



# German dual Vocational – Education & Training in Vietnam

AHK BLOG – Oct 2021

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## Introduction

The German dual Vocational Education and Training (VET) program is characterized by the fact that learning takes place at two locations, with businesses and training institutions acting as equal partners. This training model provides opportunities for apprentices to obtain practical experience and thereby be acquainted with the actual workplace and their future function already during the education program. On the other hand, companies also benefit from this model since skilled apprentices can be employed immediately after graduation. It helps companies overcome the shortage of skilled labor and further promises efficient production processes. Although the dual VET system has proven its effectiveness in Germany, it remains uncommon in Vietnam, where the labor market constantly lacks well-trained human resources.

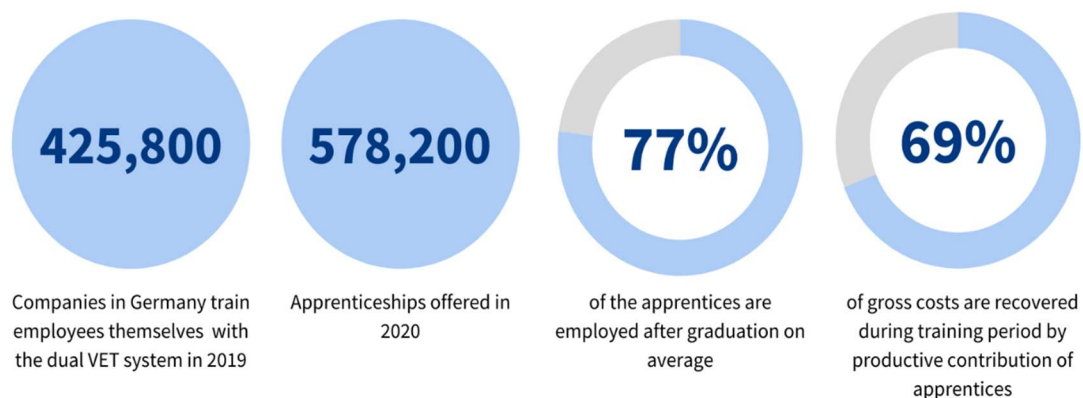
For this reason, the Delegation of German Industry and Commerce in Vietnam (GIC/AHK Vietnam) with the sub-brand “AHK Academy” wishes to support companies to build a comparable, quality-assured dual VET program in Vietnam. AHK Academy’s services include consulting, organizing, and assuring the quality of dual vocational training based on the German model.

The purpose of this blog is to present helpful insights into the German dual VET program as well as the GIC/AHK Vietnam’s function as a leading contact point for the consultation and coordination of the German dual vocational training in Vietnam.

## 1. The German dual VET

### 1.1. The German dual VET program & its successes

Germany's dual vocational education, coordinated between firms and specialized training institutions, has long been a cure for youth unemployment and considered as an optimal way to match trained people to future jobs. Indeed, Germany has the lowest unemployment rate within the European Union, whereby the dual VET system is regarded as one of the most vital determinants. On the other hand, the dual vocational training system also made a major contribution to Germany's being the world-leading export nation, according to economic experts.



*Statistics on dual VET in Germany in 2020*

Sources: GOVET, BMWi

The demand to adopt the German dual VET from countries all over the world has never ceased. For instance, exchange programs with German training centers have existed in France for decades. During the 1990s, Germany helped South Korea to set up a dual education system. Countries like Italy, Portugal, Latvia, and Slovakia are importing this German Know-How in recent years.<sup>1</sup>

### 1.2. How the dual VET in Germany works?

The dual vocational training model integrates school-based learning with work-based practice, allowing the apprentices to apply newly acquired theoretical knowledge in practice. The duration of a typical dual VET program ranges from 2 to 3.5 years depending on the occupation. The theoretical part of the apprenticeship takes place at the training institution and accounts for approx. 30% of the training time. The practical part occurs at the training company with approx. 70% of the training time. The training curriculum between theory and practice is jointly agreed upon by companies and vocational colleges/universities.

