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DISABILITY PRIVATE SECTOR LANDSCAPE ANALYSIS (PSLA)

Final Report

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ACRONYMS

CDCS	Country Development Cooperation Strategy
CSR	Corporate Social Responsibility
DOET	Department of Education and Training
DOH	Department of Health
DOLISA	Department of Labor, Invalids and Social Affairs
DPO	Disabled Persons Organization
FGD	Focus Group Discussion
GVN	Government of Vietnam
IP	Implementing Partner
KII	Key Informant Interview
MOET	Ministry of Education and Training
MOH	Ministry of Health
MOLISA	Ministry of Labor, Invalids, and Social Affairs
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
PSE	Private Sector Engagement
PSLA	Private Sector Landscape Analysis
PWD	Persons with Disabilities
RMIT	Royal Melbourne Institute of Technology
RQ	Research Question
RT	Research Team
SME	Small and Medium Enterprises
TA	Technical Assistance
TVET	Technical and Vocational Education and Training
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

BACKGROUND AND PURPOSE

Under its Special Objective, the United States Agency for International Development (USAID)/Vietnam helps to improve the quality of life of persons with disabilities (PWDs) in provinces heavily sprayed by Agent Orange. The Inclusion III Activity contributes to this objective by expanding and improving rehabilitation (rehab) and social services, enhancing policy implementation, and building service provider capacity of national and local government agencies and disability organizations. In line with USAID/Vietnam's strategic initiatives, Inclusion implementing partners (IPs) actively seek to engage the private sector by identifying where development challenges present business opportunities that could lead to market-driven solutions. USAID/Vietnam contracted USAID Learns to conduct a Private Sector Landscape Analysis (PSLA) to improve the effectiveness and synergy of private sector engagement (PSE) strategies among Inclusion IPs. The findings and conclusions provide insight on why and how the private sector may be interested in collaborating with USAID/Vietnam, its IPs, and other relevant stakeholders in the disability ecosystem.

This PSLA addresses the following research questions:

1. What services are the private sector in Vietnam currently providing to PWDs?
2. What do private sector actors see as opportunities and challenges in providing market-based services to PWDs?
3. What are potential strategic ways for USAID to engage and collaborate with the private sector in providing disabilities-related services?

METHODS

The research team (RT) used a mixed-methods methodology consisting of a literature review, key informant interviews, mini surveys, and a focus group discussion. The RT applied various analytical frameworks to the findings, bringing to light patterns and trends in the data, from which they drew conclusions and recommendations. Key stakeholders representing private and public sectors as well as USAID/Vietnam and IPs validated and refined the findings and initial recommendations through a Validation Event.

FINDINGS AND CONCLUSIONS

RESEARCH QUESTION 1: CURRENT LANDSCAPE

The RT found that the private sector provides four types of services and support to PWDs:

1. Rehab services
2. Social services
3. Employment and livelihoods support
4. Charitable donation support

Despite having the greatest potential for commercialization, the RT found **rehab services** to be the most critically underdeveloped market segment, especially in rural areas. Private rehab service providers competed with the public sector for human, financial, and technological resources, and public investment often crowded out the market. Patient affordability exacerbated problems on the supply side, as the RT found that health or social insurance did not cover the majority of private rehab services, which negatively affected demand and the private sector's appetite to invest. Respondents noted a high need for quality, wraparound **social services**, but active private service providers faced competition from unregistered, uncertified centers who offered poor quality services at a lower cost, distorting the market. **Employment and livelihoods support** for PWDs remained challenging, as businesses struggled to

become disability-inclusive employers due to the private sector's lack of awareness around human resource best practices in inclusive employment and an absence of support structures and standards to guide them. **Charitable donations** tended to be sporadic, financially unsustainable, and disconnected from the wider ecosystem and market-driven solutions. Nevertheless, the RT identified successful models to support the needs of PWDs. Multidisciplinary medical service providers could offer subsidized, affordable services for PWDs; registered social service providers offering high quality interventions could tap into a clear market gap and hold considerable franchising potential. Additionally, an ecosystem approach connecting training centers and corporate social responsibility programs to inclusive employers could offer market-based solutions for supporting PWDs into employment.

RESEARCH QUESTION 2: OPPORTUNITIES AND CHALLENGES

The RT found that opportunities to increase **market demand** for rehab services lie in expanding the potential customer pool beyond PWDs to encompass post-operative patients, older people, and people with gradual functional decline who may be more likely to afford out-of-pocket payment for services. While the RT noted inadequate insurance coverage, potential investors questioned *who* will pay and *how* they will pay, creating major bottlenecks to investment and market development in the disabilities sector. Across all disabilities services and support types, the main **supply capacity** challenges related to quantity (producing enough service units to meet demand), as well as quality (ensuring expertise is sufficient to meet service standards). Hybrid business models relying on donations, development program income, or revenue-generating activities demonstrated a pragmatic approach to providing more services for PWDs. A challenging **business enabling environment** and market entry conditions for private service provision lacked industry standards, had complex registration processes, and lacked budget allocation and implementation support to consolidate pro-private sector investment legislation. The RT found that inclusive employers hold great potential for driving market-based solutions for PWDs, due to pre-existing asset investment and a less challenging enabling environment relative to other disabilities sub-sectors.

RESEARCH QUESTION 3: POTENTIAL STRATEGIC ENGAGEMENTS

The problems preventing greater private sector investment and market-driven solutions in the disabilities sector fell into three main areas: 1) a lack of awareness by all market players; 2) a lack of affordability and profitability of services, and; 3) an unconducive business enabling environment. USAID/Vietnam could consider addressing these through the following recommended interventions.

Table 1: Recommendations Summary

MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION
USERS/ CUSTOMERS PWDs	1. Conduct market research to identify current user awareness of services. 2. Initiate awareness raising campaigns to promote available services, support, and financing sources. 3. Strengthen local PWD networks to improve access to information.	*PWDs and families have increased awareness of private sector services, support, and benefits and are financially and otherwise enabled to access them.*
REHAB SERVICE PROVIDERS	1. Conduct market research to better understand the rehab services market in areas of business operations. 2. Clarify information regarding regulations and policies applicable in areas of business operations to improve awareness of policy support.	*Service providers have an increased awareness and understanding of market demand (needs and affordability of customer base), supply capacity (financial, technical and human resource requirements, local competitors, available policy support, etc.), as well as improved capacity to deliver services, which facilitates increased investment.*
SOCIAL SERVICE PROVIDERS	1. Conduct market research to understand the social services market in areas of business operations. 2. Design and promote a case management system to support PWD employment. 3. Initiate and facilitate cooperation agreements between social service providers and local employers.	
INCLUSIVE EMPLOYERS	1. Map the employment ecosystem to better understand skills requirements in local labor markets. 2. Clarify employers' understanding of legal frameworks, policies, and incentives for businesses employing PWDs to improve awareness of policy support. 3. Provide technical assistance (TA) to help inclusive employers make workplace adjustments for disabled employees.	*Inclusive employers have an improved understanding of labor supply, enhanced capacity to support PWDs in work, and are better connected to other PWD livelihood supporters and enablers in the locality's ecosystem.*
CHARITABLE DONORS	1. Broker linkages between charitable donors, inclusive employers, and social service providers to develop an ecosystem approach. 2. Collaborate with a professional association of PWD supporters and inclusive businesses to build their network and share best practices.	*Better cooperation and working agreements between charitable donors, inclusive businesses, and the wider PWD-related ecosystem, resulting in more effective, targeted charitable giving.*

MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION
MARKET REGULATORS Government of Vietnam Ministries and Departments	1. Initiate dialogue with relevant ministries and departments to co-design a long-term strategy for the disabilities sector. 2. Conduct organizational capacity assessments to understand training needs at national and provincial levels. 3. Collaborate with other donors to align efforts on reforming Vietnam's social protection system.	*Market regulators have improved awareness and capacity and a stronger institutional setting to manage the disabilities market.*
MARKET FINANCIERS Insurance providers, banks	1. Support more effective institutional collaboration between market regulators and market financiers toward more equitable financing of services. 2. Conduct capacity development activities to implement improved policies.	*Market financiers have improved capacity to effectively implement more inclusive policies.*
MARKET ENABLERS Inclusion IPs	1. Train IPs to improve understanding of effective PSE. 2. Establish a PSE platform for IPs to share experiences and encourage establishment of PSE points of contact within IP team structures. 3. Require specific PSE metrics and measurements in monitoring, evaluation, and learning systems.	*IPs have an improved understanding of private sector actors and commercial opportunities in the disabilities sector, and an enhanced ability to engage them.*

INTRODUCTION

CONTEXT

For the last 30 years, the United States Agency for International Development (USAID)/Vietnam has helped to improve the quality of life of persons with disabilities (PWDs), regardless of cause, in provinces heavily sprayed with Agent Orange by addressing medical and social needs, improving disability policies, and reducing physical and social barriers.[1] As part of this effort, USAID/Vietnam has aligned its Country Development Cooperation Strategy (CDCS) 2020-2025 with the Government of Vietnam's (GVN) Socio-Economic Development Strategy 2021-2030, incorporating a special development objective that seeks to improve the quality of life for PWDs in the target provinces. The Inclusion III Activity, USAID/Vietnam's latest programmatic iteration, has served this special objective through:

- Increasing the availability, accessibility, quality, and sustainability of disabilities-related services, including rehabilitation (rehab) and social services;
- Promoting the social participation and inclusion of PWDs;
- Building capacity for service providers, and;
- Advancing the development and implementation of policies benefiting PWDs.

Following the launch of USAID/Vietnam's CDCS, Inclusion's implementing partners (IPs) have been required to promote private sector engagement (PSE) by identifying where development challenges present business opportunities that could lead to market-driven solutions.[2] USAID/Vietnam has prioritized pursuing shared-value partnerships with private sector actors since the publication of USAID's PSE Policy (2018), which detailed strategic approaches for USAID and its partners to consult, strategize, align, collaborate, and implement with the private sector for greater scale, sustainability, and effectiveness of development or humanitarian outcomes.[3]

STUDY OBJECTIVES

USAID/Vietnam contracted USAID Learns to conduct a Private Sector Landscape Analysis (PSLA) to improve effectiveness and synergy of PSE strategies among Inclusion IPs. To achieve this goal, this PSLA had the following key objectives:

1. Map the current state of private sector-provided goods and services that support the social participation of PWDs.
2. Uncover the Vietnamese private sector's perspectives on engaging in the disabilities-related service sector.
3. Recommend options for USAID's strategic engagement to collaborate with the private sector in providing disabilities-related services.

The findings and recommendations provide insight on why and how the private sector may be interested in collaborating with USAID/Vietnam, its IPs, and other relevant stakeholders in the disability ecosystem.[4]

PURPOSE AND AUDIENCE

The primary audiences of this PSLA are USAID/Vietnam, specifically the Office of Reconciliation and Inclusive Development, and Inclusion IPs. The PSLA's purpose is to recommend potential strategic ways USAID can engage and collaborate with the private sector in improving the availability, accessibility, quality,

[1] These provinces are Quảng Trị, Thừa Thiên Huế, Quảng Nam, Bình Định, Đồng Nai, Bình Phước, Tây Ninh, and Kon Tum.

[2] The prime IPs for this activity are the Center for Community Health Research and Development, the Center for Creative Initiatives in Health & Population, and the Center for Social Initiatives Promotion.

[3] For definition of the private sector, see Annex B.

[4] See Annex D for this PSLA's limitations and considerations.

and sustainability of disabilities-related services, and promoting their participation. Additionally, the results from the PSLA intend to help IPs refine their PSE Action Plans and integrate more strategic PSE into their program planning. Other stakeholders, notably those from the private sector and the GVN, may find utility from opportunities outlined in this report to collaborate with USAID/Vietnam to provide services and support for PWDs and to advocate for additional evidence-based research to inform policy-making.

