0.23 million workers were respectively covered by the compulsory and voluntary social insurance schemes, which accounts for merely 20 per cent of the total labour force; and 10.2 million workers contribute the unemployment insurance scheme.⁴⁸ The coverage remains particularly low among the targets of law reforms – small and medium enterprises and workers with short-term contracts. Informal economy workers to whom the law applies, administratively identified as those holding a contract of less than three months (one month from 1 January 2018), self-employed and rural workers, are still largely excluded from social insurance coverage except for the voluntary retirement and survivor pension scheme introduced in January 2008. Out of 52.2 million workers, 32.7 million are either own-account or unpaid family workers. It means six out of ten workers in Viet Nam are without or with very limited social protection. Even among enterprises required to register, enforcement of the social security laws remains a challenge, especially among the small and medium enterprises representing the large majority of establishments. Among all registered private enterprises, less than 50 per cent contributed to the Viet Nam Social Security fund (VSS) in 2010.49 Government has committed to extend social insurance (compulsory and voluntary) coverage to at least 50 per cent of the working population by 2020,50 including among informal economy workers. For instance, the Government is currently discussing the possible extension of the employment injury insurance to informal economy and rural workers.
- 39. Notwithstanding substantial reductions in poverty, an important proportion of the population is still vulnerable to fall into poverty; extending social protection is thus an important SEDP goal. Incomes are low in rural areas. Climate-related shocks, changes in product markets and individual family situations pose poverty-risks. Also, inequality is a growing concern. Despite the last decades' developments, the benefits of economic growth have not been equally shared. There are important disparities between rural and urban areas, regions, and ethnic groups. Aspects of vulnerability result in part from the still relatively low levels of

⁴⁸ Viet Nam Social Security, 12/2015: VND 187,000 Billion Collected in 11 Months from social insurance and health insurance contributions, http://www.baohiemxahoi.gov.vn/?u=nws&su=d&cid=384&id=13880, accessed 17 November 2016

⁴⁹ Viet Nam Academy of Social Sciences 2011. Employment and social protection in Viet Nam, Available at: http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-hanoi/documents/publication/wcms_171758. pdf., p. 13.

⁵⁰ Party Central Committee's Resolution on Social Policy, No. 15-NQ/TW dated 1 June 2012. Available at: http://thuvienphapluat.vn/van-ban/Van-hoa-Xa-hoi/Nghi-quyet-15-NQ-TW-nam-2012-hoi-nghi-lan-thu-nam-Ban-chap-hanh- Trung-uong-150877.aspx (accessed 16 November 2016.

investment in social protection, particularly in social assistance programmes. In 2013 the Government invested 0.17 per cent of GDP in nine categorical social assistance transfers; following a 50 per cent rise in the value of transfers in January 2015, it may have increased to 0.25 per cent of GDP.

- 40. Party Resolution No. 15/2012 and the Master plan on Social Assistance Reform 2017-2025, vision to 2030 (approved under the Decision No. 488 of the Prime Minister dated 14/4/2017) lay down the way forward in making social protection available to all. These documents set the government's priorities in addressing social protection gaps of the vulnerable and "missing middle", with the intention of launching a child grant, extending the elderly social pension, promoting more effective and efficient social services with particular focus to support vulnerable and ethnic groups. Implementation of these documents will require upgrading the related legislation and strengthening the institutional capacity for effective delivery to those in needs and remote areas. Extending the coverage of social insurance provisions, particularly to informal economy and rural workers, developing the regulatory framework for social assistance, improving articulation between contributory and tax-funded social protection programmes, strengthening institutional capacities, and raising awareness on the benefits of social protection, are key elements of the reform.
- 41. As a ratifying country to ILO's Worst Forms of Child Labour Convention No. 182 (1999) and Minimum Age Convention No. 138 (1973), *Viet Nam has committed to understanding measures to tackle child labour through laws, policies and institutional support for their implementation*. In recent years, Viet Nam has made significant achievements in the fight against child labour, establishing a strong legal framework to a great extent aligned with international labour standards, and implementing a number of programmes and projects to counter child labour nationally and locally.
- 42. However, child labour in Viet Nam persists despite these efforts, especially in the informal sector of the economy. The National Child Labour Survey of 2012 reported 1.75 million children engaged in child labour, of whom over 32 per cent worked excessively long hours (more than 42 hours/week). The largest number fall in the 15-17 year-old age group (58 per cent), followed by the 12-14 year old age group (27 per cent), and 15 per cent in the 5-11 year-old age group. The great majority of children involved in child labour (85 per cent) reside in rural areas; while 15 per cent live in urban areas. Children in rural areas tend to gravitate towards economic activities at a younger age than those in urban areas; thus the child labour rates in the 5-11 year-old and 12-14 year old age groups are higher in rural areas than in urban areas.
- 43. The National Plan of Action (NPA) to Prevent and Reduce Child Labour recently adopted by the Ministry of Labour, Invalids and Social Affairs (MOLISA) aims to raise awareness of community on the issue of child labour, improve the national legal and policy framework on the prevention and protection of child labour, contributing to implement Viet Nam's international commitment on the elimination of the worst forms of child labour and to reduce child labour by 2020.
- 44. The Vietnamese Government has passed anti-trafficking legislation and a new five-year Programme on Prevention and Control of Human Trafficking in the period of 2016-2020. The Law on Prevention and Protection of Human Trafficking (2011) regulates the prohibited acts

Decent **2017** Work **2021**

including human trafficking for sexual exploitation, forced labour, the principles and measures for prevention against and protection of trafficked victims. Nevertheless, while a number of structural reforms have been carried out, there remains a lack of tangible progress in the prosecution of trafficking offenders and protection of trafficking victims.

45. The Prime Minister recently issued Decision No. 2546/QD-TTg on approval of the Programme on Prevention and Control of Human Trafficking during 2016-2020, aiming to enhance public awareness of fighting human trafficking; step up the detection, investigation and prosecution of cases, as well as protect and support victims. The programme will also improve legal and policy framework on human trafficking prevention, while increasing cooperation with other countries in implementing international commitments in the field. It aims at breaking human trafficking networks and strictly punishing traffickers. Diversifying means of communications and education and multiplying effective prevention models in the community are also among the main targets of the Programme.

2.4.3. Social dialogue and tripartism

- 46. Tripartism and social dialogue are important, not only as objectives in themselves, but also as a means of achieving all ILO objectives in the world of work. They are the ILO's governance model for addressing social concerns, examining issues on which the social partners play a direct, legitimate and irreplaceable role, and building consensus, hence making social dialogue a central element of democratic societies. At the heart of social dialogue lies freedom of association for both employers and workers. Viet Nam's employers' organizations include the Viet Nam Chamber of Commerce and Industry (VCCI) and the Viet Nam Cooperatives Alliance (VCA), and one workers' organization, the Viet Nam General Confederation of Labour (VGCL). The VGCL was founded in 1929. All trade unions affiliate to the VGCL and at the local level it is represented in all provinces by Federations of Labour. The organization targets 10 million members by 2018.
- 47. The uniquely tripartite National Wage Council has functioned well since its establishment in 2013, advising the Prime Minister on binding minimum wages for workers in non-state employment throughout Viet Nam. Recommendations on minimum wages have been made and taken by the Prime Minister each year since 2013. The National Industrial Relations Committee (NIRC) was established in 2007⁵¹ as is a tripartite social dialogue body responsible for advising the Prime Minister on industrial relations policies and developing mechanisms to coordinate related agencies and organizations to prevent and resolve labour disputes and strikes. The NIRC does not function properly; the body has not been able to provide advice that has had the effect of preventing or resolving labour disputes or strikes. Viet Nam has recently formed a tripartite-plus working group on international labour standards, which has representatives of tripartite constituents, government agencies and the National Assembly. The working group is expected to play an active advisory role for their respective organizations and agencies.
- 48. **Social dialogue in the workplace continues to be developed and deepened.** In 2012, the Labour Code and Trade Union Law were amended with the introduction of social dialogue. Yet

⁵¹ Decision No. 68/2007 / QD-TTg dated 05/17/2007.

legislative provisions (and subsequent implementing decrees) have not been fully translated into practice with a number of enterprises conducting such engagement in a perfunctory manner. Collective agreements used to be replication of legal obligations in the Labour Law. VGCL has been expanding on-going efforts to promote collective bargaining and increase the coverage and quality of collective agreements by assisting and guiding the trade unions at all levels to engage in negotiation with employers. More than 6,000 strikes have taken place over the last twenty years, predominantly wildcat strikes, which continue to affect the industrial relations terrain. A pilot on promoting genuine collective bargaining was successfully undertaken by the ILO Industrial Relations Project resulting in 3 multi-employer collective agreements covering 22 enterprises with 19,519 workers (76 per cent female workers). Thirty-one single enterprise agreements were concluded with provisions more favourable than the prevailing law.

49. **Representation in social dialogue is also an issue**. Out of 402,326 enterprises registered as of 31 December 2014⁵², 121,590 were organized as of January 2016. According to VGCL Institute report (2016), there are total 2,119,261 workers in 44 cities/provinces which have investment or export zones, among them 449,813 are non-unionized workers and 1,618,908 trade union members. Typically establishing grassroots trade unions (GTU) are down in top-down manner whereby a local branch of the Federation of Labour will call upon the employer to recognize a local trade union body. There is some anecdotal evidence of unfair labour practices⁵³, in which the fear that these practices occurring more commonly may be growing. The union at the enterprise level, which is not independent from employers' influence, is not conducive to representing the interests of workers. Pilots of organizing GTU through bottom-up approach have been supported by the ILO in recent years, orienting the local VGCL to represent local workers' interests in democratic manner. A total of 109 GTUs have been formed in new methods within the pilot investment zones and a total of 497 GTU's nationwide⁵⁴. Successes have been registered.⁵⁵

2.4.4. Fundamental principles and rights at work

50. Viet Nam has ratified 5 out of the 8 ILO fundamental Conventions and remains bound to give effect to the ILO's 1998 Declaration on Fundamental Principles and Rights at Work. The government has reaffirmed its commitment to the 1998 Declaration in its newly agreed FTA with the EU, pledging to give serious consideration to ratification of remaining fundamental Conventions, No. 87 on Freedom of Association and Protection of the Right to Organise, No. 98 on the Right to Organise and Collective Bargaining and Convention, and No. 105 on the Abolition of Forced Labour. The period 2017-2021 is thus foreseen to be a critical time for reform of labour market institutions in Viet Nam. The Prime Minister's Decision No. 2528 on Implementing and Joining Conventions 2016-2020 includes these instruments, along with others, for consideration.

⁵² General Statistics Office. 2016. Statistical Yearbook of Viet Nam, 2015, Hanoi, Statistical Publishing House. Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16052

⁵³ Unfair labour practices refers to 1) discriminatory acts of employers against union members and representatives on the ground of their union activities, and also 2) undue interference of employers in trade union affairs

⁵⁴ 10,131 workers were recruited in bottom up manner within the pilot investment zones and 24,407 nationwide.

⁵⁵ Arroyo, M. G. 2015. Independent Evaluation: USDOL's Technical Cooperation Portfolio Promoting Workers' Rights in Viet Nam, Available at: Not available.

- 51. **Supervision of ratified ILO Conventions is underway.** Comments on application of ratified Conventions include Observations and Direct Requests on Conventions No. 29, 81, 138, 182, 100, 111, and Direct Requests on Conventions No. 27, 120, 124, 144, 14, 122, and 155. The CEACR has asked that reforms be made in respect of the application of some articles of these Conventions; other CEACR comments ask for information on application of articles of the relevant Conventions.
- 52. In terms of realizing rights at work in practice, labour inspection institutions are targeted for improvement. MOLISA and DOLISA employ labour officials who, among other things, engage in inspection and enforcement. The total complement of officials who could conduct workplace inspection is somewhat more than 500 throughout the country, with the large majority employed by DOLISAs, where they are usually primarily engaged in non-inspection/enforcement tasks. Recent amendment of the OSH Law broadens its scope to include the informal economy and authorizes labour inspections to monitor respect for the law. A Master Plan 2020 for the improvement of labour inspection has been formulated. The Labour Inspection Convention, 1947 (No. 81) has been binding in Viet Nam for more than two decades; international supervisory bodies provide important comments on the need to improve efforts to more fully apply international standards. There are no annual published reports on inspection, including compilations of infractions found and remedied, as required by the Convention.

2.5. UN frameworks

- 53. The UN works as one in Viet Nam to support Viet Nam in achieving the SDGs and its own national priorities. The One Strategic Plan 2017-2021 represents the programmatic and operational framework for delivering UN support to the government over the next five years and sets out how the UN will deliver as one in support of national development priorities. The Plan like this DWCP is aligned with the Socio-Economic Development Strategy 2011-2020 and the Socio-Economic Development Plan 2016-2020, and the SDGs. Linkages between the SEDP, One Strategic Plan, and SDG Targets are shown in Annex 3: DWCP Results Matrix. The ILO has been designated as sole or partner monitoring focal point for 9 SDG-related One UN plan results indicators. They are listed in Box 2.
- 54. UN agencies engage in Joint Programme Groups as a unique modality to foster joint programming and facilitate the coordinated and effective delivery of the UN's One Plan results. The ILO is convener of the Result Group on inclusive growth and social protection (alternate is UNDP), The result group has agreed to a joint work plan to which the ILO will contribute on extension of social insurance, social assistance, employment and inclusive growth. In addition, ILO is also member of other result groups such as Climate Change and Environment, Migration, the Result-Based management group and Data for Development group etc.
- 55. **Viet Nam has nationalized the SDGs.** The Viet Nam Sustainable Development Strategy 2011-2020 was signed by the Prime Minister in April, 2012.⁵⁶ SDG indicators have been nationalized by the GSO and a plan of action is being appraised for approval for implementing the Strategy. Linkages to SDG targets are set out in Annex 3: DWCP Results Matrix. The ILO is

⁵⁶ Decision No. 432/QD-TTg. http://www.chinhphu.vn/portal/page/portal/English/strategies/strategiesdetails? categoryld=30&articleId=10050825 (accessed 15 November 2016).

committed to providing technical support for target indicators for which it is responsible as custodian. Lastly, identified SDG indicators figure in DWCP indicator framework, seeing their importance to Viet Nam and relevance to the broader UN framework in which ILO provides its support.

