



Final Evaluation - New Industrial Relations System (NIRS Canada) Support to the state management agencies of labor's role as mediator and promoter of collective bargaining and social dialogue

ILO DC/SYMBOL: VNM/19/03/CAN

Type of Evaluation: Project

Evaluation timing: Final

Evaluation nature: Independent

Project countries: Vietnam

P&B Outcome(s): Main Contribution to Outcome 1: Strong tripartite constituents and influential, inclusive social dialogue.

Secondary Contribution to: Outcome 2 - International labour standards and authoritative, effective supervision; Outcome 7 - Adequate and effective protection at work for all.

SDG(s): SDG 8.8.2

Date when the evaluation was completed by the evaluator: 04 July 2025

Date when evaluation was approved by EVAL: [Click here to enter a date.](#)

ILO Administrative Office: CO-Hanoi

ILO Technical Office(s): LABGOV, ILO Geneva, Decent Work Team for East and South-East Asia and the Pacific (DWT- Bangkok)

Joint evaluation agencies: n/a

Project duration: 16 March 2020 – 15 March 2025 (60 months)

Donor and budget: Canada, Employment and Social Development Canada (ESDC), CND \$ 1,494,907 (USD 1,129,755)

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Key Words: *Industrial Relations, Collective Bargaining, Social Dialogue, Gender Equality, Social Dialogue; Viet Nam*

BACKGROUND & CONTEXT

Summary of the project purpose, logic and structure

This Independent Final Evaluation assesses the "New Industrial Relations System (NIRS): Support to Government's Role as Mediator and Promoter of Collective Bargaining and Social Dialogue Project" a comprehensive five-year initiative funded by Employment and Social Development Canada (ESDC) and managed by the International Labour Organisation (ILO). (The NIRS Canada project). Launched on March 16, 2020 and concluded on March 15 2025, the NIRS Canada project aligns with Vietnam's adoption of a reformed Labour Code as of January 2021, marking a pivotal period for transforming the industrial relations landscape in the country. The project has three specific objectives/key outcomes, aimed at enhancing the role of the state labour agencies in fostering effective social dialogue, collective bargaining, and mediation of labour disputes through robust tripartite mechanisms.

- Objective 1: The multi-stakeholders social dialogue frequently and effectively organised through the central role of tripartite IR mechanisms and institutions./Key Outcome 1: State management agencies of labor and social partners collaborate effectively in assessing, forecasting IR development trends and in proposing, implementing IR development models and solutions, including those to promote workplace dialogue.
To strengthen the cooperation between central, provincial state management agencies of labor and social partners in reviewing, assessing, forecasting IR development trends and proposing, implementing IR development solutions, including those to promote social dialogue at workplace.
- Objective 2: The standardised collective bargaining taken up more widely, genuinely and becomes an effective, common process in determining standards for working conditions based on the full recognition of workers' rights to organize and the role of labour authorities and relevant agencies as supporter and promoter./Key Outcome 2: Collective bargaining becomes an effective mechanism in setting labor standards and working conditions through the role of tripartite institutions; enterprise-level collective bargaining models are established and operated

	genuinely with the effective support of state management agencies of labor. To increase the capacity of state management agencies of labour in promoting genuine collective bargaining in accordance with ILS and national laws Objective 3: The system of labour dispute mediation and arbitration institutions is established and operated effectively to support the development of harmonious, stable and progressive IR in the context of the full recognition and respect of workers' right to organize and collective bargaining. Key outcome 3: The system of labor dispute mediation and arbitration institutions is consolidated and operated effectively in accordance with the new requirements of the Labor Code.
Present situation of the project	The Department of Industrial Relations and Wages (DIRWA) under Vietnam's Ministry of Labour, Invalids, and Social Affairs (MOLISA) is the Project Owner, with the Centre for Industrial Relations Development (CIRD) and other units implementing specific project activities. Its key targeted beneficiaries include the National Industrial Relations Commission (NIRC), the Vietnam General Confederation of Labour (VGCL), the Vietnam Federation of Commerce and Industry (VCCI), and provincial partners involved in labor management in Ho Chi Minh City, Dong Nai Province, and Binh Duong Province.
Purpose, scope and clients of the evaluation	The final evaluation was conducted from February to May 2025 by an independent evaluator, coinciding with the project's conclusion on March 15, 2025. This final evaluation aims to be forward-looking, assessing achievements and documenting best practices and lessons learned. The specific objectives of the evaluation include assessing the project's intended results, analyzing implementation strengths and weaknesses, and providing recommendations for improvement. Stakeholder perceptions regarding the project's effectiveness are also solid foundation of the evaluation findings. Additionally, it aims to analyze contributions to the Sustainable Development Goals (SDGs), the Decent Work Country Programme (DWCP), and national priorities. Findings and recommendations from this evaluation will

