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# **Industrial Relations Promotion Project**

## **Quarterly Report: Q3, Year II**

**April 1, 2011 – June 30, 2011**

**Contract No. DFD-I-00-05-00220-00 Task Order No. 8**

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## List of Acronyms

<b>ADR</b>	Alternative Dispute Resolution
<b>APHEDA</b>	Australian Public Health, Education and Development Aid
<b>BWP</b>	Better Work Program (ILO)
<b>CBA</b>	Collective Bargaining Agreement
<b>CIEM</b>	Central Institute for Economic Management
<b>CIRD</b>	Center for Industrial Relations Development
<b>DOLISA</b>	Department of Labor, Invalids, and Social Affairs
<b>FDI</b>	Foreign Direct Investment
<b>FES</b>	Fredrich Ebert Stiftung
<b>FLA</b>	Fair Labor Association
<b>FMCS</b>	Federal Mediation and Conciliation Service
<b>GVN</b>	Government of Vietnam
<b>ICD</b>	International Cooperation Department
<b>ILO</b>	International Labor Organization
<b>ILSA</b>	Institute of Labor and Social Affairs
<b>IPZ</b>	Industrial Processing Zone
<b>IR</b>	Industrial Relations
<b>LAO</b>	Legal Aid Office
<b>LAS</b>	Legal Aid Service
<b>LWD</b>	Labor & Wages Department
<b>LI</b>	Labor Inspectorate
<b>LTTA</b>	Long Term Technical Assistance
<b>MIS</b>	Management Information System
<b>MOLISA</b>	Ministry of Labor, Invalids, and Social Affairs
<b>MPI</b>	Ministry of Planning and Investment
<b>NA</b>	National Assembly
<b>NIRC</b>	National Industrial Relations Commission
<b>NLC</b>	National Labor College
<b>PCI</b>	Provincial Competitiveness Initiative
<b>PIRC</b>	Provincial Industrial Relations Commission
<b>PPP</b>	Public-Private Partnership
<b>PPT</b>	Project Preparation Team
<b>STTA</b>	Short Term Technical Assistance
<b>TOT</b>	Training of Trainers
<b>TDT</b>	Ton Duc Thang University
<b>ULSA</b>	University of Labor and Social Affairs
<b>STAR</b>	Support for Trade Acceleration Project
<b>VCCI</b>	Vietnam Chamber of Commerce and Industry
<b>VGCL</b>	Vietnam General Confederation of Labor
<b>VNCI</b>	Vietnam Competitiveness Initiative

## Quarterly Report Narrative Summary

### **Accomplishments during this Quarter**

- A total of six international specialists provided different forms of capacity building and/or were resource persons to tripartite stakeholders in the areas of dispute resolution, negotiation skill building, basic (enterprise) and multi-employer collective bargaining, university curriculum building and labor law case material design.

Richard Fincher, Cornell University, ADR Specialist

Jan Sunoo, FMCS International Mediation Specialist

Katie Quan, UC Berkeley Collective Bargaining Specialist

Jeffrey Brand and John Adler, University of San Francisco School of Law, Negotiations Specialists

Lance Compa, Cornell University, Comparative Labor Relations Specialist

- Best practices and comparative models were provided to partners in the areas of industrial policy development, alternative dispute resolution and collective bargaining and have been used in policy and procedure development.
- The project continued to supply its university partners with collected syllabi and course materials to serve as models to strengthen nascent industrial and labor relations curricula.
- The project provided technical assistance and guidance to the industrial relations models being piloted, including a model multi-employer collective agreement, the model of provincial industrial relations committee and the collaborative textbook on industrial relations being written by three partner universities.
- The private labor arbitration model the project assisted in developing was included the recommendations forwarded to amend the labor code.
- The Labor Inspectorate established three technical committees to guide the development of training programs, educational materials and information management, based on the project's recommendations and input.
- The model multi-employer collective bargaining pilot has begun and looks the agreement looks to be concluded next quarter. The project arranged for a USG labor trade negotiation team to visit this CB pilot and to dialogue with visiting international labor law experts on the current labor code revisions.
- Stemming from the linkages the project has formed between US and Vietnamese universities a DOS supported study tour of US selected labor relations schools is planned, the first joint program in industrial relations will be created (CUNY and VTU), Vietnamese stakeholders will be able to participate in the only US labor arbitration training program, and the ILO's International Labor and Employment Relations Association want to have a Vietnam chapter (to include the project's university partners).
- The project has began to put together a concept note for an extension for the current project to make up for the time lost during the approval process (when no formal activities could run), this includes an interim report, rationale and proposed activities to run during any proposed extension period.