Box 2: ILO as One UN Plan results monitor

The ILO has been designated in the One UN Plan 2017-2021 Results Framework as sole Monitoring Focal Point for indicators:

- 3.1.2 Annual growth rate of real GDP per employed person (SDG indicator 8.2.1)
- 3.2.1 Proportion of informal employment by sex (adapted from SDG Indicator 8.3.1)
- 3.2.2. Labour market participation rate by sex (adapted from SDG 8.5.2)
- 3.2.5. Increase in national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status (SDG Indicator 8.8.2)
- 3.2.6. Labour share of GDP, comprising wages and social protection transfers (SDG Indicator 10.4.1)

And jointly or in partnership with other agencies for:

- 1.1.6. Proportion of time spent on unpaid domestic and care work, by sex, age and location (SDG indicator 5.4.1) (jointly with UN Women);
- 3.1.1. Viet Nam has implemented well managed migration policies that are gender sensitive, promote the rights of women and men migrants and foster regional and international cooperation (adapted from SDG Indicator 10.7.2) (IOM in partnership with UN Women and the ILO):
- 3.1.4. Average monthly earnings of wage workers by sex (adapted from SDG 8.5.1) (in partnership with UN Women)
- 3.2.3. Proportion and number of children aged 5-17 years engaged in child labour, by sex and age group (adapted from SDG 8.7.1) (jointly with UNICEF)

2.6. ILO and international partners' cooperation with Viet Nam

- 56. The ILO Country Office (CO) in Hanoi manages relations with constituents in Viet Nam and technical supports to a broad range of matters in the world of work. The ILO Decent Work Technical Support Team for East and Southeast Asia and the Pacific (DWT-Bangkok) supports the work of the CO. The CO collaborates and cooperates with national and international employers' and workers' organizations, national and international NGOs, all working to achieve the decent work agenda.
- 57. The ILO's comparative advantage lies most importantly in its normative framework –mostly international labour standards that form a foundation in tripartite legitimacy for all its substantive work. The ILO's 1998 Declaration on Fundamental Principles and Rights at Work and 2008 Declaration on Social Justice for a Fair Globalization are the other major normative instruments that recognize and mandate an interconnected view of the world of work and progress on each of the pillars of employment, protection, dialogue, and rights as a means for making more decent work. The ILO's other advantage is organic reliance on social dialogue as

Decent **2017** Work **2021**

a means in itself, as well as a model for achieving consensus on social and economic policies, as well as terms and conditions of employment at the workplace. By obliging involvement of the social partners in its support to policy development, for example, the results of consultations are likely to be robust and acceptable to all involved. In recent years, the quality and intimacy of technical supports delivered by the Office have enabled it to establish confidence with constituents in respect of particular subject area, which in turn improves the likelihood of desired country programme outcomes and results.

2.7. Opportunities and risks for the future

- 58. Many opportunities lay before Viet Nam in the near future. The broad economic picture looks good, with GDP growth expected to stay around 6.5 per cent. Consumer demand, domestic and foreign direct investments are strong and the World Bank expects even stronger growth over the medium term. Risks may lie in the tempo of reforms, where doubt affects the behaviour of actors relying on them. Growth in key exports markets may increase although not as quickly as expected and shocks there also pose risks.⁵⁷
- 59. There is also the related risk that the significant reductions in poverty are turned back as a result of economic shocks, returning important numbers of Vietnamese to poverty. As the government has reported, despite huge achievements in poverty reduction, without new efforts poverty reduction may be unsustainable. Large proportions of ethnic minority and rural residents in remote areas still experience high poverty rates and continue to benefit less from the national economic development process. This group needs to be the central focus of continued national poverty reduction strategies.⁵⁸
- 60. Agreement of the TPP offered a very significant potential for direct employment creation and incentive for reforms to improve chances for decent work, most notably in terms of freedom of association. While it does not appear that the TPP will come into force, the government has independently indicated its commitment to increasing employment and improving respect for fundamental rights. Membership in the AEC carries similar risks, but to a lesser scale, and related more to job creation. In terms of tariff reductions, 95 per cent of tariff lines in the AEC are already at zero; it is the reduction of non-tariff barriers to trade in the case of the AEC that will be important. Benefits may also be somewhat subtler than would have been the case of the TPP. ⁵⁹
- 61. Other very important risks to decent work flow from climate change and related environmental degradation. At very least, employment policies that take the effects of climate change on occupations need to be developed and implemented, and social protection needs to be strengthened taking climate change specifically into account.

⁵⁷ World Bank 2015. Taking stock: *An update on Viet Nam's recent economic developments,* (Hanoi, World Bank). Available at: http://documents.worldbank.org/curat-ed/en/968271468179952846/pdf/101324-WP-PUBLIC-Box393262BTaking-stock-ENG-26-11.pdf.

⁵⁸ Socialist Republic of Viet Nam 2015. Country Report: 15 years of achieving the Viet Nam Millennium Development Goals, Available at: http://www.vn.undp.org/content/Viet Nam/en/home/library/mdg/country-report-mdg-2015.html p. 43

⁵⁹ See Sellier, E. 2016. The ASEAN Economic Community: The Force Awakens? The AEX is here, but can it deliver on its promise? The Diplomatic, 12 January 2016. and Thanh, N. D., Hang, N. T. T., Itakura, K., Nga, N. T. L. & Tung:, N. T. 2015. The Impacts of TPP and AEC on the VietnameseEconomy: Macroeconomic Aspects and the Livestock Sector, Available at: https://www.jica.go.jp/Viet Nam/english/office/topics/c8h0vm000001sp1a-at-t/150924_01.pdf.

2.8. Lessons learned from implementing last DWCP

- 62. A DWCP (2012-2016) Review was conducted in mid-2016. Its recommendations and lessons learned inform this DWCP.⁶⁰ In particular:
- tight linkages have been made to national development plans, and state management documents where possible;
- proper indicators have been drawn up (rather than output-type targets);
- periodic monitoring mechanisms have been strengthened within a DWCP steering committee, including an annual monitoring exercise;
- results chains for each outcome have been drawn up in close consultation with CO programme staff and DWT technical specialists with a view to tightening the logical framework of outcomes;⁶¹
- an initiative has been developed for improving the disseminating horizontally and vertically of lessons learned, experiences and good practices arising through technical cooperation activities; and
- particular attention has been given to advocacy and communication relative to each outcome, potentially improving knowledge sharing with development and constituent partners.

⁶⁰ PDF document on ILO website. See parts 6 and 7 for Conclusions, Recommendations and Lessons Learned.

This are made available to the steering committee for reference in monitoring and can be used in any evaluation exercise as the baseline against which implementation occurs.

3. Country priorities and country programme outcomes

63. In consultation with its constituents, the ILO CO has identified the following three Decent Work Country Priorities for Viet Nam, along with several hoped for outcomes, progress towards which the ILO intends to contribute. The Priorities were established first and foremost with reference to priorities expressed in national development plans; current ILO supports, expressed constituent orientations and interests inform further their orientation. The ILO's global Decent Work Agenda, Strategic Outcomes, and normative foundations provide a further framework.

Country Priority 1. Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities

Outcome 1.1 Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups

Outcome 1.2 More women and men working in the informal economy engage in decent work through increased formalization.

Outcome 1.3 Prospects for freely chosen and productive employment are maintained and expanded for women and men through migration and better preparedness for jobs and sustainable entrepreneurship in global value chains.

Country Priority 2. Reduce poverty by extending social protection for all and reduce unacceptable forms of work, especially for the most vulnerable

Outcome 2.1 Social protection is extended and delivered to larger targeted population (men and women) through a more efficient and effective system.

Outcome 2.2 Unacceptable forms of work, especially child and forced labour, measurably reduced.

Country Priority 3. Build effective labour market governance compliant with fundamental principles and rights and at work

Outcome 3.1 Effective industrial relations systems built in line with international labour standards and fundamental principles and rights at work.

Outcome 3.2 Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women and men, and particularly young workers.

Outcome 3.3 Decent work opportunities increased through integrated approaches to compliance and workplace innovation applied at sectoral and workplace level.

Outcome 3.4 Deepened commitment to ratify and apply international labour standards.

As discussed in more detail below in paragraph 114, this DWCP emphasizes coordination to maximize the impact of supports and results. An initiative to assure transmission of results horizontally between multiple stakeholders at national level, and vertically between tripartite actors at central and decentralized levels does this. This effort will apply to interactions with government as well as the social partners in Viet Nam, and will be particularly emphasized in provinces where the ILO is most involved. Furthermore, the DWCP Review suggested that a more vital and dynamic role for this DWCP might be developed through closer monitoring of decent work developments in the context of ILO cooperation. This is taken up further below in paragraph 113. Lastly, the three policy drivers of (1) international labour standards, (2) social dialogue, and (3) gender equality and non-discrimination are relevant to and crosscut all 9 outcomes. As fundamental principles and means to achieving decent work, they are promoted and applied in actions under all 9 outcomes, as described in the strategy statements for each. Furthermore, green jobs in a greener economy are promoted in Country Programme Outcomes where appropriate. Opportunities for improving application of ratified Conventions specifically in line with comments of the relevant supervisory bodies will be sought throughout implementation of the DWCP. Relevant linkages are highlighted in boxes following "Strategy in brief" statements for each of the outcomes.

3.1. Country Priority 1. Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities

Jobs are at the heart of decent work. Viet Nam has been fortunate in being able to create jobs to absorb labour supply, particularly from rural areas. Despite prospects for strong economic growth in the coming years, experience elsewhere shows that good policies, programmes, and institutions are needed to link economic growth to job growth. Opportunities in the promise of international integration through FTAs may develop in Viet Nam. However, they may require further adjustments in the labour market, and its contribution to job generation may not meet expectations, or may be slower than anticipated, or may occur in ways - sectors of economic activity, for example - that have not been adequately foreseen. Action is needed to assure that the Vietnamese labour force is of high quality, with the skills needed to be able to take advantage of the opportunities given by international integration in both regional and global markets. Good policies are needed to give sustainable entrepreneurship an opportunity, and to permit domestic SMEs to grow, as the major source of formal jobs growth, and draw themselves into international markets. Changes to the demand and supply of work resulting from climate change needs to be adequately foreseen, and sufficient and appropriate adjustments need to be timely taken. Green jobs should be well understood and promoted where appropriate. The future of work compounds all of these challenges, with constantly changing parameters within which work is performed, where and how it is done. Outcomes sought under this country priority target the opportunities and risks for decent jobs and work currently standing at Viet Nam's doorstep.

 Outcome 1.1 Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups

Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups

Awareness and analytical ability of government and social partners concerning strategic employment issues in Vietnam improved, enabling deeper dialogue on related issues.

Engagement of social partners on specific employment policy issues of highest priorities, i.e. climate change, human resource development, SME promotion.

Expected changes from ILO contribution

Support to enable better statistical measurement of labour force and migration.

Significant outputs:

- Labour force survey pilot study which uses ILO's revised standards for work statistics and integrates labour migration completed in 2017.
- Labour force survey which uses ILO's revised standards conducted from 2018 onwards.

Support to national constituents designed to inform on the potential positive and negative employment impacts of international economic integration (TPP, other relevant free trade agreements) and review macroeconomic and employment policy frameworks to ensure more and better jobs for diversified and inclusive growth

Significant Outputs:

 Employment impact analysis conducted and consulted to prepare policymakers to identify, based on the existing legal instruments, areas of macroeconomic, labour market and skills development policies that require further institutional and capacity development. See Outcome 1.3, which has both policy analysis as well as policy implementation as its support.

Significant outputs:

- STED methodology introduced for use.

Support to approaches to employment policy to promote green jobs and response to climate change.

Significant outputs:

- Constituents use reports, studies, policy briefs, and other supports prepared
- Office and constituents better able to pursue potential partnership with environment and climate specialist bodies

Risks and mitigation strategies

- The willingness of the constituents to engage on the areas of policy subject to study (mitigation: on-going consultation to tailor advice supply to demand)

- 66. Economic growth in Viet Nam has been strong, at an average annual rate of 6.4 per cent since 2000.⁶² This growth is expected to continue, if not strengthen. In an effort to ensure that growth results in more and better jobs, progress has been made in strengthening the employment policy framework in Viet Nam. At the highest policy levels, the country ratified the Employment Policy Convention, 1964 (No. 122) in May 2012 (and the ILO's supervisory bodies are in dialogue with Viet Nam concerning its application), and formulated and endorsed a Law on Employment in 2013.
- 67. To proceed further with improvements in the policy framework, the Law has to be implemented in a clear and coordinated manner, pulling together operationally the several diverse labour market instruments unified by it. These include policies on job creation, ⁶³ labour market information, national skills certification system, employment services, and unemployment insurance. The impacts of the future of work driven by technological and climate change, innovation in production processes and lengthening of international value chains in Viet Nam, coupled with the changes in international economic relations Viet Nam is facing, including the AEC 2015 and FTAs with trading partners further afield, implies very significant on-going structural changes to the labour and employment market. These changes will need to be assessed to ensure that policymakers are prepared to put in place responsive institutions and policy frameworks.
- 68. International experience suggests that adjustments in the labour market will need to be monitored and managed in order to ensure that employment, incomes and productivity gains are maximized. Thus, to prepare the workforce for emerging and more productive job opportunities at different points along supply chains (micro enterprises, SMEs and large buyers, including firm-level interventions, as well as supporting workers who may bear the burden of the labour market adjustments induced by international economic integration or technological change, putting in place an employment-oriented and accommodating macroeconomic policy framework is a priority. Implementation of sector-focused policies to diversify and consolidate production and export base, promote employment opportunities, meet the skills needs, and support workers to access these opportunities are critical. They both require significant capacity development of constituents to assess their policy frameworks from decent employment lenses, and to further develop institutional frameworks for implementation of policies.

Strategy in brief:

69. Complementing government's on-going work in this domain, the ILO will cooperate with its constituents by providing opportunities and inputs for reflection on specific employment policy considerations in light of international experience. Opportunities will be presented for national constituents to be informed and consulted on the potential positive and negative

⁶² World Bank data, GDP growth (annual per cent), http://data.worldbank.org/country/Viet Nam?view=chart (accessed 25 September 2016).

⁶³ Policies on job creation include a public employment policy, which is operationalized as a Public Employment Programme (PEP) as part of MOLISA's Action Plan to implement the National Targeted Program for Sustainable Poverty Reduction (NTP-SPR) 2016-2020. To date, constrained fiscal space has prevented adoption of the Programme.

Decent **2017** Work **2021**

employment impacts of international economic integration and work as it will be in the future, and review macroeconomic and employment policy frameworks to ensure more and better jobs for diversified and inclusive growth for women and men. Consultations will be based on employment impact analysis conducted with a view to preparing policymakers to identify areas of macroeconomic, labour market and skills development policies that require further institutional and capacity development, based on the existing legal instruments. In particular, the ILO's employment promotion support would be appropriately consolidated around selected sectors or localities that are affected by trade integration, technological change, and climate change. An inventory of labour market policy, and assessment of labour market institutions and/or programme on employment will be provided.⁶⁴ As a support to operationalizing the Law on Employment, the ILO will continue to provide technical assistance and advocate for roll out of the public employment programme once foreseen to implement the adopted Public Employment Policy, with ethnic minorities as one of target groups.

70. Consultations will be undertaken to determine interest in support to strengthen institutions and labour market information systems.

The ILO has cooperated with the authorities and social partners in employment policy for many of the past years, providing technical supports complementing, inter alia, adoption of the Law on Employment of 2013, and ratification of the Employment Policy Convention, 1964 (No. 122). The CEARC comments regularly to all countries that have ratified this promotional Convention, No. 122, including Viet Nam. The Prime Minister has chosen for consideration for ratification in the short terms the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159), the Private Employment Agencies Convention, 1997 (No. 181), and the Employment Services Convention, 1948 (No. 88). These facts will be considered forward in connected ILO technical supports.

Outcome 1.2 More women and men working in the informal economy engage in decent work through increased formalization.

⁶⁴ Previous ILO support to employment policy making was evaluated in Evaluation Unit/International Labour Office 2012. Independent evaluation of the ILO's strategy for integrating inclusive employment policies, Available at: Pending attachment. and to labour market information systems (employment services database) and TVET support in Leowinata, S. & Smawfield, D. 2011. Final evaluation of the labour market project - Viet Nam (final report), Available at: Not available.

More women and men working in the informal economy engage in decent work through increased formalization.