	guide the ILO Country Office in Hanoi for future programming related to industrial relations systems in Vietnam. The scope of the final evaluation includes an assessment of the project's entire timeline from its launch in March 2020 to March 2025, incorporating a gender-focused perspective. The evaluation adhere to International Labour Organisation standards and United Nations ethical guidelines. Key evaluation criteria encompass the relevance, effectiveness, efficiency, impact, and sustainability of the project, focusing on how well it has aligned with national priorities, agencies' needs and capacity and International Labour Organisation mandates, Sustainable Development Goals.
Methodology evaluation	of The evaluation employs qualitative data collection methods (key informant interviews) and desk reviews. A specific emphasis is placed on the project's lasting impacts on industrial relations systems and labour market governance in Vietnam, as well as the sustainability of its initiatives and mechanisms.
MAIN FINDINGS & CONCLUSIONS	Project's Relevance: The NIRS Canada project demonstrates a high relevance to national priorities, effectively aligning with Vietnam's Directive No. 37-CT/TW, which aims to enhance Industrial Relations management. The project's objectives and outcomes complement key measures outlined in the directive, including improving legal frameworks for dialogue and negotiation, as well as enhancing mechanisms for collective bargaining and dispute resolution. Specifically, Key Outcomes 1, 2, and 3 support collaborative efforts among state management agencies and social partners, fostering workplace dialogue and establishing effective systems for labour dispute mediation and arbitration. Furthermore, the project is strongly aligned with the 2019 Labour Code, which mandates significant changes in the roles of stakeholders in labour relations, and focuses on promoting collective bargaining processes inclusive of gender equality and worker rights. Output initiatives, such as developing periodic National Industrial Relations Reports and International Labour Standard-conforming options, are designed to facilitate adherence to these new

regulations, thereby reinforcing the project's contribution to the evolving labour landscape.

The project also integrates well with other legal frameworks, including revisions to the Trade Union Law and the National Action Plan for Responsible Business Conduct, ensuring cohesive support for sustainable labour practices in Vietnam. Such alignment underscores the project's significance in addressing the country's labour management challenges and actively contributing to the fulfillment of international commitments related to labour rights and social protection.

Project Coherence: The NIRS Canada project is strategically aligned with various initiatives aimed at enhancing industrial relations in Vietnam, recognizing that collaborative efforts can lead to significant benefits despite challenges in project delivery. It operates alongside several International Labour Organisation-funded projects, including the New Industrial Relations Framework project, which focuses on improving labour dispute resolution systems in compliance with international labour standards, and the European Union Trade for Decent Work project, which supports the implementation of International Labour Organisation Convention No. 98. By collaborating with the VNM/20/02/APL project, which pilots social dialogue in the electronics sector, and leveraging feedback from other initiatives, the NIRS Canada project aims to refine its outputs effectively. Remarkably, it shares a strong partnership with the United States Department of Labor-funded project, contributing to the development of local labour dispute resolution models through capacity building and training programs. Overall, the synergy between the NIRS Canada project and other International Labour Organisation interventions fosters a comprehensive approach to enhancing labour relations, dispute resolution mechanisms, and collective bargaining practices in Vietnam.

Project Effectiveness is evaluated as above moderate as all three key outcomes are partly achieved.

The performance under Outcome 1 highlights both notable progress and areas where growth is still needed. Foundational elements, such as reports and capacity-building initiatives, have been established,

which provide a solid base for future development. However, operational challenges—like the need for a more effective labour information system and additional support for social dialogue events—present opportunities for enhancing the establishment of productive tripartite mechanisms. While there have been challenges in obtaining necessary approvals, particularly concerning the National Industrial Relations Commission's operations and the continuation of problem-solving dialogues beyond the project's conclusion, these are recognized as important areas for progress. The evaluation of Outcome 2 confirms that some progress has been made toward the standardization of collective bargaining as the primary process for determining wages and working conditions. The recognition of freedom of association and the independence of the parties involved is essential to this process, but it has been partly translated into effective practices thanks to the NIRS Canada Project in collaboration with other International Labour Organisation projects. However, the achievement of full outcomes remains in a partial state. The outcome 3 related to effective mediation systems and services show some progress, particularly with the development of action plans and pilot programs. However, significant challenges remain, particularly regarding the establishment of a national information system for labour mediators and the need for broader implementation of mediation systems across provinces.

