

## 10. Education and Training

### Overview

	2003	2004	2005 (estimated)
Total Market Size	62.0	72.2	83
Total Local Production	30.0	32.0	35.8
Total Exports	0	0	0
Total Imports	32.0	40.2	47.2
Imports from the U.S.	10.0	13.2	14.5

*The above statistics are in US\$ million and are unofficial estimates.*

There is a significant demand for educational and training development in Vietnam. Strong industrial growth (approximately 15% in 2004 and 2005) and expanding foreign investment is generating the need for a variety of workplace skills that are currently in a short supply. Creating a better-trained workforce will be a key pillar to Vietnam sustaining long-term economic growth and developing an internationally competitive workforce. To this end, over the last few years the Vietnamese Government has increased budget allocations, liberalized private sector involvement, and encouraged foreign participation in developing education and training services in Vietnam. The Government has developed a long-term Education Development Strategy from 2001 to 2010, and estimates that the share of education expenditure could increase to 6.9 percent of GDP and 20 percent of total government expenditures by 2010.

### Best Products/Services

The best prospects for U.S. providers are English language training, vocational and technical training (including information technology and basic manufacturing skills), post-secondary education (including overseas study programs), and consulting services.

English has become the language of choice for Vietnamese seeking to enhance their educational and career opportunities. State-owned institutions, public schools, and English learning centers are seeking help to upgrade both standard and specialized English courses. Schools and centers specializing in TOEFL and IELST training for study abroad will find rapidly expanding markets in Vietnam's major cities.

Many jobs being created in Vietnam's transitioning economy require technical skills, generating increased need for vocational education. The demand for skilled workers and production technicians is already acute and is expected to remain so. This demand is spurring increased interest in two types of post-secondary education involving foreign entities: foreign education programs and overseas study. Many Vietnamese students have been able to take advantage of scholarships and bilateral aid program to support their study abroad. However, an increasing number of Vietnamese students are able to contribute significantly to funding their education. The Government has also been involved in implementing its own programs to foster the further study abroad of officials

and employees with the long-term goal of enhancing the capabilities of the government workforce.

## Opportunities

A significant increase in per capita income in the past ten years, a booming private sector, and the traditional value Vietnamese place on education are creating significant opportunities for education and training services. Business surveys have highlighted that Vietnam has serious shortages of highly skilled persons, particularly in the areas of services, informatics technology, banking and finance. In recognition of the importance of the skilled labor force, the Government is seeking to encourage the development of education, and vocational education. Many Vietnamese provinces also developed their specific proposals for calling foreign investment in this area.

The Ministry of Education and Training (MOET) has encouraged foreign educational businesses to become involved in the education and training sector, especially in the development of new disciplines such as information technology and environmental science, and other scientific fields that are not yet widely available in Vietnam.

A segment of higher education that is growing quickly within Vietnam is the establishment of foreign education programs run either entirely by foreign universities or through cooperation between foreign and Vietnamese institutions. The sector received a boost with the enactment of Decree No. 06/2000/ND-CP, dated March 6, 2000, which provided incentives for foreign investment in several areas, including education and training. Foreign entities are encouraged to develop training programs for scientists, technicians, managers, and experts in economics, technology, natural sciences, the environment and culture.

In December 2005, MOET issued a decision allowing nine universities to pilot 10 foreign educational curricula, starting with the 2006-2007 school year. The pilot disciplines are in the fields of natural science, technology, and economic management. Preference is also given for educational curricula to involving foreign lecturers. Examples of education initiatives involving foreign firms include the University of Natural Science in Ho Chi Minh City, which has already signed a cooperation memorandum with Texas State University to provide four-years programs for bachelor's degrees in the field of informatics technology (two years in Vietnam and two years in the U.S.) and for master's degrees (one year in Vietnam and one year in the U.S.). For the school year 2006-2007, the University plans to provide this kind of training for 30 students in the field of informatics technology.

The Vietnamese government has also identified vocational education as a major area for future investment and improvement. Under Government targets, 30 percent of the country's workforce would ideally receive vocational training by 2005, and 40 percent by 2010. Priority will be given to training workers for high-tech fields such as information technology, biology, materials engineering and automation, as well as economic and social management.

The investment in and development of ICT and E-Government programs has received special attention. In this regard, the Prime Minister issued Decision No.112 in 2001, approving a project on state administrative management computerization for the period 2001-2005. Vietnam's overall objectives for the project include organizing IT training

courses for state public servants and helping them access and make use of new technology in their routine work in order to meet high requirements of work effectiveness and quality.

A number of education and training consulting opportunities arise from Official Development Assistance (ODA)-financed projects including World Bank and Asian Development Bank projects to upgrade training, curriculum development, and equipment within the country's upper secondary and post-secondary education systems.

## Resources

Vietnam's education and training information and projects are available at the following major websites:

The World Bank: [www.worldbank.org/vn](http://www.worldbank.org/vn)

The Asian Development Bank: [www.adb.org/Vietnam](http://www.adb.org/Vietnam)

For further information, please contact the following persons/agencies:

1. Ms. Ngo Thuc Anh

U.S. Commercial Service Hanoi - American Embassy

6 Ngoc Khanh St, 3<sup>rd</sup> Floor, Hanoi, Vietnam

Tel: (844) 831-4650; Fax: (844) 831-4540

E-mail: [Ngo.Anh@mail.doc.gov](mailto:Ngo.Anh@mail.doc.gov)

2. Mr. Le Anh

U.S. Commercial Service Hochiminh City – U.S. Consulate General

65 Le Loi Blvd, Dist 1, HCMC, Vietnam

Tel: (848) 825-0490; Fax: (848) 825-0491

E-mail: [Le.Anh@mail.doc.gov](mailto:Le.Anh@mail.doc.gov)