A strategy for formalization of selected informal men and women operators in using ILO tools has resulted from tripartite plus consultations at the local level

Results of formalization processes are closely monitored against baseline data; results are broadly disseminated to other provinces and centrally.

Informal economy operators show indications of formalization by improved OSH and participation in social insurance schemes

Expected changes from ILO contribution

ILO raises awareness and capacity of national constituents on informality to promote and facilitate the transition to formality within key value chains.

Significant outputs:

- Translation and adaptation of the ILO policy resource guide on the Informal **Economy and Decent** Work supporting transitions to formality:
- Diagnosis of the current informality situation in key value chains in rural areas;
- National policy dialogue for social partners on transition to formality focusing on international best practices which will be followed by an action plan for key partners including VCA;
- Mapping and selection of key value chains in selected provinces with an intervention matrix developed based on value chain analysis and assessment and the diagnosis of informality within the value chain

ILO supports national constituents and vocational training institutions use of ILO training packages including master trainers and TOT trainings in supporting the formalization of informality

Significant outputs:

- Training of master trainers and training courses enabling the transition to the formality, including: customized SIYB for value chains, training packages in entrepreneurship and business education (KAB).
- Demonstrate strengthened capacity of informal of entrepreneurs in key value chains of in business registration, contracting and management, integrating the social security and improving working conditions.
- A network of the informal entrepreneurs created in the selected value chains. development standards of quality assurance and build practices for collectively negotiated terms of engagement.

ILO supports national constituents in drawing lessons from pilot models and actively initiate the policy framework revision for facilitate the transition of informal entrepreneurs to formality.

Significant outputs:

- Training packages Institutionalized and embedded in the vocational training system
- Lessons learnt on overcoming the barriersdocument ed in the formalization process
- Lessons learned and best practices shared through policy brief and national workshop for sharring to inform the policy framework revision

Continued SCORE promotion and implementation

Significant outputs:

Lessons learned from SCORE implementation processes shared with other projects and helped replicate sector-wide

Direct supports to OSH extension to informal workers and promotion of social insurance for informal workers

Significant outputs:

See Outcomes 2.1 and 3.2

Risks and mitigation strategies

The willingness of the informal entrepreneur s to formalize (mitigation: locally adapted awareness raising and advocacy)

- 71. Informal workers in Viet Nam typically face low incomes, limited opportunities for skills development, and unsafe working conditions, often working without contract and social protection. The precarious working conditions make them more vulnerable to external shocks, particularly in the face of increased international competition led by the country's greater economic integration. The limited decent job opportunities in rural and remote areas have been among the factors that have accelerated domestic migration. People in the labour force, particularly young people and women leave their home villages behind to go looking for work in cities, exposing themselves to many risks and new forms of multi-dimensional poverty. In some cases, rural communities are faced with men's out-bound migration, resulting in the feminization of small-scale farmers and increased female-headed household in all these villages. These sectorial developments are putting a higher burden on women left behind, who often have limited access to key livelihood resources. Economic growth has been deepened the income gap and risked marginalizing poor communities, particularly women, elderly villagers and people with disability remaining in these villages.
- Consultations with ILO's constituents, including Viet Nam's Cooperative Alliance (VCA) and MOLISA's Department of Employment show that the formalization of the informal sector has been given a central goal. This is evidenced in the National Cooperative Development Plan (2012-2016), the National Programme on OSH (2016 - 2020), the coming into force in June 2016 of a Law on Occupational Safety and Health that de jure covers workers in the informal economy, and the extension of social insurance to cover enterprises with at least a single employee that are often on the edge of the informal economy. Agro-businesses and tourism value chains have been identified amongst constituents' priorities; poverty can be reduced, decent jobs created for women and men, and disparities among regions narrowed through increased formalization of informal operators. However, local people in rural and remote areas, including ethnic minorities, who are limited both in financial capacity and knowledge and skills, struggle to find their place in these value chains. In this context, there is demand for the structural reform and human resources development of the constituents, especially VCA towards service-oriented provision and consultancy capacity. These developments are important in particular because the Cooperative Law is set down for revision in 2018. The International Labour Conference adopted in 2015 its Recommendation on Transition from the Informal to the Formal Economy (No. 204) with the aim of showing a pathway for making formal work more formal, and bringing the benefits of formality to the working people who need them.

Strategy in brief:

The size and character of Viet Nam's informal economy – composed to a large extent of agricultural, own account and family enterprise workers – makes formalization difficult. Promoting extension of newly applicable social protections and occupational safety and health requirements are among the strategies taken in Viet Nam to increase formality in the informal economy by bringing informal workers into labour market and social insurance schemes and institutions. The ILO is cooperating in support of these integrated efforts as described in Outcome 2.1 and Outcome 3.2 of this DWCP. A complementary strategy involves making national constituents better aware of the current informality situation with a view to preparing their further action for transition to formality. This is being done in respect of key value chains

in selected rural areas of Viet Nam, possibly including the garment, footwear, and electronics sectors, food processing, and agro-business value chains. With the help of ground breaking ILO tools for strategizing and acting to transition the informal economy, consultations will be undertaken on the basis of a diagnosis of the current informality situation in selected value chains to identify priority areas and actions for formalization. These may include such areas as working conditions, employment opportunities, business registration, and social protection.

Cooperation builds further on the success and lessons learnt from previous ILO interventions, particularly the key achievements from projects entitled Local Economic Development - LED, Strengthening of Inland Tourism in Quang Nam, and Responsible and Sustainable Tourism in central Viet Nam. Working with local actors in collaboration with Safe Youth@Work, Skills for Trade and Economic Diversification (STED), and Gender and Entrepreneurship Together (GET) Ahead projects, concrete formalization activities will be undertaken within the framework of local strategic decision-making. Informal operators will go through SIYB, GET Ahead, or WISH training with a view to upgrading and formalizing their enterprises. The close partnership with VCA and VCCI in institutionalizing the SIYB training package will be promoted for a wider replication and customized of the package for agro-businesses value chains. In addition, relevant ILO training packages in entrepreneurship and business education such as Know About Business (KAB) will be introduced and embedded in vocational training curricula in partnership with MOLISA, VCA and VCCI. A network of informal entrepreneurs in the selected value chains will be created, with a view to their developing standards for quality assurance in the services or products they offer and building practices of associating to bargain jointly of terms of their engagement in the targeted value chain so that they might gain a fairer share of market profit, increase competitiveness and enable a more productive workforce. Experience achieved and lessons learned will be monitored through the horizontal/vertical dissemination initiatives (HVDI) with a view to further transmission to other relevant provinces and centrally.

The ILO's very recently adopted Transition from the Informal to the **Formal Economy Recommendation**, **2015** (**No. 204**) underpins part of the ILO's technical support under this Outcome. Principles favouring extension, broad and effective application of social protection, found in the **Social Protection Floors Recommendation**, **2012** (**No. 202**) as well as the **Social Security** (**Minimum Standards**) Convention, **1964** (**No. 102**) drive other outputs within this Outcome. Finally, approaches to the improvement of small enterprises taken in the **Job Creation in Small and Medium-Sized Enterprises Recommendation**, **1998** (**No. 189**) inspire those types of outputs under this Outcome.

Outcome 1.3 Prospects for freely chosen and productive employment are maintained and expanded for women and men through migration and better preparedness for jobs and sustainable entrepreneurship in global value chains. Prospects for freely chosen and productive employment are maintained and expanded for women and men through migration and improved preparedness for jobs and sustainable entrepreneurship in global value chains.

International migration from **Vietnam becomes** more protected through legal state channels, as shown by numbers of migrants

VGCL able to operate **MRCs** effectively.

Law on **Contract-Based Overseas Workers** revised.

ILO tools and methodologies for skills development and diversification, and improving the capacity of the TVET system, are used.

National constituents and vocational training institutions use the ILO training packages including master trainers and TOT trainings to deliver quality technical and vocational education and training

Expected changes from ILO contribution

Support completion, dissemination and discussion of key research on the impact of migration and development Significant

outputs: Policy

recommendation s based on the results of the research and studies on costs of migration and the impact of the labour migration to social and economic development

Support draft revision of Law on Contract-Based Overseas Workers OR Revision of the current Law by the National Assembly. Significant outputs:

Consultations carried out with tripartite constituents and social partners, and their Positions and inputs of tripartite constituents and social partners used to review and revise the Law on contract based overseas workers

Support extension of MRC services and replication to other provinces. Significant Outputs:

VGCL-MTUC plan of action operationalise the MOU on promotion of lawful rights and interests of Vietnamese

migrant

workers

formulated and

implemented.

and vocational training institutions use of ILO training packages including master trainers and TOT trainings to deliver

quality technical and vocational education and training Significant Outputs:

Training of master trainers in courses that meet the skills needed to diversify production, services and export base.

Support to national constituents

- Lessons learned from the above training programmes and institutional development taken into consideration to initiate revisions of existing policy framework.
- Relevant training packages institutionalized and embedded in the vocational training system.

strategies

Risks and

mitigation

Continuing political will constituents to engage on migration support and vocational training anticipatory methodologi (mitigation: demonstrate success elsewhere and in Vietnam, advocacy and consultation)

Support to sectoral and economic analysis and social dialogue In identified priority productive sectors and pilot implementation of specific training schemes, methodologies and modules are continuously carried out under STED (link to Outcome 1.1)

Significant Outputs:

- Lessons learned from STED pilot implementation
- Constituents and relevant stakeholders are actively participating in the analysis of results of STED implementation
- Technical guidance and support provided to MoLISA to roll out foresight tool for skills anticipation

Support assessment of recruitment agencies responsible for sending workers abroad under the VAMAS CoC monitoring mechanism.

Significant outputs:

Monitoring and evaluation of recruitment agencies' compliance to the Code of Conduct with increased meaningful participation of the local authorities, women and men migrant workers and trade unions.

- 74. Viet Nam's labour market is changing quickly. Deepening integration of the country into international markets, technological and climate change, and the aging demographics of its population drive transformation. Appropriate active labour market policies and interventions are needed to optimize employment results induced by these factors. Solutions are being found to the decent work imperative. International migration for employment is being seen increasingly in Viet Nam as in the region as a means of improving employment prospects, skills and incomes for citizens. Improving employment results in growth sectors is also a strategy proven elsewhere to provide results, particularly for employment of young men and women.
- 75. The government has established standards and procedures for the employment of Vietnamese workers overseas, measures to license job agents and regulate their recruitment activities, and operations at its missions abroad to provide on-site services to attend to the needs of nationals abroad. However, the benefits of migration to development may not be maximized if the balance between more employment and more protection for Vietnamese workers is not resolved at the operational level. Care is needed to assure that minimum contract standards are reviewed frequently and possibly raised, to assure that the cost of recruitment to the migrant workers is minimized, and that abuses and fraud in recruitment are better monitored and prevented.
- 76. The skills to be gained by migrants working in modern production processes in places such as the Republic of Korea, Japan and Taiwan (China) also need to be harnessed on migrants' return home, to benefit domestic industries or enhance skills-training capacities. An ILO analysis of the policies and programmes on return and reintegration in the ASEAN region found that, with the exception of the Philippines, very few post migration interventions exist.⁶⁵ The limited support available to returning migrants in economic or social reintegration, and a lack of decent work opportunities at home, can lead to over-staying in the countries of destination, or to re-migration. Interventions are needed to making use at home of skills newly learned abroad.
- 77. Similarly, the building a skilled workforce has been essential to Viet Nam's economic growth; skills development has been one of the highest economic policy priorities. The government revised the TVET Law in November 2014 to set up a more strategic framework for skills development. Its implementation has involved a comprehensive reform process, addressing numerous structural issues, and evolving into a system that better connects employers, students and schools.⁶⁶ The development of national occupational skills standards as well as a system of competency certification is well underway. The resulting robust, internationally compatible national qualifications framework (NQF) for certifying skills will be trusted by employers and industry, and critical for Viet Nam's achievement of SEDS goals. ⁶⁷

⁶⁵ See Larga, R., Tunon, M. & Baruah, M. 2013. Background paper: Progress on the implementation of the recommendations adopted at the 3rd and 4th ASEAN Forum on Migrant Labour, Available at: http://www.ilo.org/wcm-sp5/groups/public/--asia/--ro-bangkok/documents/publication/wcms_219040.pdf. p. 27.

⁶⁶ Lythe, D. 2014. Assessment of the readiness of ASEAN Member States for implementation of the commitment to the free flow of skilled labour within the ASEAN Economic Community from 2015, Available at: http://www.ilo.org/wcmsp5/groups/public/--asia/--ro-bangkok/--sro-bangkok/documents/publication/wcms_310231.pdf. p. 83, et. al.

ASEAN 2016. ASEAN Guiding Principles for Quality Assurance and Recognition of Competency Certification Systems, Available at: http://asean.org/storage/2012/05/ASEAN-Guiding-Principles-for-Quality-Assurance-and-Recognition-of-Competency-Certification-Systems1.pdf.

Strategy in brief:

- 78. International migration for employment has to be legal and safe if it is to be a means to decent work and jobs. ILO constituents in Viet Nam have joined with others in the region to make this possible through a regional effort supported by the ILO, the Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development in ASEAN (TRIANGLE II) project. The work in Viet Nam will continue to strengthen (i) policies and institutions for the protection of migrant workers, (ii) the development of policies and programmes that will harness the potential of women and men migrant workers to contribute to economic and social development, and (iii) labour mobility systems that are gender-responsive and increase the efficiency of labour markets in the ASEAN region.
- Viet Nam will need to offer a labour force with skills appropriate to meet those demanded by more jobs arising from further international integration. It is projected that Viet Nam may gain 6 million jobs under AEC 2015, representing 9.5 per cent of total employment; women are projected to account for half or more of the potential job gains. Drawing on newly skilled, returned migrants is one "supply side" strategy to fill demand for skilled labour. The newly more demand-led approach to TVET initiated in Viet Nam is another. Industry level for coordination for better employer engagement in TVET is underway with the use of Sector Skills Councils (SSC) tasked to foster sector-specific skills and workforce development with focused policy and programme initiatives. A SSC has been set up for mining and another is envisioned for ceramics. The ILO is working with GDVT to establish a SSC in tourism. Another "demand side" strategy may draw on an analytical methodology and action strategy for determining the skills needed for new jobs developed through trade and economic diversification. STED (Skills for Trade and Economic Diversification) may be applied in Viet Nam, supporting other current strategies for skills development to meet economic diversification, improving as a result the capacity of the TVET system. Training which drives firm upgrading, support innovation and improves in job quality will also be important. On the basis of sectoral (electronic, etc.) and economic analysis, and tripartite social dialogue involving MNEs as well as domestic enterprises, priority productive sectors will be identified and specific training schemes, methodologies and modules piloted and used by national constituents and vocational schools, including training of supervisors who hold a key to better productivity at the workplace. With experiences successfully application of the strategy of training master trainers of Start and Improve your Business in Viet Nam, STED and SCORE Training may be applied with constituents to institutionalize and embed relevant training packages in the vocational training system or used to inform updating existing programmes to reflect sustainable and up to date business practices, supporting in turn the improvement of employment results in new jobs created as a result of deepened international integration.