RESEARCH QUESTIONS

The PSLA addresses the following research questions (RQs):

1. **What services are the private sector in Vietnam currently providing to PWDs and/or doing to promote their participation?**
    - 1.1. What are their services and why have they invested in these services?
    - 1.2. What services have they not invested in and why?
    - 1.3. What are successful and unsuccessful models and lessons learned in supporting the needs of PWDs?
2. **What do private sector actors see as opportunities and challenges in providing market-based services and support to PWDs, and/or promoting their participation?**
    - 2.1. What are the enabling and inhibiting factors for the private sector to provide services and support to PWDs?
3. **What are potential strategic ways for USAID to engage and collaborate with the private sector in providing disabilities-related services and promote the availability, accessibility, quality, and sustainability of disabilities-related services, and to promote participation?**
    - 3.1. What are the private sector's needs to promote their engagement in providing disabilities-related services over the next three to five years, and in the long run?
    - 3.2. What are the untapped, potential market-based solutions that private sector and IPs recommend for USAID's future facilitation?

METHODOLOGY

OVERVIEW

The Research Team (RT) used a mixed-methods methodology consisting of an initial literature review to understand the existing evidence base and identify key evidence gaps, followed by primary data collection. The RT consulted a range of stakeholder types to benefit from multiple, market-player perspectives, through 28 key informant interviews (KIIs), two quantitative mini-surveys with 69 total respondents, and one focus group discussion (FGD).[5] The RT applied various analytical frameworks to the findings, bringing to light patterns and trends in the data. The RT then drew conclusions and recommendations from the findings. After data collection, the RT organized a Validation Event with 38 participants to refine the preliminary findings and co-develop recommendations to increase stakeholder buy-in for implementation. See Annex C for a detailed overview of the methodology.

[5] One mini-survey targeted private sector actors and received 64 responses. The other mini-survey targeted USAID and IPs and received five responses.

FINDINGS AND CONCLUSIONS

RQ1: What services are the private sector in Vietnam currently providing to PWDs and/or doing to promote their participation?

FINDINGS

Reflecting on the private sector research informants' core modality of engagement with the disabilities sector, the RT categorized private sector entities into four distinct actor groups:[6]

1. Private clinics and/or assistive device suppliers
2. Private training centers
3. Companies recruiting PWDs and business partners in inclusive value chains
4. Companies with corporate social responsibility (CSR) or charitable programs

The RT found that families and neighbors of PWDs, although not part of the private sector, constitute the largest group of service and support providers in Vietnam.[7] The majority of KII respondents corroborated this, noting the under-developed market for home-based care, especially in rural areas, which relies mostly on unpaid labor by immediate relatives of patients and PWDs.

1.1. What are their services and support, and why have they invested in these services or undertaken this support?

The analysis of the private sector actors categorized below reflect the different types of services, support, and distinctive delivery mechanisms they offer across various sectors, including health, education, information and communication technology, manufacturing, and textiles.

Services:

Rehab Services: The RT found that the most common mode of delivery was through public health professionals, contracted via private clinics or through their own private practice (for-profit operations); training centers (often non-profits) or; non-governmental organizations (NGOs) (non-commercial, project-based activities).[8] Based on an analysis of business model types, businesses engaged in rehab services were more likely to generate a profit than those offering social services, especially when the potential customer base expanded beyond the PWD market. These data indicated that either rehab services generated enough margin to cover initial investment and operating costs, or rehab services were part of a multi-disciplinary medical service offering that was in high demand in the locality and therefore profitable.

Social Services: The RT found a broad and varied group of service providers, encompassing the various types of services that help PWDs integrate into the local community and socio-economic life. This included physical and virtual accessibility support, psychological or mental health support, vocational training, and job matching services, such as job fairs. Based on the research, the RT found family members; social workers or experts contracted by Disabled Persons Organizations (DPOs); and NGOs that seek to improve PWDs' rights and participation in non-commercial, project-based activities as the three most common delivery mechanisms. KIIs pointed to mixed commercial viability among social service providers, largely depending on the owner's motivations for investment. Where investors spotted a market gap and business case, social services could be profitable. Where motivations were personal (e.g.,

[6] The RT adapted and condensed the categories from those presented in the Inception Report, based on feedback and consultation with research informants and the RT's more nuanced understanding of the market players after data analysis.

[7] See Vietnam Chamber of Commerce and Industry, Ho Chi Minh City 2021, 32.

[8] See Nguyễn and Wilson (2017) for more detail on the allocation of human resources for private healthcare in Vietnam.

a PWD's family member established the business), or charitable donations commonly funded the activities, centers often operated at a loss.

Supports

Employment and Livelihoods: Comprised of both inclusive businesses and businesses working with inclusive value chains (PWD-owned social enterprises and co-ops participating in local short value chains or accessing international markets via fair-trade projects), the data suggested that small and medium enterprises (SMEs) established by owners with an active interest in employing PWDs was the most common model. Where PWDs met market requirements for employment, the analysis showed a clear return on investment for training and employing PWDs, which serves as a business case and makes these businesses commercially viable.

Charitable Donors: The RT found that charitable donors were usually large- and medium-sized companies financing the three service and support types mentioned above through CSR initiatives, or SMEs and high-net worth individuals offering direct donations. The RT found that humanitarian or personal reasons motivated charitable donors, who were funded by profits from other commercial activities or revenue-generating streams. The private sector mini-survey suggested charitable donations are the most common type of PSE with the disabilities sector, despite not being commercially viable or market-driven.

In summary, the motivations for investment varied considerably among private sector actors and were not always uniform among grouped actor types. The RT's findings suggested three broad reasons for this, of which only one results in self-sustaining, commercially profitable operations, as seen in Table 2 below:

Table 2: Business Motivations and Commercial Viability

MOTIVATION	COMMERCIAL VIABILITY
Business case: Business owner sees clear commercial value and return on investment	✓
Humanitarian purpose: Business owner initiates a CSR program or a medical practitioner establishes a private practice to "give back"	✗
Personal motivation: A PWD or a family member of a PWD seeks to provide better services or support, based on an identified lack of provision	✗

The private sector entities examined for this assessment[9] fell broadly into two business model categories: commercially-viable businesses, or businesses and foundations based on a hybrid model, in which entities generated some revenue but also relied on charitable donations to fund their operations.[10] USAID's private sector partners historically provided resources and expertise for a fee, usually directly to PWDs, while only a small minority of partnerships focused on market-based solutions. The USAID/IP mini-survey corroborated this finding, as respondents noted only two PSE modalities: service contracts and occasional memoranda of understanding (MOUs). Generally, according to USAID and IP informants, IPs historically have not kept detailed records of their private sector partners, or the benefits of these types of partnerships, but this is beginning to change as Inclusion IPs develop their PSE strategies.

[9] The RT analyzed 22 private sector entities in total, adding seven encountered through the literature review to the 15 interviewed as part of primary data collection.
[10] Within the hybrid business category, the RT found significant variation in the ratio of funding through revenue-generating activities to funding through charitable donations.

The RT developed six case studies to represent the grouped private sector actors by selecting the businesses that seemed to most exemplify the groups' common features and best illustrate the shared opportunities and challenges. Comparing case studies surfaced opportunities for commercial viability and market-driven solutions in the sector, as shown in Figure 1. These case studies serve as reference points throughout the report, to illustrate the operational reality of the current private sector landscape. See Annex E for detailed case studies.

Figure 1: Case Study Overview

CASE STUDY 1: AN PHÚ HÒA
- Commercially viable business model providing rehab services
- Assistive device supplier and manufacturer
- Likely program contribution: market-based solutions
- Traditional USAID partner

CASE STUDY 2: S.E.E.D CENTER
- Commercially viable business model providing social services
- Technical and Vocational Education and Training (TVET) and soft skills training center
- Likely program contribution: expertise
- Non-traditional USAID partner

CASE STUDY 3: PROTEC
- Commercially-viable business model providing employment support
- Company recruiting PWDs in inclusive value chain
- Likely program contribution: market-based solutions
- Non-traditional USAID partner

CASE STUDY 4: CRYSTAL MARTIN (VIETNAM)
- Commercially-viable business model providing charitable donations
- Company with CSR program
- Likely program contribution: resources
- Non-traditional USAID partner

CASE STUDY 5: DR. BÙI THỊ HƯƠNG PHYSICAL THERAPY CLINIC
- Hybrid business model providing rehab services
- Private rehab clinic
- Likely program contribution: expertise
- Traditional USAID partner

CASE STUDY 6: NGA NGUYỄN
- Hybrid business model providing social services
- Private training center
- Likely program contribution: expertise
- Traditional USAID partner

1.2. What services/support have they not invested in and why?

Rehab Services

According to the business model analysis, the RT found rehab services as the greatest potential for commercialization because these services have a much larger potential customer pool with higher disposable incomes than PWDs and can afford to fund their own treatments. Despite this, the majority of KII respondents agreed that **rehab services represented the most critically underdeveloped market segment**, especially in rural areas. The RT found that this type of service remains a relatively new area of technical expertise in Vietnam, particularly in the more specialized practice areas such as occupational therapy, speech therapy, and home-based care. The RT found inconsistent quality and extremely limited supply capacity in these areas. Relatedly, several rehab service provider KII respondents (three of five) mentioned that public clinical training institutions did not develop curricula in these areas and did not benchmark against national industry standards; a significant problem, given that all physicians and the majority of other health workers in Vietnam graduated from these institutions.[11] With a lack of national industry standards, all private sector rehab service provider respondents relayed how they resorted to creating their own standards, based on their knowledge of industry best practices. The majority of rehab service providers (four of five) and one IP mentioned a particularly low standard of practice among home-based care providers because most providers had not received any formal training.

[11] All clinical practitioners in Vietnam are graduates from public universities and colleges, which are partially financed by the GVN (Nguyễn and Wilson 2017).

Competition with public hospitals' human resources talent pools in a limited and nascent technical field made it even more difficult for private sector business owners in the rehab services sector to find and retain qualified staff.

Beyond human resources, the RT found that private rehab clinics must also compete with public hospitals in accessing infrastructure, such as state-of-the-art medical equipment, land for construction, and financial services. One respondent from a public sector regulatory institution described the situation as an unlevel playing field; in their view, the GVN continues to make significant investments in health infrastructure, which results in relatively higher start-up and operational costs for speculative private sector investors and deters their investment.[12] Twelve out of 15 private sector respondents echoed this, stating that they received no government support, such as loans or land lease agreements, when setting up or expanding their businesses. Eighty-six percent of private sector survey respondents never heard of any GVN incentives for disabilities-related businesses.

All respondent groups highlighted patient affordability of rehab services as a significant issue preventing private sector investment, with potential investors failing to see the market potential. Studies show that poverty and disability in Vietnam are closely interrelated and often mutually reinforcing; Vietnamese PWDs are twice as likely to be poor compared with non-PWD households.[13] KII respondents of all types corroborated these findings, which underscores the necessity of providing health insurance to PWDs. Yet almost all rehab-related private sector respondents (four out of five) commented on the inadequacy of health insurance, which does not cover most rehab services and assistive devices; instead patients must cover the costs themselves. The Vietnam Bank for Social Policies was the exception to the near-unanimous consensus around the insufficient nature of insurance coverage, despite a huge need for services. Another medical facility informant noted that they had signed a contract with Vietnam Social Security that allows them to provide insured rehab services for customers. However, the majority of medical facilities (three of four) had no contractual arrangements with market regulators and reported primarily generating revenue from out-of-pocket payments. Several respondents cited lengthy bureaucratic procedures around contracts and reimbursements as a factor deterring them from pursuing such contracts with market regulators.

