

# **Vietnam Australia Centre – Aus4Skills**

## **Independent Review Report**

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## List of acronyms

<b>Acronym</b>	<b>Description</b>
APT	Advanced Policy Theory
ASEAN	Association of Southeast Asian Nations
CSP	Vietnam-Australia Comprehensive Strategic Partnership
DAV	Diplomatic Academy of Vietnam
DFAT	Department of Foreign Affairs and Trade
EC	Executive Committee
EOIO	End-of-Investment Outcome
EOPO	End-of-Program Outcome
ERC	External Relations Commission
FGD	Focus Group Discussion
GDP	Gross domestic product
GEDSI	Gender Equality, Disability and Social Inclusion
GWR	Centre for Gender's Studies and Women's Right
HCMA	Ho Chi Minh National Academy of Politics
IDD	Investment Design Document
IO	Intermediate Outcome
KII	Key Informant Interview
MEL	Monitoring, Evaluation and Learning
MOFA	Ministry of Foreign Affairs
OOG	Office of the Government
PSC	Project Steering Committee
SLC	Strategic Leadership Certificate
SCUT	Specialist Certificate in University Teaching
TAG	Technical Advisory Group
VAC	Vietnam Australia Centre
WILJ	Women in Leadership Journey

## Executive summary

The Vietnam Australia Centre (VAC), founded in 2022 and funded by the Australian Government through the Department of Foreign Affairs and Trade (DFAT) as part of the Aus4Skills Phase 2 initiative, is a flagship platform designed to enhance bilateral leadership capacities, foster policy innovation, and deepen ties between Australia and Vietnam. VAC directly supports both nations' strategic agendas, particularly Australia's International Development Policy and Vietnam's vision for long-term reforms up to 2045. The VAC will continue to be a key focus within the Aus4Skills Phase 3 program scheduled for implementation from 2025-2035. This summary distils the findings of an independent review covering VAC's first three years (June 2022 - May 2025) and provides evidence-based recommendations to guide the Centre's future. Since its founding, the VAC has quickly become a respected hub for leadership development and cooperation between Australia and Vietnam. Through programs engaging strategic leaders as well as mid-level managers, the Centre has strengthened Vietnamese leadership and management, aligning with both countries' policy priorities and supporting Vietnam's development goals.

### **End-of-Program Outcomes (EOPOs) for the VAC component under Aus4Skill Phase 2:**

1. Vietnam has strengthened leadership, improved public sector management skills and evidence-informed policy to promote its national development and international engagement.
2. Vietnam and Australia have a stronger, more positive, and sustainable relationship based on shared interests and mutual benefits.

VAC's initiatives have fostered institutional modernisation, encouraged reform dialogue, and driven public sector best practice exchange. The Centre's activities have also deepened bilateral relations by expanding alumni and partner networks and enhancing Australia's regional reputation.

### **Relevance**

VAC's design and strategy are highly relevant to both nations' priorities. Australian stakeholders value the Centre's support for high-level dialogue and policy reform, while Vietnamese partners recognise its contribution to improving leadership, public administration, and international engagement. The Centre's approach is informed by Vietnam's long-term development goals, including leadership in digital governance, green transition, and global integration.

VAC adapts rapidly to evolving political, economic, and foreign policy contexts in Vietnam, such as ongoing government restructuring, renewed focus on the net-zero agenda, and the strengthening of international partnerships.

### **Effectiveness**

The VAC has surpassed participation and training targets, engaging over 5,000 participants and delivering transformative leadership and digital diplomacy programs. Its adaptability to dynamic contexts are widely respected. However, challenges remain as it is difficult to track progress toward long-term outcomes. This is hindered by insufficient indicators and a weak MEL framework. Sustainability is undermined by the lack of resilient capacity of the VAC for the delivery of its offerings. Governance would benefit from a more stable structure, including a dedicated Advisory Council. Stakeholders recommend increased localisation, sharper

strategic focus, and stronger integration with Vietnam's key policy reforms for sustained effectiveness.

## **Conclusion**

This review concludes that the VAC has demonstrated substantial achievements in its foundational years. It has established strong institutional partnerships, delivered high-quality leadership and policy-focused programming, and earned credibility within both the Government of Vietnam and the Australian Government. As it moves into its next phase, the VAC should evolve to meet new strategic demands while consolidating its current gains.

The VAC has demonstrated strong alignment with the strategic goals and policy frameworks of both Australia and Vietnam, including the Vietnam-Australia Comprehensive Strategic Partnership (CSP), Invested: Australia's Southeast Asia Economic Strategy to 2040, and Vision 2045. VAC's activities effectively address critical gaps in leadership, policy, and governance within Vietnam, which has led to increasing demand from local partners. The Centre has exceeded its output targets and remains on track with its expected outcomes, although improvements are needed in measurement tools and baseline definitions to better gauge progress.

VAC's governance model, represented by the Project Steering Committee (PSC) and the Executive Committee (EC), has supported efficient project delivery. Possible approaches to ensure sustainability and lasting impact beyond 2035 requires further exploration.

## **Summarised recommendations**

The following recommendations are derived from the reviewer's findings based on document review and stakeholder consultations. They are structured to support VAC's transition into its next strategic phase while strengthening delivery, impact, and sustainability.

- Maximise VAC strategic position: Deepen bilateral policy dialogue, strengthen leadership and governance, and advance inclusive initiatives, including gender equality and public sector innovation.
- Maintain policy alignment: Include regular policy scans and structured stakeholder dialogue into monitoring frameworks, ensuring VAC remains responsive to evolving Vietnamese and Australian priorities.
- Enhance leadership programs: Incorporate capacity needs assessments and resource mapping to tailor leadership development initiatives.
- Sharpen activity focus: Refine the prioritisation of activities aligned with VAC's mission, foster integration among strategic pillars, and target support for Vietnam's reform agenda with improved participant selection.
- Advance capacity building: Tailor capacity-building courses to Vietnam's reform agenda, embed learning outcomes, expand reach to provincial and sector leaders, and leverage international partnerships for systemic impact.
- Strengthen stakeholder engagement: Prioritise early engagement, foster co-design, and facilitate mentorship between external experts and local actors to enable a progressive transfer of capacity.
- Establish Advisory Council: Set up a structured council for technical guidance and oversight and provide support to foundational partners during proposal development.
- Strengthen bilateral hub capacity: Invest in skilled personnel, digital infrastructure, and research-policy integration systems to drive partnerships and knowledge exchange across sectors.