The delivery of the expected outputs under Key Outcome 1 is considered above moderate. Two out of four outputs have been fully delivered, while the other two have experienced delays. The outputs under Component 2 present a generally positive picture of progress towards the outcome of standardized collective bargaining. While several outputs have been completed, delays in publication and finalization highlight the bottlenecks that can occur due to organizational changes and dependencies on other processes. The successful piloting of a collective bargaining model indicates that foundational work has been established, setting the stage for wider uptake of collective bargaining practices. The outputs under Key Outcome 3 demonstrate a mix of achievement and ongoing challenges. The successful development of the Mediation Case Management Record indicates strong progress in enhancing labour

mediation systems, while delays in the establishment of the national information system for mediators and arbitrators highlight areas where more focused efforts are needed. The delays in 3.1 could potentially hinder the overall effectiveness of the mediation system if not addressed promptly, especially given the reliance on stakeholder engagement and practical case experience.

Project Efficiency: The NIRS Canada Project has achieved a total disbursement rate of 66.1%, reflecting moderately efficient financial resource management within a budget of USD 1,124,002.03. However, there is notable underutilization across all three key outcomes, with rates of 54.8% for Key Outcome 1, 44.5% for Key Outcome 2, and a particularly low 29.0% for Key Outcome 3. Factors contributing to these low disbursement rates include a slow approval process by Ministry of Labour, Invalids, and Social Affairs and COVID-19 impacts. In contrast, project management activities have achieved a disbursement rate of 91.4%. The project is synergized with other International Labour Organisation initiatives, optimizing resource use, although the challenges in disbursement raise concerns about how resources are utilized across projects.

Human resources management has been effective due to the strong coordination of Department of Industrial Relations and Wages and International Labour Organisation, with activities primarily outsourced to qualified external experts, enhancing local capacities despite recruitment challenges. Comprehensive management and reporting mechanisms are in place, ensuring accountability and transparency while responding to the needs of stakeholders. However, complex administrative procedures and communication barriers have hindered efficiency. A no-cost extension was proposed in response to ongoing challenges, although regulations limited the project's duration, leading to missed opportunities for vital outputs. Despite numerous obstacles, the NIRS Canada Project has shown resilience and adaptability, continuing to foster collaboration with partners to improve its overall efficiency.

Orientation to impact: The NIRS Canada Project has made remarkable strides in advancing industrial relations systems and labour market governance in Vietnam. Through the establishment of an Industrial Relations database and the production of national

industrial relations reports, the project has significantly enhanced the capabilities of state management agencies, enabling them to conduct thorough research and foster informed decision-making. Furthermore, the cultivation of national experts and the collaboration with international specialists have enriched the technical expertise available to key stakeholders, thereby improving the overall quality of social dialogue and collective bargaining. While the project has successfully shifted attitudes toward the benefits of collective bargaining, challenges remain, particularly in fostering genuine employee engagement and addressing the low participation of large enterprises in collaborative frameworks. Additionally, ongoing efforts to develop a labour dispute resolution system and the involvement of women underscore the project's commitment to inclusive labour practices. The potential for future collaboration and training initiatives, as well as the establishment of multi-employer dialogue networks, promises to enhance the impact of the project further.

Conclusion

Relevance	HIGH
Cohesion	HIGH
Effectiveness	Above-moderate
Efficiency	Above-moderate
Orientation to Impact	Above-moderate
Sustainability	Above-moderate
Thematic Issues: Gender	HIGH

RECOMMENDATIONS, LESSONS LEARNED AND GOOD PRACTICES

Recommendations

1. The focus of future interventions on IR and on supporting the development and operation of the Labour Dispute Resolution System information system remains valid. Despite the challenges encountered, there is a consensus that the groundwork related to IR development laid by the project could have led to positive impacts if continued support had been provided. Furthermore, the effectiveness of mediation relies heavily on accessible information that enables stakeholders to navigate the mediation and arbitration

landscape. Therefore, it is strongly recommended that future support and interventions initiated by the ILO and its partners emphasize the creation of a centralized system that ensures all parties can easily find suitable mediation and arbitration resources, ultimately leading to more effective dispute resolution.

