

Summary of the Terminal Evaluation

I. Outline of the Project		
Country: Socialist Republic of Vietnam	Project: Vietnam-Japan Human Resources Cooperation Center Project	
Sector: other	Cooperation scheme: technical cooperation project	
Division in charge: Japan Center Team, First Group of the Social Development Department	Cooperation amount (at the time of evaluation): about 1.15 billion yen	
Period of cooperation	(R/D): Sep. 1, 2000 to Aug. 31, 2005	Partner country's implementing organization: Ministry of Education and Training, Foreign Trade University
		Supporting organization in Japan: The Japan Foundation
		Other related cooperation: grant aid
<p>1-1 Background to and outline of the cooperation</p> <p>In 1986, the Socialist Republic of Vietnam (hereinafter referred to as “Vietnam”) adopted the Doi Moi Policy, in which the development of human resources for the liberalization of economic activities is designated as one of the most important issues. At the same time, Japan planned to establish a “Japan Center” as a part of its support for the development of human resources in Asian countries that promote the transition to a market economy and, in July 1998, dispatched a project formulation mission to Vietnam. As a result, the Vietnamese Government agreed to adopt this Project for technical cooperation both to the Foreign Trade University (hereinafter referred to as the “FTU”) in its development of human resources and the establishment of Vietnam-Japan Human Resources Cooperation Center in the FTU's Hanoi Campus and to the Ho Chi Minh City Campus.</p> <p>Japan and Vietnam concluded a Record of Discussions (R/D) concerning technical cooperation in June 2000 and started the Vietnam-Japan Human Resources Cooperation Center (hereinafter referred as the “VJCC”) Project as project-type technical cooperation (now a “technical cooperation project”) on September 1 that year.</p>		
<p>1-2 Contents of the cooperation</p> <p>(1) Overall goal</p> <ul style="list-style-type: none"> a) To enhance human resources who will contribute to the process of Vietnam adapting the market economy. b) To promote the mutual understanding and strengthen the relationship between Vietnamese and Japanese people. <p>(2) Project goal</p> <p>The Centers will be established in Hanoi and Ho Chi Minh City and will become important organizations which continuously supply necessary human resources for the market economy in Vietnam, promote the mutual understanding and strengthen the relationship between Vietnamese and Japanese people.</p>		

(3) Outputs

- a) Management system of the Centers will be established and the Centers will be managed smoothly.
- b) Business course which provide practical knowledge on the market economy for business people will be managed and implemented smoothly.
- c) Japanese language courses which match the circumstances and market needs in Vietnam will be developed and the function of the Centers to implement these courses will be developed.
- d) The Centers will be actively utilized for activities to promote the mutual understanding and to strengthen the relationship between Vietnamese and Japanese people.

(4) Inputs (at the time of evaluation)

Japanese side:

- Dispatch of long-term experts: 17 experts
- Dispatch of short-term experts: 43 experts
- Acceptance of training participants: 60 participants
- Provision of equipment: 264,960,000 yen
- Sharing of local operating costs: 133,540,000 yen

Vietnamese side:

- Placement of counterparts (C/Ps): 9 counterparts
- Provision of land and facilities: provision of land
- Sharing of operating costs: furnishings, such as interiors and furniture

II. Outline of the evaluation team

Team member	In charge of:	Name	Belonging to:
	Leader	Yuji Okazaki	Managing Director of the Social Development Department, JICA
	Sub-leader	Yoshikazu Tachihara	Japan Center Team Leader, First Group of the Social Development Department, JICA
	Japanese language course management evaluation	Taku Shimazu	Chief of the Dispatch and Support Division, Japanese-Language Learners' Support Department, Japan Foundation
	Business course management evaluation	Nobuhisa Iwase	IMG Inc.
	Evaluation analysis	Shiho Sasada	RECS International Inc.
	Cooperation planning	Yoshihito Yako	Japan Center Team, First Group of the Social Development Department, JICA
Period of the evaluation	May 17 to 28, 2005		Type of evaluation: terminal evaluation

III. Outline of the evaluation results

3-1 Confirmation of the achievements

Under this Project, a total of 17 long-term experts were dispatched over the five years to manage each course in accordance with the Vietnamese society's needs and play a role in establishing the foundation for the system of managing the Center. In addition, a total of 43 short-term experts were dispatched mainly for the business courses by the end of May 2005.

Over the five years, the number of courses and the number of participants increased smoothly, and the cumulative total number of users is about 125,000 in Hanoi and about 50,000 in Ho Chi Minh City.