- Improve MEL system: Create targeted indicators for partnership quality, policy growth, stakeholder engagement, and adaptive learning to track and improve outcomes.
- Boost Gender Equality, Disability and Social Inclusion (GEDSI) outcomes: Set targets for gender and disability inclusion, implement outreach strategies, integrate comprehensive monitoring, and provide ongoing training on inclusive practices.
- Mainstream climate action: Embed climate modules in training, partner with external organisations, pilot provincial climate initiatives, and use digital platforms for wider engagement.
- Ensure sustainability: Further exploration of possible approaches to ensure the VAC has financial and operational sustainability beyond current programming to 2035 and delivers lasting impact.



# 1 Introduction

## 1.1 The Vietnam Australia Centre (VAC)

In August 2019, the Prime Ministers of Vietnam and Australia issued a Joint Statement, emphasising that the two countries would strengthen cooperation in the exchange of knowledge and skills and reform, including the establishment of an office for the Vietnam Australia Centre (VAC) at the Ho Chi Minh National Academy of Politics (HCMA).

The VAC brings together influential leaders and managers, scholars and experts from Australia and Vietnam, mobilising Australia's expertise to assist capacity development of Vietnam's future leaders, to: help Australia and Vietnam governments deal with common challenges of the two countries and in the region; deepen people-to-people relationships; and strengthen cooperation between agencies of the two countries.

The VAC is a component of the Aus4Skills Phase 2 program (2021-2025) and will continue in the Aus4Skills Phase 3 (2025-2035). It aims to improve the capacity of leaders and managers of the Communist Party and State of Vietnam to meet the requirements of integration and development of the country, and to promote the strong, positive and sustainable relationship between both countries.

VAC's current **EOPOs**<sup>1</sup> are:

3. Vietnam has strengthened leadership, improved public sector management skills and evidence informed policy to promote its national development and international engagement.
4. Vietnam and Australia have a stronger, more positive and sustainable relationship based on shared interest and mutual benefits.

**Governance structures:** The VAC is managed under a partnership with HCMA, with original foundational partners including External Relations Commission (ERC), Office of the Government (OOG), the Ministry of Foreign Affairs (MOFA) and the Australian Embassy in Vietnam. An outcome of the Government of Vietnam (GoV) merger processes in 2024/25 has changed the structure of VAC Foundational partners to now comprise of the HCMA, OOG and MOFA.

The initial design and the VAC Strategic Plan (2022-2026) recommended conducting a VAC review after 12 – 18 months of implementation. As the original VAC design was prepared remotely in the early months of 2020 during the COVID-19 pandemic, the VAC review is necessary to promote continuous improvement and ensure the project is adapting approaches to achieve effective outcomes. This review seeks to confirm that the VAC remains current, is delivering expected outcomes and there is clear understanding among partners about its focus and purpose. The review provides an opportunity to ensure alignment with bilateral priorities

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<sup>1</sup> The VAC was designed and implemented as one of the five components under Phase 2 of the Aus4Skills program. The three EOPOs of the Aus4Skills Phase 1 and Phase 2 are: 1. Inclusive alumni use new skills and knowledge to make positive contributions in targeted areas of Vietnam's development; 2. Capacity building for selected Vietnamese Government's organizations, private sector, and other partners in targeted areas; and 3. Australia and Vietnam have stronger sustainable links and partnerships in selected agencies and sectors.

and strategic objectives noting the upgrade to a Comprehensive Strategic Partnership in March 2024 and the Australia – Vietnam Development Partnership Plan (December 2024).

In November 2023, an independent mid-term review for Aus4Skills program was conducted and one of the recommendations was to proceed with the VAC review and give it a high priority. The outcome of the Review will inform the future direction of the VAC.

## 1.2 The Independent Review

The review report has assessed the performance of the VAC from June 2022 to May 2025 against the **Relevance** and **Effectiveness** criteria, aiming to:

- Provide accountability to DFAT and Vietnamese partners.
- Identify actionable recommendations for enhancing relevance and effectiveness.
- Inform strategic decisions on the future direction of the VAC.

**Geographical:** Vietnam, with specific engagement with stakeholders located in Australia.

**Thematic:** Leadership capacity development, policy advice and research service, and strategic partnership strengthening.

**Cross-cutting themes:** Gender equality, disability and social inclusion (GEDSI) and climate change.

## 1.3 Key Audience and Users

The primary audience of the review is the DFAT/Embassy Executive Management, Development Counsellor and the Human Resource Development team led by the First Secretary.

The secondary audience includes the HCMA, other VAC foundational partners and the Managing Contractor (MC) to support future planning, implementation and strategic adjustments to the VAC.

## 2 Methodology

### 2.1 Review Design

The review is guided by DFAT's Design and Monitoring and Evaluation Standards.

To form the basis of methodology, the consultant team developed a Review Design Matrix in consultation with DFAT, OPM/Mekong Economics. The matrix provided a framework for defining and validating the specific issues to be addressed in each key review question. The matrix helped the review team reconsider the sub-questions, identify information required to answer each related sub-question, sources of information, and the scope and methodology for data collection and analysis.

Based on the matrix, data collection tools such as the Key Informant Interview (KII) Guide and Focus Group Discussion (FGD) Guide were developed.

### 2.2 Review Questions

The review has assessed the performance of the VAC against the following criteria and key evaluation questions:

#### Relevance

Question 1: How well is the VAC contributing to implement Australia's strategic priorities and address Vietnam's development priorities?