### **Detailed Summary of Activities:**

Richard Fincher, a mediation and arbitration specialist and associate professor of Cornell University, conducted four trainings and one national consultation workshop on development of Alternative Dispute Resolution (ADR) systems. Prior to the trip, the consultant developed a set of recommendations to enhance and support ADR systems in Vietnam based on his assessment trip in July 2010. The trainings of trainers (ToT) on ADR were conducted for targeted audiences of HR managers (VCCI, VCA), provincial and district trade union leaders and officials (VGCL), and district mediators and provincial arbitrators (Legal Department, MOLISA). In addition to the four trainings, the specialist continued to work closely with VCCI to proceed on their initiative of a private labor arbitration center (which is now part of the Employers Chapter which has been submitted to MoLISA for inclusion into the draft Labor Code). The last activity was a tripartite strategic planning workshop on promotion of ADR practices in Vietnam, chaired by a MOLISA Vice Minister in which the specialist presented an overview on labor dispute resolution in the United States, policy options in Vietnam and observations from technical training in Vietnam. The recommendations from this workshop will be included in the proposals for revising Chapter 14 (which deals with dispute resolution legislation) of the Labor Code.

Katie Quan, a collective bargaining specialist from UC Berkeley Labor Center, travelled to Vietnam on a second technical assistance trip. She was accompanied by two professors, one from Penn State University (Mark Anner) and another from Sun Yat Sen University, China (He Gaochao), to follow up on collective bargaining activities such as pilot multi-employer CBA in Binh Duong and capacity building for project partners, the VCCI and VCA, on CBA development. Participants learned the procedures of collective bargaining through role-plays, gained comparative knowledge of collective bargaining practices in China and Latin America (presented by the two professors from U.S and China) and were able to design their own teaching curriculum by the end of the training.

As part of the project's effort to develop industrial relations curricula and programs at the three partner universities, both Katie Quan and Richard Fincher gave presentations and led talks on comparative practices on collective bargaining and alternative dispute resolution respectively. They were also able to give technical guidance on the development of the draft IR textbook on which all three universities are contributing specific chapters. The project followed up with leaders of the Vietnam Trade Union University and ULSA to discuss the overall progress of the industrial relations textbook, in which three universities were working on their designated chapters.

Dean Professor Jeffrey Brand and Professor John Adler from the University of San Francisco School of Law conducted a two-day training for participant from various DoLISAs to improve their skills in labor negotiation and mediation skills. The trainer introduced the use role plays and the case method in simulation exercises. Dean Brand and Prof. Adler also met VTU's faculty and students involving with running the university's legal labor law clinic and planned out further cooperation between VTU and the USF School of Law.

Jan Sunoo, an FMCS specialist came out to Vietnam to conduct his fourth consultancy for the project. During this trip, the consultant worked with VCCI on CBA training and with MoLISA/LWD to improve ADR skills taskforce members resolving strikes in IPZs. The CBA training for VCCI he provided step by step guidance to participants on how to successfully negotiate and conclude a CBA. In the training workshop on advanced skills at labor dispute resolution, the specialist and the participants developed "Standard Operating Procedures" (SOP) for intervening in disputes and lessening potential disputes. In addition, the consultant went to Binh Duong to provide technical assistance for the multi-employer CB taskforce on preparation for the 2nd draft of the pilot CBA.

