

Viet Nam (January-March 2016)

Key partners	Ministry of Labour, Invalids and Social Affairs (MOLISA)
	Viet Nam General Confederation of Labour (VGCL)
	Viet Nam Association of Manpower Supply (VAMAS)
	Departments of Labour, Invalids and Social Affairs (DOLISA)
Target sites	Quang Ngai, Thanh Hoa, Ha Tinh, Bac Ninh and Phu Tho Provinces
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Background information

Since the inception of the *doi moi* economic reforms in the 1980s, Viet Nam's national socio-economic development plans have included labour migration as a mechanism to increase employment and reduce poverty. There are approximately 520,000 Vietnamese migrants currently working overseas, most of whom are young men and women from rural areas who obtain low-skilled employment in manufacturing, construction, fishing, agriculture, domestic work and other service industries.

The main destination countries for Vietnamese workers have traditionally been the more developed economies of East Asia, including China (Taiwan), South Korea, Malaysia, and Japan. In recent years, however, the range of countries has become increasingly diverse, including significant flows of workers to the Middle East, Northern Africa, Europe and other low and middle income states in Asia.

The legal status of these workers has also become more varied, with a sizeable number employed irregularly outside the parameters of bilateral agreements and MOUs on labour migration, particularly in Taiwan (China), Lao People's Democratic Republic, Cambodia and Thailand. At the same time, there have been concerns about the rising number of Vietnamese workers who are overstaying their visas and therefore becoming irregular migrant workers (in South Korea, Taiwan (China) and Malaysia). The irregular status of these migrants increases their vulnerability to exploitation and limits the channels available to them to seek assistance. Irregular migration is punishable by fines and other sanctions in Viet Nam as well as in destination country.

Migrant workers make a significant contribution to the economic development of Viet Nam through remittances, providing a major source of foreign exchange income. In 2015, the World Bank estimates that approximately US\$12 billion was sent home by Vietnamese migrants, ranking the country 11th in the world in remittance inflows. This figure constitutes over 6 per cent of Vietnam's annual GDP, placing the economic importance of its remittances second only to the Philippines in Southeast Asia.

The Vietnamese government has also developed geographically-targeted policies to encourage labour migration as a poverty reduction strategy. The residents of designated 'poor districts' in 20 provinces are eligible to apply for subsidies to facilitate working overseas. The incentives include loans and financial assistance for language training, vocational skills training, health checks and other services. While effective at increasing migration in these areas, there are some concerns that this policy encourages the most vulnerable populations to migrate, including ethnic minorities with very limited educational backgrounds.

Viet Nam at a glance

 Population: 90.73 million

 Labour Force: 53.75 million

Estimates of Vietnamese migrant workers abroad

- Taiwan (China) 170,000
- Korea 60,000
- Malaysia: 51,169
W26,274: M24,895

Source: Foreign Workers data (30 October 2015)
Immigration Department, Malaysia

- Japan 50,000
- Thailand 50,000

Migrant workers deployed in 2015

115,980 (38,640W: 77,340M)

Major destination countries in 2015

- Taiwan (China) 67,121
W19,901: M47,220
- Japan 27,010
W11,154: M15,856
- Malaysia 7,354
W4,255: M3,099
- Saudi Arabia 3,975
W2,252: M1,723
- Republic of Korea 6,019
W426: M5,593

Source: Department for Overseas Labour, Ministry of Labour, Invalids and Social Affairs (March 2016)

It is likely that the number of migrant workers going abroad will continue to rise as the Government pursues its migration targets, supported by the push factors of high rates underemployment in many areas. A record 115,980 workers went abroad in 2015, including a growing proportion of women migrants (33 per cent).

Although the emerging trend of more women migrating is viewed by some in Vietnam as problematic, it appears likely to continue due to recent developments in bilateral cooperation with Malaysia and Saudi Arabia on deployment of domestic workers and care workers. Women's migration into domestic work will further be affected by Taiwan (China) lifting a 2005 suspension on the recruitment of Vietnamese domestic workers and the Thai Government allowing irregular Vietnamese domestic workers to register for one-year work permits.

