After two decades of high-speed growth, Viet Nam’s economy began to slow down after the global financial crisis of 2008. This has had an inevitable impact on the labour market, causing a sharp rise of unemployment and underemployment, notably in the agriculture, construction and retail sectors.

Jobs have become harder to come by in the formal sector and more people have accepted insecure and precarious jobs in the informal sector, where lack of social protection and safety nets makes them less resilient and more vulnerable.

In response, the Government of Viet Nam tried to expand the coverage of unemployment insurance and about 10 million people are expected to register for the insurance scheme in 2015. However, this is still a small proportion of the entire workforce.

To develop a comprehensive social protection system that ensures the welfare of all workers, the Vietnamese Government requested the ILO’s assistance in developing a PEP. Viet Nam’s Employment Law provides that public employment means temporary work generated through government-funded projects or activities in association with socio-economic development programmes. The PEP covers sectors such as public infrastructure, social and environmental projects.

The objective is for Viet Nam to develop an effective PEP by the end of 2017 that provides income earning opportunities for income-poor and disadvantaged groups.
## MAIN ACTIVITIES

- Organize technical workshops at national and local level to explain the new employment policy and the PEP concept.
- Conduct classroom training for local officials on the principles and technical design characteristics of the PEP.
- Conduct an assessment of the employment potential of the relevant infrastructure, environment and social sectors.
- Identify priority sectors with high employment potential.
- Identify existing and new government programmes that can be utilized to advance the PEP/employment policy objectives.
- Support existing and new government programmes to integrate strategies and procedures that increase the programmes’ employment creation potential.
- Provide technical support during implementation of PEP to increase the quantity and quality of employment.
- Review lessons learned during implementation of PEP.
- Provide technical inputs during the revision of relevant circulars.

## PROJECT OUTCOMES

The main outcomes will be achieved over three years, by focusing on supporting the government in implementing the PEP in selected geographical pilot areas or sectors, the pilot testing of existing programmes in these selected areas or sectors, and the dissemination and feedback of lessons learned to support the development of a national programme.

- Policy makers, implementing bodies and community members in government-selected geographical areas and sectors understand PEP principles, mechanisms and procedures by mid-2015.
- A clear menu of options for employment-intensive infrastructure work, environmental work and social are services identified and specifications worked out by the end of 2015.
- Selected PEP components are integrated and pilot-tested with existing Government programmes in selected geographical areas/sectors by the end of 2016.
- Relevant circulars are revised to reflect lessons learnt during the testing, by the end of 2017.