Sub-questions include:

- 1.1. How well the program aligns with Development policy frameworks, including but not limited to the Australia's International Development Policy, Invested: Australia Southeast Asia Economic Strategy, the bilateral cooperation under the CSP and the new DFAT Gender Equality strategy (February 2025).
- 1.2. How well the project aligns with Vietnam's development priorities in the current and next development periods until 2035?
- 1.3. To what extent has the project contributed to support Vietnam's future leadership to address national and international challenges and strengthen the bilateral relationship between Australia and Vietnam?
- 1.4. How has the operational context of the project changed during implementation, and how well has the project adapted to any changes?
- 1.5. Are the types of current courses and activities fit for purpose that should continue in the next phase or be scaled up?

#### Effectiveness

Question 2: To what extent is the project on track to achieving its stated objectives and outcomes?

Sub-questions include:

- 2.1. What have been the progress made towards achievement of the expected outcomes?
- 2.2. What are the driving factors influencing or inhibiting progress to date?
- 2.3. How effective were the project's approaches in delivering expected outputs and outcomes?
- 2.4. What are the main lessons learned from the VAC program's successes and challenges? What should be done differently?
- 2.5. Are the EOPOs measurable or should they be adjusted?
- 2.6. To what extent has the VAC been able to effectively promote Gender Equality, Disability Inclusion and Social Inclusion in its work to date, and how could this be strengthened?
- 2.7. To what extent are the current governance and management arrangements supporting the VAC to achieve its strategic goals, and what changes could strengthen their effectiveness in the future?
- 2.8. To what extent has climate change been considered within the VAC's activities to date, and what opportunities exist to enhance this in the future?
- 2.9. What measures can VAC implement to ensure long-term financial and operational sustainability?

## **2.3 Data Collection**

The review team used a mixed-methods approach. Before carrying out the data collection, the team conducted a literature review of the VAC's documents to understand its background and develop the evaluation design.

For primary data collection, purposive sampling was applied based on stakeholder categories. The chosen sampling strategy was tailored to ensure a comprehensive understanding of the project's relevance, effectiveness, and future potential. Stakeholders/ respondents were categorised into five distinct groups: Group 1 DFAT officials, Group 2 Foundational Partners (HCMA, MOFA, OOG), Group 3 Managing Contractor including the VAC Team, Group 4 Service Providers, and Group 5 Alumni. This sampling strategy and structure were designed not only to ensure the quality, relevance, and reliability of the collected data but also to offer actionable insights that can guide future phases of the VAC initiative. By aligning the methodology with project goals and stakeholder dynamics, it achieved a balance between comprehensiveness and practicality. In June 2025, the review team conducted 16 KIIs (with 30 people, including 24 women), 6 FGDs (with 28 people, including 15 women) to gather in-depth insights on: 1) Achievements of VAC; 2) Factors influencing progress toward the VAC's outcomes; 3) Strategic direction for VAC (2026–2030 and toward 2045); and 4) Governance structure and implementation model of VAC.

## **2.4 Data Processing and Analysis**

Secondary data and information were collected from the Monitoring, Evaluation and Learning (MEL) system of VAC-Aus4Skills as well as from different groups of respondents, where possible. Secondary data was collected and tabulated to illustrate the level of achievement of project's objectives.

However, the absence of comprehensive baseline data and clearly defined outcome indicators complicated the ability to track progress and measure the outcomes of the initiative at different

levels (EOPOs, Intermediate Outcomes [IOs], End-of-Investment Outcomes [EOIOs]). As a result, the review adopted the ‘outcome harvesting’ approach to evaluate the VAC’s effectiveness to date. Unlike traditional methods that measured progress against predefined indicators, the outcome harvesting worked retrospectively to gather evidence of changes that have occurred and to explore how the program may have contributed to those changes.

## **2.5 Limitations and Ethical Considerations**

The review faced significant limitations due to the absence of comprehensive baseline data, incomplete MEL system information, and potentially biased stakeholder inputs. These gaps made it challenging to establish clear causal links between the program’s activities and observed outcomes, complicating efforts to quantify outcomes and track progress effectively. Stakeholder perceptions might introduce unintended biases because retrospective evidence could be shaped by individual experiences. To manage this, we employed a triangulation approach, cross-referencing stakeholder accounts with available data and other sources to mitigate potential biases and ensure the final conclusions were as robust as possible.

The review followed DFAT’s Design and Monitoring, Evaluation and Learning Standards to ensure a clear, reliable assessment. These standards emphasised involving stakeholders, being transparent about methods, and using evidence-based analysis. By gathering input from diverse groups, the review reflected real-world conditions and provided practical recommendations. For the challenge of lacking baseline data, appropriate strategies include tracking progress and results, exploring lessons learned, and verifying the expectations of beneficiaries and stakeholders. To address biases arising from stakeholders’ personal experiences or diverse visions, triangulating data sources was essential to ensure accuracy and reliability in assessments.

Ethical considerations were also central, aiming to ensure an independent and unbiased process. These included safeguarding confidentiality, respecting stakeholder views, and avoiding potential conflicts of interest throughout the review.

## 3 Key Findings

The VAC has successfully established itself as a credible platform for bilateral leadership development, but its long-term success will benefit from sharper strategic focus for governance capacity strengthening, stronger local ownership and more inclusive governance.

### 3.1 Relevance

**Question 1: How well is the VAC contributing to implement Australia’s strategic priorities and address Vietnam’s development priorities?**

*Sub-question 1.1: How well the program aligns with Development policy frameworks, including but not limited to the Australia’s International Development Policy, Invested: Australia Southeast Asia Economic Strategy, the bilateral cooperation under the Vietnam-Australia Comprehensive Strategic Partnership (CSP) and the new DFAT Gender Equality strategy (February 2025)?*

The VAC has demonstrated robust alignment with Australia’s strategic interests and Vietnam’s development goals, contributing to the elevation of the Vietnam - Australia relationship to a Comprehensive Strategic Partnership, positioning VAC as a flagship initiative under this partnership and aligns with the Australia-Vietnam Development Partnership Plan 2025-2030.