The ILO has cooperated with the authorities and social partners in employment policy for many of the past years, technical supports complementing, inter alia, adoption of the Law on Employment of 2013, and ratification of the **Employment Policy Convention, 1964 (No. 122).** The CEARC comments regularly to all countries that have ratified this promotional Convention, No. 122, including Viet Nam. There are numerous connections between this Outcome and other international standards, some of which are within the employment subject area including the **Migration for Employment (Revised), 1949 (No 97)** and the **Human Resources Development Recommendation, 2004 (No. 195)**. The **Abolition of Forced Labour Convention, 1957 (No. 105)** will be promoted for ratification and implementation; the **Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203)** is also implicated and will inform supports relating particularly to trafficking. These facts will be considered in connected ILO technical supports.

3.2. Country Priority 2. Reduce poverty by extending social protection for all and reduce unacceptable forms of work

- 80. Social protection is a high priority for the government of Viet Nam. The Party's Resolution No. 15/2012 on Social Policies defines the overall social protection strategy along the four areas of active labour market policies, social insurance, social assistance, and social services (including health care). See Figure 5: Pillars of social protection in Viet Nam. The Master Plan on Social Assistance Reform 2017 2025, vision to 2030 (MPSAR) proposes a way forward for extension of coverage and social assistance institutional reform. Extending the coverage of social insurance provisions, particularly to informal economy and rural workers, improving the implementation of the Social Insurance Law, developing the regulatory framework for social assistance, and achieving universal health coverage are key targets for development and reforms. Viet Nam is one of the target countries under the ILO's Flagship Programme on Building Social Protection Floors.
- Outcome 2.1 Social protection is extended and delivered to larger targeted population (men and women) through a more efficient and effective system.

Social protection is extended and delivered through a more efficient and effective system..

Capacities of Vietnamese stakeholders are enhanced to ensure an effective, efficient and sustainable implementation of social protection.

Processes to extend health insurance continue.

Implementation of the MPSAR has commenced.

Legal design and implementation aspects, including regulatory decrees and circulars are appropriate for extending social security coverage

Functions and capacity of social security and labour inspection staff enhanced

Awareness and understanding of employers, particularly those employing 1 employee or more, and workers. particularly those in the informal economy, on social security benefits, rights and obligations raised.

Expected changes from ILO contribution

Support to reinforce capacity of the stakeholders to take informed decision on social protection.

Significant Outputs:

- Evidence produced and disseminated on the benefits of social protection
- Capacities of national constituents are developed on key aspects of the implementation of social assistance programmes
- Technical assistance provided to social health insurance schemes, aiming to extend their coverage and improve their scheme design, legal and regulatory framework, financing provisions, and administration systems

Support (studies, workshops) to establishing the effectiveness of new law, circulars, and decrees for actually extending social insurance.

Significant Outputs:

- Findings of the impact evaluation of one-vear social insurance law implementation used in view of coverage level and assessment of the financial sustainability
- Recommendations for amendments to relevant Decrees and Circulars for coverage extension

the constituents to consider policy advise (mitigation: quality of product, advocacy. consultation)

Risks and mitigation

The willingness of

strategies

Officials with labour inspection authority monitor and enforce social security provisions (mitigation: ILO advocacy for promoting high-level political will for supervision)

Support (studies, training, workshops, advocacy publications) for improvement of enforcement mechanisms (see also Outcomes 1.2 and 3.2)

Significant Outputs:

- Capacity of social security staff and labour inspectors enhanced through training on social security compliance and international experiences taken into account.
- Vietnam Social Security processes reviewed with recommendations on operational amendments for improving services and procedures.
- Awareness raising material developed and used for both workers and employers

- 81. Viet Nam joins with the ILO in wanting to assure social protection for all. The Social Insurance Law as amended in 2014 covers public and private employees in establishments with at least one employee on a compulsory basis, providing benefits in the event of disability, sickness, maternity, work injury, old-age, survivors and unemployment. Under the Law informal sector workers are only eligible for the voluntary retirement and survivor pension scheme. Extending the coverage of social protection provisions, particularly social insurance to informal economy workers, and improving the enforcement of the Social Insurance Law and related regulatory framework are among government's priorities. As detailed above in paragraph 40 et al. above, ambitious targets have been set.
- 82. In respect of the social assistance pillar of social protection, the MPSAR has been put forward for consultation⁶⁸ and approval is expected to be imminent. The objective of the Master plan is to improve the social assistance system, consistent with the country's economic development progress;
- fulfil the right to adequate social protection of all citizens, help them proactively prepare for and mitigate the adverse effects of risks, and have the opportunity to participate in the development process;
- extend social assistance coverage with priority given to disadvantaged groups; and
- ensure social justice, stability, and sustainable development.
- 83. Once the Master Plan is implemented, a Law on social assistance is expected, providing better structure to this branch of social protection in Viet Nam. Lastly, reforms are being considered to improve access to the important social protection element of health care.

Strategy in brief:

84. Reforms to the Social Insurance Law were made in 2014, as well as to other laws governing operational elements of the social protection system, to help achieve the target on social security coverage and increase financial sustainability in light of an ageing population and economic slowdown. The amendments aimed to tackle key issues of the social security system: coverage, adequacy and long-term financial sustainability. Key adjustments included extending the scope of application of the law to all employees with contracts of at least one month of duration, improving voluntary participation among self-employed and family enterprise workers with atypical forms of labour, extending coverage to migrant workers, allowing more flexibility to payment schedules, lowering the minimum contributions, matching voluntary contributions with government subsidies, and strengthening labour and social insurance inspection. Past operations show that impediments to extending social security coverage in Viet Nam are complex and inter-related. Reforms in policy and legal framework, institutional capacity and governance are needed to translate the recent law amendments to an effective increase in workers' coverage.

⁶⁸ See, for example, UNDP supported analysis in Kidd, S., Abu-el-Haj, T., Khondker, B., Watson, C. & Ramkissoon, S. 2016. *Social assistance in Viet Nam: A review and proposals for reform*, Available at: http://www.developmentpathways.co.uk/resources/wp-content/uploads/2016/07/3.Social-Assistance-in-VN-A-review-and-proposal-for-reform-EN-1.pdf.

Decent **2017** Work **2021**

The ILO will cooperate with Vietnamese constituents to make the 2014 reforms effective in practice by, *inter alia*, evaluating the impact of the Law reforms in achieving its extension goals, advising on amendments to implementing Decrees and Circulars, developing training material on social security compliance for VSS staff and labour inspectors, supporting awareness raising efforts, and further improving the policy framework for reaching more informal economy workers. The ILO will follow closely with its constituents and support developments in respect of social assistance reforms, together with other UN agencies in the JPG on Social Protection. Supports may include technical advice and legal assistance to design and implement options for extending social assistance, improving the institutional framework, and improving financing and fiscal mechanism. Developing a proper legal and institutional framework for social assistance benefits will enable proper targeting and service delivery. Interventions on social health insurance would aim to extend coverage and improve the scheme design, legal and regulatory framework, financing provisions and administrative systems. The strategy overall will support government in providing better articulation between these three elements of social protection.

The ILO has cooperated with the authorities and social partners with social protection issues for many years. Viet Nam has not ratified any of ILO's social security conventions, and the relevant Prime Minister's Decree has not identified any to be considered for ratification in the foreseeable future. ILO support to social protection extension aims to be consistent with the **Social Protection Floors Recommendation**, **2012** (No. 202), and the comprehensive **Social Security** (Minimum Standards) **Convention**, **1952** (No. 102), such that ratification may soon come into consideration.

 Outcome 2.2 Unacceptable forms of work, especially child and forced labour, measurably reduced.

Unacceptable forms of work, especially child and forced labour, measurably reduced.

Increased awareness of discrimination supports action taking aimed to increase equality. Changed laws and their implementation instruments begin being applied in practice, reducing forced labour. Capacity of national institutions and stakeholders to identify, monitor and respond to child labour, will have been strengthened.

Intervention
models for
preventing and
withdrawing child
labour
implemented and
documented for
replication.

Awareness on child labour, the associated hazards and prohibition against raised among all levels of society.

Expected changes from ILO contribution

Assist the constituents to adopt and implement Action Plan for Prevention and Reduction of Forced Labour in Vietnam.

Significant outputs:

- Advise on making national legislative and policy frameworks more responsive to end forced labour, through review and revision of the relevant laws and policies
- Training for enforcement of law on forced labour and trafficking
- Analysis and data collection on forced labour and trafficking situation in Vietnam, aiming toward set of agreed indicators

Support constituents' efforts for non-discrimination to be in consistent with requirements of international free-trade agreement frameworks (TPP, EU FTA).

Significant Outputs:

 Training packages for ILO constituents, knowledge-sharing events, including rural development academy designed and used to increase constituents' awareness and responsiveness to discrimination Intervention models in urban and rural locations provide both a sectoral focus on child labour in the identified sectors, as well as area-based coverage to reach all children in child labour

Significant Outputs:

- Direct service provision, including:
- Education, vocational training and counselling
- Value chain improvement for better family livelihoods

Awareness raising on child labour, the associated hazards and prohibition against it throughout society. Significant Outputs:

- Significant outputs:
 Training of labour inspectors, VGCL,
- VCCI for improved monitoring and enforcement

Capacity building (training) of national

monitor and respond to child labour.

institutions and stakeholders to identify,

- Support (advice) to conduct national child labour survey with GSO.
- Advice on legislation improvement

Innovative and traditional communications approaches targeting

- approactics to
- national policy makers and decision makers and influencers of public opinion; and
- government and social partners and communities within the selected provinces
- all designed to stimulate and make more impactful constituent action on child labour.

Risks and mitigation strategies

- Child labour is a complex phenomena, difficult to eliminate (mitigation: multi-faceted approach in project)
- Forced labour is a sensitive subject on which continuous efforts are needed to assure understanding and on-going political support for action (mitigation: on-going consultation and appropriate advocacy)

- 85. Viet Nam has long committed itself to become more effective in protecting the most vulnerable workers from unacceptable forms of work through measures aimed at realizing fundamental rights at work, promoting health and safety at work and providing a minimum living wage. A high priority has been to reduce child and forced labour.
- 86. Viet Nam's deepening integration in international markets calls for action on forced labour. Major current and potential buyers of products made in Viet Nam are required by law to report their due diligence in preventing forced labour and modern forms of slavery in their value chains. Viet Nam needs to and is responding to this. Child labour is also an integration issue, but also one that interconnects with the desire to have better educated and skilled workers available to take advantage of opportunities made available by international integration. Thus, beside the validity of having important results in these two areas in and of themselves, outcomes support employment and competitiveness objectives.
- 87. Work situations that deny fundamental principles and rights at work or that put at risk the lives, health, freedom, human dignity or security of workers or subject households to conditions of poverty are unacceptable. Whether the situation involves workers at risk of or living with HIV/AIDS, workers subjected to sexual harassment or other forms of discrimination, unacceptable forms of work have high economic, social and political costs for society in any country. Across all regions, some categories of workers are more vulnerable to being trapped into taking on unacceptable forms of work than others; decent work needs to be extended to them as far as possible.

Strategy in brief:

- 88. The ILO contributes on diverse levels to the ultimate elimination of unacceptable forms of work in Viet Nam. Support is provided at the policy development and implementation level; in quantifying and analysing root causes of child labour, forced labour and trafficking; advocating and raising awareness of constituents and other stakeholders; and working directly with enterprises and employers' organizations to remedy operational and compliance issues. The ILO will assist the constituents to implement the National Plan of Action for the Prevention and Reduction of Child Labour for 2016-2020 and ratification of C. 105 on Abolition of Forced Labour. BWV works directly with its enterprise members and their sectoral partners to assure compliance, and shares specific experience specific to violations of fundamental rights with other interested actors. The attention placed by the global Alliance 8.7 on accelerating timelines, conducting research and sharing knowledge, driving innovation for accelerated action, and increasing and leveraging resources for the eradication of forced labour, modern slavery, human trafficking and child labour will be applied in Viet Nam.⁶⁹
- 89. Support to constituents' efforts for non-discrimination will be crosscutting in all ILO cooperation, consistent with and reportable under requirements of free-trade agreement frameworks.

⁶⁹ http://www.alliance87.org/ (accessed 5 November 2016).

This Outcome is closely related compliance aspects of Outcome 3.4 Deepened commitment to ratify and apply international labour standards. Achievement of this Outcome will improve application of the ratified Minimum Age Convention, 1973 (No. 138), the Worst Forms of Child Labour, 1999 (No. 182), and the Forced Labour Convention, 1929 (No. 29). The Abolition of Forced Labour Convention, 1957 (No. 105) will be promoted for ratification and implementation; the Protocol of 2014 to the Forced Labour Convention, 1930 and Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203) is also implicated and will inform supports relating particularly to trafficking.

3.3. Country Priority 3. Build effective labour market governance compliant with fundamental principles and rights at work

- 90. International integration is bringing a new factor into consideration in developing mechanisms for labour market governance in Viet Nam. This development for the world of work in Viet Nam makes the matter one of great priority calling for important action drawing on cooperation with the ILO and the international community.
- Outcome 3.1 Effective industrial relations systems built in line with international labour standards and fundamental principles and rights at work.

Effective industrial relations systems built in line with international labour standards and fundamental principles and rights at work

Legal and
institutional
framework for IR
conforms with
the ILO
Declaration on
FPRW

Institutional changes made to administer new and amended laws, decrees and regulations, and other legal instruments in line with international obligations.

Workers'
freedom of
association and
the right to
organize ensured
and capacity of
trade unions in
representing
workers at all
levels
strengthened.

Effective
engagement of
employers in
new industrial
relations
practices under
NIRE.

Employers'
capacity in
complying with
new laws
strengthened
along with VCCI's
capacity to
support members
in this regard

Expected changes from ILO contribution

Support (advice, advocacy, workshops) to creation of an enabling legal environment, i.e. law reform

Significant outputs:

- Establish political commitment for reform
- Piloting tripartite working groups
- Advise on drafts of TU Law, Labour Code
- Advice on implementation regulations and decrees

Support to activation of workers rights and renovation of trade unions

Significant outputs:

- VGCL participation in law reform
- Structures for democratic processes in grass root trade unions
- Enhances workers' awareness of right to organize

Support to employers engagements in new industrial relations framework

Significant outputs:

- Advise on development of mechanism for engagement and inputs of different employer organizations in labour law reform
- Facilitation of improved coordination of employers and business groups to labour law reform
- Training to strengthen employers organizations

Risks and mitigation strategies

- Vietnam does not revise its labour laws (mitigation: advocacy and consultation)
- Government
 does not allocate
 human and
 financial
 resources to
 realize reforms
 (mitigation:
 advocacy and
 consultation)
- VGCL and VCCI do not make necessary reforms (mitigation: advocacy and consultation)

Support to government institutions implementing NIRF Significant outputs:

- Advice and facilitation of stakeholder consultations on (a) operational policies and procedures, (b) procedures to resolve collective interest disputes, (c) systematic data collection and reporting (database).
- Informational materials
- Training and pilots at selected DOLISA for management of NIRF
- Training of labour inspection on new IR results and responsibilities

- 91. With the support of the ILO since the early 2000s, the government, VGCL, VCI, and VCA have made significant progress in terms of their awareness of basic principles of modern industrial relations. Basic skills in organizing, bargaining collectively, and mediation have been conveyed and the seeds planted for diffusion and amplification of practices. The legal framework has been improved with the 2012 revision of the Labour Code and Trade Union Law. Innovative approaches to the challenges posed in industrial relations in the Vietnamese context have been developed, piloted and implemented.
- 92. However, there are challenges yet to be addressed: The industrial relations framework is yet be made compliant with ILO standards, particularly Conventions No. 87 and 98, and internal governance of industrial relations actors and capacity to coordinate between central and decentralized levels remains to be improved, particularly for effective implementation of laws and policies.
- 93. Viet Nam has expressed its strong political commitments towards institutional and legal reforms in its socio-economic development tasks for 2016-2020, which were approved at the recent Communist Party Congress. They include:
- Reforming wage policies based on the market principles, in line with labour productivity growth.
- Making adjustments to base salaries and minimum wage on an appropriate road map to ensure minimum living standards of workers.
- Implementing social dialogue mechanism to conclude collective labour agreement on wages among the parties, building harmonious and progressive labour relations.
- Continuing to improve wage policies for the state owned enterprises.
- Developing mechanisms for trade unions and employers' organizations to supervise the implementation of the collective bargaining agreement.
- Conducting research studies to readjust appropriate retirement age.
- Building standardized system for human resource management and assessment indicators of labour productivity.
- 94. With the conclusion of relevant FTAs, political leadership and tripartite actors have made a high-level commitment to pursue industrial relations reforms conforming to the ILO Declaration on Fundamental Principles and Rights at Work. There is now a sense among relevant actors for the need for reform to create a new system of industrial relations grounded in freedom of association, as a driver to address the chronic problems of industrial relations actors' internal governance and coordination.