Professor Lance Compa from the School of Labor and Industrial Relations at Cornell University held meetings with MoLISA/LWD on NIRC, PIRC and the country's IR policy and introduced to the LWD with different models of general principles of sound industrial relations policy in developing countries from which to draw. In addition, the consultant also gave presentations at ULSA and VCCI about new types of CBAs and on IR textbook development (ULSA). He conducted a full-day training session for faculty from several universities' on labor law course building, with focus on developing and using international labor law cases. In addition a series of meetings was held between the project consultant and different stakeholders, including meeting with VCCI, ILO, STAR, US Government Delegation on TPP Negotiations, FES, and APHEDA. In this last activity, the consultant contributed his ideas and experience in the tripartite strategic planning workshop on IR Strategies with LWD.

Prior to Lance Compa's arrival the project supported a planning workshop for the NIRC to develop industrial relations policy recommendations. This was organized by the LWD and was the beginning of a series of activities under the project workplan to strengthen the tripartite mechanisms and develop this particular industrial relations models (the Provincial Labor Relations Boards)

Throughout the quarter other work included on-going activities including the translation documents such as of university materials and training curricula (especially in collective bargaining and dispute resolution), a labor law implementation capacity survey, planning for baseline research in industrial zones, development of legal aid materials and labor law education strategies and analysis of current revisions of the Labor Code and Trade Union laws.

**Operating Environment: Problems encountered/overcame/outstanding issues**

- The original project budget did not provide for a full-time professional translator on staff. This has put a burden on project staff who, in addition their other work, must devote large amounts of time to translating project related materials from reports to training curricula to official documents to emails from partners. This does not even include the time spent for editing translations. This has meant that feedback or responses from the project to partners can take time, which in term may cause further delays on the part of a partner. Follow up (such as translation of consultant's reports), can be protracted if the project staff is already working on other tasks. The project has tried various ways of dealing with this issue, including out-sourcing any large documents, shifting workloads as well as hiring part-time translators when necessary.
- The multi-stakeholder nature of this project, with up to ten partners representing the tripartite nature of labor relations in Vietnam, has created burdens in project management. As many planned activity areas are interlinked, it is important that partners can work in coordination. However this means that the project is dependent on partner schedules matching which in turn can lead to delays. In addition, the project has to follow up on with partners to plan further project developments. This type of follow up is difficult to do if many activities are running either simultaneously or close together responding to the compressed timeline. This has meant that anticipated follow up has been delayed in some cases. The project continues to push partners to abide by schedules, particularly important in a compressed time frame.
- As a USAID technical assistance project that specifically states using US specialists, this outside or international expertise is central to many of the projects activities. However this presented logistical problems as the project had to match the international expert's timeline with those of project partners. For the most part the project has been able to harmonize both sets of schedules; however there were instances when international consultants could not come at the time when a partner was ready, thus new dates had to be arranged. The opposite was also true, as a consultant have been ready to come out, but the partner may not been ready (or key person or leader may be out), leading to more rescheduling. Or if a consultant was to work with more than partner, this meant even more complicated coordination. While delays involving international specialists should be expected, especially given the numbers of partners involved and the areas covered, a shortened project timeline has meant that the impact of such scheduling issues is magnified.
- Given the degree of control mandated by government procedures, the project cannot directly implement activities as such but needs to work through each partner through an officially approved workplan. However, while the project is not supposed to deviate from this workplan, this does mean a particular partner is obligated to complete their particular activity areas. This inflexibility means the project is unable to reprogram activities, even if a partner's priorities have changed. This may be an issue towards the end of the contract if some anticipated activity areas are not completed by a specific partner and the project is unable to bring in another partner to complete the activity.
- It has become apparent that the political current environment in Vietnam makes it difficult to implement governance work, especially a USG Industrial Relations project. While Vietnam's participation in the Trans Pacific Partnership negotiations make labor issues prominent in the bi-lateral relationship between the US and Vietnam, by the same token it makes work in this area sensitive to certain government agencies. These sensitivities could mean a planned activity is not allowed to proceed, partners not wanting to implement a planned activity or an international resource person not allowed to come. While these have not happened, the project knows that

project partners are often questioned on activity content and relationship to the project. It is routine now that for activity to move forward can take time as outside approvals are sought. The project also needs to submit materials to be presented a head of time to be reviewed. The project office tries to anticipate these delays and longer timeframes in working with partners.