- Consultations with Australian stakeholders (diplomats, development staff, service providers) affirmed the high alignment of VAC’s activities with Australia’s strategic frameworks, and its supportive role in the organisation of high-level dialogues with Vietnamese partners.
- Most interviewees, representing foundational partners and participants in VAC activities, confirmed that the VAC has contributed to the enhancement of Vietnamese officials’ capacity on public governance, multilateral rules, gender equality, disability and social inclusion, digital economy, climate diplomacy, and renewable energy.
- The VAC partnership model enhances Australia’s support to broader regional initiatives (such as Trilateral activities including Australia, Vietnam and Laos) and the Mekong-Australia Partnership. According to a former First Secretary of the Australian Embassy in Vietnam “VAC’s strategic position supports Australia’s foreign policy through bilateral development programs, innovation, agriculture, and education partnerships”.
- In the consultation, Hanoi Post representatives shared that VAC is a great example of “trust-building achievement - Australia established a unique partnership approach that other donors frequently enquire about, with rapid trust development between the Embassy and Vietnamese partners”. From other perspectives, representatives of both MOFA and OOG confirmed the unique trusted partnerships of Vietnam and Australia.

**Recommendation 1:** The VAC’s strategic position gained so far should be maximised by deepening bilateral policy dialogue, strengthening local leadership and governance capacity, and advancing inclusive initiatives, particularly in gender equality, social inclusion, and public sector innovation. VAC should also continue to facilitate high-level exchanges and collaborative research to inform policy and extend its regional collaboration efforts by sharing best practices with neighbouring countries.

*Sub-question 1.2: How well the project aligns with Vietnam's development priorities in the current and next development periods until 2035?*

VAC design and activities are strategically aligned with Vietnam's development priorities to 2035 and its vision to 2045.

- The VAC strategy (2023-2026) remains aligned with Vietnam's development priorities to 2035 and its vision to 2045, supporting its long-term development trajectory through contributions in leadership, governance, sustainability, and international engagement (*The four Resolutions of the Politburo, namely: Resolution No. 57-NQ/TW on breakthroughs in the development of science, technology, innovation, and national digital transformation; Resolution No. 59-NQ/TW on international integration in the new situation; Resolution No. 66-NQ/TW on innovating law-making and law enforcement in response to the requirements of national development in the new era; and Resolution No. 68-NQ/TW on the development of the private sector – see Annex 2 for further details*).
- Representatives of the VAC foundational partners (HCMA, OOG, MOFA) and VAC's alumni confirmed that VAC activities had promoted high-quality human resources and leadership capacity through programs for senior and mid-level leaders (of the Party and administration system at central and regional levels), addressing Vietnam's goal of improving public leadership and strategic governance.
- VAC's support for the Doi Moi 40-year review and other research, has significantly contributed to Vietnam's reform dialogues and preparation for the 14<sup>th</sup> Party Congress in January 2026. VAC prepared and submitted six policy briefs to the Party Central Committee for consideration in developing the draft Document for the 14<sup>th</sup> National Party Congress.

**Recommendation 2:** To maintain ongoing strategic alignment with Vietnam's evolving priorities amid significant political shifts, it is recommended that DFAT and the MC include regular policy scans and structured stakeholder dialogue into the MEL framework. By systematically reviewing policy developments and engaging key stakeholders, the program will remain responsive and adaptable, ensuring that activities continue to reflect both Australia's and Vietnam's mutual interests and needs. This approach will enhance agility and reinforce bilateral cooperation in a dynamic context.

*Sub-question 1.3: To what extent has the project contributed to support Vietnam's future leadership to address national and international challenges and strengthen the bilateral relationship between Australia and Vietnam?*

VAC's activities have significantly contributed to supporting Vietnam's future leadership to address national and international challenges and strengthened bilateral ties with Australia.

- The 13<sup>th</sup> Party Congress in 2021 outlined a comprehensive socio-economic development strategy for the next decade, aiming for Vietnam to become a modern-oriented industrialised developing country by 2025, and a developing nation with upper-middle income status by 2030. The strategy also includes ambitious goals for economic growth, poverty reduction, and improvements in social welfare and environmental protection. Vietnam has an ambition to become a developed, high-income country by 2045, build climate resilience, and achieve net-zero emissions by 2050.
- All Vietnamese stakeholders highly appreciate the contributions of VAC in supporting Vietnam's future leadership to address national and international challenges. Over

5,000 participants, including senior central leaders (Deputy Ministers, Directors-General), provincial leaders, mid-level and emerging leaders, have engaged in and benefited from various activities of the VAC programs.

- Reflecting Vietnam's ambitions for digital transformation, innovation, and integration into global markets, VAC organised workshops, study missions and forums to encompass subjects including green energy, green transition and digital economy. Interviewed stakeholders also expected VAC training courses and activities to cover more specific issues confronted by the leadership from local and sector perspectives under the reform context of Vietnam, such as how public sector actors can strengthen their effectiveness and efficiency to better facilitate private sector contributions in targeted sectors, and how the private sector can simultaneously adapt, contribute and grow within the reform process.
- Efforts have been made to create gender-balanced cohorts; however, further improvements are needed in study missions to enhance perspectives and adaptability.
- Stakeholders, especially academic delivery partners and alumni highlight the dual impact of VAC programs in facilitating policy discussions and fostering people-to-people connections through study missions, peer-learning, and long-term research partnerships. It was also noted that while several Australian universities engaged in VAC activities to support delivery, they served as contracted service providers rather than academic partners, which limited their ability and opportunity to fully utilise their expertise and resources.
- VAC's focus on long-term partnerships ensures leaders develop enduring relationships, acting as bridges for bilateral cooperation and continuous exchange of ideas and expertise. Participants are exposed to Australia's governance systems, fostering mutual understanding and collaboration on policy innovations, and they all expect peer relationships between government bodies or academic organisations to be developed.
- These comprehensive efforts underscore VAC's pivotal role in strengthening Vietnam's leadership capacity and enhancing its bilateral relationship with Australia in governance, leadership capacity development, and policy practice.