Strategy in brief:

95. To tackle the challenges of industrial relations law and system reform in the coming years, tripartite partners need to carry out much preparatory work. The ILO will cooperate with the authorities in this process, providing technical knowledge, analysis of comparative models, and similar inputs, with a view to supporting:

- Review of existing laws and regulations against actual practices of industrial relations, international labour standards (with a particular focus on C. 87 and 98);
- Improving knowledge of ILO Conventions related to industrial relations (not only C. 87 and 98, but also C. 154 and related recommendations) and the workings of ILS supervisory machinery;
- Improving operation of minimum wage fixing machinery (the National Wage Council) through improvement of evidence-based and tripartite minimum wage fixing process;
- Joint deliberations on the future of industrial relations in the context of Viet Nam deeper global integration, with a view to arriving at shared vision of future of industrial relations, which serves needs of tripartite actors and fully respect international standards; and
- Development of plans for reform of laws and institutions of industrial relations dialogue institutions and mechanisms to strengthen industrial relations systems in Viet Nam, thereby supporting the voice of workers, especially women.
- 96. Supports will be closely aligned with the national development strategy, defined in the Viet Nam Strategy for International Integration until 2030 (recently approved by the Prime Minister), which placed the ILO core international labour standards at the centre of the country deepening integration. ILO support will draw on particularly unique experience and knowledge drawn from previous and current activities in Viet Nam, including BWV and the recently completed IR project. Partnerships and complementarities will be pursued with national and international workers' and employers' organizations, interested NGOs and bi-lateral partners.
- 97. Support will also be given directly to the VGCL and the VCI to help those organizations adapt to a new industrial relations framework.

At its core, the ILO's Freedom of Association and Freedom of Association and Protection of the Right to Organise Convention, 1948 and Right to Organise and Collective Bargaining Convention, 1949 (No. 98) underpin outputs to achieve this Outcome. Neither are yet ratified, but the Prime Minister has targeted them for consideration for ratification. Numerous recommendations concerning industrial relations inspire action under this broad-reaching outcome, including the Collective Agreements Recommendation, 1951 (No. 91), the Voluntary Conciliation and Arbitration Recommendation, 1951 (No. 92), the Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94), the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113), the Communications within the Undertaking Recommendation, 1967 (No. 129), the Examination of Grievances Recommendation, 1967 (No. 130), the Workers' Representatives Recommendation, 1971 (No. 143), and the Collective Bargaining Recommendation, 1981 (No. 163).

Outcome 3.2 Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women and men, and particularly young workers. Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women and men, and particularly young workers.

Organizational and professional capacity of labour inspection to enforce national and international labour standards, with a particular focus on union rights, unfair labour practices under NIRF

OSH law is
enforced, in
particular in
small and
informal
enterprises, with
particular focus
on young female
and male workers

Social insurance law enforced through labour inspection, particularly in small and informal enterprises

Child and forced labour prohibitions, including those prohibiting trafficking, better enforced through labour inspection

Social partners and young workers demonstrate increased preventative OSH culture in enterprises and workplaces.

Expected changes from ILO contribution

Support for improved labour law enforcement, particularly with respect to freedom of association and the right to collective bargaining

Significant outputs:

- Master Plan to strengthen LI reviewed and revised
- Systematic recruitment & performance assessment policy for LI
- Improved LI methods and tools designed and used systematically
- Establishment of a training policy and centre to improve competence within of LI system
- Targeted training delivered for LI on select priority compliance Issues
- Enterprise social dialogue experience contributed to training by Better Work

Support to the training of labour inspectors in the enforcement of the OSH Law, and particularly with reference to small enterprises and the informal economy and young workers

Significant outputs:

- Training of LI
- Advisory approaches to training contributed by Better Work
- Improved collection of OSH data, taking account of small enterprises

Support to the training of labour inspectors in the enforcement of the social insurance law, and particularly with reference to small enterprises and the informal economy Significant outputs:

 Training of LI to improve capacity to improve implementation and enforcement.

Risks and mitigation strategies

- LI is undermined by multiple tasks inuring to officials charged with labour inspection (mitigation: advocacy of reform)
- Less than optimal coordination between LI officers and substantive departments, i.e. Safe Work. Vietnam Social Security Agency, police (mitigation: capacity building, advocacy, securing political commitment)

Support to the training of labour inspectors in their capacity to handle child and forced labour and trafficking cases more effectively and efficiently

Significant outputs:

- Training of LI

Support to the development of preventative OSH culture Significant outputs:

- Baseline survey of knowledge, attitudes and behaviour of LI government bodies, employers organizations, workers organizations, employers and young workers
- Activities to raise the awareness of stakeholders of particular hazards and risks faced by young workers in Vietnam
- Appropriate OSH training material developed and mainstreamed into education, vocational and apprenticeship programmes in line with National OSH Programme (2016-2020)

98. Compliance with national labour laws requires, among other things, an effective labour inspectorate. On the basis of an ILO needs assessment made in 2012, a Prime Minister's Master Plan was issued for strengthening the labour inspection system (2012-2020). MOLISA subsequently issued an action plan to implement the Master Plan and the ILO has since worked with its partners to provide technical assistance for developing both the institutional and human capacity of the labour inspection system at central and local levels, drawing on international experience as well as unique enterprise-level expertise available to the ILO through Better Work initiative in Viet Nam.⁷⁰ Significant results have been achieved.⁷¹ Even so, challenges remain. These include:

- an overall inadequate number of labour inspectors;
- weakness in the collection of compliance data for improved strategic planning and inter-agency coordination;
- multiple mandates of inspectors beyond labour issues;
- labour governance challenges in export processing zones; and
- the need to continue training inspectors on the technical knowledge and skills needed
- the need to increase OSH capacities of business owners, managers, workers and representatives, in all firm sizes but particularly SMEs, is essential to the development of an OSH workplace culture that enables sustained joint OHS problem identification and solving.
- to perform their tasks effectively, particularly in the context of labour law and industrial relations reforms.
- 99. Assuring safe work is the responsibility of the Department of the same name in MOLISA, working with and through the labour inspectors employed in MOLISA and DOLISA offices. The Occupational Safety and Health Law's coming into force in July 2016 with its improved standards, coverage of all (including informal) enterprises, and placement of monitoring responsibilities in the hands of the labour inspectorate redoubles the need for effective and competent labour inspection in Viet Nam and access to quality OSH training for employers, employees and their representatives.

100. The context in which labour inspection takes place in Viet Nam is evolving fast. Deepening integration with international markets, broadening and lengthening of global value chains throughout the Vietnamese economy challenges the authorities to assure workplace compliance with national laws and international standards. In addition to ensuring good general working conditions as well as safe and healthy workplaces, the importance of assuring that there is no child or forced labour in value chains has increased.

⁷⁰ Increasing Workplace Compliance Through Labour Inspection Project, http://www.ilo.org/hanoi/Whatwedo/Projects/WCMS_340870/lang-en/index.htm

These included a first-of-its-kind training strategy (with supporting training need survey assessments, training materials and training courses) for establishing systematic and standardized training; experience in conducting sectoral or geographic labour inspection campaigns in a standardized manner (supported by consistent checklists and reporting forms); and a website for labour inspection system with the integrated online reporting to connect labour inspectorates at central and local level. Increasing Workplace Compliance Through Labour Inspection Project, http://www.ilo.org/hanoi/Whatwedo/Projects/WCMS_340870/lang-en/index.htm (accessed 16 November 2016).

Strategy in brief:

101. Labour inspectorate functions in Viet Nam are shared between the MOLISA inspectorate and provincial DOLISAs. MOLISA is largely responsible for planning and policy development whereas most of the operational work of labour inspection is carried out by DOLISA. With the broadened responsibility given inspectors by the OSH Law, labour inspection is now of particular interest in respect of workers in SMEs and the informal economy. Additionally, recently negotiated FTAs emphasize the importance of promoting internationally recognized labour rights; resources will facilitate cooperation with the ILO for this purpose. Accordingly, Viet Nam is committed to undertake further institutional changes and capacity development to implement newly amended laws and regulations, including: revising internal inspection and enforcement mechanisms; establishing and implementing an effective complaints mechanism for workers; allocating sufficient resources to enforce labour including the hiring of additional inspections; expanding labour inspection campaigns to other sectors (garment sector in 2015, construction in 2016, electronics and seafood processing in coming years); adequately training the labour inspectorate and relevant criminal system authorities to effectively enforce amended laws and regulations. These obligations help drive the commitment to improve the functioning of the labour inspectorate.

102. With new OSH-related responsibilities, cooperation and support will focus on:

- improving collection and use of OSH data and information, including improvements to the recording and reporting of occupational accidents and injuries by employers;
- improving regulations and training programmes on OSH to address the safety and health of workers;
- enhancing knowledge and awareness on the workers in SMEs and the informal economy for labour inspectors, so that the they can target interventions;
- strengthening capacities of the Government and social partners to promote and enforce compliance with OSH laws and regulations; and
- increasing knowledge and awareness of particular hazards among business owners and workers, particularly those faced by young workers.

103. As "first responders" to accidents, illness, and diseases – including those arising from work – the Ministry of Health is also interested in ensuring safe and healthy workplaces and compliance through labour inspection. Seeing that now informal economy workers are covered by OSH Law, MoH staffs need to be sensitized to the fact that the injuries, illnesses or diseases they come to treat may be occupation related, despite the fact that they occurred at an informal home-based workplace. This sensitization has important ramifications for the accuracy of reporting and OSH statistics, ultimately relevant for policy making and action taking. It also implies the needs for cooperation between labour and public health administrations. Strategic and programmatic attention will also be paid to the situation of young female and male workers at minimum age for work up to 24 years, with a view to building a culture of prevention. Particular emphasis will continue in three sectors: construction, agriculture and craft villages in selected provinces. Interventions may also be foreseen to address the special needs of workers in the entertainment industry, where safety and health issues converge with other conditions of work issues, including the right to be free from forced labour.

Decent **2017** Work **2021**

104. Viet Nam has ratified Convention No. 81 on Labour Inspection. The CEACR has requested repeatedly, *inter alia*, that an annual inspection report as required by the Convention be produced and sent.

The ILO has cooperated importantly since 2010 in Viet Nam with labour inspection. **The Labour Inspection Convention, 1947 (No. 81)** is ratified and the CEACR has commented to the government on application. Broader work with labour administration institutions in non-inspection functions will also come into place under this Outcome, supporting improved application of the **Labour Administration Convention, 1978 (No. 150)**.

 Outcome 3.3 Decent work opportunities increased through integrated approaches to compliance and workplace innovation applied at sectoral and workplace level.

Decent work opportunities increased through integrated approaches to compliance and workplace innovation applied at sectoral and workplace level.

Outcome: Result of changes

The garment and footwear industries benefit from expanded Better Work coverage and application of new service model Better Work contributes its experience and insights to public sector institutions and actors ILO tools for workplace compliance, competitiveness, and productivity (including self-assessment forms) experience expanded and disseminated through Vietnamese institutions.

Alliance for compliance methods developed on the basis of sectoral consultation and commitment.

Expected changes from ILO contribution

Better Work applies its service model to factories in Vietnam, measuring compliance and providing advise for improvement to PICCs

Significant Outputs:

- Monitoring of compliance in the garment and footwear sectors
- Service model featuring referral of persistent non-complying factories to LI
- Interfacing with LI (including through zero tolerance protocol relative to child and forced labour) to improve their approaches to compliance work.

Building understanding of VGCL and VCCI of compliance, competitiveness, productivity approach, enabling strengthened involvement in development of new tools and dissemination of existing ones.

Significant Outputs:
- Training packages for ILO

constituents, knowledge-sharing events, including rural development academy designed to prompt constituent actions, including joint VGCL and VCCI actions for compliance. ILO tools for SME productivity and competitiveness (SCORE, SYIB, etc.) disseminated and integrated into institutions for use at the grass roots level.

Significant Outputs:

- Backstopping of dissemination
- Promotion of tools
- Monitoring and dissemination of results

Risks and mitigation strategies

- Dissemination of tools does not use a viable model, remaining reliant on ILO support (mitigation: on-going consultation, advocacy)
- Weak support for innovative approaches (mitigation: advocacy, sharing of positive results

An alliance for compliance is promoted in export and other relevant sectors. **Significant Outputs:**

- Studies to determine potential sectors/geographic areas, including export zones.
- Appropriate, sector specific operational tools developed and piloted.

105. The ILO has long worked at the intersection of labour standards' compliance, productivity, and job-creating competitiveness. The 1977 Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, as amended in 2000 and 2006, (MNE Declaration) serves as the ILO's global normative instrument. Thematic global products like IYB, SYB, WISH, and WISE, have been developed to engage change that improves enterprise performance and competitiveness, increases respect for workers' rights and working conditions, and in turn helps prospects for adding jobs to the economy. The common ground between these worlds of work concepts is real but not always obvious, and not often strategically exploited to make progress in all three areas, affording acceptable points of departure and objectives that can attract broad interest and commitment for change. In Viet Nam, the Sustaining Competitive and Responsible Enterprises (SCORE) programme, along with Better Work Viet Nam (BWV), follow in the tradition, the first focusing on improvements in productivity and working conditions going hand in hand, the second working to improve on private and public compliance monitoring using social dialogue to improve application of labour standards as well as competitiveness.



106. BWV became operational in July 2009. Since then, the programme has been able to help secure a stable global market for apparel and footwear produced in Viet Nam and improve working conditions for factory workers engaged in the sector. It does this by combining assessments of factories' compliance with labour standard with targeted advisory and training services with gender issues mainstreamed into their work. This helps factories to differentiate themselves in the international market by increasing their overall competitiveness and meeting buyer demands for socially responsible sourcing. From 2014, BWV expanded to the north of Viet Nam and to the footwear sector. The program has made significant progress and growth over the last year

with increasing number of factories joining the program. As of November 2015, BWV has serviced over 450 factories located in 20 provinces (7 in the South and 13 in the North) with the combined workforce of some 470,000.