The mindset of PWDs and rehab patients also emerged as an investment bottleneck, as they lack awareness of treatment options and the role the private sector could play. While the PSLA excluded patient data, respondents across all categories noted that, given the sector's immaturity and general lack of awareness, PWDs or rehab patients would not think to seek private medical care. All public sector respondents corroborated that public hospitals still retain a significant market share for rehab services, and private sector investment in rehab service delivery remains limited as a result.

Social Services

All informant types noted a **critical lack of social services** for PWDs, such as mental health assistance, vocational training, and career counseling. Respondents also suggested that there is little appetite to commercialize these types of services and minimal private sector investment. Yet all private service provider informants emphasized the acute need for comprehensive, holistic services to complement medical treatment for PWDs and assist them in integrating into their communities and participating in society.

All respondents representing both the commercially viable private training centers and those operating on a hybrid business model spoke of the challenge of competing with countless unregistered, uncertified

[12] The same respondent also referred to Vietnam's favorable legal conditions encouraging (in theory) private sector market entry, but emphasized that issues around implementation persist.

[13] Banks et al. 2018; United Nations Development Program Vietnam 2020.

centers who offer poor quality services but at a lower cost than their legitimate counterparts.[14] Informants noted that since government-provided disability subsidies do not explicitly cover education and training, and since most users (both PWDs and their family members) lack sufficient awareness of market service offerings to be discerning, the vast majority end up choosing services at a lower price point, regardless of quality. As a result, respondents perceived that investment in these areas is seen as unattractive and results in a proliferation of low-grade, ineffectual service providers that distort the market.

Employment and Livelihoods

The RT found **a pronounced lack of employment services** for PWDs. Respondents noted that TVET centers struggled to achieve tangible livelihood results for PWD participants. Only two out of seven training center informants developed connections with specific employers whose job opportunities aligned with the skills they taught. Five of seven did not connect PWD trainees to jobs; instead they often only offered interventions targeted at young adults, such as soft skills and general education. From an employer perspective, as illustrated through Protec's experience, employers had to be extremely proactive in their recruitment and willing to go beyond industry norms to reach PWDs. The RT found that the most successful inclusive employment models connected stakeholders in an ecosystem approach with the understanding that other stakeholders, such as local charities or training centers, have community connections and can more easily foster linkages between PWDs and the private sector.

Charitable Donors

Although data from the private sector mini-survey suggested that charitable donations or CSR initiatives were the most common type of PSE with the disabilities sector, the RT found in qualitative interviews that **donations and CSR programs were rarely strategic or part of an organization's long-term vision** with specific, measurable goals. Instead, these data showed the initiatives to be often sporadic, unsustainable, and liable to change their beneficiary target profile. Charitable donors sometimes struggled to know where and how best to direct their funding to maximize beneficiary outcomes. The RT spoke with large businesses with CSR programs who were interested in connecting with product suppliers who employ PWDs, but did not know where to find such partners.

1.3. What are their successful/unsuccessful models and lessons learned in supporting the needs of PWDs?

Drawing on data from the KIIs and mini-surveys, the RT condensed findings around successful aspects and potential issues of the four main models of service and support provision currently active in the disabilities market. The RT asked respondents directly about successful and unsuccessful models, lessons learned, and the challenges and successes of their business models. The following visual presents a summary of the findings.

Figure 2: Successful Aspects and Potential Issues of the Four Models (next page)

[14] Of the private education and social service providers engaged, less than half (three of seven) were commercially viable; the rest were established out of personal or humanitarian motivations and had little intention of becoming profitable.

REHAB SERVICES
(exemplified by Case Study 5)

SUCCESSFUL ASPECTS:

- Clinics that combined rehab services with other specialties made profits more easily, as they did not rely exclusively on PWDs and postop patients for their client base. These clinics generated income from multiple service delivery streams and were therefore more likely to attract a higher volume of patients who can afford to pay.
- Clinics benefited from the expertise and reputation of the best publicly-trained doctors and offered more flexible hours. There was no limit to the provision of services and treatments, unlike in public hospitals, where the number of services per patient has been capped at three.

POTENTIAL ISSUES:

- Doctors who set up private rehab practices often drew their pre-existing patients from general public hospitals. Although standard practice in Vietnam, this may become increasingly problematic and could influence long-term market development and regulation as the rehab market grows and matures.
- Rehab clinics struggled to achieve commercial viability with just one practice area, unless clinics had a contract for fee reimbursement with the Vietnam Bank for Social Policies, which few did, due to the cumbersome contracting process.
- In this immature market, respondents found the high-quality rehab service provision a difficult model to scale, and successful scalable models often compromised on quality.[17]

SOCIAL SERVICES
(exemplified by Case Studies 2 and 6)

SUCCESSFUL ASPECTS:

- Registered, legally-operating private centers generally offered high-quality services, meeting much-needed demand. According to every informant type, demand for services will continue to grow; as Vietnam develops economically, more people become aware of disabilities and diagnosis rates increase.
- Franchising opportunities for successful models existed in areas such as the Mekong Delta, where respondents noted an absence of quality supply.

POTENTIAL ISSUES:

- Training centers faced lengthy registration processes, complex tax requirements, and a lack of clarity over GVN financial incentives or other benefits. No respondents accessed GVN support schemes. Private providers commonly required dual registration to be able to operate as education and training centers and conduct revenue-generating activities.
- Competition with cheaper, unlicensed centers undermined profit margins, which indicates an inability to regulate and ensure fair competition.
- Profit margins were small compared to other business streams; providers needed to have a "double bottom line" mindset, meaning they cared about both doing social good and doing well financially.
- Successful centers effectively coordinated with all stakeholders in the ecosystem (e.g., GVN, employers, community centers, etc.); however, these actors mostly operated in silos.
- A limited human resource pool for niche areas made it difficult for centers to find trained staff.

EMPLOYMENT & LIVELIHOODS
(exemplified by Case Study 3)

SUCCESSFUL ASPECTS:

- Successful inclusive employment models used an ecosystem approach, producing a complete and scalable solution to employing PWDs. This involved partnering with charities and other relevant stakeholders to stimulate job creation and job matching.
- Jobs that can be done remotely, such as task-based, digital jobs were well suited to persons with some physical disabilities. Digital outsourcing models also reduced barriers for private sector companies who did not have the infrastructure to support PWDs.

POTENTIAL ISSUES:

- The private sector had limited expertise in recruiting and creating appropriate working conditions for PWD.
- While the Labor Code stipulates that three percent of the workforce should be PWDs, the GVN lacked coordination to guide implementation.
- No guidelines existed to support businesses who wish to modify the workplace to accommodate PWDs.

CHARITABLE DONORS
(exemplified by Case Study 4)

SUCCESSFUL ASPECTS:

- Vietnam's private sector increasingly engaged in CSR, marking a significant positive shift in the perception that social responsibility makes businesses more competitive and attracts employees and customers. Of the private sector mini-survey respondents, 76 percent had explicit CSR goals.
- These private sector actors could support inclusive employer businesses by buying their products or services. Through financial backing, socially-inclined businesses could become indirect supporters of inclusive employment models.

POTENTIAL ISSUES:

- This model relied on leadership priorities, which frequently changed. For example, a large multinational declined to participate in an interview on the basis that disabilities is not a CSR focus this year and that they are targeting gender equality instead.
- Most private sector actors prioritized their bottom lines; recruitment of PWDs needed to be easy and the benefits clear.

CONCLUSIONS

Although the disabilities sector remains largely under-developed in Vietnam, the RT found some private sector actors who were actively involved in supporting PWDs and experienced varying levels of commercial success. Those providing direct services (e.g., rehab, assistive devices, or social support) more frequently collaborated with USAID, while businesses providing direct employment or those with CSR programs rarely partnered with USAID to provide support or solutions for PWDs. The RT noted clear limitations across the landscape: issues around supply (quality and availability of services) and demand (customer awareness and affordability) of the rehab services market; a critical lack of social services to provide comprehensive support to PWDs; and a lack of TVET and employability services to facilitate PWDs' inclusion in local labor markets. Nevertheless, the RT identified successful models to support the needs of PWDs. Multidisciplinary medical service providers could offer subsidized, affordable services for PWDs; registered social service providers offering high-quality interventions could tap into a clear market gap and hold considerable franchising potential; and an ecosystem approach connecting training centers and CSR programs to inclusive employers could offer market-based solutions for supporting PWDs' employment.

RQ2: What do private sector actors see as opportunities and challenges in providing market-based services and support to PWDs, and/or promoting their participation?

FINDINGS

2.1. What are the enabling and inhibiting factors for the private sector to provide services and support to PWDs and victims of Agent Orange with disabilities?

Market Demand

All market player respondents noted **the significant potential for growth in the disabilities sector as an enabling factor**, due to the acute need for quality services and support and the current gaps in provision. As noted by FGD participants and all five rehab provider respondents, opportunities to increase market demand for rehab services lie in expanding the potential customer pool beyond PWDs to encompass post-operative patients, older people, and people with gradual functional decline, who may be more likely to afford out-of-pocket payments for services. These market segments are all increasing due to Vietnam's aging population and rapid socio-economic development.[15] Opportunities for growth lie in encouraging multidisciplinary business models, such as combining rehab services with other specialist practice areas to create multiple income sources.

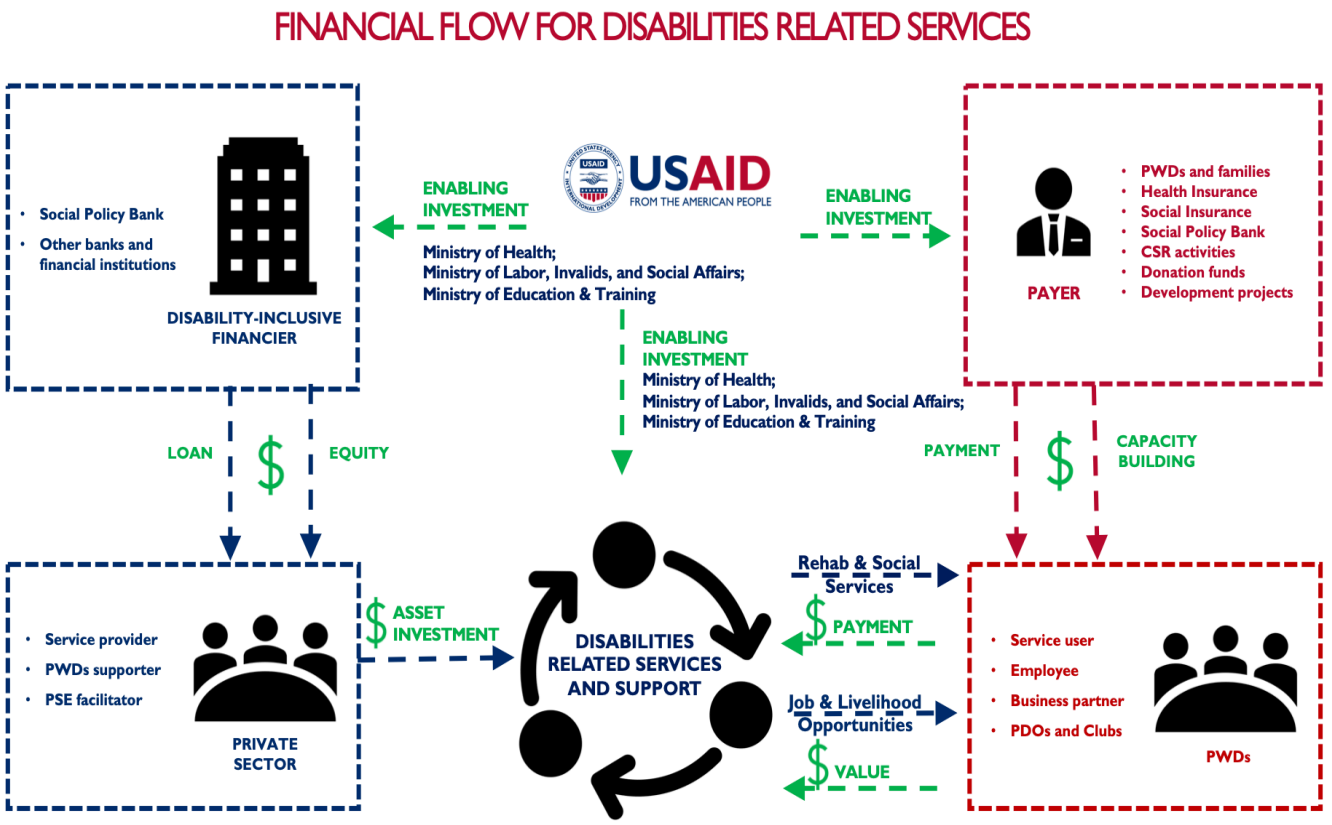
However, the demand side had numerous and complex inhibitors. FGD participants cited several interrelated factors that prevented demand growth, including unclear definitions of services, a lack of public awareness about specific services, and insufficient financing for services. The RT noted a clear consensus among mini-survey and KII informants that **inadequate financing was the most significant barrier to stimulating market demand**; a perception corroborated in the literature base.[16] All respondents to the USAID/IP mini-survey highlighted **uncertain returns on investment and profitability as the main barrier to investment**, while private sector respondents emphasized the **lack of resources** (68 percent) and **lack of financial capability** (63 percent). Potential investors questioned *who* will pay and *how* they will pay, creating major bottlenecks to investment and market development in the disabilities sector. Considering the flow of finances for disabilities-related services and support (see Figure 3 below), the RT found that **more enabling investments are needed to allow the private sector to make tangible asset investments** in providing disability-related services or

[15] World Health Organization 2016.

