



International
Labour
Organization



The ILO in Viet Nam

KEY FACTS AND FIGURES



Population

in multidimensional poverty

10.9%

	Total	Male	Female	Youth
Share of income held by 'middle class' (2016)	50.6%	-	-	-
Labour force	55.3M	52.2%	47.8%	12.7%
Labour force participation rate	76.8%	82.3%	71.6%	57.4%
Unemployment rate	2.19%	1.97%	2.46%	6.9%
Social insurance coverage of labour force	24.5%	-	-	-
Employment by economic sector	- Agriculture, forestry and fisheries: 37.7% - Industry and construction: 26.7% - Services: 35.6%			
Status in employment	- Employers: 2.1% - Own-account workers: 39% - Unpaid family workers: 14.9% - Wage workers: 43.9%			
Average monthly wage	VND 5,867,000 (approx. US\$250)			

Source:

- Data and definitions from: General Statistics Office (GSO). 2018. Labour Force Survey Report.
- UNDP Viet Nam. 2016. Multidimensional Poverty in Viet Nam – Reducing Poverty in all its dimensions to ensure a good quality of life
- World Bank's Data: <https://data.worldbank.org/country/vietnam?view=chart>

Viet Nam has a fast growing economy. The country's GDP has been expanding steadily for three decades, and almost twice as fast as the average global economy. More than 30 million people were lifted out of poverty as a result, joining a middle-class that has been steadily expanding over the past twenty years. Economic progress was enabled by transformative reform that established today's socialist-oriented market economy, where the one-Party State structure coexists with openness to international trade. Exports as a share of GDP have grown ten-fold since the beginning of the 1990s, and Viet Nam attained the status of a low middle income country in 2010.

Viet Nam's labour market has been changing alongside its economy. When the country entered the new millennium, agriculture was the largest sector in terms of employment. Today, the share of agriculture in employment has been almost halved, and industry and services together account for more than 60 per cent of the employed population.

The country is facing new challenges. The country is aging rapidly, its local industries are still based on a low-skill, low-value-added model at the bottom of global supply chains, and it is highly vulnerable to the impacts of climate change. For sustainable development and decent work for all, Viet Nam needs to aim at a better growth quality, with a stronger focus on inclusion, higher reliance on domestic skills and innovation, environmental sustainability, and sound labour policies.

Several of these priorities have been topping Viet Nam's policy agenda, which has led to concrete results. The joining of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Viet Nam FTA represents the country's renewed commitment to the ILO Declaration on Fundamental Principles and Rights at Work, while modernizing its economy for accelerated growth. The Party Resolution No. 6 (on international economic integration) and the Government Decision No. 2528 (guiding roadmap of ratifying ILO's conventions) in 2015, together with Resolution No. 27 (on wage policies) and No. 28 (on social insurance reform) in 2018, and show Viet Nam's strong determination to align with ILO core labour standards and roll out universal social protection in the economic integration context.

Viet Nam is already one of the world's most successful development stories. Still, challenges exist for the country when trying to avoid the 'middle-income trap'. Determination to maintain economic performance, together with a commitment to a just society based on decent work for all, has the potential to push the country to a higher level of prosperity.

THE ILO - WHO WE ARE

The International Labour Organization (ILO) is the United Nations agency for the world of work. Devoted to advancing social justice, it promotes a Decent Work Agenda based on four strategic pillars: rights at work, decent employment opportunities, social protection and social dialogue.

It is the only public international organisation which is tripartite, where workers and employers enjoy equal rights with governments in representation and decision-making. Together they set labour standards, develop policies and devise programmes upholding decent and productive work, in conditions of freedom, equity, security and dignity for all.

Created in 1919 as part of the Treaty of Versailles that ended World War I, the ILO became the first specialized agency of the UN in 1946. It received the Nobel Peace Prize in 1969 and today is recognized as the world's authority on the world of work, offering over 100 years of knowledge, experience and achievements.

THE ILO IN VIET NAM

Photos: © ILO.



Viet Nam rejoined the ILO in 1992. The ILO Country Office was open in Hanoi in 2003 and is one of the ILO's largest field offices outside Geneva.

Working in partnership with the Government of Viet Nam (especially the Ministry of Labour, Invalids and Social Affairs), workers' organization (the Viet Nam General Confederation of Labour) and employers' organizations (the Viet Nam Chamber of Commerce and Industry and the Viet Nam Cooperative Alliance), the ILO has offered support through policy advice, capacity building and technical cooperation to open opportunities for women and men to gain access to better jobs and have a voice in the decisions that affect their lives. The ILO does not only work with tripartite partners in a narrow sense, but also with policymakers and lawmakers, business communities and labour communities in Viet Nam.

Viet Nam has ratified 25 International Labour Conventions, including 7 of the 8 fundamental conventions. Convention No.105 on Abolition of Forced Labour, ratified on 14 July 2020, is the country's latest ratification. The Government has reaffirmed its commitment to ratify the remaining core convention, namely Convention No.87 on Freedom of Association and Protection of the Right to Organize by 2023.

The Decent Work Country Programme for Viet Nam is the main framework for ILO co-operation with the Government, workers' and employers' organizations over the 2017 - 21 period. It is in line with the Viet Nam United Nations One Plan for the same period, which embraces the Sustainable Development Goals, and the national Five - year Socio -

Economic Development Plan. The third Decent Work Country Programme sets out three country priorities namely 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.
- Build effective labour market governance compliant with fundamental principles and rights and at work.

Under the Decent Work Country Programme, ILO is running 15 development cooperation projects/programmes with an integrated approach to maximize their impacts in strategic economic sectors and localities. These projects cover a wide range of issues, including labour law, industrial relations, labour inspection, social protection, health insurance, child labour, work safety and health, labour migration, enterprises and skills development, Sustainable Development Goals, corporate social responsibility, and better work in the garment sector.

The current total funding of the development cooperation projects is approximately US\$20 million. The ILO's major resource partners for Viet Nam include (in alphabetical order) Australia, Canada, the EU, Ireland, Japan, Luxembourg, Netherlands, Norway, Russia, Switzerland, the US and public-private partnerships. The generous support of the development partners plays an important role in helping Viet Nam advance on the path to bring decent work for all.

Decent work: a key to achieving the Sustainable Development Goals



“Decent work is not just a goal – it is a driver of sustainable development”

Guy Ryder, ILO Director General

By embracing the three dimensions of sustainability – economic, social and environmental, the 2030 Agenda for Sustainable Development provides a once-in-a-generation chance to make a change and improve the lives of billions, leaving no one behind.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while working to preserve our planet.

The importance of decent work in achieving sustainable development is highlighted by Goal 8 which aims to “promote inclusive and sustainable economic growth, full and productive employment and decent work for all”.

Putting decent work at the heart of economic policy-making and development plans will not only generate jobs but also lead to more robust, inclusive and poverty-reducing growth. It is a virtuous circle that is as good for the economy as it is for people, and one that drives sustainable development.

ILO Country Office for Viet Nam

304 Kim Ma Street Hanoi, Viet Nam



+84 24 38 500 100



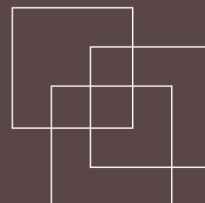
+84 24 37 265 520



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