- The project office will not replace the position of program specialist who submitted her resignation. The project office interviewed some candidates, but none matched the skills needed. Instead the project hired a Program Assistant and continued to use contract part-time translators. The combination has proven satisfactory in implementing the remaining months of the program.

**ANNEX I: LEVEL OF EFFORT SUMMARY**

<b>Labor Category/Position</b>	<b>Name</b>	<b>Workdays This Quarter</b>	<b>Cumulative Workdays</b>
<b>LTTA</b>			
1. <i>Communications and Reporting, Senior Level</i>	William Conklin (COP)	60	381
2. <i>Deputy Chief of Party</i>	Vu Huu Tuyen	62	416
3. <i>Program Development Specialist</i>	Dang Thi Hai Ha	0	309
<b>Home Office Support</b>			
4. <i>Communications and Reporting, Senior Level</i>	Helle Weeke	0	6
	Jason Singer	0	4
5. <i>Administrative Support, Junior Level</i>	Allison DiSenso	0	13
	Miriam Counterman	0	28
	Danielle Pearl	0	2
6. <i>Information Technology</i>	Stamen Mitev	0	6
7. <i>Information Management Specialist</i>	Tanja Lumba (TCN)	0	10
<b>STTA</b>			
6. <i>Public Administration/Public Finance, Senior Level</i>	Richard Fincher	20	49
	Kent Wong	10	20
	Katie Quan	0	15



<b>COMPONENT II: PROMOTION OF SOUND INDUSTRIAL RELATIONS</b>							
<b>Sub Component 3: Developing National IR Strategies on IR Promotion</b>							
	<b>3.1</b>	<b>Building towards Participatory national strategy for promoting sound industrial relations –</b>					
		Workshop on Assessment of Current NIRC/PIRC and Comparative Models	23	10	13	25 April 2011	Nguyen Huu Dung
		Consultative meeting on NIRC/PIRC in Hanoi	20	3	17	28 June 2011	
		Workshop on Industrial Relation Strategy in Hanoi	54	31	23	29 June 2011	Lance Compa/ Nguyen Huu Dung
	<b>3.2</b>	<b>Enhancing MOLISA’s IR information system on industrial relations</b>					
<b>Sub Component 4: Strengthening capacity for tripartite stakeholders on CBA and dispute resolution</b>							
	<b>4.1</b>	<b>Strengthening capacity for tripartite stakeholders on collective bargaining</b>					
		Training Workshop on Collective Bargaining in the Collective Sector for VCA in HCMC	50	18	32	4, 5 May 2011	Katie Quan
		CBA Training of Trainings for VCCI in HCMC	20	11	9	28, 29 April 2011	Katie Quan
		CBA roundtable discussion for USLA	25	17	8	23 June 2011	Lance Compa
		Presentation on Multi-party CBAs for VCCI	21	8	13	27 June 2011	Lance Compa
	<b>4.2</b>	<b>Strengthening capacity for tripartite stakeholders on ADR</b>					
		Training Workshop on ADR for VCCI in Hanoi	25	12	13	7, 8 April 2011	Richard Fincher
		Training Workshop on "Labor Dispute Resolution in the Collective Sector" for VCA in HCMC	57	18	39	13, 14 April 2011	Richard Fincher
		International arbitration and labor dispute resolution - Experiences for Vietnam Trade Union for VGCL in HCMC	55	7	48	15, 16 April 2011	Richard Fincher