[16] United Nations Development Program Vietnam 2020; Kidd et al. 2016.

support while remaining commercially viable.[17] Reflected in Case Study 1, where an assistive device supplier with aspirations to scale the business and invest more in innovative research and development, such as automation and robotics, struggled to see a business case since compulsory health insurance does not cover the cost of assistive devices except in rare cases.[18]

Figure 3: Financial Flow for Disabilities-Related Services and Support



[17] Enabling investments provide the foundation for asset investments and are focused on stimulating and supporting stakeholder engagement in collaboration on a given issue. Enabling investments can also support the development of stakeholder platforms and coordination. They may provide capacity-building through training or education. Often, they facilitate the design and implementation of enabling policies, legislation, and supportive institutions. Unlike asset investments, enabling investments do not need to and will never deliver a financial return.

[18] The draft National Rehabilitation Development Strategy, currently under revision, does not include amendments to coverage of assistive devices either. However, a regulator shared that the potential for the health insurance fund to cover mobility devices for PWDs is currently under assessment by the Medical Services Administration.

Market Supply

The RT found that **when private service providers accessed health or social insurance funds, the uncertainty around who pays for services was resolved**. In reality, however, data suggested that few private providers have access to insurance financing, as exemplified through Case Study 5. In the absence of comprehensive insurance coverage, and while the market remains dominated by small-scale, private practices, hybrid business models relying on donations, development program income, or revenue generating activities demonstrated a pragmatic approach to providing more services for PWDs. In terms of employment support, disability-inclusive employers stand to benefit from a suite of benefits and incentives, enshrined in laws such as Decree 28.[19] However, the RT found that small and medium enterprises (SMEs) who operate as inclusive employers do not necessarily claim the tax benefits and incentives for which they are legally eligible. Businesses with charitable donations and CSR schemes expressed interest in taking advantage of tax incentives, but were less likely to reach the requisite minimum threshold for PWD employees to qualify for them.

STRONG SUPPLY CAPACITY OF INCLUSIVE EMPLOYERS

Inclusive employer business models hold great potential for driving market-led solutions for PWDs. Pre-existing asset investment by the private sector and a less challenging enabling environment compared to other sub-sectors make this type of support a "lower-hanging fruit." USAID has not historically tapped into this opportunity by engaging this type of private sector actor as a partner in its disabilities programs.

The RT identified the main supply capacity inhibitors related to **quantity (producing enough service units to meet demand) as well as quality (ensuring expertise to meet service standards)**. Social service providers especially felt supply capacity issues, where respondents noted consistent difficulties to find qualified staff and unregistered competitors distorting the market.

Business Enabling Environment

Respondents across the board, from rehab service providers, to assistive device suppliers, social service providers, and inclusive employers, noted the **lack of standards for their industry**. Inhibitors included a lack of professional standards about practicing beyond the scope of allowed expertise, unstandardized patient medical records, misleading advertising of professional competence, a lack of standardized descriptions and price lists for services, and an absence of guidelines or best practices in adapting the workplace to accommodate PWDs. As a result, the RT found that disabilities providers and supporters had to self-regulate, causing inconsistencies in the service market. The RT found a relatively strong legal foundation in Vietnam to facilitate PSE in the disabilities sector. The GVN enacted the Law on PWDs, Decree 20/2021/ND-CP, and various social assistance policies to protect private interests and encourage private investment. In reality, nearly all private sector respondents reported difficulty in navigating Vietnam's legal landscape and taking advantage of the various incentive schemes enshrined in law, and 100 percent of USAID/IPs mini-survey respondents noted that the market for disabilities services has not been effectively regulated.

Market Entry Conditions

The RT found that **the unconducive business enabling environment causes difficult conditions for market entry, further impacting supply.** All respondent types were unaware of any other types of disability-inclusive financing available beyond the GVN incentive schemes, suggesting that disabilities remains a fringe market with minimal financial backing. Private sector respondents clarified that the GVN offers little support and lends significant market preference to public sector development, which crowds

[19] Decree No. 28/2012/ND-CP of April 10, 2012

out private providers. Several laws and policies currently under review by market regulators emerged as enablers, indicating a **desire among policy-makers to improve the legal frameworks that regulate the disabilities market**. However, the data suggested that unless clear budget allocations and implementation support underpin policy revisions, the implementation deficit will continue.

Cultural Attitudes

Finally, one challenge permeates across all spheres: prejudice and stigma toward PWDs affects interest and buy-in among all types of stakeholders, creating a general perception that PWDs are a burden and that investment in the disabilities market is equally burdensome. Inclusive employer respondents unanimously mentioned this as a major factor preventing other businesses from hiring more PWDs, and FGD and Validation Event participants agreed that society's general lack of awareness of disabilities and discrimination towards PWDs could block institutional, macro-level market condition improvements.

MAXIMIZING BUSINESS OPPORTUNITIES IN A DIFFICULT ENABLING ENVIRONMENT

Social service and protection centers face the most challenging enabling environment. Commercially successful businesses in this sub-sector are market-driven, reflect the skillsets of the business's management, and are often a product of managerial partnerships between strong technical and business leads.

CONCLUSIONS

The RT found that private sector actors face a multitude of barriers that slow down or prevent their investment in the disabilities sector, ranging from demand and supply challenges, a difficult enabling environment, and limited market entry opportunities. Regulatory capacity in the public disabilities sector appears to be limited, which has led to unfair competition and has affected the maturity of the market and ultimately discourages large-scale investments. Based on the analysis, rehab services and assistive devices have demonstrated the greatest commercialization potential because customer demand extends beyond PWDs, and PWD-targeted services could be viably financed through a multidisciplinary health services business model. However, the RT found the sub-market beset by the same challenges affecting market growth across all sub-sectoral areas: issues around implementing effective support policies, a lack of qualified staff, and a lack of awareness from all market players. Inclusive employers also hold great potential for driving market-based solutions for PWDs, due to pre-existing asset investment and a less challenging enabling environment relative to other disabilities sub-sectors.

RQ3: What are potential strategic ways for USAID to engage and collaborate with the private sector in providing disabilities-related services and promote the availability, accessibility, quality, and sustainability of disabilities-related services and promoting their participation?

FINDINGS

3.1. What are the private sector's needs to promote their engagement in providing disabilities-related services over the next three to five years and in the long run?

In order to better understand what USAID/Vietnam could do to support and sustain PSE in the disabilities sector, the PSLA identified the specific problems and root causes inhibiting investment.[20] This problem-driven approach surfaced three core areas to consider addressing: 1) lack of awareness by all market players; 2) PWDs' lack of affordability causing uncertain profitability of services, and; 3) an unconducive business enabling environment.

[20] The stakeholder mapping exercise (see Annex G) also informed the development of this problem driven analysis.

Table 3: Problem Analysis

PROBLEM	ROOT CAUSE
1.a. Awareness of *regulator* of disabilities-related services and supports	Lack of market regulations (service description, standards, qualification of service providers, promotion instruments)
1.b. Awareness of *users* of disabilities-related services and supports	Lack of information on and access to services and support
1.c. Awareness of *service provider and supporters* of disabilities-related services and support	Lack of market regulation and access to resources (knowledge, expertise, finance) for development and delivery of services or support
2. Services are not affordable (for users), **and thus not profitable** (for service providers)	Lack of financing for poor users; services and support are not fully covered by health and social insurance; financing from donations and development projects is unsustainable
3a. Business enabling environment for disabilities-related services and support (both public and private actors)	Lack of promotion policies for provision of disabilities-related services and support
3b. Business enabling environment for disabilities-related services and support **(market entry for private sector actors)**	Lack of level playing field between public and private sector actors (registration, tax exemption, land-use, etc.)

3.2. What are untapped potential market-based solutions that private sector and IPs recommend for USAID's future facilitation?

Based on the insights from the problem analysis, the RT drafted a logic model that outlines the steps assumed to precipitate effective, market-driven solutions in the disabilities sector (see Annex H).[21] Participants at the Validation Event tested the causal logic and helped surface assumptions that could slow down or block change.

To effectively engage the private sector in disabilities work and unlock greater investments, USAID and its IPs should work with the full range of market players through a whole ecosystem approach. To reflect this approach, the RT structured the recommendations by market player type. USAID/Vietnam and IPs–in their role as market enablers–could undertake some of the recommended interventions directly, whereas target market players should take the lead on others, with encouragement and support from USAID/Vietnam and IPs where applicable. While the short-term interventions could be implemented through the Inclusion Activity, the recommendations include a broader vision and long-term engagement strategy for each target market player, linking the proposed strategies to identified problems.

[21] The logic model is also sometimes referred to as a theory of change because it shows how changes could logically come about to result in a given development goal.