107. The SCORE program started its intervention in Viet Nam since 2011, and supports the wood processing industry in southern and central Viet Nam. SCORE's approach enables enterprises to improve productivity and competitiveness sustainably by focusing on worker engagement and working conditions. The program developed its partnership and provided capacity building for VCCI HCMC and local associations in wood processing industry to embed its training program, which is gender sensitive, into their service portfolio to offer to members. The SCORE program has implemented training and on-site consultancy support for 118 enterprises as of 2016. Achievements of SCORE enterprises demonstrate the linkage between better working conditions, worker engagement and productivity, making the methodology an important tool for improving productivity and competitiveness at sectoral and workplace level.

108. Yet BWV and SCORE cannot be everywhere. Important approaches and lessons learned by these projects can be shared, combined with ILO and other relevant experience elsewhere, with a view to developing a new, more indigenous product – and diverse but targeted "alliance for

compliance" – drawing together the objectives of demonstrable compliance, productivity gains, and employment creation through improved organization of work and social dialogue. Boarder, more generic, yet sufficiently sector specific solutions are needed to work with and complement labour inspection, enterprise development, and activity labour market policies in these three critical areas.

Strategy in brief:

109. BWV has developed and operationalized a mechanism for enabling greater responsibility in value chains in Viet Nam. Working with enterprise-level consultative Performance Improvement Consultative Committees (PICCs) and enterprise advisers, BWV has been able to reliably measure and report compliance as well as help its member enterprises on a path of long-term and broad based improvement in production and labour standards compliance. The compliance level of participating factories has significantly improved and reflected in the synthesis reports. BWV's has leveraged its credibility and expertise to help affect change in practices outside of its participating factories, in labour inspection and industrial relations practices, through its special projects. In addition to the supports provided to the participating factories, best practices and lessons learnt have been widely shared with other factories and actors in the garment industry. The program has also contributed to strengthening capacity of the national social partners through providing training and also engaging in policy debates. BWV's strategic approach and operations will continue during this DWCP. Work with labour inspectors will deepen as BWV begins to implement changes in its service model that shift persistently non-compliant participating factories to the labour inspectorate for action supporting improved compliance. The SCORE programme has plans to cooperate with partner organizations (including vocational training institutions'), BWV and other programs in order to expand its intervention to new sectors.

110. In addition, the ILO will work with SCORE, BWV and new industrial relations framework programme to adapt and spread lessons from their efforts for compliance, productivity, job-creating competitiveness and innovation of workplace industrial relations to other sectors of economic activity. In promoting an "alliance for compliance" the ILO will facilitate a community of good practice on subject matter and sectoral basis, with a view to developing and spreading innovative workplace and sectoral approaches and practices in the tradition of compliance-productivity-innovative labour relations intervention. Preliminary work within the electronic sector will be built upon, relying on social dialogue; resulting experiences will be advocated in other sectors.

This Outcome has underpinnings in the advocacy and implementation of the ILO's **Tripartite** declaration of principles concerning multinational enterprises and social policy, which itself is built upon the key premise that good working conditions, productive enterprises and employment creation go hand in hand, as an example of the inseparable, interrelated and mutually supportive elements of decent work.

Outcome 3.4 Deepened commitment to ratify and apply international labour standards.

Deepened commitment to ratify and apply international labour standards.

Outcome: Result of changes

The legislative framework is enhanced to better provide for the elimination of all forms of forced or compulsory labour and elimination of discrimination in respect of employment and occupation

Sustained progress is made towards the ratification of ILO C. 87, 98 and 105, as well as C. 129, 88, 95, 131, 159, 181, 189

Enhanced institutional oversight and enforcement of new legislation providing for the elimination of forced or compulsory labour and discrimination in respect of employment and occupation

Enhanced public, employer and worker awareness on eliminating forced or compulsory labour and eliminating discrimination in respect of employment and occupation

Expected changes from ILO contribution

Technical support to labour law reform

Significant outputs:

- ILO comments on law drafts
- Policy advise on law drafts

Support to dialogue on implications of ratification, requirements for implementation of ILO conventions being considered for ratification

Significant outputs:

Workshops, advocacy meetings designed to respond to constituents awareness and understanding needs.

Support on ratification of technical conventions priorities by GoV, given in the context of broader technical support for institutional development.

Significant outputs:

- Linkages made between conventions and technical supports that work with the subject area of the relevant convention: workshops and training to raise awareness of instruments' requirements and implications of ratification

New operational guidelines for labour inspection implemented by MOLISA and enforcement by other state actors

Significant outputs:

Comments on guidelines, training for labour inspectors; outreach products are produced and disseminated

Means of action and support to constituents, including major outputs.

Risks and mitigation strategies

- That legislation is not adopted over the term of the DWCP, preventing enforcement training on forced labour and discrimination (mitigation: outside control of ILO, but EU FTA gives impedance for law-making)
- Partners do not have capacity to absorb technical support within the short time frames foreseen (mitigation: consultation and accommodation as needed)

- 111. As a member of the ILO, Viet Nam has committed itself to respect the Declaration on Fundamental Principles and Rights at Work. Since 1998, it has ratified Forced Labour Convention, 1930 (No. 29), the Minimum Age Convention, 1973 (No. 138) and the Worst Forms of Child Labour Convention, 1999 (No. 182), bringing its application of the fundamental principles they contain within the ILO system of supervision of international labour standards.
- 112. Viet Nam has worked energetically with the ILO in the New Millennium examining the possibility of ratifying additional ILO Conventions. It ratified during this period the Maritime Labour Convention 2006, MLC, 2006, the Employment Policy Convention, 1964 (No. 122), the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187). With commitments undertaken in recently negotiated FTAs,⁷² Viet Nam has agreed to continue efforts towards ratifying unratified fundamental ILO Conventions No. 87, 98, and 105.
- 113. As noted in the Review of the previous DWCP, government's announced work plans for the consideration of ratification of international instruments plays an important role in their actually being ratified. In addition to the 3 remaining fundamental Conventions, the Prime Minister's Decision No 2528 on Implementing and Joining Conventions 2016-2020 identifies these ILO Conventions for consideration:
- Convention No. 129 on Labour Inspection in Agriculture
- Convention No. 88 on Employment Services
- Convention No. 95 on Protection of Wages
- Convention No. 131 on Minimum Wage Fixing, especially for developing countries
- Convention No. 159 on vocational rehabilitation and employment for disabled persons
- Convention No. 181 on private employment agencies
- Convention No. 189 on decent work for domestic workers

Strategy in brief:

- 114. The ratification of an ILO Convention involves the commitment to apply its provisions. In this context, it is the strategy of this DWCP to promote ratification within the broader context of application. The ratification and application of key instruments has been identified by the Prime Minister, raising the matter to a high level of importance, justifying a separate Outcome in this DWCP. Thus, supportive cooperation for ratification of:
- Conventions No. 87 and 98 will be undertaken as part of broader support related to reform of the industrial relations framework in the context of Viet Nam's international integration;

The EU-Viet Nam Free Trade Agreement, Chapter 15: Trade and Sustainable Development, Art. 3.

- Convention No. 105 will be pursued within the context of broader labour law reforms, working with government authorities, social partners and social organizations, to understand the relevance and instances of modern forms of forced labour as they apply to Viet Nam for example, in the context of migration for employment with a view to remedial actions;
- Conventions No. 129 and 189 will be undertaken as part of continued supports to transform and tackle challenges in the informal economy through the development of the labour inspectorate, improvement of safety and health in work in rural areas, and protection of domestic workers.
- Conventions No. 95 and 131 will be seen within efforts to improve operation of the tripartite National Wage Council created in 2013 through technical supports and cooperation on law reform;
- Conventions No. 88 and 181 will arise in the context of initiatives supporting labour market analysis and institutional support and decent work in migration for employment.

In addition to implement and application of each of the ILO Conventions themselves being considered for ratification and application under this Outcome, its result supports application of the 1998 Declaration on Fundamental Principles and Rights at Work, and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144).

4. Implementation planning, management, monitoring, reporting and evaluation arrangements

115. Viet Nam's dynamic development means that implementation planning, management, monitoring, reporting and evaluation arrangements for the DWCP must be able to adjust it mid-course, in order for it to adapt to constituent needs and developments. In addition, from lessons learned under the previous DWCP, a particular initiative will be undertaken to maximize the learning from ILO supports horizontally, i.e. between tripartite and other stakeholders at central level, and vertically, i.e. to national actors at the centre or from national actors to provincial, specifically with a view to extending the impact of those experiences beyond their initial project- or activity-limited purview. These features and others are described here.

4.1. Implementation and performance monitoring arrangements, including roles of the ILO constituents

116. This DWCP operates under the umbrella of ILO global programme monitoring and evaluation policies and practices. A country-level steering committee (MOLISA, VGCL, VCCI, VCA and ILO) will be established and operate during the life of the programme with the task of periodically reviewing progress towards the identified DWCP outcomes, measured against identified indicators. Monitoring methodologies and administrative arrangements supporting them are systematically established and scrupulously applied. The steering committee will meet annually and its tripartite composition will be agreed in consultation with the Office. A terminal review of the programme can thus be foreseen, evaluating the ILO contributions to DWCP achievement, with a view ultimately to contextualizing constituents' progress in country priority areas in terms of the DWCP supports. Building on the recommendations of the country programme review (DWCP 2012-2016), consultative monitoring of this DWCP will be regular and periodic during its life. Consultations will be designed, inter alia, to revisit, confirm and revise theories of change underpinning the DWCP results framework; review the achievement of expected DWCP results; revise the DWCP results framework in the light of developments; review the adequacy of resources for programme implementation; promote and confirm engagement of social dialogue in achievement of outcomes; and identify joint resource mobilization strategies by the ILO and its Vietnamese constituents.

117. Realizing decent work in Viet Nam implies efforts at many levels. Supportive policies, laws and implementation documents are needed at the national level, as well as implementation efforts and experimentation for innovation at provincial, district and village levels. The ILO's

Decent **2017** Work **2021**

cooperation in Viet Nam occurs at all these levels. The cooperation takes diverse forms, from pure awareness raising or advocacy events or publications, to commenting-at-a-distance on proposed policies or law; from very specific and detailed evidence-based analysis or review intended to inform policy making, to training or piloting of processes to improve skills of social partner constituents, or actual employers or workers. Results shown to have been achieved in the past DWCP sometimes did not get the exposure they warranted, either above or below or nearby, across a provincial, district or village boundary. An enhanced horizontal/vertical dissemination initiative (HVDI) is proposed for this DWCP. During this DWCP term, managers responsible for the 9 outcomes will be asked periodically to succinctly report the most useful and important experiences and lessons learned from their work in progressing toward country programme outcomes, specifically for diffusion and possible propagation elsewhere. These reports will be synthesized and presented by constituents to the tripartite DWCP steering committee, where the social partners will be able to endorse them and transmit them onward to relevant constituents and other actors. Further reporting will be suggested to determine the use made of recommendations made by the steering committee.

118. The CO will initiate a capacity building coordinator function through strengthening the programme integration. This will be done with a view to improving and better coordinating interaction between the CO, DOLISAs and MOLISA, and facilitating MOLISA and DOLISA integration over ILO cooperation, as well as assuring that various projects of the ILO will be coordinated in their planning, implementation and monitoring of capacity building activities with key social partners, VCCI and VGCL.

4.2. Evaluation arrangements

119. ILO evaluation requirements for individual projects will be followed throughout the DWCP. A DWCP Review can be expected prior to expiration of the DWCP term in 2021.

4.3. Risks

120. Risks at the level of country programme outcomes have been identified in Results Chains diagrams presented to constituents for consultations and available to the DWCP steering committee and subsequent DWCP evaluation. More general risks include insufficient or untimely resourcing for activities leading to country programme outcomes, donor interest in approaches to outcomes that inadequately fit country programme outcomes, shifting national priorities (unlikely, mitigated by on-going DWCP monitoring with partners), economic slowdown resulting in limited fiscal space to extend social policies, and failure of the FTAs or other incentive-laden external initiatives to come into force.

5. Funding plan

121. The DWCP is an unfunded, although many of the programme indications are currently on-going and will continue into the implementation period of the DWCP. It is potentially resourced from ILO regular budget, ILO regular budget technical cooperation funds, special allocation technical cooperation funds, and extra-budgetary donor funding. Bi-lateral Donors partnering in current and recent past projects with the ILO in Viet Nam include the governments of Australia, Belgium, Canada, Denmark, European Union, Finland, France, Germany, Hungary, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Netherlands, Norway, Russian Federation, Spain, Sweden, Switzerland, United Kingdom, United States. Multilateral funding has come from the One UN Fund, World Bank/International Finance Corporation.

122. It is anticipated that funding for support to Country Priority 3 will be granted by the United States under their plan of support for the Enhancement of Trade and Labour Relations as well as support from Japan, Canada and EU. Funding has also been secured for other elements of the DWCP.

6. Advocacy and communications approach

123. Advocacy for decent work is significant portion of the ILO's work. The ILO Office in Viet Nam typically joins with its constituents, other UN agencies and development partners in advocacy, often as part of technical cooperation activities. The ILO Country Office maintains a website with the latest information including news releases, research results, and announcements of particular interest to constituents in Viet Nam.⁷³ Additionally, the ILO maintains an information portal about ILO member states, including Viet Nam.⁷⁴

124. The ILO in Viet Nam applies a two-pronged communication strategy. Advocacy is first. The Office endeavours to get involved in policy debate, influence stakeholders to understand key issues and make informed decisions in line with ILO Viet Nam priorities. Communicating the results of DWCP efforts undertaken with constituents is the second. The ILO is a leading voice for social justice and decent work. Its advocacy message will be strengthened and mainstreamed throughout technical cooperation activities in Viet Nam with that goal in sight, to demonstrate its effectiveness as a development agency, and to maintain and increase funding for its efforts with constituents to continue and intensify its support for the DWA at the country level.

125. Under this DWCP, as part of its enhanced horizontal/vertical dissemination initiative, the Office's advocacy will emphasize careful selection and presentation of results that can be particularly useful for identified target constituents.