In the business sector, the VJCCs plan and manage two types of programs: "business courses," each of which lasts three to five consecutive days, and "business seminars," each of which takes half a day. With regard to the business courses, both the VJCCs in Hanoi and Ho Chi Minh City have designated management strategy, production management, personnel management, financial management, and marketing as the "main subjects" of the courses. From FY2001 to FY2004, the number of courses held increased steadily from 4 to 21 in the VJCC in Hanoi and from 2 to 23 in the VJCC in Ho Chi Minh City. The number of participants has also increased in a stable manner: the total number of participants in the Hanoi and Ho Chi Minh City VJCCs business courses and business seminars from the beginning of the Project were 4,313 and 2,743, respectively as of the end of April 2005. With regard to the Japanese language courses, the VJCCs offer intermediate and advanced Japanese language education, provide training in teaching methods to Vietnamese teachers of the Japanese language and to Japanese teachers working in Vietnam, hold study meetings, issue newsletters, and select Japan-related books. Both VJCCs held 57 Japanese language courses and 92 seminars/study meetings by FY2004, drawing 3,211 participants in total. With regard to exchange programs, the range of these was expanded from those that can be carried out with the existing resources to those that require trial and error. As a result, there has been a gradual increase in not only the number of programs that introduce Japanese society and culture to Vietnamese people, such as tea ceremony, aikido, cooking, and cinema, but also the number of programs that introduce Vietnamese society and culture to Japanese people. The total number of participants over the five years was 47,381 in Hanoi and 21,062 in Ho Chi Min City. In addition, the libraries of both VJCCs have more than 13,000 books and more than 7,500 videos/CDs. As the only libraries in Vietnam that have Japan-related books, the number of visitors has been increasing year by year. Their own revenues have been gained from tuition fees for business courses, Japanese language courses, and exchange programs, registration charges on library users, and charges for the rental of classrooms. The total amount for the revenues of both VJCCs has been increasing quite steadily year by year and was about USD108,435 in FY2004.

3-2 Summary of the evaluation results

(1) Relevance

The overall goals and the project goals are in accordance with the Vietnamese Government's national policy that designates as one of the priority sectors the development of human resources required for a market economy as specified in the Seventh Five-Year Social-Economic Development Plan (2001-2005) and the Ten-Year Social-Economic Development Strategy (2001-2010) that focus on the transition to a market economy under a socialist regime and promotion of industrialization. The goals are also in accordance with Japan's aid policy. In addition, while in Vietnam there has been increasing interest in Japan in line with the development of its economy and the increasing number of Japanese companies operating in Vietnam, it can be said that the VJCCs have sufficiently fulfilled Vietnamese society's needs. Therefore, the implementation of this Project is highly relevant.

(2) Effectiveness

It can be judged from the reasons given below that the effectiveness of the Project has been attained without any problem.

The VJCCs have played an important role in developing human resources that are useful for Vietnam's transition to a market economy and promote mutual understanding between Japanese and Vietnamese people through their business courses, Japanese language courses, and exchange programs. Thus, it can be evaluated that the achievement of the project goals has been progressing smoothly. With regard to the business courses, the number of courses and seminars and the number of participants have been increasing steadily, and the courses are strongly supported by participants and other related organizations as a result of the flexible approach of the VJCCs to the needs of Vietnamese industry. With regard to exchange programs, the VJCCs have been promoting bilateral exchanges – not only involving the introduction of Japanese culture to Vietnamese people but also the introduction of Vietnamese society and culture to Japanese people living in Vietnam. It can be confirmed that the VJCCs are recognized as a base for interaction between the general public and Japanese people living in Vietnam.

(3) Efficiency

The inputs from the Japanese side in this Project are sufficient to achieve the project goals in terms of the quality and professionalism of the experts, and great results have been achieved with minimal inputs in spite of the delay of dispatching some experts for the business courses and exchange programs. In this sense, the Project can be evaluated as efficient. On the other hand, inputs from the Vietnamese side were far lower than initially expected. It seems that the human resource inputs from the Vietnamese side were qualitatively and quantitatively insufficient due to the FTU's lack of personnel. In addition, as the FTU's financial situation has become severe after it adopted a self-supporting accounting system in 2005, the FTU has been greatly interested in highly profitable businesses that will increase its reputation and draw in more students. In the future, it will be necessary to consider designing a project that will fulfill the needs of FTU under such circumstances.

(4) Impact

Because the overall goals, the “development of human resources necessary for the promotion of Vietnam's transition to a market economy” and the “improvement of mutual understanding between Japan and Vietnam and the strengthening of human relationships between both countries,” are somewhat abstract and very ambitious, it will take a lot of time to achieve them with this Project alone. However, there have been various impacts and ripple effects. It can be considered that the business courses provided by the VJCCs, which are specialized in skills and knowledge in practical and Japanese-style management, have had some impact on the participants in that they contribute to the improvement of their management capabilities and the development of the Vietnamese economy. With regard to Japanese language education, the Vietnamese Government decided to introduce it at the secondary education level. Some persons concerned said that one of the factors in Vietnam's relatively smooth introduction of Japanese language education at the secondary education level is that Japanese language education experts were dispatched to the VJCCs to establish a consulting system for the introduction of Japanese language education, and the VJCCs have provided training to Japanese language teachers since their foundation. Thus, it can be said that the Japanese language courses of the VJCCs have had a considerable impact on Vietnam's Japanese language education that was beyond their original role.