Table 4: Recommendations

TARGET MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION AND ENGAGEMENT STRATEGY
USERS AND CUSTOMERS (PWDs and families of PWDs)	- Identify current levels of user awareness and access to information by undertaking market research in target localities (USAID/Inclusion IPs). - Initiate awareness raising campaigns for PWDs and other potential customer segments about available private sector services, support, and financing sources (USAID/Inclusion IPs). - Strengthen local PWD networks to improve awareness of service offerings and access to information (users/customers).	**Vision:** PWDs and families have increased awareness of private sector services, support, and benefits and are enabled (financially and otherwise) to access them. **Long-term engagement strategy:** - Build a national customer database, including specific customer profiles, to increase service provider understanding of customer base and market potential.
REHAB SERVICE PROVIDERS AND ASSISTIVE DEVICE SUPPLIERS	- Conduct market research to better understand the rehab services market in areas of potential operation (service providers). - Clarify information regarding regulations and policies applicable in the locality, e.g., through training and capacity development courses or communications campaigns directed at local service providers (USAID/Inclusion IPs).	**Vision:** Service providers have increased awareness and understanding of market demand (needs and affordability of customer base), supply capacity (financial, technical, and human resource requirements, local competitors, available policy support, etc.), as well as improved capacity to deliver services, facilitating increased investment. **Long-term engagement strategy:** - Provide TA to support the establishment of a professional association of private sector service providers working in disabilities-related sectors, and to develop the sector by professionalizing members, advancing their interests, and promoting communication and connection. - Provide TA to relevant stakeholders to improve the quality and connectedness of the disabilities ecosystem, establishing "joined-up thinking" approaches to disabilities services and support. - Offer technical and commercial capacity development to private sector service providers (e.g., disabilities-related expertise and technical support, human resources, methods, technologies, products, franchising, operations, strategy and governance), to improve the quality of disabilities-related services, products, and business management practices.
SOCIAL SERVICE PROVIDERS	- Conduct market research to understand the social services market in areas of potential operation (service providers). - Design and promote a case management system to support PWD employment, and build a training and livelihoods ecosystem that matches labor supply with labor demand in the locality. The design could be informed by the Center for Disability and Development's pilot program, an informant to this research and subcontractor on Inclusion (USAID/Inclusion IPs and service providers). - Initiate and facilitate cooperation agreements between social service providers and local employers (service providers).	
INCLUSIVE EMPLOYERS	- Map employment ecosystem in areas of operation to better understand skills requirements of the local labor market, connecting TVET institutions and training centers to job	**Vision:** Inclusive employers have improved understanding of labor supply, enhanced capacity to support PWDs in work, and are better connected to other PWD livelihood supporters and enablers in the

TARGET MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION AND ENGAGEMENT STRATEGY
	opportunities for PWDs based on matching skills (USAID/Inclusion IPs). - Clarify employers' understanding of legal frameworks, policies, and incentives for businesses employing PWDs, either through training or communications campaigns (USAID/Inclusion IPs). - Provide TA to help inclusive employers make workplace adjustments (USAID/Inclusion IPs). - Make necessary adjustments to the workplace to accommodate PWD needs (inclusive employers).	locality's ecosystem. **Long-term engagement strategy:** - Provide TA to support the establishment of a professional association for inclusive businesses working with PWDs, building a more cohesive disabilities ecosystem. - Collaborate with inclusive employers to develop guidance and support packages and best practices in human resources standards for inclusive businesses aspiring to work with more PWDs. - Collaborate with inclusive employers to improve public knowledge and awareness of how and why to employ or become business partners with PWDs (e.g., through a communications campaign).
CHARITABLE DONORS AND CSR PROGRAMS	- Broker and facilitate linkages between CSR/charitable donors and inclusive employers in the value chain (USAID/Inclusion IPs). - Introduce and connect large charitable donors and CSR programs to PWD-manufactured products and services (USAID/IPs). - Join or collaborate with a professional association of PWD supporters and inclusive businesses to build their networks and share best practices (Charitable donors/CSR programs).	**Vision:** Better cooperation and working agreements between charitable donors, inclusive businesses and the wider PWD-related ecosystem, resulting in more effective, targeted charitable giving. **Long-term engagement strategy:** - Provide TA to charitable donors and businesses with CSR programs to make CSR more meaningful and effective (e.g., establishing goal frameworks, creating implementation and accountability systems, and reporting transparently). - Institutionalize the relationship between inclusive employers, CSR programs, and charitable donors (e.g., through contracting agreements, memorandum of agreements, MOUs, etc.), to legally establish common objectives through specific partnership terms.
MARKET REGULATORS[22] (MOH, MOET, MOLISA, DOH,	- Initiate dialogue with relevant ministries and departments to understand GVN priorities, assess buy-in, and identify champions, and co-design a long-term strategy for the disabilities sector (USAID/Inclusion IPs).	**Vision:** Market regulators have improved awareness and capacity, and a stronger institutional setting to manage the disabilities market. **Long-term engagement strategy:**

[22] MOH = Ministry of Health; MOET = Ministry of Education and Training; MOLISA = Ministry of Labor, Invalids, and Social Affairs; DOH = Department of Health; DOET = Department of Education and Training; DOLISA = Department of Labor, Invalids, and Social Affairs

TARGET MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION AND ENGAGEMENT STRATEGY
DOET, DOLISA)	- Conduct organizational capacity assessments to understand training needs and design relevant training programs (USAID/Inclusion IPs). - Raise market regulators' awareness of service standards and market entry conditions through TA for Ministries at the national level (USAID/Inclusion IPs). - Develop the capacity of relevant provincial departments to implement and enforce service standards and incentives for disabilities service providers, drawing on international best practices (USAID/Inclusion IPs). - Collaborate with other donors (e.g., the World Bank) to align efforts with GVN institutional capacity to reform Vietnam's social protection system (USAID).	- Institutionalize best practices for regulating and managing the disabilities market at national and provincial levels. - Support GVN actors to develop core organizational capacities that align with their strategic interests in managing the sector. - Facilitate the development of a governing body at the national level to regulate and monitor the quality of disabilities-related services. - Collaborate more effectively with other donors on institutional strengthening programs to align and amplify efforts (e.g., in advocating for the establishment of disability-inclusive financing funds and reforms to social and health insurance policies to facilitate more comprehensive coverage of services and support for PWDs).
MARKET FINANCIERS (insurance providers, Social Policy Bank, other financial institutions)	- Work with market regulators to develop guidelines to support more effective institutional collaboration between market regulators and market financiers toward more equitable financing of services (USAID/Inclusion IPs). - Conduct awareness raising and capacity development activities to implement improved policies (e.g., applying smooth payment processes, more efficient claim reimbursement, and supporting service providers more effectively) (USAID/Inclusion IPs).	**Vision:** Market financiers have improved capacity to more effectively implement more inclusive policies **Long-term engagement strategy:** - Develop the capacity of market financier actors at organizational levels. - Connect with international sources of inclusive financing. - Institutionalize best practices in managing insurance funds. - Facilitate better coordination and collaboration between regulators, financiers, and service providers and users.
MARKET ENABLERS (Inclusion IPs)	- Conduct group training for Inclusion IPs to improve understanding of effective PSE (e.g., engaging non-traditional actors, leveraging multi-stakeholder partnerships, addressing information asymmetries, conducting market assessments, testing private sector-led innovation, and scaling successes) (USAID/Inclusion IPs). - Facilitate collective co-creation efforts among IPs and private sector actors to design more effective PSE interventions (USAID/Inclusion IPs). - Establish a PSE platform for all IPs doing PSE to share experiences, best practices, success stories, and lessons learned (USAID/IPs). - Encourage establishment of PSE points of contact within IP team	**Vision:** IPs have improved understanding of private sector actors and commercial opportunities in the disabilities sector, and enhanced ability to engage them. **Long-term engagement strategy:** - Develop capacity of implementers and market enablers to engage the private sector more effectively and strategically. - Raise awareness among non-traditional private sector service and support providers about the benefits of partnership with USAID (e.g., increased revenue, marketing and image building, improved capacity, and access to international best practices).

TARGET MARKET PLAYER	SHORT-TERM INTERVENTION RECOMMENDATIONS	LONG-TERM VISION AND ENGAGEMENT STRATEGY
	structure (USAID/Inclusion IPs). - Require PSE metrics and measurements in IP monitoring, evaluation, and learning systems, setting targets for each indicator (USAID/Inclusion IPs).[23]	

[23] Possible indicators include: 1) the number of private sector firms with improved management practices or technologies as a result of Inclusion activities; 2) the percentage of non-users in the target population who know a private sector source of a disability-related service or support; and 3) the number of private sector interventions that increase the supply of quality disabilities services or supports to target populations established, expanded, or strengthened.

ANNEXES

ANNEX A: REFERENCES

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ANNEX B: KEY TERMS AND DEFINITIONS

Private Sector

The PSLA adheres to USAID's PSE Policy 2018 definition of private sector:

> *"for-profit, commercial entities and their affiliated foundations; financial institutions, investors, and intermediaries; business associations and cooperatives; micro, small, medium, and large enterprises that operate in the formal and informal sectors; American, local, regional, and multinational businesses; and for-profit approaches that generate sustainable income (e.g., a venture fund run by a NGO or a social enterprise)."* [24]

NGOs can be included in the definition of the private sector if they make revenues and profits from providing services or goods. Equally, social enterprises who provide goods or services, and make revenues, and reinvest profits made in their organization for social purposes can be considered as private sector actors. In short, this PSLA only selected profitable entities as respondents, or those with hybrid business models, reliant on donations, development program income, or revenue-generating activities.

Disabilities

Within the scope of this PSLA, the RT uses the following definitions:

> *"A person with a disability is a person who has a physical or mental impairment that substantially limits one or more major life activities. This includes people who have a record of such an impairment, even if they do not currently have a disability."*[25]

According to the World Health Organization, disability has three dimensions:[26]

1. Impairment in a person's body structure or function, or mental functioning; examples of impairments include loss of a limb, loss of vision, or memory loss.
2. Activity limitation, such as difficulty seeing, hearing, walking, or problem solving.
3. Participation restrictions in normal daily activities, such as working, engaging in social and recreational activities, and obtaining health care and preventive services.

To meet the USAID/Vietnam's Special Objective, this report's definition of disability also includes victims of Agent Orange who are PWDs as a distinct beneficiary group.[27]

Sub-Sector Definitions

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[24] USAID, 2018: 6.

[25] See the American Disability Act, 1990.

[26] World Health Organization, 2001.

[27] "Who has been exposed to Agent Orange? They are Vietnamese soldiers, volunteer youths, guerrillas, militiamen, and conscripted laborers who used to participate in combat or support combat in the areas sprayed with Agent Orange by the [United States] Air Force during the war. They can be the civilians who lived in the Agent Orange-affected areas. They can also be troops of the old Saigon regime who fought in the Agent Orange-affected areas. Vietnamese [Agent Orange] victims may have different backgrounds, but they are all victims of Agent Orange sprayed by the [United States] Army. They may suffer a number of serious illnesses or may pass genetic illnesses on to their children and grandchildren." https://vava.org.vn/news/agent-orange-victims-journey-to-seek-justice-125.html#:~:text=They%20are%20Vietnamese%20soldiers%2C%20volunteer,the%20Agent%20Orange%2Daffected%20areas; 4.8 million Vietnamese were exposed to Agent Orange, and more than three million became victims. https://vava.org.vn/introduction/message-disaster-of-agent-orange-in-vietnam-88.html.

Due to the broad nature of the disability services sector, the RT segmented the industry into the following four sub-sectors:

Rehab Services: Care, such as training and therapy, that can help PWDs restore, get back, keep, or improve abilities that they need for daily life. These abilities may be physical, mental, and/or cognitive, such as thinking and learning. PWDs may have lost such abilities due to disease, injury, or as a result of medical treatment.

Social Services: Activities conducted by publicly-funded entities and private universities or hospitals that are responsible for the planning and delivery of support services for PWDs within the specific geographic service area of the state or authority. Social services may include information and referrals, case management, or hourly services to assist an individual to live in their own home, access employment, or conduct other day-to-day tasks.

Employment and Livelihoods: Market-based approaches, with appropriate business models and appropriate positioning in specific value chains, industries, and market segments. When entering the labor market as an employee or as an owner, the capacity of PWDs determines their position in specific value chains and business models.

Charitable Donors: Companies with CSR or donation programs, or individuals making charitable donations to support disabilities causes and provide services to PWDs.

ANNEX C: RESEARCH METHODOLOGY

DATA COLLECTION

LITERATURE REVIEW

The process of identifying and reviewing the relevant literature through available documents provided a clearer picture of the recent, evolving context of PSE in Vietnamese disabilities-related services, allowing the RT to identify data gaps and develop initial findings and research tools.

KEY INFORMANT INTERVIEWS

The RT conducted 28 KIIs with market players in the disabilities sector, of whom the majority (15) were from the private sector. These included a mixture of traditional (eight) and non-traditional (seven), formal and informal actors and representatives from SMEs and large corporations.[28] Other respondents included GVN ministries and market regulators from the Department of Social Insurance of the MOH, the MOLISA, USAID/Vietnam, and IPs (eight total). The RT also received written responses from two banks and insurance providers: the Vietnam Bank for Social Policies and the Vietnam Development Bank. In order to elicit the most relevant information and insights from interviewees, the RT asked different question sets depending on the stakeholder group being interviewed.