⁷³ http://www.ilo.org/hanoi/lang-en/index.htm

http://www.ilo.org/gateway/faces/home/ctryHome?locale=EN&countryCode=VNM®ionId=3&_adf.ctrl-state=cntovs9bu_4

APPENDICES

Annex 1. Decent work country programme at a glance

DWCP Priorities	Country Priority 1. Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups	Country Priority 2 Reduce poverty by extending social protection for all and reduce unacceptable forms of work	Country Priority 3 Build effective labour market governance compliant with fundamental principles and rights and at work
-----------------	---	--	--

SDGs	Goal 4. Ensure inclusive and equitable quality education promote lifelong learning opportunities for all Goal 5. Achieve gender equality and empower all women and girls Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all Goal 10. Reduce inequality within and among countries Goal 13. Take urgent action to combat climate change and its impacts	Goal 1. End poverty in all its forms everywhere Goal 3. Ensure healthy lives and promote well-being for all at all ages. Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Goal 5. Achieve gender equality and empower all women and girls Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all Goal 10. Reduce inequality within and among countries Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
One Strategic Plan 2017-2021	Focus Area 1: Investing in People Focus Area 2: Ensuring Climate Resilience and Environmental Sustainability Focus Area 3: Fostering Prosperity and Partnership	Focus Area 1: Investing in People	Focus Area 3: Fostering Prosperity and Partnership Focus Area 4: Promoting Justice, Peace and Inclusive Governance

Decent **2017** Work **2021**

ILO 2016-17 Strategic Outcomes

Outcome 1: More and better jobs for inclusive growth and improved youth prospects
Outcome 5: Decent work in the rural economy
Outcome 6: Formalization of the informal economy
Outcome 9: Promoting fair and effective labour migration policies

Outcome 3: Creating and extending social protection floors
Outcome 6: Formalization of the informal economy
Outcome 8: Protecting workers from unacceptable forms of work

Outcome 2: Ratification and application of international labour standards Outcome 7: Promoting workplace compliance through labour inspection Outcome 10: Strong and representative employers and workers organizations

SEDS 2011-2020

IV.2. Robustly develop industry towards modernity, improved quality and competitiveness

IV.3. Comprehensively develop agriculture towards modernity, effectiveness and sustainability

IV.7. Holistically develop cultural and social fields in harmony with economic development

IV.9. Improve the quality of human resources comprehensively reform and rapidly develop education and training

SEDP 2016-2020

III.2. Continue to speed up economic restructuring in line with growth model reform, improve productivity, efficiency and competitiveness of the economy

III.4. Improve the quality of human resources and strengthen scientific and technological potential III.5. Ensure sustainable development of culture, society and healthcare by closely and harmoniously combining economic development with cultural development, social progress, social justice and improvement of living standards

III.6. Actively respond to climate change, prevent natural disasters, and enhance natural resource management and environmental protection

SEDS 2011-2020

IV.7. Holistically develop cultural and social fields in harmony with economic development

IV.8. Robustly develop the health sector and improve the quality of healthcare services

IV.9. Improve the quality of human resources comprehensively reform and rapidly develop education and training

V.2. Improve the State apparatus, make a breakthrough in administrative reform

SEDP 2016-2020

III.4. Improve the quality of human resources and strengthen scientific and technological potential III.5. Ensure sustainable development of culture, society and healthcare by closely and harmoniously combining economic development with cultural development, social progress, social justice and improvement of living standards

SEDS 2011-2020

IV.2. Robustly develop industry towards modernity, improved quality and competitiveness IV.7. Holistically develop cultural and social fields in harmony with economic development

V.2. Improve State apparatus, make a breakthrough in administrative reform

IV.12. Maintain independence, sovereignty, unity, territorial integrity, ensure political security and social order and safety; expand external relations, actively integrate and increase the position of Viet Nam in the international arena

SEDP 2016-2020

III.2. Continue to speed up economic restructuring in line with growth model reform, improve productivity, efficiency and competitiveness of the economy

III.5. Ensure sustainable development of culture, society and healthcare by closely and harmoniously combining economic development with cultural development, social progress, social justice and improvement of living standards

III.8. Improve the effectiveness and efficiency of State management and ensure the people's freedom and democracy in socio-economic development

III,10. Improve the efficiency of foreign affairs, promote proactive international integration, and create peaceful environment and favourable conditions for national development

DWCP Priorities	Country Priority 1. Promote	Country Priority 2	Country Priority 3
	decent employment and an	Reduce poverty by extending	Build effective labour market
	enabling environment for	social protection for all and	governance compliant with
	sustainable entrepreneur-	reduce unacceptable forms of	fundamental principles and
	ship opportunities	work	rights and at work
DWCP Outcomes	Outcome 1.1 Employment policies and programmes provide better opportunities in decent employment and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups Outcome 1.2 More women and men working in the informal economy engage in decent work through increased formalization. Outcome 1.3 Prospects for freely chosen and productive employment are maintained and expanded for women and men through migration and better preparedness for jobs and sustainable entrepreneurship in global value chains.	Outcome 2.1 Social protection is extended and delivered to larger targeted population (men and women) through a more efficient and effective system. Outcome 2.2 Unacceptable forms of work, especially child and forced labour, measurably reduced.	Outcome 3.1 Effective industrial relations systems built in line with international labour standards and fundamental principles and rights at work. Outcome 3.2 Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women and men, and particularly young workers. Outcome 3.3 Decent work opportunities increased through integrated approaches to compliance and workplace innovation applied at sectoral and workplace level. Outcome 3.4 Deepened commitment to ratify and apply international labour standards.

Annex 2. ILO Conventions ratified by Viet Nam

(by Convention number within category, as of 16 September 2016)

Convention	Date of ratification	Status of instrument & recommended action
Fundamental		
Force Labour Convention, 1930 (No. 29)	05.03.2007	Up to date
Equal Remuneration Convention, 1951 (No. 100)	07.11.1997	Up to date
Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	07.11.1997	Up to date
Minimum Age Convention, 1973 (No. 138)	24.06. 2003	Up to date
Worst Forms of Child Labour Convention, 1999 (No. 182)	19.12. 2000	Up to date
Governance		
Labour Inspection, 1947 (No. 81)	03.10.1994	Up to date
Employment Policy, 1964 (No. 122)	11.06.2012	Up to date
Tripartite Consultation Convention, 1976 (No. 144)	09.06.2008	Up to date
Technical		
Night Work of Young Persons (Industry) Convention, 1919	03.10.1994	Proposed for
(No. 6)		revision
Weekly Rest (Industry) Convention, 1921 (No. 14)	03.10.1994	Up to date
Marking of Weight (Packages Transported by Vessels) Convention, 1929 (No. 27)	03.10.1994	Up to date
Underground Work (Women) Convention, 1935 (No. 45)	03.10.1994	Proposed to denounce Ratify C. 176
Final Articles Revision Convention, 1946 (No. 80)	03.10.1994	Up to date
Final Articles Revision Convention, 1961 (No. 116)	03.10.1994	Up to date
Hygiene (Commerce and Offices) Convention, 1964 (No. 120)	03.10.1994	Up to date
Minimum Age (Underground Work) Convention, 1965 (No.	20.02.1995	Proposed to
123)		denounce
Medical Examination of Young Persons (Underground Work) Convention, 1965 (No. 124)	03.10.1994	Up to date
Occupational Safety and Health Convention, 1981 (No. 155)	03.10.1994	Up to date
MLC - Maritime Labour Convention, 2006 (MLC, 2006)	08.05.2013	Up to date
Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)		Up to date
Not in force		
Minimum Age (Industry) Convention, 1919 (No. 5)	AD on 24.06.	2004 by C138

^{*} AD = Automatic Denunciation, upon ratification of a revising Convention

Annex 3. DWCP Results Matrix

Country Priority 1. Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities

SEDS 2011-2020	One Strategic Plan		
4.7. Comprehensively develop	FFocus Area 1: Investing in People		
cultural and social fields in harmony with economic development	Focus Area 2: Ensuring Climate Resilience and Environment Sustainability		
4.3. Comprehensively develop		stering Prosperity and Par	tnership
agriculture towards the direction of	SDG Targets	J , ,	·
modernity, effectiveness and sustainability SEDP 2016-2020	vulnerable situation	the resilience of the poor ons and reduce their expo mate-related extreme eve	sure and
2. Continue to promote economic restructuring associated with growth model innovation, improve productivity, efficiency and competitiveness of the economy 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards 6. Actively respond to climate change, prevent natural disasters, and enhance natural resource management and environmental protection	vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises including through access to financial services		
Outcome 1.1 Employment policies and programmes provide better	Partners: MOLISA, VGCL,	Integrated resource framework	
opportunities in decent employment	VCCI, VCA, GSO	Estimated to be available	To be mobilized:
and sustainable entrepreneurship, for women and men workers particularly those vulnerable groups		US\$: - RBTC: 25,000	US\$: - One UN: 800,000 - EDSC: 600,000
Indicator 1.1.1 Employment activities advocated and implemented through knowledge sharing and awareness raising.	Baseline: N/A	Target: By 2021, at least 1 polic drawn upon knowledge provided by the ILO	
Indicator 1.1.2 . Public policies integrating employment issues developed addressing the need of workers, particularly the vulnerable groups	Baseline: None	Target: 1 policy	

	Indicator 1.1.3 Employment policies or practices piloted at a provincial level successfully transferred to another province(s).	Baseline: None	Target: 2 piloted policies or p	ractices
	Country Priority 1. Promote decen	t employment and	an enabling environmen	t for sustainable
SEI	OS 2011-2020	One Strategic Plan		
	. Comprehensively develop cultural	Focus Area 1: Inves	ting in People	
eco	d social fields in harmony with nomic development	Focus Area 2: Ensur Sustainability	ring Climate Resilience an	d Environment
bui	. Strongly develop industry and ld it towards the direction of	Focus Area 3: Foste SDG Targets	ring Prosperity and Partn	ership
modernity and improving the quality and competitiveness to create foundations for an industrial country SEDP 2016-2020 2. Continue to promote economic restructuring associated with growth model innovation, improve		8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people		repreneurship, formalization and nterprises, s loyment and
	ductivity, efficiency and npetitiveness of the economy	and persons with disabilities, and equal pay for work of equal value.		
	Outcome 1.2 More women and men working in the informal	Partners: MOLISA, SSA,	Integrated resource framework	
	economy engage in decent work	VCA	Estimated to be available	To be mobilized:
	through increased formalization.		US\$: - RBSA: 370,000	US\$: - RBSA + other donors: 1,000,000
	Indicator 1.2.1 Proportion of informal employment in non-agriculture employment, by sex	Baseline: Approximately 56 per cent (2015), not yet available by sex		
Indicator 1.2.2 Number of policies adopted by government and/or social partners designed to make formalization among informal economy workers more likely.		Baseline: Existing policies do not cover likelihood of formalization among informal economy workers	Target: By 2021, at least 1 policy to support the improvement of likelihood of formalization among informal economy workers.	
	Indicator 1.2.3 Number of evidence of use by targeted/beneficiary informal economy workers of selected indices of formalization (provided with ILO support) to make enterprise(s) more formal.	Baseline: No evidence-based model provided as a result of ILO support is available	Target By 2019, at least one eving by informal workers in numbers businesses in a selected	nicro and small

Country Priority 1. Promote decent employment and an enabling environment for sustainable entrepreneurship opportunities

 entrepreneurating opportunities			
SEDS 2011-2020	One Strategic Plan		
4.7. Comprehensively develop cultural and social fields in harmony with economic development 4.9. Improve the quality of human resources comprehensively renovate and quickly develop the education and training SEDP 2016-2020 2. Continue to promote economic restructuring associated with growth model innovation, improve productivity, efficiency and competitiveness of the economy 4. Improve the quality of human resources and strengthen science and technology capacity 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards	One Strategic Plan Focus Area 1: Investing in People Focus Area 2: Ensuring Climate Resilience and Environment Sustainability Focus Area 3: Fostering Prosperity and Partnership SDG Targets 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		
Outcome 1.3 Prospects for freely chosen and productive employment are maintained and expanded for women and men	Partners: MOLISA, DOLISA IOM (as partner agency under One Strategic Plan)	Integrated res Estimated to be available	To be mobilized:
through international migration and better preparedness for jobs and sustainable entrepreneurship in global value chains.		US\$:	US\$:
Indicator 1.3.1 Recruitment cost borne by employee as a proportion of yearly income earned in country of destination*.	Baseline: Data for Malaysia held by TRIANGLE II Information from GSO needed to know what data they have for this SDG indicator, 10.7.1	for other addi countries	a to include that tional destination cost borne by
Indicator 1.3.2 Well-managed public and private migration policies that are gender sensitive, promote the fundamental principles and rights of women and men migrants at work and foster regional and international cooperation ^t .	Baseline: - 9 key public policy documents (excluding decrees) - private policies, status quo as of 1 Jan. 2017	Target: - 12 (2021) (a Strategic Plar	ligned with One n)

^{*} SDG indicator 10.7.1

^t Adapted from SDG 10.7.2 "Number of countries that have implemented well-managed migration policies" adding "public and private" (to capture ILO support to private initiatives) and reference to FPR of migrants at work

71

	Indicator 1.3.3 Skills needed in employment in global value chains available on the labour market.	Baseline: Current assessments in Provincial Competitiveness Survey questions dealing with ease in finding qualified workers and qualifications of workers	Target: Improvement over baseline assessment
	Indicator 1.3.4 Youth, especially, the most vulnerable ones (women and rural workers) provided opportunities to access and trained on digitalized skills for employment in response to the job needs in the digital economy.	Baseline: Current assessments in Provincial Competitiveness Survey questions dealing with ease in finding qualified workers and qualifications of workers	Target: Improvement over baseline assessment

Country Priority 2. Reduce poverty by extending social protection for all and reduce unacceptable forms of work

forms of work	, , ,		·
SEDS 2011-2020	One Strategic Plan		
4.7. Comprehensively develop cultural and social fields in harmony with economic development 4.8. Strongly develop health cause and improve the quality of healthcare work for the people 5.2. Complete State's apparatus, create strong movement in administrative reform SEDP 2016-2020 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards	Focus Area 1: Investing in People SDG Targets 1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all		
Outcome 2.1 Social protection is extended and delivered to larger	Partners: MOLISA, DOLISA, VSS		
targeted population (men and women) through a more efficient		Estimated to be available	To be mobilized:
and effective system.		US\$: - ESSA/Japan: 200,000 - Social Assistance /IA (inception phase): 99,400	US\$: - ESSA/Japan & WB: 240,000 - Social Assistance/IA: 900,000 - Social Health Insurance/Lux: 700,000

Indicator 2.1.1 Proportion of the population covered by social protection systems and includes the proportion of workers covered by social insurance, beneficiaries of social assistance schemes, proportion of the population covered by the social health insurance scheme.	Baseline: - 23 per cent of labour force is insured to the social insurance scheme - 3 per cent of the population receiving monthly social assistance cash benefits (2.643 million beneficiaries) - 80 per cent of the population is covered under the social health insurance scheme	Target: - 50 per cent of the labour force covered under social insurance scheme by 2020 (government target) - 4-5 per cent of the population receiving monthly cash benefits by 2020 (MPSAR target) 90 per cent of the population covered under social health insurance scheme by 2020 (government target)
Indicator 2.1.2 Number of legal revisions for improving adequacy of benefits, number of new and strengthened procedures and services for improving delivery of social protection benefits.	Baseline: Current legal framework and procedures.	Target: 4 (legal revisions or amendment to procedures)

Country Priority 2. Reduce poverty by extending social protection for all and reduce unacceptable forms of work

TORMS OT WORK					
SEDS 2011-2020	One Strategic Plan				
4.7. Comprehensively develop cultural and social fields in harmony with economic development 4.9. Improve the quality of human resources comprehensively renovate and quickly develop the education and training SEDP 2016-2020 4. Improve the quality of human resources and strengthen science and technology capacity 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards	Focus Area 1: Investing in People SDGs targets 4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms				
Outcome 2.2 Unacceptable forms of work, especially child and forced	Partners: MOLISA, DOLISA,	Integrated resource	e framework		
labour, measurably reduced.	VGCL, VCCI, GSO, MoET, National	Estimated to be available	To be mobilized:		
	Assembly	US\$: ENHANCE: 6.5 million	US\$: EU: 500,000 Other (IPEC+etc): 2 million		