**Recommendation 3:** VAC should strengthen targeted leadership development by integrating regular capacity needs assessments and comprehensive resource mapping into the MEL framework. This will enable a more effective response to local and sector-specific leadership needs and ensure that activities remain relevant and impactful. In addition to prioritising gender-balanced participation and deepening academic-government partnerships, VAC should actively mobilise the expertise and contributions of peers not only within the public sector, but also across academic networks and the private sector.

*Sub-question 1.4: How has the operational context of the project changed during implementation, and how well has the project adapted to any changes?*

Remarkable adaptability of VAC's activities in response to the changing context has enabled VAC to dynamically adjust content delivery to address new and emerging priorities from both Vietnam and Australia. Better strategic use of the VAC's position and its three pillars to address emerging needs and priorities is suggested.

- Vietnam's key developments (2022–2025) can be highlighted as:



- Political and institutional reforms: Major leadership transitions driven by the restructuring of the government system, merging of provinces, and dissolution of the district level have significantly altered Vietnam's governance landscape. These sweeping changes require the VAC to remain agile, ensuring its programs and partnerships are responsive to new governance structures, emerging leaders, and evolving capacity needs at multiple administrative levels.
- Economic shifts: Post-COVID economic rebound moderated by inflation and global demand contraction; recognition of the private sector as a driver of innovation and growth; growing emphasis on the green economy, digital economy, and inclusive productivity; commitment to net-zero emissions by 2050 and participation in the Just Energy Transition Partnership (JETP); trend toward ESG, sustainability, and climate-resilient infrastructure; new US tariffs and supply chain diversification (China+1) creating both risks and opportunities for Vietnam.
- Foreign policy: Vietnam–Australia Comprehensive Strategic Partnership (2024) enhances bilateral cooperation in leadership, digital transformation, climate, and trade. Vietnam also signed similar CSPs with the U.S., Japan, and South Korea and other countries (13 countries in total, including 10 countries for the period of 2022 – 2025).
- VAC design (VAC Strategy 2023 – 2026) was strategically aligned with Vietnam's development priorities to 2035 and its vision to 2045. The centre was praised for using real-time feedback and adapting its activities in response to policy changes. This approach has enabled dynamic adjustment of content delivery to address new and emerging priorities from both Vietnam and Australia. HCMA played its leading role in providing strategic direction toward the VAC's activity plans.
- While adaptability ensures relevance, some stakeholders expressed concerns about "mission creep" and potential overextension or dilution of impact if VAC's activities expand too broadly.
- To optimise the balance between flexibility and strategic focus, it is recommended that VAC strengthen its mechanisms for evaluating expansion pathways and prioritising content directly aligned with its objectives.
- All the Vietnamese partners suggested that VAC should provide targeted support to Vietnam's recent reform agenda, including the "four pillars of reform" (*Resolutions 57 on science, technology, and innovation; 59 on international integration; 66 on legal reform; and 68 on the private sector – see Annex 2 for further details*).
- As there has been a lack of integration across the three pillars (Leadership and capacity development, research and policy analysis, Partnerships and collaborative engagement), a better balance and connection among VAC's three pillars was also suggested to improve impact.

**Recommendation 4:** VAC should refine its prioritisation processes to focus on activities aligned with its mission while retaining flexibility and foster greater integration among its three strategic pillars. Targeted support should be developed for Vietnam's reform agenda, incorporating the four pillars of reform, and participant selection processes should be strengthened to include new stakeholders. Regular collection and use of stakeholder feedback will enhance program relevance, while shifting from general education to targeted capacity-building will ensure sustainable, high-impact outcomes in an evolving context.

*Sub-question 1.5: Are the type of current courses and activities fit for purpose that should continue in the next phase or be scaled up?*

VAC's types of current courses and activities across its three pillars are fit for purpose and should continue in the next phase with some new focus, for example, the detailed contents of the four main policies (4 Resolutions) should be unpacked and tailored for each target beneficiary group.

- Among the current types of courses and activities offered by the VAC, the following courses and activities are responding to Vietnam's reform context with high satisfaction from participants and strong bilateral relevance: Leadership development programs, Specialist capacity building (under Pillar 1: Leadership and international engagement capacity development); Policy research & knowledge products including (Pillar 2: Policy research and analysis); Bilateral, Trilateral and regional dialogues (Pillar 3: Partnerships and collaborative engagement).
- The short course, Strategic Leadership Certificate (SLC), enhanced core leadership competencies for managers, while supporting them to apply new knowledge and skills to their daily work and equip them to respond to regional and international issues. The training program focuses on four key pillars of high impact in public leadership: leadership with local and global visions; sustainable growth with environmental protection; leadership in the digital age; and leadership for social inclusion. These elements are consistent with Vietnam's Socio-economic Development Plan, National Master Plan, and the United Nations Sustainable Development Goals.
- Courses like the SLC, Women in Leadership Journey (WILJ) and Specialist Certificate in University Teaching (SCUT) have proven results and strong alumni engagement<sup>2</sup>. Participants of these courses shared that demand to participate in these courses is increasing among the new stakeholders (e.g. non-foundational partner ministries, provincial and commune-level leaders).
- Research programs are increasingly emphasised to generate breakthrough solutions in institutional reform, GEDSI, climate change, and global supply chain issues.
- Stakeholders' suggestions for improvement:
  - The selection of participants to join the courses and activities should be strengthened to ensure better alignment, address discrepancies in participant readiness, and maximise long-term benefits.
  - Shift from a general education model to targeted capacity-building initiatives.