MINI-SURVEY

The RT circulated simple online questionnaires to obtain further insights from two specific stakeholder groups: private sector actors and USAID and its IPs. The RT worked with professional associations, such as the American Chamber of Commerce, and social media platforms, such as the USAID Facebook page and LinkedIn, to cast a wider net and attract responses from non-traditional private sector actors working in the disabilities sector. The RT received 64 responses to the private sector mini-survey, 85 percent of whom classified themselves as non-traditional private sector actors, and a total of five responses to the USAID and IPs mini-survey.

FOCUS GROUP DISCUSSION

Towards the end of data collection, the RT convened a group of IP and USAID respondents for an FGD. The FGD served as a practical planning session for the PSLA's primary intended audience. The RT worked with USAID to identify and select participants based on their role as PSE enablers, with the goal of agreeing on an approach and possible interventions to take forward. The interactive, virtual session used Mentimeter software to prompt discussion among participants. USAID Learns also convened a Validation Event of key stakeholders, which was attended by 38 participants (20 online and 18 in-person), to validate and refine the preliminary findings, co-develop the recommendations, and increase stakeholder buy-in for implementation.

[28] Non-traditional private sector actors refers to those who have not previously worked with USAID-funded disability projects.

DATA ANALYSIS

PSE TYPES

The RT used a PSE typology derived from USAID's 2011 report on understanding private sector value. This analytical framework helped the RT to zoom in on individual business entities and ask how a given business most likely contributes to development outcomes. By classifying private sector actors according to the type of contribution to programs and the development results most likely to be associated with each of these contribution types, patterns emerged, which enabled the RT to group entities according to their business models. For non-traditional private sector actors, the PSE classification worked by suggesting which partnership would be most suitable given their current business model.

PATHWAYS TO SUSTAINABILITY ANALYSIS

Once the RT categorized individual business entities according to PSE type, the pathways to sustainability framework allowed the RT to consider the wider macroeconomic conditions that surround and enable business operations (see Annex F). This analytical framework included three functional stages that represented the building blocks toward sustainable, market-driven solutions: Stage 1-Enabling focused on the enabling conditions for successful interventions, as spearheaded by government and donor actors; Stage 2-Developing focused on asset or capital investment by the private sector, and; Stage 3-Sustaining focused on the continuity of market-driven solutions, through scale or expansion and user outcomes. These stages proved useful for analysis, as they revealed the true range of market forces exerted on any given business model and the extent to which these would hinder or promote the success of their investments.

CATEGORIES OF INVESTMENT

The RT utilized the categories of investment analysis to ask which types of investment would be needed to encourage and incentivize different business model types from entering and continuing in the disabilities market. The RT first sought to understand the financial flow for disabilities-related services and support in Vietnam. From there, based on the RT's understanding of which business models tend to operate sustainably through the PSE-type analysis, in the context of a relatively nascent sector, as identified by the pathways to sustainability analysis, the RT identified entry points for potential strategic engagement and/or investment from USAID/Vietnam and other market enablers. The investment analysis revealed the most strategic modalities of engagement, given inputs about the broader market ecosystem and how different market players operate within it.

STAKEHOLDER MAPPING

To finalize a set of strategic recommendations, the RT updated the PSLA stakeholder map to reflect a market-player perspective and ensure consistency between the different analytical tools (see Annex G). From data collection, the RT came to a clearer understanding of key market players' varying levels of interest and influence in investing in market-driven solutions for the disabilities sector. Based on an informed understanding of the true political economy that drives market forces in this sector, the RT defined recommendations tailored to different market players and outlined how USAID/Vietnam and IPs could most strategically engage with each player.

ANNEX D: LIMITATIONS AND CONSIDERATIONS

The RT identified the following limitations and considerations for this PSLA:

- The RT did not travel to any of the target provinces for in-person data collection with relevant GVN representatives at the provincial level. The People's Committee in Kon Tum province officially declined the RT's request to conduct in-person interviews, and the RT concluded that it was not worth pursuing another province for in-person data collection. The RT received written responses from several regulators and government ministries (e.g., MOH and MOLISA), most of whom considered PSE for the disabilities sector not relevant to their work. As a result, the lack of in-person data collection in at least one of the target provinces did not detract from the quality of the research findings.
- The study did not directly engage with PWD beneficiaries, including victims of Agent Orange. Their exclusion allowed the RT to focus on the specific goals of a PSLA which was to surface and better understand the perspectives of private sector actors. The RT obtained information about the perspectives of beneficiaries second-hand through IPs and relevant private sector actors. The RT considered these observations to be subjective and not fully reflective of the needs of the beneficiaries and their demand for services or support, and thus these findings should be validated by future research.
- The private sector mini-survey had mixed data quality. Approximately two-thirds of the respondents (65 percent) failed to complete the survey or did not offer sufficiently detailed responses. This non-response could point to a general lack of awareness and/or interest among non-traditional private sector actors concerning the relevance and commercial viability of the disabilities sector and could be indicative of the immaturity of the market. The RT therefore relied more heavily on the other data collection methods, including KIIs, the USAID/IPs mini-survey, the FGD, and the literature review, in order to analyze key trends and draw conclusions.
- The RT lacked sufficient information and available data to identify sub-sectoral patterns within the disabilities sector. Therefore, the analysis focused on a business model typology that investigated the extent to which different business models operate sustainably in a relatively nascent market.

ANNEX E: CASE STUDIES

Private Sector Types

1	2	3	4
Private clinics and assistive device suppliers	Private social services/training centers	Companies recruiting PWDs and business partners in inclusive value chains	Companies with CSR or donation programs

CASE	BUSINESS MODEL	PSE TYPE	PRIVATE SECTOR TYPE	TRADITIONAL PARTNER	SECTOR
Hoàng Thy Phát	Commercially Viable	Market-Based Solutions	2	Yes	Education
Nga Nguyễn	Hybrid	Expertise	2	Yes	Education
Dr. Hương physical therapy clinic	Hybrid	Expertise	1	Yes	Health
Saitex	Commercially Viable	Market-Based Solutions	3	No	Garment
Ngọc Ân	Hybrid	Expertise	2	No	Education
Crystal Martin (Vietnam)	Commercially Viable	Resources	4	No	Garment
Enablecode	Commercially Viable	Market-Based Solutions	3	No	Information Technology
An Phú Hòa	Commercially Viable	Market-Based Solutions	1	Yes	Health
S.E.E.D center	Commercially Viable	Market-Based Solutions	2	No	Education

CASE	BUSINESS MODEL	PSE TYPE	PRIVATE SECTOR TYPE	TRADITIONAL PARTNER	SECTOR
Nguyễn Quang Hợp general clinic	Hybrid	Expertise	1	No	Health
Hoàng Đức Autism Center	Commercially Viable	Market-Based Solutions	2	Yes	Education
Dr. Trần Văn Sỹ's clinic	Hybrid	Expertise	1	Yes	Health
Imagtor	Commercially Viable	Market-Based Solutions	3	No	Information Technology
Center for Disability and Development	Hybrid	Expertise	2	Yes	Various
Hạnh Tâm general clinic	Hybrid	Expertise	1	Yes	Health
Protec	Commercially Viable	Market-Based Solutions	3	No	Manufacturing
PhaNa	Commercially Viable	Market-Based Solutions	1	Yes	Health
Royal Melbourne Institute of Technology (RMIT)	Commercially Viable	Resources	3	No	Education
Hồng Bàng International University	Hybrid	Expertise	2	Yes	Education
Vụn Art	Commercially Viable	Market-Based Solutions	3	No	Manufacturing
Digitex	Commercially Viable	Market-Based Solutions	3	No	Information Technology
Nike	Commercially Viable	Resources	4	No	Garment

CASE STUDY 1

AN PHÚ HÒA

Similar businesses in this category: PhaNa

GENERAL PROFILE:

- Assistive device supplier
- Rehab services
- Commercially viable
- Likely program contribution: market-based solution

CUSTOMER SEGMENTS:

- End users: PWDs and patients who need assistive devices
- Locations: Thừa Thiên Huế province down to Cà Mau province
- Sector: health

CUSTOMER RELATIONSHIPS & CHANNELS:

- NGOs and general contractors reach out to An Phú Hòa with opportunities to cooperate
- An Phú Hòa reaches out to NGOs and general contractors with opportunities to cooperate
- An Phú Hòa bids for contracts (usually less than VND 5 billion) issued by public hospitals and universities. These contracts are not financed by the GVN budget.
- Advantages: professional sales team and a range of exclusive productsz

VALUE PROPOSITIONS:

- Reliable and affordable products
- Fits with specific needs of PWDs (needs-based design)

KEY ACTIVITIES:

- Import and distribution of medical machinery, equipment, and human anatomy atlases
- Joint production and sales of assistive devices
- Supply of medical equipment and installation and construction of occupational therapy and speech/language therapy rooms

KEY RESOURCES:

- Human resources: (i) board of directors, (ii) finance officers and accountants, (iii) technicians, (iv) salespeople

KEY PARTNERS

- NGOs
- Public hospitals
- Private hospitals and clinics
- Public and private universities that provide medical training
- Prime contractors

COST STRUCTURE:

- Investment: owner's private funding
- Operational costs: administration, import and distribution, sales and marketing

REVENUE STREAMS:

- Sales of assistive devices
- Fees of installation and construction
- Status: commercially viable

CASE STUDY 2

S.E.E.D. CENTER

Similar businesses in this category: Hoàng Thy Phát, Hoàng Đức

GENERAL PROFILE:

- Private training or protection center
- Social services
- Commercially viable
- Likely program contribution: expertise

CUSTOMER SEGMENTS:

- Children with developmental disorders (mainly autism spectrum disorder and intellectual disabilities)
- Middle-class, near poor, poor
- Location: urban
- Sector: education, health

CUSTOMER RELATIONSHIPS & CHANNELS:

- Direct introduction by parents, relatives, educational and health staff
- Websites, Facebook
- Editorial articles on mass media

VALUE PROPOSITIONS:

- Better life skills preparation for children with autism
- Reliable and affordable services
- Owners' connections with experts from education and health sectors
- Collaborations with CSR initiatives

KEY ACTIVITIES:

- Life skills training and career counselling
- Vocational training in skills/jobs that are accessible to children with developmental disorders
- Rehab services
- Vocational rehab to improve functioning and livelihoods

KEY RESOURCES:

- Human resources: business manager, education and health staff, contracted public education and health staff, volunteers
- One training center and one production workshop
- Equipment for training in certain skills/jobs

KEY PARTNERS

- Public hospitals and private clinics
- Relevant associations
- DPI (decision on establishment of company and production workshops)
- MOST (license/permission)

COST STRUCTURE:

- Investment: owners' private funding
- Operational costs: technical services, administration, contracted service providers from public and private hospitals, clinics, educational institutions, associations

REVENUE STREAMS:

- Fees paid by parents
- Sale of products made by trainees
- Status: commercially viable

CASE STUDY 3

PROTEC

Similar businesses in this category: EnableCode, Imagtor, Saitex, RMIT, Digitex

GENERAL PROFILE:

- Company recruiting PWDs
- Livelihood support
- Business case-commercially viable
- Likely program contribution: market-based solutions

All non-traditional private sector actors

CUSTOMER SEGMENTS:

- Users of motorbike and bicycle helmets
- Workers and staff of large companies

CUSTOMER RELATIONSHIPS & CHANNELS:

- Direct sales to corporate customers (80%), mainly via corporate promotional or CSR schemes; direct introduction to customers through business partners and networks
- Website, Facebook
- Editorial articles on mass media

VALUE PROPOSITIONS:

- The first and only social enterprise in the world doing business with helmet products
- Blue Ribbon Award, Award for Corporate Excellence by Secretary of State
- Brand widely accepted in Vietnam and other markets

KEY ACTIVITIES:

- Manufacturing: helmet production
- Distribution and export of helmets

KEY RESOURCES:

- Human resources: employees (including PWDs)
- Materials
- Production line and technology
- Administration
- Marketing

KEY PARTNERS

- Business CSR networks
- American Chamber of Commerce

COST STRUCTURE:

- Investment: funds from foundations
- Operational costs: production and administrative costs

REVENUE STREAMS:

- Paid by corporate clients
- Paid by customers in retail markets
- Status: commercially viable

CASE STUDY 4

CRYSTAL MARTIN (VIETNAM)

Similar businesses in this category: Nike

GENERAL PROFILE:

- Company with CSR program
- Charitable donations
- Charity-based mindset, large corporation, potentially influential
- Likely program contribution: resources

CUSTOMER SEGMENTS:

- Big brands in lingerie including VS&Co., Uniqlo, H&M, LBY, A&F, GAP, etc.