(5) Sustainability

a) Organizational aspects

Because the VJCCs have not been incorporated and the final authority concerning personnel affairs and procedures belongs not to the Vietnamese Directors-General but to the President of the FTU, the effective management of the VJCCs has been hindered. Therefore, the transfer of authority to the VJCCs seems one of the issues to be solved in the future. In addition, because the management of the VJCCs is mainly based on the Japanese side's personnel and financial assistance, if the local staff members employed by the Japanese side stay with the VJCCs and Japan's assistance continues, it can be said that a system for sustaining the activities will have been established.

b) Financial aspects

While the VJCCs' own revenues from the collection of tuition fees have been steadily increasing, the cost recovery rate has worsened with increased expenses due to the expansion of activities. Moreover, the use of the VJCCs' accumulated earnings has still not been specified. Since the Project is special in that it is a joint ODA project in which Japanese tax revenues have been invested, it is necessary to clarify to what extent there should be a profit margin and how to maintain a balance with its nature as a public entity.

c) Technical aspects

Because this Project is a joint project between Vietnam and Japan, it is technically and financially difficult for the C/Ps and the local staff members to manage the Project alone. To continue the management of the Project by both countries, it is essential to clarify the strategy and direction of the Project and hold repeated discussions concerning the Project management system. With regard to the Japanese language courses, technical transfer is expected to progress gradually so that excellent Vietnamese teachers of the Japanese language can serve as course managers with the support of Japanese teachers as advisors. If characteristic and attractive courses, such as business Japanese, are devised, the revenue from tuition fees will increase and contribute to the financial sustainability of the Project.

3-3 Factors for the emergence of the effects; problems and the factors causing them

Since, at the beginning of the Project, a temporary office was used for carrying out activities until the facilities were completed with grant aid, the active period was a just under three years in reality, which was a little too short to display the effects of the Project to the maximum. In addition, as the VJCC in Ho Chi Minh City is located far from the city center, access to the VJCC is difficult due to floods in the rainy season. Such locational problems have affected the VJCC's activities.

3-4 Conclusions

It can be evaluated that this Project steadily carried out the activities specified in the PDM and the original goals were achieved smoothly in general in spite of the actual active period of a little less than three years. Because the potential demand for the services of the VJCCs is high, the VJCCs need to play their expected role to the maximum. This requires the development of the Project, and it is appropriate to carry out Phase 2 based on the request of the Vietnamese Government.

3-5 Recommendations

(1) Improvement of practice in business courses

The VJCCs' business courses, which practically teach Japanese-style management, provide corporate consulting, and carry out steady follow-up, are highly regarded by the Vietnamese society. However, because further training of local lecturers is essential for improving the efficiency of the management of the courses, the effective combination of Japanese and Vietnamese teachers is necessary so that their different characteristics can be used to the full. For example, Japanese lecturers should teach Japanese-style management, while Vietnamese lecturers teach matters concerning business in Vietnam (such as the tax system and various procedures). In addition, to extend the impact, it is necessary to feed the results of corporate consulting back to the business courses. For example, companies to which consultation was given should be designated as "model companies" that course participants should visit for study, and examples of improvements through consultations should be incorporated into the course lectures.

(2) Timely placement of experts

In this Project, the reputation of the VJCCs depends on the quality of the lectures given by the Japanese experts. Because the business courses are characterized by their practical application, it is desirable for Japanese experts to have broad experience in giving management guidance to small and medium-sized enterprises. For the timely dispatch of a Japanese expert that is suited to each lecture, it is essential to prepare an annual plan that specifies each expert's specialty, qualifications, and the time of the input.

(3) Strengthening of relations with the FTU

Although the FTU is a C/P agency for the VJCCs, its involvement in the VJCC Project has been limited until now: it has placed only a few staff members, including the Directors-General of the VJCCs. If the communication between the FTU and the VJCCs is deepened and produces synergetic effects, the reputation of both the FTU and the VJCCs will increase in Vietnam.

(4) Strengthening of the power of the VJCCs

To manage the Project efficiently, it is desirable to determine the employment of the VJCC staff, the amount of the salary, and raises in the salary under the authority of the Directors-General of both VJCCs instead of the President of the FTU. In addition, although the participants in C/P training have so far been determined mainly by the President of the FTU, it is necessary to increase the involvement of the VJCCs in selecting the participants from the viewpoint of the beneficial effects on the Project.

(5) Review of the structure of the revenues and expenditures

Although expenses for management of the VJCCs (excluding expenses for the dispatch of Japanese experts and the provision of equipment) are paid from the VJCCs' revenues and JICA's local operating expenses, to increase the independence of the management of the VJCCs, it is necessary to review the structure of revenues and expenditures and improve the profitability, paying attention to avoiding the pursuit of profits alone. In addition, with regard to the means of gaining revenues, it is necessary to expand financial resources, such as donations, funds in trust, subsidies, and charges for events held under exchange programs.