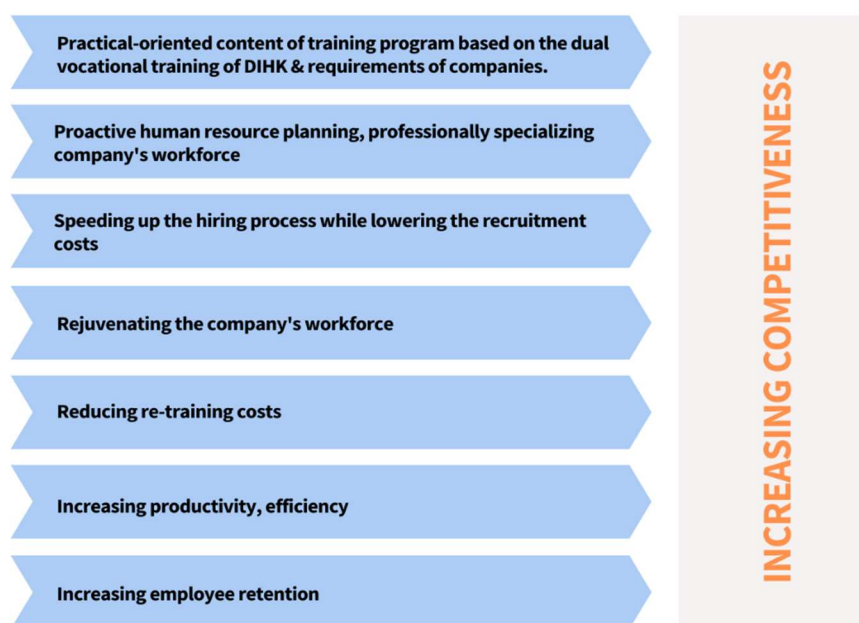
<sup>1</sup> *Why Other Countries Want to Import Germany's Dual-Education System*, Handelsblatt, 2017.

### 1.3. The benefits of the German dual VET model for companies

As stated by the German Office for International Cooperation in Vocational Education and Training (GOVET), companies in Germany invest approximately 20,855 EUR per trainee/year. The overall gross costs in 2017/18 were 27.2 billion EUR. However, 69% of gross costs can be recovered already during the training period by the productive contribution of apprentices. These references imply that the dual VET model is a great investment for companies by ensuring the source of skilled labor, thereby enhancing competitiveness in the marketplace. Besides, return-on-investment (ROI) can also be achieved at an early stage.

By being embedded in companies, apprentices get a taste of what a particular job is like and find out whether it suits them. They also form relationships at the firms, and managers get to observe them. This paves the way for the official, sustainable cooperation/employment relationship between the firms and apprentices once the training is complete. Apprentices who become employees, unlike most other new hires, already have the bespoke practical skills most useful to their employer. Many firms find that their former apprentices have absorbed the corporate culture during their apprenticeship and need less additional training.

The following figure illustrates the multiple benefits brought by the dual VET model.



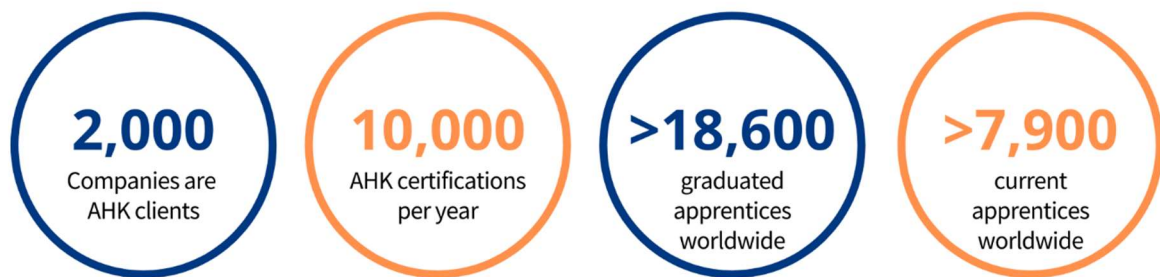
*Advantages of the dual VET system*

Sources: DIHK e.V. (2016), GIC/AHK (2021)

## 2. DIHK Standards

### 2.1. DIHK e.V. and GIC/AHK Vietnam in the VET context

The Association of German Chambers of Commerce and Industry (DIHK e.V.) is the umbrella organization of the German Chambers of Commerce, Delegations and Representations of German Industry and Commerce (AHKs) with 140 locations in 92 countries and territories. DIHK e.V. is responsible for the coordination, advisory, control, and development of the AHK network in terms of dual VET abroad. DIHK e.V. provides strategies and operational support to assure the quality of German VET abroad and to preserve its principles.



DIHK – AHKs network of vocational training – Highlights

### 2.2. Understanding the DIHK Standards

To ensure the quality of German dual VET when being implemented abroad, the DIHK e.V. has developed a worldwide certification system that consists of three quality categories A, B, and C for all AHKs. The following figure provides guidelines to differentiate between the three quality categories.