Indicator 2.2.1 Proportion and number of children aged 5-17 years engaged in child labour, by sex and age .	Baseline: Child labour national survey, 2012	Target: Reduction, to be consulted with constituents
Indicator 2.2.2 Provinces that have adopted a provincial action plan for the reduction and prevention of child labour in accord with the National Plan of Action on Child Labour.	Baseline: National Plan of Action calls on the provincial governments for developing provincial action plans	Target: Provincial Plans developed and adopted at least in 12 provinces
Indicator 2.2.3 Institutional structures, including laws, that lead or coordinate action against forced and child labour.	Baseline: Multi-stakeholder structures not present	Target: National, multi-stakeholder structures operational

SEDS 2011-2020 One Strategic Plan Focus Area 3: Fostering Prosperity and Partnership 4.7. Comprehensively develop cultural and social fields in harmony with Focus Area 4: Promoting Justice, Peace and Inclusive economic development Governance 5.2. Complete State's apparatus, SDG Targets create strong movement in 8.8 Protect labour rights and promote safe and secure working administrative reform environments for all workers, including migrant workers, in SEDP 2016-2020 particular women migrants, and those in precarious 5. Sustainably develop culture, society, employment and healthcare by combining and 16.7 Ensure responsive, inclusive, participatory and harmonizing economic development, representative decision-making at all levels cultural development, social progress and improvement of social equality and living standards 8. Improve the effectiveness and efficiency of State management and ensure the people's freedom and democracy in socio-economic development Outcome 3.1 Effective industrial Partners: Integrated resource framework relations systems built in line with MOLISA, DOLISA, Estimated to To be mobilized: international labour standards and VGCL, VCCI, National be available fundamental principles and rights Assembly at work. US\$: 105,000 USS:

	Indicator 3.1.1 Revising industrial relations code and trade union law conforming to fundamental ILO Conventions, where applicable to Viet Nam.	Baseline: From 2010 ILO technical review and reports from CEACR: - Existing Labour Code	Target: Revisions to the Labour Code and Trade Union law make improvements in 50 per cent or more of the remaining areas identified in the 2010 technical
		does not implement fully ratified Fundamental Conventions (baseline). - The law currently does not comply with Non-ratified Conventions No. 87, 98 and 105. - Further baseline	review and implements at least 50 per cent of an updated ILO technical review delivered in January 2017.
		information to be collected under a formal ILO technical review of a draft Code in January 2017. - Baseline on the Trade Union law will be developed by ILO technical review in 2 nd half 2017.	
	Indicator 3.1.2 Bottom-up workers' representation, as evidenced by observed activities of bottom-up representatives.	Baseline: Baseline data to be collected in 2017 under the NIRF project	Target: Survey data (early 2019) on representation shows increased worker representation.
	Indicator 3.1.3 New government industrial relations systems and institutions operational, with use being made of them.	Baseline: Currently there is no operational dispute resolution system. Currently no register of collective agreements.	Target: Institutional framework revised as reflected in amendments to the Labour Code by end of 2017. Recorded arbitrations, mediations/conciliation reflect increased use of dispute resolution services by end of 2018. Registration system for collective agreements operational as evidenced database by end 2018.

rights and at work						
4.7 and ecc 5.2 str reff SE 5.3 and half and and and pecceptage for the second	i.7. Comprehensively develop cultural and social fields in harmony with acconomic development i.2. Complete State's apparatus, create atrong movement in administrative after a complete State of the		One Strategic Plan Focus Area 3: Fostering Prosperity and Partnership Focus Area 4: Promoting Justice, Peace and Inclusive Governance SDG Targets 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment			
	Outcome 3.2 Labour inspection strengthened and preventative OSH culture instilled with a view to increasing decent work for women		Partners: MOLISA, DOLISA, VGCL, VCI	Integrated resourc Estimated to be available	e framework To be mobilized:	
	an	nd men, and particularly young orkers.		US\$: 140,000 + NIRF project 630,998 + OSH Project	US\$:	
		Indicator 3.2.1 Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status .	Baseline: By sex not available. Migrant status might be difficult.	Target: Disaggregation by status.	sex and migrant	
		Indicator 3.2.2 Published annual labour inspection report as required by Art. 20 of ratified Convention No. 81.	Baseline: No published annual inspection reports	Target: Annual labour inspection report is published and made publicly available in 2019 and 2020		
		Indicator 3.2.3 Percentage of young workers who have increased understanding of OSH in the work place and percentage of young workers who have taken initiatives or change their behaviours in regard to OSH in the workplace	Baseline: No data.	Target: Result of knowledg behaviour survey d		
		Indicator 3.2.4 Rate of	Partner:	Target:		

MOLISA Inspectorate

Results of inspectors' capacity building and level of law compliance

of enterprises and employees

non-compliance with labour law

by enterprises by sectors/areas

SEDS 2011-2020

4.2. Strongly develop industry and build it towards the direction of modernity and improving the quality and competitiveness to create foundations for an industrial country

4.7. Comprehensively develop cultural and social fields in harmony with economic development

SEDP 2016-2020

- 2. Continue to promote economic restructuring associated with growth model innovation, improve productivity, efficiency and competitiveness of the economy
- 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards

One Strategic Plan

Focus Area 3: Fostering Prosperity and Partnership Focus Area 4: Promoting Justice, Peace and Inclusive Governance

SDG Targets

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

and n	virig staridards				
	utcome 3.3 Decent work pportunities increased through			Integrated resource framework	
co	tegrated approaches to ompliance and workplace	VOOI, VOOL, IVIOLION,	Estimated to be available	To be mobilized:	
	novation applied at sectoral and orkplace level.		US\$:	US\$: 6 million	
	Indicator 3.3.1 Number of BW member factories/enterprises that adhere to compliance standard	Baseline: As reported in 8 th Synthesis Report for BWV	Target: Improvement on previous reports Target: To be consulted with constituents.		
	Indicator 3.3.2 Tailored made tools and strategies for compliance, productivity, and competitiveness developed and used in targeted sectors and enterprises	Baseline: SIYB limited roll out SCORE as rolled out in HCMC and in new sectors/clusters			
	Indicator 3.3.3 Tripartite plus dialogue platforms and implemented Joint Plan of Action for promoting socially responsible labour practices among MNEs.	Baseline: None	Target: Tripartite plus dialogue platform for the electronics sector operating independently of ILO support, promoting socially responsible labour practices.		

SEDS 2011-2020

- 4.7. Comprehensively develop cultural and social fields in harmony with economic development
- 4.12. Strongly maintain independence, sovereignty, territorial unification, ensure political security and social order; extend external relations, actively integrate and improve the position of Viet Nam in the international arena

SEDP 2016-2020

- 5. Sustainably develop culture, society, and healthcare by combining and harmonizing economic development, cultural development, social progress and improvement of social equality and living standards
- 8. Improve the effectiveness and efficiency of State management and ensure the people's freedom and democracy in socio-economic development
- 10. Improve the efficiency of foreign affairs, promote proactive international integration, and create peaceful environment and favourable conditions conducive to national development

One Strategic Plan

Focus Area 3: Fostering Prosperity and Partnership Focus Area 4: Promoting Justice, Peace and Inclusive Governance

SDG Targets

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

	Outcome 3.4 Deepened commitment to ratify and apply international labour standards. Indicator 3.4.1 Ratification of ILS, with particular attention to Conventions No. 87, 98 and 105.		Partners: MOLISA, DOLISA, responsible ministry for penal institutions, VGCL, VCCI, VCA	Integrated resource framework	
				Estimated to be available	To be mobilized:
				US\$: 50,000	US\$:
			Baseline: None ratified	Target: - Ratification of GoV list of Conventions for ratification by 2020 - Ratification of Conventions No. 87, 98 and 105 by 2020	
	s e E C F	ndicator 3.4.2 Instances of satisfaction or progress expressed by Committee of Experts on the Application of Conventions and Recommendations in relation o Conventions ratified by Viet Nam.	Baseline: The CEACR has requested specific action be taken in relation to compliance with Conventions No. 29, 81, 182, and 138	Target: Four CEACR Observations note with satisfaction improvements in law and practice, the application of Conventions No. 29, 81, 182 and 138	

Bibliographic References

- Abella, M. I. & Ducanes, G. M. 2011. The economic prospects of Viet Nam and what it means for migration policy, (Hanoi, MoLISA/ILO). Available at:

 http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-hanoi/documents/publication/wcms_171757.pdf.
- Arroyo, M. G. 2015. Independent Evaluation: USDOL's Technical Cooperation Portfolio Promoting Workers' Rights in Viet Nam, Available at: Not available.
- ASEAN 2016. ASEAN Guiding Principles for Quality Assurance and Recognition of Competency Certification Systems, Available at:

 http://asean.org/storage/2012/05/ASEAN-Guiding-Principles-for-Quality-Assurance-and-Recognition-of-Competency-Certificati-on-Systems1.pdf.
- Asian Development Bank 2013. Environment and Climate Change Assessment Viet Nam,
 Available at:
 https://www.adb.org/sites/default/files/institutional-document/33916/files/viet-nam-environment-climate-change.pdf.
- Asian Development Bank 2014. Technical and vocational education and training in the Socialist Republic of Viet Nam: An assessment, Available at:

 https://www.adb.org/sites/default/files/publication/59724/tvet-viet-nam-assessment.
 pdf.
- Bèlanger, D. 2014. "Labor migration and trafficking among Viet Namese migrants in Asia", in *The Annals of the American Academy of Political and Social Science*, Vol. 653, p. 87-106. Available at: http://ann.sagepub.com.proxy.library.cornell.edu/content/653/1/87.full.pdf+html.
- Central Institute for Economic Management 2010. Impacts of international economic integration on Viet Nam's economy after three years of WTO membership, Available at: http://mutrap.org.vn/index.php/en/library/finish/61/607.
- Centre for Community Support and Development Studies, Centre for Research and Training of the Viet Nam Fatherland Front & United Nations Development Programme 2016. The Viet Nam Provincial Governance and Public Administration Performance Index: Measuring citizens' experiences, Available at:
 - http://papi.org.vn/eng/wp-content/uploads/2016/04/PAPI-2015_REPORT_ENGLISH-1.pdf.

- Consular Department of the Ministry of Foreign Affairs of Viet Nam 2012. Review of Viet Namese Migration Abroad, (Hanoi, Viet Nam, Available at: https://eeas.europa.eu/delegations/Viet Nam/documents/eu_Viet Nam/vn_migration_abroad_en.pdf.
- **Evaluation Unit/International Labour Office 2012.** *Independent evaluation of the ILO's strategy for integrating inclusive employment policies,* **Available at: Pending attachment.**
- General Statistics Office 2015. Report on the Labour Force Survey, 2015, (Hanoi, Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16027.
- General Statistics Office. 2016. Statistical Yearbook of Viet Nam, 2015, Hanoi, Statistical Publishing House. Available at: https://www.gso.gov.vn/default_en.aspx?tabid=515&idmid=5&ItemID=16052
- Institute of Labour Science and Social Affairs 2013. Summary of key findings of The National Report on Social Protection for women and girls in Viet Nam, Available at: http://asiapacific.unwomen.org/en/digital-library/publications/2014/4/summary-of-key-findings-viet-nam.
- Kidd, S., Abu-el-Haj, T., Khondker, B., Watson, C. & Ramkissoon, S. 2016. Social assistance in Viet Nam: A review and proposals for reform, Available at: http://www.developmentpathways.co.uk/resources/wp-content/uploads/2016/07/3.Soc ial-Assistance-in-VN-A-review-and-proposal-for-reform-EN-1.pdf.
- Larga, R., Tunon, M. & Baruah, M. 2013. Background paper: Progress on the implementation of the recommendations adopted at the 3rd and 4th ASEAN Forum on Migrant Labour, Available at: http://www.ilo.org/wcmsp5/groups/public/--asia/---ro-bangkok/documents/publication/wcms_219040.pdf.
- Leowinata, S. & Smawfield, D. 2011. Final evaluation of the labour market project Viet Nam (final report), Available at: Not available.
- Lythe, D. 2014. Assessment of the readiness of ASEAN Member States for implementation of the commitment to the free flow of skilled labour within the ASEAN Economic Community from 2015, Available at:

 http://www.ilo.org/wcmsp5/groups/public/--asia/---ro-bangkok/---sro-bangkok/documen ts/publication/wcms_310231.pdf.
- Noy, I. & Vu, T. B. 2009. The Economics of Natural Disasters in a Developing Country: The Case of Viet Nam, Available at:

 http://www.economics.hawaii.edu/research/workingpapers/WP_09-3.pdf.
- Sellier, E. 2016. The ASEAN Economic Community: The Force Awakens? The AEX is here, but can it deliver on its promise? *The Diplomatic*, 12 January 2016.
- Smyle, J. & Cooke, R. 2012. Climate Change Analysis and Adaptation Responses: Prepared for Informing IFAD's Country Strategic Opportunities Program 2012 2017 for Viet Nam, Available at: https://www.ifad.org/documents/10180/f3552462-c460-4825-bde3-4a57b91411b2.

- Socialist Republic of Viet Nam 2015. Country Report: 15 years of achieving the Viet Nam Millennium Development Goals, Available at: http://www.vn.undp.org/content/Viet Nam/en/home/library/mdg/country-report-mdg-2015.html.
- Thanh, N. D., Hang, N. T. T., Itakura, K., Nga, N. T. L. & Tung:, N. T. 2015. The Impacts of TPP and AEC on the Viet Namese Economy: Macroeconomic Aspects and the Livestock Sector, Available at: https://www.jica.go.jp/Viet Nam/english/office/topics/c8h0vm000001sp1a-att/150924_01.pdf.
- Tran Duc Vien. 2011. "Climate change and its impact on agriculture in Viet Nam", in Journal of the International Society for Southeast Asian Agricultural Sciences Vol. 17, 17-21. Available at: http://www.issaas.org/journal/v17/01/journal-issaas-v17n1-03-vien.pdf.
- United Nations Development Programme 2015. Briefing note for countries on the 2015 Human Development Report: Viet Nam, Available at: http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/VNM.pdf.
- Viet Nam Academy of Social Sciences 2011. Employment and social protection in Viet Nam,
 Available at:
 http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-hanoi/documents/publication/wcms_171758.pdf.
- World Bank 2011. Vulnerability, Risk Reduction, and Adaptation to Climate Change Viet Nam, Global Facility for Disaster Reduction and Recovery). Available at:

 http://sdwebx.worldbank.org/climateportalb/doc/GFDRRCountryProfiles/wb_gfdrr_climate_change_country_profile_for_VNM.pdf.
- World Bank 2012. Well begun, but not yet done: Viet Nam's remarkable progress on proverty reduction and the emerging challenges, Available at:

 http://documents.worldbank.org/curated/en/563561468329654096/pdf/749100REVISE D00al000Eng000160802013.pdf.
- World Bank 2014. Skilling up Viet Nam Preparing the workforce for a modern market economy (Main report), Available at: http://documents.worldbank.org/curated/en/610301468176937722/Main-report.
- World Bank 2015. Taking stock: An update on Viet Nam's recent economic developments, (Hanoi, World Bank). Available at: http://documents.worldbank.org/curated/en/968271468179952846/pdf/101324-WP-PU BLIC-Box393262BTaking-stock-ENG-26-11.pdf.
- World Bank & Ministry of Planning and Investment of Viet Nam 2016. Viet Nam 2035: Toward Prosperity, Creativity, Equity and Democracy (Overview), Available at: https://openknowledge.worldbank.org/bitstream/handle/10986/23724/VN2035English.pdf?sequence=10&isAllowed=y.