		Training Workshop on Skills Building in Labor Mediation and Arbitration for MoLISA in Can Tho	51	12	39	18,19 April 2011	Richard Fincher
		Strategic Planning Tripartite Workshop on Promotion of ADR Practices in Hanoi	73	34	39	20 April 2011	Richard Fincher
		Training workshop on ADR skills in resolving strikes in IPZs for LWD in Hanoi	43	21	22	7, 8 June 2011	Jeff Bran/John Alder
		Training workshop on ADR skills for Resolving Strikes in IPZs for– LWD in Hanoi	40	12	28	23, 24 June 2011	Jan Sunoo
<b>Sub Component 5: Building Capacity for IR Education Institution</b>							
	<b>5.1</b>	<b>Improving training capacity of IR Education of University of Labor and Social Affairs, Trade Union University and Ton Duc Thang University</b>					
		ULSA: CBA & IR Textbook Roundtable Discussion	25	18	7	23 June 2011	Lance Compa
		VTU: Faculty Training on Labor Law Cases and Trade	38	28	10	25 June 2011	Lance Compa
<b>Total</b>			<b>620</b>	<b>260</b>	<b>360</b>		

**ANNEX III: CHART OF PROPOSED ACTIVITIES: JULY–SEPTEMBER 2011**

<b>YEAR TWO</b>	<b>SIIR ACTIVITY WORKPLAN</b>	<b>July, 2011</b>	<b>Aug, 2011</b>	<b>Sep, 2011</b>
<b>SUB-COMPONENT 1: STRENGTHENING CAPACITY FOR LABOR INSPECTORATE</b>				
<b>1.1</b>	<b>Promotion of New Approaches and Strategies to Improve the Labor Inspection Capacity</b>			
1.1.1	International Consultancies of USDOL labor inspection specialists			
1.1.2	Workshop on Needs Assessment (“Enhancing the Role of Labor Inspection in Promotion of Sound Industrial Relations in Vietnam”)			
1.1.3	National tripartite strategic planning workshop on compliance and inspection			
<b>1.2</b>	<b>Strengthening management information system for labor inspectors</b>			
1.2.1	National Consultancy on MIS for labor inspectorate			
1.2.2	Consultative Meetings on Data collection and MIS for labor inspectorate			
1.2.3	Workshop on management information system for labor inspectorate (with USDOL as potential resource persons)			
1.2.4	Training of Trainer workshop on computer-based MIS for labor inspectorate			
<b>1.3</b>	<b>Labor inspection training and development</b>			
1.3.1	Consultative Meetings of labor inspection training committee	→		
1.3.2	Training Workshop on labor inspection training development management	→		
1.3.3	Consultative Meetings of handbook/manual development committee	→		
1.3.4	National consultancy for development of training materials on labor inspection in the forms of handbook and manual			
1.3.5	Pilot training workshop on labor inspection for testing handbook and manual	→		
<b>1.4</b>	<b>Regional labor inspectorate model in supplying technical advice</b>			
1.4.1	Consultative meetings on pilot self-assessment scheme		→	→
1.4.2	National consultancy for Development of Handbook on Self assessment			
1.4.3	Monitoring implementation of pilot models of self- assessment in Hanoi or Dong Nai		→	→
1.4.4	Workshop on regional labor inspectorate model in supplying information and technical advice	→		