2. The future Project on IR should continue to prioritize and integrate gender-specific topics in all future discussions, reports, and training activities. This should include a focus on the ongoing development of gender-responsiveness, such as support for maternity and childcare, within collective bargaining agreements. By systematically incorporating gender considerations into stakeholder engagements and ensuring equal representation of female participants in training sessions, the NIRS Canada project can foster a more inclusive and equitable environment for all workers, thereby strengthening the overall impact of its initiatives on female workers in particular.

3. Continuous Stakeholder Mapping: Given the significant relevance of this project, its successful implementation—particularly with respect to the execution of activities and delivery of outputs—hinges on the active engagement of key agencies such as NIRC who is the vital beneficiary of the Key Outcome 1 and the provincial Departments of Labour which involves implementing the pilot mechanisms for resolving labour disputes through the use of mediators or arbitrators. Ongoing stakeholder mapping is essential to develop a robust engagement strategy for all partners involved and for revision of the expected key outcomes bought in by each partners/beneficiaries especially in the context of administration reform and merging agencies.

4. Adjustment of Performance Indicators for Key Outcomes: Building on recommendation 3, it is suggested that adjustments be made to the performance indicators related to the key outcomes of the project. Such adjustments should have been considered earlier, particularly in light of the challenges associated with engaging key beneficiaries at the central level. Key Outcome 1 of the project relied on a critical prerequisite for success: the necessity for the NIRC to hold formal meetings. These meetings would have provided an opportunity for the project's generated National IR Reports and recommendations to be presented as policy recommendations to the

Government, thereby facilitating a tripartite mechanism for addressing the issues highlighted in the IR Report. Unfortunately, throughout the project's duration, no NIRC meetings were convened. Given this context, it may be necessary for the project to recalibrate its expectations regarding this key outcome by adjusting the corresponding performance indicators and targets. This recommendation is valuable not only for the current project but also for managing similar initiatives aimed at improving IR in the future.

5. Adjustments to Participating Localities: This recommendation aligns with recommendation 3 and advocates for adjustments in the localities participating in the project. A thorough evaluation of the involvement of southern pilot localities in Outcome 3 activities could have been conducted at the end-of-term assessment. While the project has yielded successful lessons in Key Outcome 2 through its implementation in Bac Ninh province, there is a significant opportunity to engage northern localities with dynamic labour markets—such as Hanoi, Hung Yen, Bac Giang, Hai Phong, and Bac Ninh—in Key Outcome 3. Alternatively, instead of concentrating on labour dispute resolution cases within the three southern provinces as initially designed, expanding to include northern localities could enhance the number of cases addressed through mediation and/or arbitration. This approach would ensure that the templates developed by the project are utilized by a broader group of labour arbitrators and mediators, thereby facilitating the gradual establishment of a case management system. In summary, expanding the number of provinces participating in similar future projects focused on labour dispute resolution is highly recommended.

6. Coordination Among Linked Projects: When a project coordinates activities with other initiatives, it is vital to create and communicate a diagram that illustrates the connections between these projects or establish a common Theory of Change (ToC). This visual representation should be shared with all partners and donors, as it not only facilitates effective management of human and financial resources across projects but also enhances transparency in demonstrating their collective impact. Such collaborative practices have already been exemplified in Component 3 (Key Outcome 3) with the leadership of the NIRF Project and the participating localities in

the pilot. It is recommended that this approach be expanded and upgraded to encompass the entire project.

7. The reporting cycle between the project and the donor and the regular update meeting with the donor: For a project on a challenging topic like IR, the reporting mechanism between the project and the donor may be shortened to six months instead of one year, as is currently the case. Prior to submitting the narrative report and/or following its submission, debriefings should occur between the project team (ILO Hanoi Office) and the donor's project management team. This approach will allow flexibility in adjusting the key outcomes or the outcome-level indicators of the project. Linked to the recommendation on stakeholder mapping above, if there is a risk of SMA being unable to engage in the project as expected—for example, if NIRC cannot hold meetings in accordance with the operation principles of this Committee—it may be necessary to adjust the key outcomes. This adjustment requires the donor's understanding and approval. Therefore, a reporting mechanism that is shorter than one year between the donor and the project management team or setting up the regular update meeting with the donor to solve this issue is strongly recommended.