A   German dual VET in foreign countries	B   Local dual VET following German standards	C   Local dual VET w. elements of German system
<p>The vocational training content largely corresponds the quality requirements as defined in the German curriculum guidelines.</p> <p><b>Adjustments to local conditions are minimal.</b></p>	<p>The vocational training content is strongly geared towards the German model but is slightly adjusted to reflect local requirements.</p> <p><b>The systematic and content-related standards are more closely aligned with local conditions.</b></p>	<p>The vocational training content is adapted to the local job market.</p> <p><b>The systemic and content-related standards are based on the German dual system but with a strong local focus.</b></p>



### 3. The German dual VET model according to DIHK standards in Vietnam

#### 3.1. The current Vietnamese education system and challenges for German companies in Vietnam

##### a. Shortages of skilled workers on Vietnam's job market

The formal education system in Vietnam covers twelve school years and is divided into five levels: Primary school, secondary school, high school, higher education, and postgraduate education. When it comes to deciding the next step after high school, the majority prefer the “golden path”, which aims at a university education. Vocational training, on the other hand, is considered a less attractive alternative as many people associate it with a lower level of education and lower chances of earning a good income in professional life. This should pose a major challenge regarding Vietnam's agenda to be a modern industrialized nation by 2025 due to the lack of personnel that is competent in operating machinery and equipment for manufacturing. This current macro problem on the labor market affects both domestic and international companies in Vietnam.

For those that choose vocational training, most of their training time is spent on acquiring theoretical knowledge at the vocational institutions, while the internship at companies usually accounts for only a small portion of the total training duration. Therefore, graduates of Vietnamese vocational institutions are usually not able to fulfill the skill requirements of local as well as international companies. The companies normally have to pay a huge amount of money and invest a lot of time in retraining them after the recruitment.



*Source: Getty Images*

##### b. Challenges for German companies in Vietnam

According to the AHK World Business Outlook survey conducted by the DIHK in 2021, 47 percent of German companies in Vietnam intend to expand their activities in Vietnam and 50 percent

expect an increase in employment. However, the lack of qualified workers has created a huge obstacle for German investors, with 42 of German companies naming this factor as the greatest factor of business uncertainty in 2021 in Vietnam.

To increase the share in Vietnam's value chain, German companies must be able to find suitable, qualified workforce that is competent in operating modern machinery and equipment. Although the workforce in Vietnam is young and abundant, most of them don't have the skills the market needs. Understanding the challenges of companies, the GIC/AHK Vietnam, along with the sub-brand "AHK Academy" wish to assist companies in establishing a comparable, quality-assured dual VET program in Vietnam based on the German - DIHK standards, aiming to convey practical skills that fulfill the desired hiring and production requirements of companies.

### 3.2. GIC/AHK Vietnam's Initiative since 2013

#### a. GIC/AHK Vietnam as the first contact point for dual VET according to German – DIHK standards in Vietnam

The GIC/AHK Vietnam has supported and implemented projects offering dual vocational training according to German - DIHK standards in Vietnam since 2013. Our scope of services varies across a wide range, including finding Vietnamese vocational training centers as cooperation partners, advocating companies with the establishment, development and implementation of suitable training programs in Vietnam. Also, the GIC/AHK Vietnam performs examinations, generates and manages certificates and qualifications based on German DIHK standards.

GIC/AHK Vietnam (AHK Academy)	Vocational partners
<ul style="list-style-type: none"> <li>• Supporting companies in planning and organising suitable training program in Vietnam.</li> <li>• Managing and ensuring the quality of the German dual VET.</li> </ul>	<ul style="list-style-type: none"> <li>• Providing theoretical training.</li> <li>• Providing school curriculum.</li> </ul>
<ul style="list-style-type: none"> <li>• Organising examinations and issuing DIHK-GIC/AHK Vietnam certificates accordingly.</li> <li>• Supporting German enterprises in Vietnam to find suitable vocational partner institutions.</li> <li>• Establishing and strengthening the relationships between enterprises and vocational partners.</li> </ul>	Companies
	<ul style="list-style-type: none"> <li>• Delivering training on-the-job.</li> <li>• Validating curriculum.</li> <li>• Providing financial support for the training.</li> </ul>

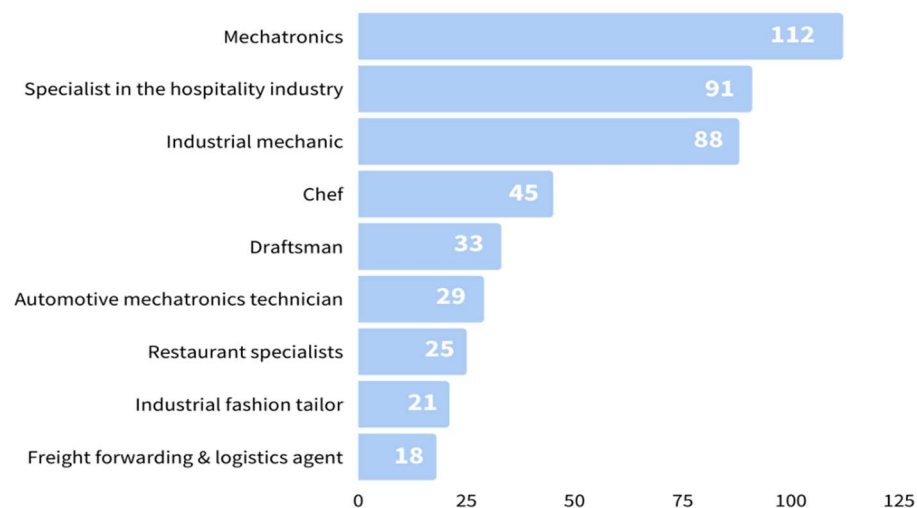
*Parties in the dual VET and their tasks*



For more information on the implementation process of the German dual VET program in Vietnam and related procedures, please contact GIC/AHK Vietnam >>> [link](#).