YEAR TWO	SIIR ACTIVITY WORKPLAN	July, 2011	Aug, 2011	Sep, 2011
1.4.5	Training workshop on promotion of self-assessment through piloting a regional labor inspectorate model in supplying information and technical advice	→		
<b>SUB-COMPONENT 2: PROMOTING EFFECTIVE APPROACHES TO LAW IMPLEMENTATION</b>				
2.1	<b>Strategic planning for implementation of IR-related laws and regulations</b>			
2.1.1	National consultancy for rapid assessment of capacity of stakeholders to implement labor laws and regulations (on going from year I)	→		
2.1.2	Consultative meetings on findings in rapid assessment of capacity of stakeholders to implement labor laws and regulations			
2.1.3	National Consultancy for development of Handbook on Propaganda, Dissemination and Education of Labor Laws and Regulations			
2.1.4	Consultative meetings on Evaluation of Impact of "Project 31" on Dissemination and Education of Labor Laws and Regulations			
2.1.5	National Consultancy for Developing training materials on ADR			→
2.3	<b>Strengthening capacity of Legal Advisory Services for Employers</b>			
2.3.1	Consultative Meeting on Legal Advisory Services for Employers		→	
2.3.2	VCCI Training workshop on legal advisory services fundamentals and skills		→	
2.3.3	International and national consultancies to develop draft model.		→	
2.4	<b>Strengthening capacity of Legal Advisory Centers (LACs) and Legal Advisory Offices (LAOs) of the VGCL</b>			
2.4.1	International Consultancy on legal advisory services fundamentals and skills	→		
2.4.2	Training workshop on LAC/LAOs development management			
2.4.3	Development of union legal advisory service manuals			→
2.4.4	VGCL Training workshop on legal advisory services fundamentals and skills	→		
2.4.5	Three regional workshops on strategic planning for implementation of new resolution on union legal advisory services (cancelled)			
<b>SUBCOMPONENT 3: DEVELOPING NATIONAL STRATEGIES ON IR PROMOTION</b>				
3.1	<b>Building towards Participatory national strategy for promoting sound industrial relations</b>			
3.1.1	An IR Survey is conducted in a number of IZ/IPZs (LWD)			

YEAR TWO	SIIR ACTIVITY WORKPLAN	July, 2011	Aug, 2011	Sep, 2011
3.1.2	Development of draft National IR Strategies	→	→	
3.1.3	Report on ADR and CBA within the framework of industrial relations strategies			
3.1.4	National workshop on draft national IR Strategies (LWD)			→
3.1.5	Development of the finalized study report on NIRC/PIRC and planning for piloting PIRC model	→	→	→
<b>SUB-COMPONENT 4: STRENGTHENING CAPACITY FOR TRIPARTITE STAKEHOLDERS ON CBA AND DISPUTE SETTLEMENT</b>				
4.1	<b>Strengthening capacity for tripartite stakeholders on collective bargaining</b>			
4.1.1	Tripartite workshop on collective bargaining (Department of Labor and Wages, MOLISA)			
4.1.2	Piloting pattern bargaining model in textile sector (VGCL)	→	→	
4.1.3	Development of training collective bargaining materials and pilot training for selected 50 trade union officials (VGCL)	→	→	
4.1.4	Training on collective bargaining for 50 VCA officials (VCA)			
4.1.5	Development of training materials and advanced training on collective bargaining for 50 VCCI's HR officers (VCCI)	→		
4.2	<b>Strengthening capacity for tripartite stakeholders on labor dispute settlement</b>			
4.2.1	Tripartite workshop on dispute settlement (Department of Labor and Wages, MOLISA)			
4.2.2	Development of training materials on ADR			
4.2.3	Training on ADR for 50 selected trade union officials in IZ/IPZs (VGCL)			
4.2.4	Training on ADR for 50 selected VCA's HR officers (VCA)			
4.2.5	Training on ADR for 50 selected VCCI's and supporting the pilot development of labor arbitration center (VCCI)			
4.2.6	Training for strike resolution officials in IZs/IPZs (Department of Labor and Wages, MOLISA)			
<b>SUB COMPONENT 5: BUILDING CAPACITY FOR IR EDUCATION INSTITUTION</b>				
5.1	<b>Improving training capacity of IR Education of University of Labor and Social Affairs, Trade Union University and Ton Duc Thang University</b>			
5.1.1	An extended workshop on industrial relations education with US educators			

YEAR TWO	SIIR ACTIVITY WORKPLAN	July, 2011	Aug, 2011	Sep, 2011
5.2.2	Assessment of the IR textbook 2008 edition's quality			
5.2.3	Writing and editing the textbook	→		
<b>SUB COMPONENT 6: MONITORING AND EVALUATION</b>				
6.1	Coordination and Planning (TBD)			
6.2	Monitoring and Evaluation (TBD)			