

Interim Evaluation of the Project: Improving Labor Laws and Labor Administration within the New Industrial Relations Framework in Vietnam (NIRF)

Evaluation Contractor: Sistemas, Familia y Sociedad Ltd. (SFS)



Objective

The NIRF project aims to strengthen the industrial relations (IR) framework in Vietnam, through three Long-Term Outcomes (LTOs):

- **LTO 1:** National labor laws and legal instruments are revised to be compatible with the ILO Declaration on Fundamental Principles and Rights at Work (FPRW).
- **LTO 2:** Labor administration develops effective national IR policy.
- **LTO 3:** The labor inspectorate effectively enforces and promotes compliance with national labor laws in IR.

[Click HERE to see the Evaluation Report](#)



Period of Performance:

Oct 2016 – Apr 2026



Funding:

\$6,250,000



Implementer:

International Labor Organization (ILO)



Partner Institutions:

- Ministry of Labor, Invalids and Social Affairs (MoLISA)
- Vietnam Chamber of Commerce and Industry (VCCI)
- Department of Labor, Invalids and Social Affairs (DoLISA)
- Vietnam General Confederation of Labor (VGCL)
- Department of Industrial Relations and Wages (DIRWA)

The NIRF project is part of a broader program of the ILO Country Office for Vietnam, promoting the ILO Declaration on FPRW, including projects funded by Japan, the EU and Canada.

Interim Evaluation Conclusions

Relevance

- Well aligned with the stated **government of Vietnam's (GOVN) priorities**.
- Focus on improving **Labor Dispute Resolution (LDR)** processes, and the deployment of an **Electronic Case Management System (ECMS)** seen as a sound approach by stakeholders.

Replicability & Scalability

- **LDR and ECMS** pilots have potential to be scaled up and replicated.
- The **LDR** roll-out requires a substantial cadre of well-trained and committed mediators and arbitrators which currently do not exist in the numbers required.
- The **ECMS** roll-out faces challenges in simplifying its use for labor inspectors, and in ensuring the appropriate skills and resources.

Coherence

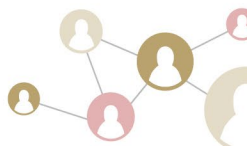
- The project has leveraged other **ILO mechanisms** such as utilizing mediators that have received training through ILO's **Better Work Vietnam (BWV) project**, and ILO's network of technical advisors.
- The LTOs and intervention logic are in line with **VCCI and VGCL** stated priorities and objectives regarding social dialogue and IR.

Effectiveness

- The project has made steady and substantial **progress** towards its LTOs, despite of Covid-19 and other challenges.
- LTO 1: The enacting of the **Labor Code 2019** revision into law is a fundamental and critical result.
- LTO 2: Progress and “proof of concept” have been achieved through the launching of pilots at provincial level for **LDR**.
- LTO 3: Good progress has been achieved through piloting of the **ECMS**.
- Technical, financial, and human **challenges** remain for the full attainment of LTO 2 and LTO 3.
- Continuing delays in passing a **decree on workers' representative organizations (WRO) and collective bargaining** may impact the effectiveness of LTO 2 and LTO 3.
- Steps to integrate **gender equity and social inclusion (GESI)** measures have been taken, but they need to be strengthened.

Impact

- Most stakeholders identified **three main areas** where the project is contributing to significant change:
- i) Effective ratification of the **Labor Code 2019** revision
 - ii) The establishment of a **LDR system**, and
 - iii) Improved communication and networking.



Industrial workers

Photo Credits: ILO

Sustainability

- The project created a **sustainability strategy** in 2018. An updated comprehensive sustainability strategy is now required.
- The availability of sufficient **financial and human resources** remains a critical barrier to sustainability.
- A sufficient cadre of well-trained human resources and sufficient funds are critical for the successful rollout of both **LDR and ECMS** at provincial level.



