

EDUCATION AND TRAINING ISSUES

Education Working Group – Vietnam Business Forum

April 2010

The Education and Training Working Group (EWG) - Vietnam Business Forum would like to send our sincere greetings to the Ministry of Education and Training (MOET). As you may know, the midterm Vietnam Business Forum 2010 is scheduled to take place on May 26, 2010 in Hanoi. To prepare for the Forum, we would like to draw your attention to a number of critical issues for your consideration and response:

1. Misconception of private/international universities: Due to recent scandals involving some private universities, criticism of non-public/private universities has increased about their poor quality, bad facilities, and low entrance requirements. There is also concern about having too many universities in Vietnam, and thus the establishment of new private/non-public universities should not be encouraged for the time being.

Suggestions/opinions:

- ✓ What matters is quality not number. One should therefore not be afraid of having too many non-public/private universities, and an effective management mechanism is required to ensure the quality of the system.
 - ✓ MOET needs to be an effective player to enforce regulations in order to ensure the quality of higher education services.
 - ✓ Universities that have bad quality/performance and harm the reputation of the non-public/private education system should be penalized through suspension or withdrawal of license, if breaches are not rectified within a certain time frame. Good universities should be rewarded by, for example, receiving more quota for enrollment or by assistance in opening new programs. The level of restrictions applied to each institution should depend on their performance. If they are good, they will have less restrictions.
 - ✓ The accreditation process for universities should be accelerated and the results published widely so that anyone who is interested can view them. Through this process, suspensions or license withdrawals will be made to bad universities, and good universities will no longer be harmed by the bad reputation that are created by those bad universities.
2. Independent accreditation body: We would like an update from MOET on the formation of an independent accreditation body, as well as information on whether there is a specific road-map for the establishment and operation of such an institution.
 3. Administration procedures:
 - Approval of new educational programs are still cumbersome. It takes about two years to receive permission for an international cooperation program.
 - Twinning program guidelines and materials which should be included in the application dossiers are unclear. There is no set time limit for the approval.
 - Licensing of new educational institutions is burdensome. Under current laws, all foreign related education operators should have two licenses: an investment

certificate granted by DPI and an operation license granted by DOET. However, there is often a lack of coordination between these two departments which significantly delays the granting of such licenses. Furthermore, some conditions for the establishment of schools/universities are impractical, such as the requirement that a university must have five hectares of land (especially given the land scarcity in large Vietnamese cities). The emphasis should be on quality, measured by results and the students' ability to find suitable employment upon graduation, not on facility specifications. This should be handled by building standards and regulations instead.

- The licensing procedure to set up a new branch for educational institutions having legal entity existed in Vietnam is still unclear and inconsistent. According to Circular No. 14/2005/TTLT – BGD&DT – BKH&DT dated 14 April 2005 (Article 15) implementing Decree 06/ND-CP dated 06 March 2000, if an educational institution having foreign invested capital wish to establish a new branch other than the locations provided in the Investment Certificate, it is required to have a detail project proposal to submit to MPI for getting opinion and decision from relevant authorities. From our understanding, this provision should be only applicable to educational institutions which do not have legal entity in Vietnam yet (just establish a branch not legal entity). For those which already have legal entity existed in Vietnam, they had conducted such procedures at the establishment. Therefore, when they establish a new branch, such procedure should not be repeated. In practice, this procedure is inconsistent in application between the provinces.

Suggestions/opinions:

- ✓ “One-stop shop” to be introduced in the approval/licensing process for education business services and a time limit should be imposed and enforced on application appraisal.
 - ✓ Overall establishment stipulations should be more realistic and the amount of land required more flexible and specific to the city or province where the university is located.
 - ✓ Procedures to set up a new branch of educational institutions that have legal entity existed in Vietnam to be simplified and consistent.
4. University autonomy: This is still quite limited. For example, enrollment quotas are set by MOET not only for the whole university but also for each two-year, three-year and four-year program, which is definitely unrealistic. The Education Group was advised earlier that there will be a new policy that grants more autonomy in opening new programs and setting up international cooperation in universities. We would therefore be grateful if MOET would tell us when this new policy will be implemented.
5. Transferability and recognition of degrees:
- Granting Vietnamese university degrees to foreign students is not currently possible which creates difficulty for international exchange programs in which foreign students come and study.

- There is no established pathway from vocational training to higher education administered by MOLISA and MOET.

Suggestions/opinions:

- ✓ Recognition of qualification to be written into the license of the educational programs. This will facilitate the transferability of degrees.
 - ✓ Vietnamese universities should be allowed to grant their degrees to foreign students in exchange programs upon successful completion of the coursework.
 - ✓ MOET and MOLISA should discuss and implement a process to allow a pathway from vocational training to higher education.
6. *Land incentives for educational institutions:* According to the Law on Investment and the Law on Enterprise, education operators can obtain land for educational projects without paying rental fees and receive support from authorities in land clearance. However, this policy is not yet operational. The question is how this policy can be enforced so that educational projects can enjoy incentives as specified by law.