CUSTOMER RELATIONSHIPS & CHANNELS:

- Lingerie supply chain

VALUE PROPOSITIONS:

- Qualified supply source
- Following supply chain-led campaigns for environment, inclusivity, etc.
- Caring about the lives of PWDs in the factory and in the community

KEY ACTIVITIES:

- Manufacturing

KEY RESOURCES:

- Laborers

KEY PARTNERS

- Upstream and downstream businesses in the same supply chain

COST STRUCTURE:

- Investment cost for the factory
- Operational costs: labor, materials, administration, etc. (labor intensive industry)

REVENUE STREAMS:

- Revenue from customers in the supply chain

CASE STUDY 5

DR. HU'O'NG CLINIC

Similar businesses in this category: Dr. Trần Văn Sy's clinic, Hạnh Tâm general clinic, Nguyen Quang Họ'p general clinic

GENERAL PROFILE:

- Private clinic
- Rehab services
- Hybrid model, cannot be sustainable with PWD work alone
- Likely program contribution: expertise

CUSTOMER SEGMENTS:

- Rehab services, including home visits for all patients including PWDs
- Middle-class, near poor
- Service price is higher than that of public hospitals
- Location: towns
- Sector: health

CUSTOMER RELATIONSHIPS & CHANNELS:

- Direct introduction by parents, relatives, and health staff
- Websites, Facebook

VALUE PROPOSITIONS:

- Reliable and affordable services
- Owner's connections with experts from the health sector
- Methods updated and human resources upskilled through USAID projects

KEY ACTIVITIES:

- Rehab services

KEY RESOURCES:

- Human resources: health staff and contracted public health staff who work for the clinic outside of public hospital working hours
- Clinic
- Healthcare equipment

KEY PARTNERS

- Public hospitals and private clinics
- Relevant associations
- Development projects with donors
- DOH (license/permission to operate)

COST STRUCTURE:

- Investment: owners' private funding
- Operation: rehab services, administration, contracted service providers from public and private hospitals, clinics, institutions, associations

REVENUE STREAMS:

- Fees paid by clients (including PWDs, families)
- Fees paid by projects (USAD/VNAH, etc.)
- Status: not commercially viable if the clinic only serves PWDs (a percentage of PWD client fees is covered by revenue from other clients)

CASE STUDY 6

NGA NGUYỄN

Similar businesses in this category: Ngoc Ân, Hoàng Thy Phát, Hoàng Đứ'c

GENERAL PROFILE:

- Private training or protection center
- Social services
- Hybrid model: not-for-profit/not
- Commercially-driven (comparable to Hoàng Thy Phát and Hoàng Đứ'c in same sector, but unprofitable)
- Likely program contribution: expertise

CUSTOMER SEGMENTS:

- Social services and livelihoods support for PWDs
- Near poor, poor
- Location: urban, rural and remote areas of Bình Đinh province
- Sector: education, health

CUSTOMER RELATIONSHIPS & CHANNELS:

- Direct introduction by parents, relatives, education and health staff
- Websites, Facebook
- Editorial articles on mass media

VALUE PROPOSITIONS:

- Better life skills preparation for children with autism
- Reliable and affordable services
- Owners' connections with experts from education and health sectors
- Updated methods and trained human resources through USAID projects

KEY ACTIVITIES:

- TVET for PWDs
- Mobilizing funding from donors to support PWDs to start their own business
- Early intervention and education for children with autism and developmental disorders

KEY RESOURCES:

- Human resources: business manager, teachers (education and health staff, contracted public education and health staff, volunteers)
- Assistive devices, toys

KEY PARTNERS

- Public hospitals and private clinics
- Universities
- Relevant associations
- DOLISA, PWD Protection Association (registration as protection center)
- USAID/IC, CCRD, etc.

COST STRUCTURE:

- Investment: owner's private funding
- Operational costs: technical services, administration, contracted service providers from public and private hospitals, clinics, educational institutions, associations

REVENUE STREAMS:

- Fees paid by projects (USAID/VNAH, etc.)
- Fees paid by individual and institutional donors
- Status: not commercially viable (dependent on donation and project support; PWDs do not pay any fees)

ANNEX F: PATHWAY TO SUSTAINABILITY ANALYSIS

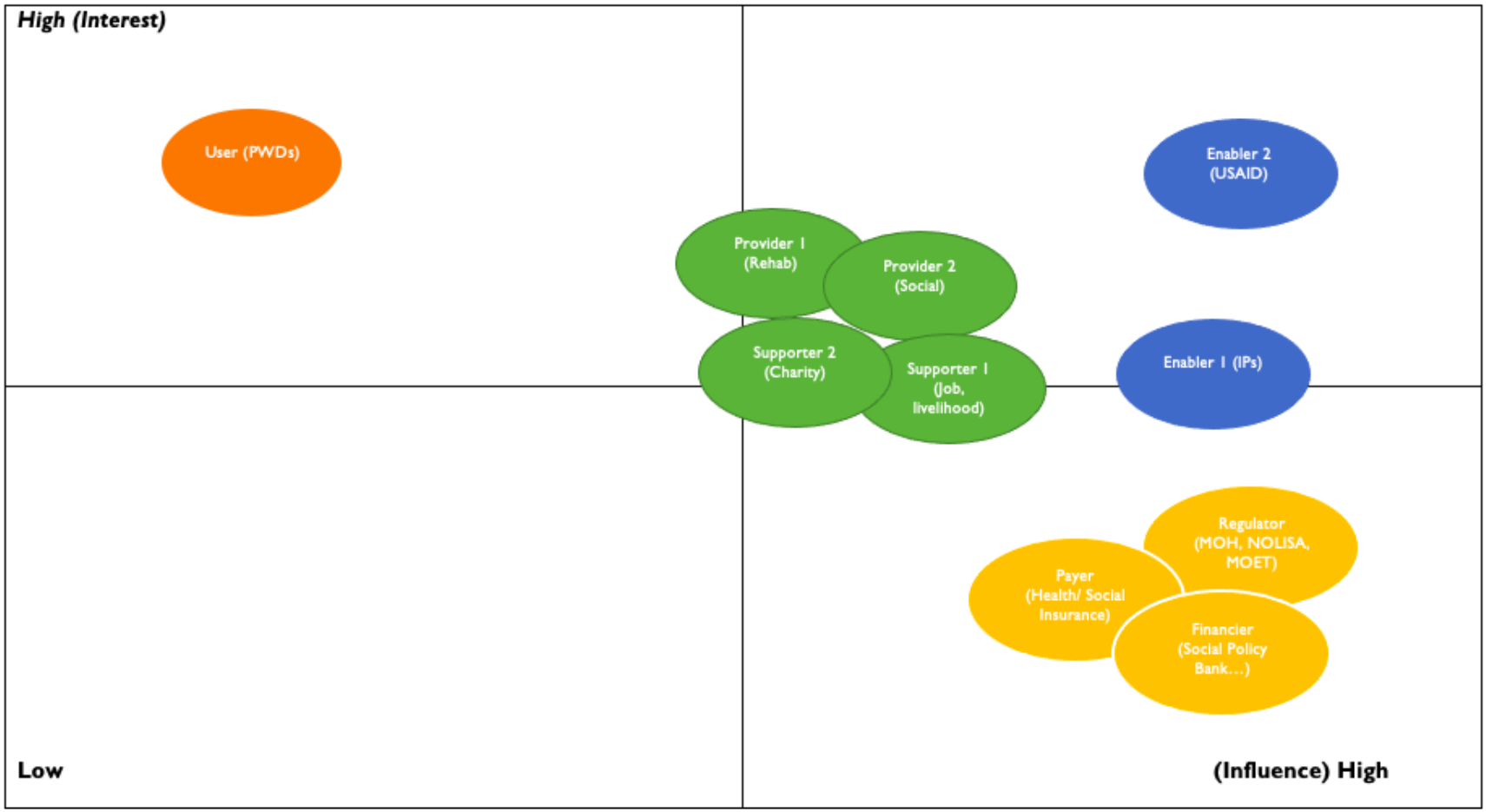
Legend	Already in place, acting as a driver in sector development.	Drag-on service delivery that requires attention.	Inadequate, acting as a barrier to development and a priority for reform.	Not adequate information to conclude.

		STAGE 1: ENABLING				STAGE 2: DEVELOPING			STAGE 3: SUSTAINING		
		Enabling Investment from Govt and Donors				Asset Investment from Private Sector			Continuity of Market-Driven Solutions		
Sub-Sector	**Example Case Study**	**Policy** *Legal & Regulatory Framework by GVN*	**Enforcement** *Ensuring adherence to the law*	**Planning** *Strategic outlook and planning activities by GVN*	**Budget** *Spending by GVN on enabling activities*	**Expenditure** *Business development costs*	**Equity** *Capital expenditure costs (long-term)*	**Output** *More sales, customers, and products for private sector entities*	**Maintenance** *Transactions between providers and customers*	**Expansion/ Uptake** *Scaling up or replication*	**User Outcomes** *Beneficiaries of Interventions*
Rehab Services (including assistive devices)	An Phú Hòa	Lack of standards for assistive devices; requires tailoring to each PWD case; inadequate health insurance coverage for rehab services	Unable to enforce something that does not yet exist	Draft national strategy for rehab only focuses on public hospital care, private sector not emphasized explicitly or in a practical way	Assistive devices hardly ever covered by health insurance; intention is good (currently redrafting strategies) but there is no allocated budget	Research and development toward expansion and innovation for products	Intention to invest in expansion but financial prospects remain questionable	Contracts with USAID and other donors help to expand client base	Commercially viable business model	Possible, but financial investment difficult to secure	Intention to reach more customers, but not backed by concrete strategy

Rehab Services (including assistive devices)	Dr. Hương Physical Therapy Clinic	Lack of definition of standards and services in rehab services; lack of policy promotion for rehab; inadequate health insurance coverage for rehab services	Unable to enforce something that does not exist	Draft national strategy for rehab only focuses on public hospital care, private sector not emphasized explicitly at all	No access to health insurance for many small, rehab private clinics	Often no plans to invest significantly for small private clinics; does well on a small scale		Loyal customers (using public and private services), but difficult to scale; contracts with USAID and other donors help expand client base	Hybrid business model, relying on revenue from other patients' services to fund PWDs'	Difficult to scale in current small-scale model, reliant on individual doctor reputations	Not yet achieved market-driven solution, but outcomes for current clients can be very positive
Social Services	S.E.E.D Center	Dual registration issues; confusion around taxation system	Local authorities lack understanding and awareness around regulations	Interest and buy-in among policy-makers is there, but not enough capacity to implement	Very limited budget; daily allowance for certified, registered PWDs only (not specific to education or other social services, most of which not covered by GVN budget)	Invested capital in order to establish as business	Business model solidifying; intention to expand through franchise model in future	Successful model, commercially viable	Scalable model, planning to be franchised by providers in other provinces	Replication likely	Outcomes for users projected to improve and increase sustainably in next few years
Social Services	Nga Nguyễn	Enabling environment unconducive, complex, cumbersome					Not applicable, no private investors as shareholders	Hybrid model reliant largely on donations, not commercially viable	Model relies significantly on owner's reputation; small-scale, relying heavily on donations	Replication or scaling very unlikely	Outcomes are steady but small in scale and not projected to increase (and are not market-driven solutions)

Employment and Livelihoods Support	Protec	Strong regulatory framework in place to support PWDs in work; but many businesses choose not to benefit from these regulations	Confused and challenging implementation of policies and legal frameworks	Very little information on future strategy	Very little information on future strategy					Established from the beginning to provide opportunities for PWDs, and still expanding; plan to expand and scale internationally as a manufacturer	
Charitable Donations	Crystal Martin (Vietnam)	Certification sometimes granted to give donations - but no tax exemptions	Few policies exist in this area	Very little information on future strategy	Very little information on future strategy	Investment through donations to support PWDs, but not investment in market-driven solutions (e.g., developing capacity of service delivery for PWDs)			Traditional charity model; requires encouragement or incentives to implement market-driven solutions for PWDs. Should also be utilized more by donors (e.g., Blue Ribbon)	Provides support to PWDs in society, but not scalably; not a proactively inclusive business model	Donations remain part of the overall market picture; CSR offers significant resources that can be mobilized

ANNEX G: STAKEHOLDER MAPPING



For identifying market-based solutions for PSE, the RT identified various PSE stakeholders through a stakeholder analysis process, based on their different roles of market players (service user, service provider, regulator, enabler), their roles in USAID projects (beneficiary, IP), levels of influence and interest, and possible engagement strategies applicable for each group in an PWD-supportive ecosystem.