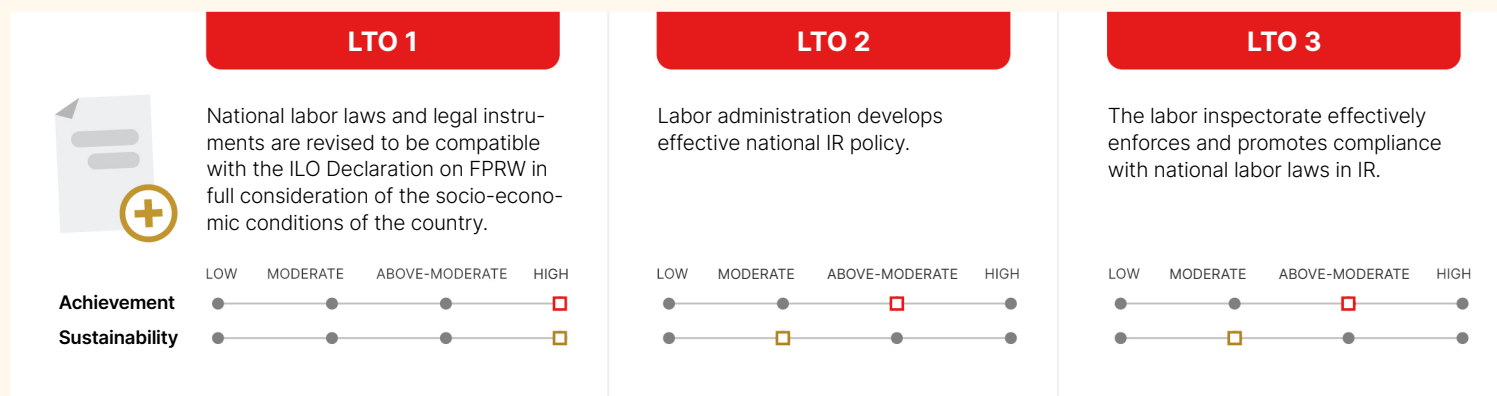
Textile workers

Photo Credits: Better Work

“This process of developing and introducing the ECMS that meets the needs of Vietnam is also a product of very close collaborative work between ILO’s staff and specialists and Ministry Inspectors’ technical officials and managers and DIGI TEXX”.- **FGD respondent**



✓ Achievements and Sustainability of Project’s Long-Term Outcomes (LTO)



Promising Practices (PP)

- The engagement of local stakeholders in the context of improving IR.
- Identifying and effectively engaging with the appropriate senior national stakeholders to acquire the necessary political access and influence to promote compliance with IR standards.
- The act of identifying and utilizing skilled technical advisors in the right place and at the right time.












Lessons Learned (LL)

- The need to formalize the project’s monitoring, evaluation, and learning (MEL) approach.
- The impact of multiple unions in the workplace, as observed in other countries, and what the NIRF project in Vietnam could gain through the introduction of WROs in the future.
- The drivers and inhibitors of ECMS success learning from ILO experiences of ECMS delivery in other countries.




“Whilst the adoption of the Labor Code 2019 is a massive step forward there is now a need to consider details such as, how is a mediation conducted, when does it go to arbitration, what makes a strike illegal, how do you register a union?”- **FGD respondent**

Recommendations

For USDOL and the ILO		USDOL	ILO	GOVN
1	Promote regulatory reform and implementation of labor decrees covering WRO and Collective Bargaining , as delays in enacting the latter may potentially delay the Project in attaining LTO 2 and LTO 3. In tandem, redesign project activities under the LTO 2 and LTO 3 outputs to deliver added value to the IR environment that is not solely linked to decree implementation.	 USDOL	 ILO	
2	Strengthen the MEL framework to identify risks and measure the outputs and outcomes of project activities. This MEL framework should include a risk register along with the project's risk mitigation strategies and a standardized and regular reporting mechanism.	 USDOL	 ILO	
For the ILO		USDOL	ILO	GOVN
3	Carry out LDR feasibility studies for new provinces , addressing: i) needs assessment, ii) identification of appropriate local stakeholders and an assessment of their anticipated level of engagement, iii) resources available, iv) communication and advocacy strategy, and v) a training strategy for mediators and arbitrators.		 ILO	
4	Conduct preparations for further ECMS roll-out , addressing: i) agreement on the handling of confidential data within the ECMS, ii) testing of the ECMS with 'live' data and further collaboration with end-users, iii) data-base back-up and recovery, and the ability to work offline, and iv) the future role of the contractor, DIGI-TEXX.		 ILO	
5	Capitalize on added value of closer in-country cooperation , by undertaking a mapping exercise of relevant projects, their objectives, and activities, and assessing where closer collaboration may bring mutual benefit.		 ILO	
6	Update the sustainability plan , based on a Theory of Sustained Change and addressing: i) a strategy for recruiting, training, and maintaining a skilled cadre of inspectors, mediators, and arbitrators; ii) the costs for providing the required technical hardware to roll-out the ECMS; iii) a strategy for recruiting, training, and maintaining a skilled cadre of technically proficient officers to maintain and develop the ECMS, iv) a coordinated advocacy and communication strategy, that includes intra-governmental communication between relevant agencies, v) a realistic timeline for the roll-out of the LDR and ECMS across the provinces, and vi) a realistic timeline for the pace and scale of withdrawal of project financial and technical support.		 ILO	
7	Strengthen gender equality and inclusion interventions and measures by helping identify and collaborate with national and international partner GESI experts and focal points, and sister UN agencies such as UN Women. Improved support to GESI can include: i) design strategies to increase the number of female inspectors, mediators, and arbitrators; ii) inclusion of appropriate material into trainings, workshops, and meetings; iii) advocacy strategy for appropriate national agencies; and iv) communication of GESI related rights under Labor Code 2019 to employers and employees.		 ILO	
For the government of Vietnam		USDOL	ILO	GOVN
8	Agree on an inter-agency communication strategy among MOLISA, DOLISA, and DIRWA regarding how communication of project requirements, roles, and responsibilities will be conducted among those agencies and between those agencies and local/provincial authorities.			 GOVN
9	Identify gender and inclusion stakeholders , by helping national stakeholders identify their GESI experts / points of contact for the project within the GESI strategy.			 GOVN



 Funding for this evaluation was provided by the United States Department of Labor under contract number 47QRAA20D0045 | Task Order: 1605C2-22-F-00012 with SFS. This material does not necessarily reflect the views or policies of the United States Department of Labor, nor does the mention of trade names, commercial products, or organizations imply endorsement by the United States Government.