<sup>2</sup> "The experiential program provided new knowledge and skills for individual members of the group, shared by experienced professors. This was a very wonderful experience that I have never experienced on other trips. I have learnt of practical policy making processes after meeting different leaders and institutions. This trip was added value to four partners of VAC and the Australian Embassy. It has helped to build up a very good network to promote development of cooperation and strategic partnerships, international relations, people-to-people cooperation, cultural, economic, and political exchanges between the two countries spreading values that contribute to promoting a comprehensive strategy." (Hoang Van Nghia - Director General- Ho Chi Minh Academy of Politics)

"I was impressed by the "Lunch time meeting model for Australian diplomatic officers" model, which will be included in the training plan to develop similar training classes in Vietnam. The knowledge gained from the trip suggested ideas for us when designing long-term action plans such as developing a children's area for officers bringing their children to our office." (Vu Thi Tu – Principal official – Ministry of Foreign Affairs)

"The relationships with members gained from the trip support our work more effectively, especially in coordinating the handling of government-level work, joint conferences, VAC's activities (as well as other tasks) in term of activities that need sharing and contribution for common vision of the two countries." (Nguyen Quang Minh – Deputy Director General – Office of the Government).

These quotes are from the VAC Annual Report 2023.

- Greater policy-practice linkages beyond short-term training outputs to create sustainable, actionable change in national and local governance structures and policy reform.
- Enhance policy-practice links and promoting dynamic, interactive engagement across the three VAC's pillars, for example using research results to inform new dialogues or drawing rapid research topics from emerging issues raised at recent dialogues.
- Consider a more strategic application of Public Relations activities to boost VAC's visibility and disseminate its results.
- Promote international partnerships among government bodies and academic partners.
- Refine governance mechanisms of the VAC for broader, systemic impact, as suggested by HCMA representatives (see Annex 1 for further details).
- Stakeholders' suggestions for scale-up:
  - Expand reach to sector, provincial and commune-level leaders, serving administrative restructuring with further content customisation for local leaders and emerging sectors to address local governance challenges or sector-specific concerns.
  - Strengthen policy application projects and post-course support.
  - Develop flagship offerings, such as targeted sector and local leadership development, policy briefs, strategic dialogues and high-level forums with direct links to research and courses to address emerging issues, for example designing and implementing policies to support the development of private economy or supporting targeted sectors to respond to the new US tariff under VAC's long-term service framework.

*Table 1: Types of VAC courses and activities*

Category	Course/Activity	Target Group	Recommendation
Pillar 1: Leadership Development	Strategic Leadership Certificate (SLC)	DG/DDG, senior leaders	Continue and institutionalise as a core offering
Pillar 1: Leadership Development	Women in Leadership Journey (WILJ)	Mid-level women leaders	Continue; expand diversity and alumni engagement
Pillar 1: Leadership Development	Senior Leadership Candidate Workshops	Future Party Congress leaders	Continue; align with political reform cycle
Pillar 1: Leadership Development	Advanced Policy Theory (APT) Provincial Workshops	Local political educators	Scale up to more provinces
Pillar 1: Specialist Capacity	Specialist Certificate in University Teaching (SCUT)	Academic & policy lecturers	Continue; enhance mentoring components
Pillar 1: Specialist Capacity	Interpretation & Translation Training	MOFA, ERC	Continue; improve follow-up and integration
Pillar 1:	Speechwriting Workshops	Senior officials, MOFA, ERC	Continue; expand to new ministries

Category	Course/Activity	Target Group	Recommendation
Specialist Capacity			
Pillar 2: Policy research & knowledge products	Doi Moi 40-Year Review	Party Secretariat, policy makers	Institutionalise research-to-policy model
Pillar 2: Policy research & knowledge products	Gender Index Pilot (Phase 2 upcoming)	Gender policy actors	Expand to national scale and integrate MEL
Pillar 2: Policy research & knowledge products	Administrative Procedures Reform Research for OOG, supporting PM's Advisory Council with evidence-based reform proposals	Office of Government	Formalise into VAC's policy research portfolio
Pillar 3: Bilateral	Executive leadership engagement - Knowledge exchange to Australia	Senior public officials	Continue; improve GEDSI balance
Pillar 3: Regional & Trilateral	Ocean Dialogue / South China Sea Workshops	MOFA, Diplomatic Academy of Vietnam (DAV)	Continue; align with the Association of Southeast Asian Nations (ASEAN) cooperation
Pillar 3: Regional & Trilateral	Trilateral Workshop (VN–Laos–Australia)	Regional leaders, academics	Continue; make this an annual platform

**Recommendation 5:** To ensure VAC's courses and activities remain dynamic and relevant in the next phase, a strategic approach is recommended: prioritise targeted capacity-building initiatives aligned with Vietnam's reform agenda, tailor content to reform pillars and specific stakeholder groups, and improve participant selection for long-term benefits. Post-course support and flagship offerings should embed learning outcomes, while strengthening policy-practice linkages through research-driven, interactive engagement across pillars will foster sustainable change. Expanding reach to provincial and sectoral leaders, cultivating alumni engagement, and leveraging international partnerships will broaden systemic impact.

## 3.2 Effectiveness

**Question 2: To what extent is the project on track to achieving its stated objectives and outcomes?**

*Sub-question 2.1: What have been the progress made towards achievement of the expected outcomes?*

VAC has achieved significant output-level targets and created a strong foundation of trust and good relationships with Vietnamese partners, serving as an entry point for Australian collaboration with top Vietnamese officials.

- Exceeding expectations in activity volume (47/40 activities implemented with over 5,000 participants including senior central and provincial leaders).
- Visibility: VAC has grown from a pilot initiative to a respected bilateral platform.
- Strong policy support via Doi Moi review research series and high-level engagement with foundational partners and ministries.
- The VAC is facing challenges in measuring the achievement of long-term outcomes (EOPOs, IOs) and investment outcomes (EOIOs) due to the lack of appropriate indicators.