8. Establishment and Maintenance of an Expert Network in IR: To address the shortage of experts in IR in Vietnam, it is essential to establish and maintain a dedicated pool of professionals who have contributed to this Project and other IR initiatives implemented by the ILO. The limited availability of IR experts underscores the importance of building a robust network that can facilitate knowledge sharing and collaboration among practitioners. It is crucial for existing experts, particularly those serving on the NIRC's Technical Sub-Committee, to dedicate additional time and resources to investigate relevant issues in greater depth and with more substantive evidence. Therefore, there is a pressing need to develop the capacity of this committee further, alongside the engagement of external researchers to enrich the pool of expertise. Moreover, the channels for communicating and disseminating research findings should be strengthened, given the absence of a dedicated academic journal for IR in Vietnam. The ILO could collaborate with the CIRD to establish this network by sponsoring research studies on various IR

topics to support the activities of the expert group. Case studies, which can be conducted with minimal budgets, represent a valuable method for research. Notable successes in challenging areas—such as wage issues and labour regulations aimed at preventing sexual harassment in the workplace—can serve as significant case studies. These findings could be shared in forums with social partners, including the VCCI and VGCL, thus enabling continued contributions from the IR expert group. Furthermore, it is advisable to fund national experts to participate in international conferences where empirical studies on IR in transitioning economies, such as Vietnam, China, and other ASEAN countries, are presented. This initiative will not only enhance the expertise of local professionals but also help prepare a skilled network of experts for future IR projects, facilitating the rapid implementation of upcoming initiatives through the availability of a team of national IR specialists.

9. Regarding capacity building for tripartite partners, there is a need for more dedicated programmes focusing on development of research capacity to provide reliable evidence and suggestions of effective mechanisms for promoting IR. The network of the experts and specialists on IR as in the recommendation 8 can be utilized for these capacity building support. Within Outcome 3, an incentive mechanism may be considered in the beginning of application. In addition to assisting to establish a database of case management, it is necessary to provide capacity building to different partners to use it to ensure quality data input. This activity should include customised training courses (i.e. according to scales of business or forms of industrial relation/social dialogue).

10. Enhancing Document Creation on Common Topics: The project has been instrumental in developing three manuals focused on the same overarching theme: collective bargaining. These manuals target specific audiences—SMAs, employers, and workers. While partners appreciate having manuals tailored to their unique contexts, it is essential that they include a common section to foster a shared understanding among all stakeholders. Following this common foundation, each manual should then expand with tailored sections for workers, employers, and government entities.

Main lessons learned and good practices

Lesson learned:

Designing a project that is closely aligned with national priorities and the needs of tripartite partners showcases a two-pronged approach. On the positive side, this alignment fosters buy-in from tripartite partners, enabling them to take a leading role in implementing activities, utilizing outputs, and driving changes at the outcome level of the project. However, the deep engagement with these tripartite partners, particularly with MOLISA and NIRC, can sometimes present challenges in realizing outcomes and ensuring the sustainability of project results. During critical moments when the project aimed to support expected changes and meaningful impacts—such as in the preparation of the 2022 National IR Report—it seems that several important updates and draft recommendations, including those related to the prevention of sexual harassment and shift meals for workers, were not yet approved by NIRC as well as published for reference and application by the parties. This situation has arisen in part because the Chairmanship of NIRC, which is held by the MOLISA's Minister, has faced difficulties in organizing official meetings to process these significant contributions from the project, as outlined in Decision 1413/QD-TTg (2021).

Emerging good practices:

Enhancing the Role of Social Partners in IR in Vietnam: The NIRS Canada project, alongside other project, such as the ILO VNM/20/02/APL project, has effectively supported the VGCL and VCCI in their roles as social partners, demonstrating how collaborative efforts can enhance IR in Vietnam. The emphasis on dialogue, capacity building, and strategic partnerships stands as a model for future initiatives aimed at fostering sustainable IR.

Collaborating with other ILO Projects to successfully establish a MECBA in Bac Ninh Province: The NIRS Canada project, with its sister projects, have provided technical support to a pilot activity that led in 2023 to a MECBA between seven enterprises in the electronics sector and the provincial Federation of Labour in Bac Ninh. This result is considered as big success as confirmed by key-informants from Que Vo Industrial Park Bac Ninh. With close collaboration with VGCL, the NIRS Canada project and the linked ILO Projects supported Bac Ninh IZTU in facilitating training for leaders and key personnel from

14 electronics factory trade unions in collective bargaining, significantly enhancing their skills and knowledge with assistance from both international and domestic experts. This training successfully translated into practical bargaining processes, culminating in the signing of a MECBA by seven of the trained factories.