## b. Key data

Our vocational training services currently cover nine occupations: mechatronics, industrial mechanic, chef, restaurant specialists, freight forwarding and logistics agent, draftsman, automotive mechatronics technician, industrial fashion tailor, and specialist in the hospitality industry. There are 327 graduated apprentices and 443 current apprentices in 2021.



*Graduates in 2020 by occupations of the dual VET program according to German - DIHK standards*

## 4. Cooperation

### 4.1. Success stories

**Industrial Mechanic.** In October 2013, the cooperation between Bosch Vietnam Co., Ltd and LILAMA2 Technical & Technology College in Dong Nai for a dual training program in industrial mechanics started for the first time. 24 apprentices participated in the 3.5-year-training program based on German-DIHK standards. The dual VET model has proven its effectiveness and encouraged Bosch Vietnam to employ and train more apprentices in the following years.



*Graduation ceremony of Bosch TGA training center in 2020*

**Automotive Mechatronics Technician.** GIC/AHK Vietnam together with Mercedes-Benz Vietnam and LILAMA2 International Technology College coordinate and implement the dual VET in the Automotive Mechatronics Technician occupation. This first batch started in 2019 with 15 apprentices. The apprentices were recruited by the authorized Mercedes-Benz Vietnam dealers throughout Vietnam.

**Freight Forwarding and Logistics Agent.** Since 2017, the dual VET in Freight forwarding and Logistics Agent in cooperation between GIC/AHK Vietnam, Ho Chi Minh City University of Transport and nine partner companies has been implemented with three batches (2017 – 2020, 2019 – 2022 & 2021 – 2023). Participants are 3<sup>rd</sup> year students of the faculty of Transport Economics with good academic records and fluency in English.



*Graduates with certificates and representatives from UT-HCMC, AHK and German businesses*

## 4.2. Cooperation partners of the GIC/AHK Vietnam

Occupations	Cooperation partners		Quality Category
	Companies	Training institutions	
<b>Mechatronics</b>	Bosch Vietnam Co., Ltd Former partners: B. Braun Vietnam Co., Ltd; Messer Industrial Gases Vietnam Co., Ltd; Pepperl + Fuchs Vietnam Co., Ltd; Vinfast Trading & Production LLC	LILAMA2 International Technology College, Hung Yen University	A & B
<b>Specialist in the hospitality industry</b>		Vocational Training Center Andrej Majcen, Francis Social Company Limited	C
<b>Industrial Mechanic</b>	Bosch Vietnam Co., Ltd Former partners: Vinfast Trading & Production LLC	LILAMA2 International Technology College	A & B
<b>Restaurant specialist</b>		Vocational Training Center Andrej Majcen	B
<b>Chef</b>			
<b>Draftsman</b>	gbc engineers Vietnam LLC.	Ho Chi Minh Construction College	B
<b>Automotive mechatronics technician</b>	Mercedes-Benz Vietnam LTD	LILAMA2 International Technology College	B
<b>Industrial fashion tailor</b>	van Laack Asia Co., Ltd	Hanoi University of Science and Technology	B
<b>Freight forwarding &amp; logistics agent</b>	a.hartrodt Logistics Vietnam Co., Ltd Bollore Logistics Vietnam CEVA Logistics Vietnam Co., Ltd Gebruder Weiss Co., Ltd Logwin Air + Ocean Vietnam Co., Ltd Pepperl + Fuchs Vietnam Co., Ltd Rhenus Freight Vietnam LLC Schenker Vietnam Co., Ltd Former partners: Geodis Vietnam Co., Ltd; IN DO Trans Logistics Corporation; Karl Gross Logistics Vietnam	Ho Chi Minh City University of Transport	B

## Sources

*Datasheet – Dual VET in Germany*, GOVET, 2020.

*Erfolgsmodell duale Ausbildung*, [Bundesregierung](#), 2019.

*Erfolgsmodell duale Ausbildung*, Bundesministerium fuer Wirtschaft und Energie, 2021.

*Why Other Countries Want to Import Germany's Dual-Education System*, Handelsblatt, 2017.

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