Table 2: VAC Accumulated Results Matrix 2022 – 2025

Year	Planned Outputs	Actual Results	Explanation / Analysis
<b>2022 (Start-up phase)</b>	<ul style="list-style-type: none"> <li>- Governance establish (PSC/EC)</li> <li>- VAC office launched</li> <li>- Pilot training and scoping consultations</li> <li>- Draft 4.5-year strategy</li> </ul>	<ul style="list-style-type: none"> <li>- Governance bodies formed</li> <li>- VAC office launched (Dec 2022)</li> <li>- Pilot trainings (e.g. for ERC, MOFA, HCMA) delivered</li> <li>- VAC Strategy 2023 – 2026 developed</li> </ul>	<ul style="list-style-type: none"> <li>- Establishment phase achieved foundational setup, intensive partner engagement, and pilot training for trust-building.</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>- 10 to 12 leadership and policy training courses</li> <li>- 600+ participants</li> <li>- Doi Moi review</li> <li>- Vietnam Australia Forum</li> <li>- Visibility and alumni network</li> </ul>	<ul style="list-style-type: none"> <li>- 13 activities delivered, including SCUT, WILJ5–6, APT, Women in Diplomacy</li> <li>- 1,100+ participants (53% women)</li> <li>- Doi Moi Review research series commenced (6 studies underway)</li> <li>- 1st Vietnam Australia Forum</li> </ul>	<ul style="list-style-type: none"> <li>- Exceeded training delivery targets.</li> <li>- Doi Moi Review established VAC's policy relevance.</li> <li>- Positive partner engagement.</li> </ul>
<b>2024</b>	<ul style="list-style-type: none"> <li>- Implement 15 to 18 activities</li> <li>- Research-policy links</li> <li>- Provincial outreach</li> <li>- Vietnam Australia Forum</li> </ul>	<ul style="list-style-type: none"> <li>- 21 activities completed</li> <li>- 2,000+ participants including 2 study missions to Australia</li> <li>- Doi Moi review research series submitted to leaders of Vietnam (6 reports)</li> <li>- APT workshop in Yen Bai province and forums delivered</li> </ul>	<ul style="list-style-type: none"> <li>- Expanded reach and credibility.</li> <li>- Policy support through Doi Moi studies highly rated.</li> <li>- Provincial inclusion and thematic diversity improved.</li> </ul>
<b>2025 (to May)</b>	<ul style="list-style-type: none"> <li>- Trilateral and provincial outreach</li> <li>- WILJ7, SCUT2</li> <li>- Support Ocean Dialogue and HCMA candidate class</li> <li>- Deliver up to 9 activities before June</li> </ul>	<ul style="list-style-type: none"> <li>- Trilateral workshop (Vietnam-Laos-Australia) in Thanh Hoa province, and APT workshop in Hoa Binh province and Hanoi</li> <li>- WILJ7 Steps 1–2 completed</li> <li>- SLC3 completed including Australia immersion</li> <li>- SCUT2 symposium held</li> <li>- Ocean Dialogue prepared.</li> </ul>	<ul style="list-style-type: none"> <li>- On track to meet full-year activity plan. 70% of annual budget spent by April.</li> <li>- Training quality improved.</li> <li>- Broader themes (digital diplomacy, green growth) increasingly embedded.</li> </ul>

Progress toward expected outcomes:

- The VAC has successfully created a strong foundation of trust and good relationships with Vietnamese partners, serving as an entry point for Australian collaboration with top Vietnamese officials.
- The Women in Leadership program has shown notable success and transformative impact. Strategic leadership training has been effectively customised and received positive feedback through four successful iterations.
- Doi Moi review research series have resulted in joint papers and events, emphasising knowledge exchange.
- VAC activities and services have been delivered by the contractors through a project-based modality. A physical VAC was established at HCMA, but the key capacity for delivering VAC's services and activities like a "functional VAC Centre" (as defined in the VAC Strategy 2023-2026) was mainly located at the office of Aus4Skills.
- EOIOs, which define expected status and function of VAC, have not been monitored and reported.

*Sub-question 2.2: What are the driving factors influencing or inhibiting progress to date?*

**Driving factors:**

- Strategic design: The VAC Design (2020) and the VAC Project Document (2022) presented a comprehensive offer, addressing key needs of Vietnam's leadership capacity towards 2030 and 2045. The VAC Strategy 2023 – 2026 (2022) and a 4-year Activity Plan provided more focused areas of intervention and expected results.
- Strong partnerships: Partnerships are key to program success, with significant high-level engagements between Australian and Vietnamese officials maintaining trust and strategic relationships.
- Strategic position: The VAC holds a unique strategic position, enabling effective cooperation with Vietnamese counterparts. High-level stakeholder involvement in VAC governance, especially engagement of the HCMA President as PSC Co-chair, was a unique value of the VAC.
- Effective co-design process: Close collaboration between HCMA and DFAT/Embassy in decision making allowed adaptive flexibility for VAC's activities.
- Flexibility: The VAC's ability to adapt rapidly to Vietnamese requests and integrate real-time feedback has been crucial.
- Dedicated team: The VAC team works effectively to manage and respond to shifting priorities.

**Inhibiting factors:**

- Theory of change: Inconsistent stakeholder's understanding about the use of program's long-term outcomes (EOPOs 8-10 years; IOs 5-7 years), and logical links between these outcomes and investment outcomes (EOIOs 4,5 years). Lead actors and active actors in the theory of change were not identified.
- MEL framework and system design not fit for the purpose, lack of SMART outcome indicators. The MEL system lacks shared understanding of outcome levels; current data is insufficient for robust evidence-based decisions.
- The subcontract-based modality (e.g. when engaging academic partners as service providers) limited the development of sustainable partnerships with the private sector, academia and research institutions due to the short-term nature of these subcontracts.

As this modality enables a greater variety of and access to expertise, moving toward longer-term partnership arrangements should be considered to support program growth and sustainability.

- Untapped integration opportunities: There are unleveraged opportunities/synergy with Australian government agencies and Aus4Vietnam (-Skills, -Innovation, -Adaptation, -Transport) with expertise in various areas.

*Sub-question 2.3: How effective were the project's approaches in delivering expected outputs and outcomes?*

VAC's delivery approaches were widely seen by the interviewed participants as innovative and responsive, particularly:

- Training programs shifted toward peer-learning models, where participants learned from each other's experiences and structured discussions.
- To some extent, the VAC also demonstrated agility by redesigning activities based on participant feedback, such as modifying course or workshop formats in response to changing needs, or incorporating new topics suggested by Vietnamese counterparts.
- Customised approaches to address the specific requirements of senior as well as emerging leader cohorts.