The stakeholder mapping identified different types of private sector actors who may be engaged in USAID projects, either as frontline service providers or as supporters to PWDs and/or victims of Agent Orange who are PWDs. This exercise formed the basis of private sector service provider and supporter profiles and documented the interactions of various actors with other stakeholders.

The RT identified the following key stakeholder groups:

1. Users (PWDs)
2. Provider 1 (rehab service providers)
3. Provider 2 (social service providers)
4. Supporter 1 (inclusive businesses providing employment and livelihood opportunities for PWDs)
5. Supporter 2 (charitable donors; businesses with CSR activities)
6. Market Regulator (MOH, MOLISA, MOET)
7. Service Payer (health and social insurance providers)
8. Disability-Inclusive Financier (Social Policy Bank, other banks, financial institutions)
9. Enabler 1 (IPs)
10. Enabler 2 (USAID)

Table 5: Stakeholders and Engagement Strategy

STAKEHOLDER	TYPE OF SERVICES/SUPPORT	ROLE IN USAID PROJECTS	STAKEHOLDER INTEREST	STAKEHOLDER INFLUENCE	POSSIBLE ENGAGEMENT STRATEGY
User (PWDs)	– Rehab services – Social services – Employment – Business partner in value chains – Business owner	– Beneficiary	High	Low	– Awareness raising activities: knowing the services and sources of finance – Capacity development activities: PWDs better prepared for employment, livelihood, and business management – PWD platforms with regular information services regarding users, providers and supporters
Provider 1 (rehab service providers)	– Rehab services (including assistive devices)	– Beneficiary – Sub-contractor	Medium	Medium	– Awareness raising activities: knowing the service market regulations (standards and qualifications); knowing sources of finance and promotion policies – Capacity development activities: Disabilities-related expertise and technical support, human resources, methods, technologies, products, etc. for improving the quality of disabilities-related services, product standards, and business management – PWD platforms with regular information services – Contract agreement for service provision

STAKEHOLDER	TYPE OF SERVICES/SUPPORT	ROLE IN USAID PROJECTS	STAKEHOLDER INTEREST	STAKEHOLDER INFLUENCE	POSSIBLE ENGAGEMENT STRATEGY
Provider 2 (social service providers)	– Social services (including assistive devices) – Employment promotion support – Business partnership promotion support – Business establishment and development support	– Beneficiary – Sub-contractor	Medium	Medium	– Awareness raising activities: knowing service market regulations (standards and qualifications); knowing sources of finance and promotion policies – Capacity development activities: Disabilities-related expertise and technical support, human resources, methods, technologies, products, etc. for improving the quality of disabilities-related services, product standards, and business management – Cooperation agreements with local employers, following demand-driven skills training – PWD platforms with regular information services – Contract agreement for service provision
Supporter 1 (inclusive businesses providing employment and livelihood opportunities for PWDs)	– Opportunities for employment – Opportunities for business partnership	– Beneficiary – Employer of PWDs – Business partner of PWDs	Medium	High	– Awareness raising activities: knowing the PWDs' capabilities and needs; knowing disability-inclusive financing and promotion policies – Capacity development activities: better prepared for recruiting PWDs, doing business with PWDs, and accessing disability-inclusive financing – PWD platforms with regular information services regarding users, providers, and supporters – Cooperation agreement with relevant DPOs and clubs

STAKEHOLDER	TYPE OF SERVICES/SUPPORT	ROLE IN USAID PROJECTS	STAKEHOLDER INTEREST	STAKEHOLDER INFLUENCE	POSSIBLE ENGAGEMENT STRATEGY
Supporter 2 (charitable donors; businesses with CSR activities)	– CSR activities – Charity donations	– Beneficiary – Donor	Medium	Medium	– Awareness raising activities: knowing the PWDs' capabilities and needs; knowing disability-inclusive financing and promotion policies – Capacity development activities: better prepared for collaborating with PWDs and their organizations in CSR activities and/or using charitable funds – PWD platforms with regular information services regarding users, providers, and supporters – Cooperation agreement with relevant DPOs, clubs, and NGOs – Supply chain contracting agreements with inclusive employers – Donation commitments

STAKEHOLDER	TYPE OF SERVICES/SUPPORT	ROLE IN USAID PROJECTS	STAKEHOLDER INTEREST	STAKEHOLDER INFLUENCE	POSSIBLE ENGAGEMENT STRATEGY
Market regulator (MOH, MOLISA, MOET, DOH, DOLISA, DOET)	– Development of regulations – Development of promotion policies	– Beneficiary – GVN agency as project partner	Low	High	– Awareness raising activities: knowing the PWDs' capabilities and needs; knowing disability-inclusive financing and promotion policies – Institutional development activities: development market regulations for rehab and social services; qualifications of service providers; health and social insurance as sources of payments for PWDs users; disability-inclusive finance; promotion policies – Institutional development activities: individual and organizational capacity development for regulators at the provincial level (DOH, DOLISA, DOET) to ensure better management and coordination of PSE and investments in the locality
Service payer (health and social insurance providers)	– Payments for services used by PWDs	– Beneficiary – Funding source for PWDs using services	Low	High	– Awareness raising activities: knowing the PWDs' capabilities and needs; knowing disability-inclusive financing and promotion policies – Capacity development activities: fund management, with disabilities-related expertise and technical support

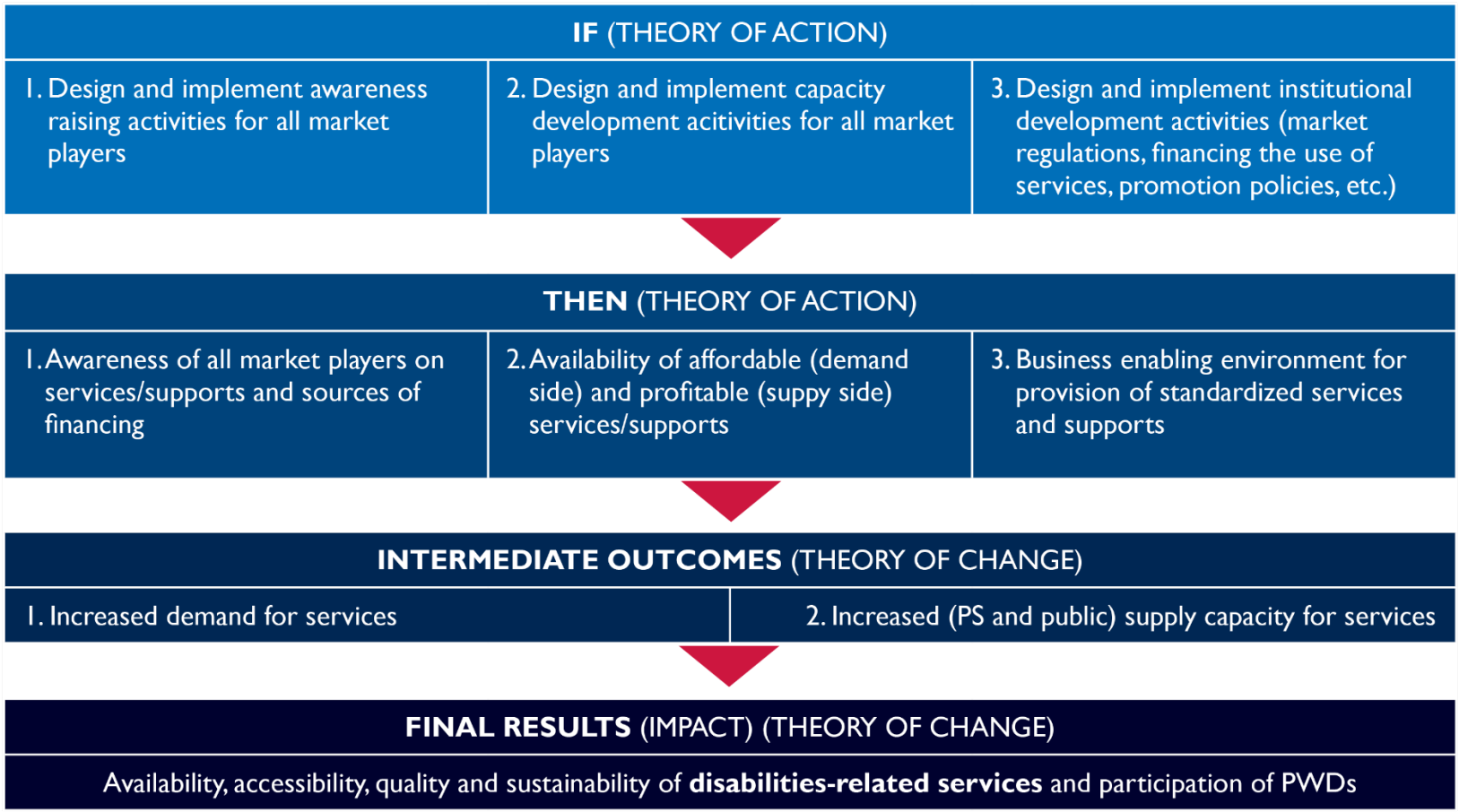
STAKEHOLDER	TYPE OF SERVICES/SUPPORT	ROLE IN USAID PROJECTS	STAKEHOLDER INTEREST	STAKEHOLDER INFLUENCE	POSSIBLE ENGAGEMENT STRATEGY
Disability-inclusive financier (Social Policy Bank, other banks, financial institutions)	– Concessional loans, disability-inclusive finance	– Beneficiary – Funding source for businesses that support PWDs	Low	High	– Awareness raising activities: knowing the PWDs' capabilities and needs; knowing disability inclusive financing and promotion policies – Capacity development activities: fund management, with disabilities-related expertise and technical support
Enabler 1 (IPs)	– PSE facilitator and convener	– Project implementer	Medium	High	– Grant awards – Capacity-building activities for implementer to engage the private sector more effectively and strategically
Enabler 2 (USAID)	– PSE facilitator and convener	– Donor	High	High	– PSE policy – Interventions including Inclusion project

ANNEX H: LOGIC MODEL

THEORY OF ACTION & CHANGE

LOGIC MODEL

(Market-based solutions for PSE in disabilities-related services and support



USAID
FROM THE AMERICAN PEOPLE