

## CONCEPT PAPER

### Community Vocational Training Centers for Human Resource Development and Poverty reduction: Vietnam's experience (Vietnam's contribution to Human Resource Development Cooperation in ACD)

#### 1. Background

In Islamabad Initiative on Economic Co-operation in Asia, adopted at the fourth ACD Meeting in Islamabad Pakistan in April 2005, 28 ministers of ACD member countries agreed to intensify cooperation to:

*"Work towards developing a center for human resource development to equip Asian workers and professionals with necessary technical and language skills and improve their efficiency, making them more attractive in the global labor market".*

Experience from East Asian economies have shown that human capital plays a crucial role in economic development and international economic integration. A World Bank study of 192 countries concluded that only 16% of economic growth is explained by physical capital while no less than 64% can be attributed to human and social capital. In the time of globalization and knowledge-based society, with swift changes in technological changes, there is an urgent need to provide proper technical skills, knowledge and professions for workers to be competitive at the labor market. This requires a joint efforts of all quarter in the society, in particularly the collaboration among Government, enterprises and community.

For Asian countries, the network of community vocational training centers play an active role in strengthening human resource development and developing necessary skills and professions for local laborers. There are several advantages of these community vocational training centers in human resource development. These centers ensure a wide participation of population to education and training opportunities, especially for disadvantages groups, school drop-out, rural women. As the result, these centers also contribute to poverty alleviation, particularly in rural areas.

In Viet Nam, every year, one and half million new laborers join the workforce. Every year, the system of regular education and training (universities, colleges and vocational schools) can provide only 300 thousands high skill and trained workers. Of 1.1 million laborers, 800 thousands are being trained by the network of community vocational training centers (CVTC). The network of CVTCs provide

flexible curriculums, focusing on essential skills and knowledge that requires by small-medium enterprises and labor markets.

More importantly, the network of CVTCs in Vietnam also contributes to poverty reduction, particularly in rural areas. With the national-wide network of more than 300 CVTCs, many of which in rural, minority-ethnic and mountainous regions, those center provides education, knowledge and living skills to the poor who are minority ethnic, disadvantages of the society.

## **2. Objectives:**

- First, to foster cooperation among ACD countries in human resource development.

- Second, to share experience and lessons among ACD countries with regard to human resource development, in particular the role of community vocational training center in providing necessary skills and knowledge for workers to be competitive at the labor market.

- Third, to put special emphasis on the linkage between human resource development and poverty alleviation.

- Fourth, to draw further attention of the international community in general and donor countries and international organizations in particular to the need for regional and international cooperation in the field of human resource development as well as to the substantial resources needed for these endeavor by ACD developing countries.

## **3. First steps:**

ACD countries' cooperation on human resource development is a long-term process involving various fora, with the participation of both recipients and donors, governmental and non-governmental organizations.

- In the first place, Viet Nam will conduct a case study of Vietnam's the role of Community Vocational Training Center in human resource development and poverty alleviation. This study will comprise guidelines, policies, programmes and organizational mechanism taken in the network of CVTC. The study will also highlight the strong linkage between human resource development and poverty alleviation and how to achieve both.

- The study will be sent to all ACD countries and presented at an international seminar or conference on human resource development held in the near future in one of ACD countries.

- Viet Nam will work closely with Thailand, a co-prime mover and the center for human resource development of ACD on the possibility to organize ACD workshop in this issue.

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