The Law on Contract Based Overseas Workers 2007 is the overarching framework governing international labour migration in Vietnam. During 2014-2015, the ILO supported MOLISA to conduct a review of the law – in consultation with social partners, recruitment agencies and other legal experts. Key gaps and challenges in the implementation of the law identified included: high recruitment costs, inadequate access to justice for migrants, unclear responsibilities on protection of migrant workers, gender inequalities, management of irregular migration and engagement of tripartite constituents. Moreover, there few policies and programmes are in place to support the effective return and reintegration of migrant workers.

Main activities (January – March 2016)

- Trainings were held for the staff of 14 new recruitment agencies on implementing the VAMAS Code of Conduct and its monitoring mechanism in Ho Chi Minh City and Hanoi. 311 agency managers and staff (W177: M134) participated.
- Preparations were made for the launch of TRIANGLE II in Viet Nam, including obtaining approval from the Labour Minister and establishment of the Project Advisory Committee.

Upcoming activities and key dates (April – June 2016)

Date	Event	Location	Attendees	Purpose
21-22 April	10th SURAC meeting	Hanoi	Tripartite constituents, experts and implementing agencies	To share progress and obtain inputs on TRIANGLE II's approach from tripartite constituents and other key partners
28-29 April	AAPTIP-ILO supported consultation workshop on the collaboration between labour and security officials on anti-trafficking	Quang Binh	Labour and security officials from 10 provinces, MOLISA, MPS and experts	To develop measures to strengthen collaboration between labour and security officials on anti-trafficking interventions during the migration process
April	Training for 14 new recruitment agencies on application of VAMAS Code of Conduct and monitoring mechanism	Hanoi	Recruitment agencies	To support recruitment agencies on implementing the Code of Conduct and familiarize them with the monitoring mechanism.
May	Tripartite consultation workshop on amendment of Prime Minister Decree 126	Hanoi	Tripartite constituents, experts and implementing agencies	To obtain feedback from stakeholders on amendment of the Decree that guides implementation of the law on sending workers abroad.
May-June	Training of trainers for the pre-departure training curriculum for Taiwan (China)	Quang Ninh, Da Nang	DOLAB, VGCL, VAMAS, recruitment agencies	To enhance capacity of trainers on delivery of a right-based, participant-centered, pre-departure training for migrant workers heading to Taiwan (China).
April-June	Monitoring of the VAMAS Code of Conduct	Hanoi, HCMC	Recruitment agencies, VAMAS, ILO	To monitor compliance with the VAMAS Code of Conduct for 20 recruitment agencies.
June	Feasibility study on establishing Migrant Worker Resource Centres managed by VGCL	TBD	VGCL, ILO	To identify potential partners from VGCL with the capacity to establish effective Migrant Worker Resource Centres.

Key developments

- The Law on Social Insurance came into effect on 1 January 2016, which allows migrant workers to register for old age and survivor benefits.
- The implementation plan for the MOU between Vietnam and Malaysia on recruitment and employment of migrant workers was adopted by the Prime Minister on 18 March 2016. The plan set out key actions to be

taken by MOLISA, recruitment agencies, local authorities and related stakeholders, including disseminating information about the MOU, developing the process and forming a working group.

- The Prime Minister's Decree 126 is undergoing amendment that aims at strengthening the regulation of recruitment agencies in order to ensure coherence with the new laws on investment and enterprise.

Media

Date	Title	Media source
26 February 2016	Enhancing the benefits of migrant workers	<u>The Voice of Viet Nam, Channel 1 (VOV1)</u>

The **TRIANGLE II** project extends the cooperation between the **International Labour Organization (ILO)** and **Australian Department Of Foreign Affairs and Trade** on protecting migrant workers and enhancing development opportunities. **TRIANGLE II** aims to ensure that the benefits of labour migration are equally realised by men and women migrant workers; employers and governments. In shifting emphasis towards harnessing the development potential of migration, **TRIANGLE II** aims to shape labour migration opportunities to support inclusive and sustainable growth in the ASEAN Economic Community. **TRIANGLE II** focuses on delivering in six countries (**Cambodia, Lao PDR, Malaysia, Myanmar, Thailand, and Viet Nam**) and engages institutionally with **ASEAN**.