Stakeholders also suggested that the capacity of local institutions could be further developed to design and deliver such innovative and responsive activities and services over the longer term. This could be considered further as part of sustainability planning during Phase 3.

Challenges also emerged regarding proposal quality and participant selection. Foundational partner organisations often lacked adequate technical support during the planning and application phases, resulting in proposals that did not fully align with VAC's strategic objectives.

Furthermore, the anticipated establishment of the Advisory Council, which was intended to provide expert guidance on technical matters, has not occurred, reducing the available technical advisory capacity within the VAC.

*Sub-question 2.4: What are the main lessons learned from the VAC program's successes and challenges? What should be done differently?*

Key lessons include:

- The importance of early stakeholder engagement in design: Early and meaningful involvement of stakeholders (including local institutions, partner organisations, and intended beneficiaries) in the program's conceptualisation and planning phases has proven crucial for better reflecting their needs and expectations in the program's delivery.
- Strong demand for research-policy integration beyond training, for better addressing emerging issues, priorities and needs: Stakeholders consistently voiced a need for VAC to serve not only as a provider of skills training, but also as a facilitator of research-policy linkages. The effectiveness of VAC programs was amplified when capacity building included opportunities for participants to apply their learning in real-world policy contexts. For example, peer-learning initiatives enabled participants to

collectively address emerging policy issues, drawing on both research evidence and lived experiences. More structured mechanisms to sustain this integration beyond initial training would improve the program's impacts. The MC, with relevant technical support, and in consultation with stakeholders, could further identify and nurture these linkages.

- Need for clearer articulation of VAC's role as a bilateral "hub" delivered through three distinct pillars with strong links between policy advisory services, dialogues, and training courses. The VAC's success was most evident when it acted as a convening platform, facilitating connections and knowledge exchange across institutions and countries. Evidence suggests that the program's visibility and strategic value increased when it was positioned as a bilateral hub, helping to broker partnerships and share best practices.
- Support locally led development through capacity building: The use of external contractors for facilitating key training sessions ensured high-quality content but also highlighted a limitation: it reduced opportunities for local actors to strengthen their own skills and take greater responsibility. To address this, future programming could prioritise a train-the-trainer approach, incorporating mentorship, and co-facilitation to support locally led development. Some positive examples already exist and could be built on, such as:
  - in the WILJ courses, the Centre for Gender Studies and Women's Right (GWR - previously GeLEAD) of the HCMA co-delivered a training program component in Vietnam with an Australian service provider.
  - Vietnamese guest speakers contributed to panel discussions and sessions across several courses, including the APT, the SLC and SCUT.
  - In some recent OOG activities, Vietnamese experts presented at the final symposium, applying lessons learned from Australian experts.

These lessons collectively indicate that a more inclusive, partnership-oriented, and locally driven approach is fundamental to enhancing the impact and sustainability of VAC initiatives. Systematic investment in stakeholder engagement, research-policy integration, and local ownership will be critical for the program's future success.

**Recommendation 6:** To enhance VAC's effectiveness, it is essential to prioritise early and active stakeholder engagement, so program activities closely reflect local needs. Fostering co-design and mentorship between external experts and local actors will enable a progressive transfer of capacity.

**Recommendation 7:** Establishing a structured Advisory Council will strengthen technical guidance and strategic oversight, and providing targeted support to foundational partners during proposal development will ensure alignment with VAC's objectives. Relevant experts identified by the Foundational Partners and contracted service providers could be members of the Advisory Council. The MC should determine the strategic/technical needs of an Advisory Council and how it could best support the VAC.

**Recommendation 8:** Systematic investment in a range of capacities to strengthen VAC's role as a bilateral hub. Such investments could include: partnership brokering, facilitation of knowledge exchange; robust systems for research-policy integration; digital infrastructure to



support networking and collaboration across countries; and institutional frameworks that enable ongoing engagement with diverse stakeholders. Investment in these capacities and resources will allow the VAC to more effectively drive research-policy integration and foster institutional partnerships, amplifying its impact across the sector.

*Sub-question 2.5: Are the EOPOs measurable or should they be adjusted?*

All stakeholders agreed that EOPOs remain broadly valid but require sharper articulation and better MEL systems to track long-term capacity change. In addition, current MEL tools only support monitoring but are not adequate for outcome evaluation. The 2023 independent MEL review recommended revising EOPOs and indicators for clarity and measurability. *"Progress towards EOPOs cannot be consistently tracked due to broad outcome definitions and lack of baselines."* (MEL Review, p. 6).

The VAC will remain a central focus within the Aus4Skills Phase 3 program, scheduled for implementation from 2025 to 2035 as a "strategic partnership for public sector governance". The new program outcomes, including EOPO 2 for VAC component are detailed in the Aus4Skills Phase 3 Investment Design Document (IDD)<sup>3</sup>:

*EOPO 2: Vietnam and Australia have a strengthened strategic partnership for public sector governance that fosters increased leadership capability and networks, advances women in leadership, and promotes inclusive green growth and institutional innovation".*

The strategic partnership for public sector governance focuses on building leadership capability, advancing women in leadership, and driving inclusive and climate adaptive institutional innovation. This outcome is realised through the VAC, which serves as a platform for mutual trust, knowledge sharing, and capacity development, fostering sustained collaboration between both countries.

The IDD also suggested indicative indicators for EOPO2, including:

- Number of strategic partnerships formed between Vietnam and Australia that focus on public sector leadership development.
- Percentage of public sector leaders involved in partnerships reporting increased capacity to apply inclusive, climate-adaptive, and socially responsive policies.
- Degree of bilateral collaboration on leadership development initiatives (measured through joint projects, publications, or policies).
- Stakeholder satisfaction with the depth and quality of Vietnam-Australia engagements in leadership programs (through surveys or focus groups).

The key findings, lessons, and recommendations of this Review Report by far are consistent with the newly developed EOPO 2 and indicative indicators. However, as a strategic partnership for public sector governance, the VAC should clearly demonstrate achievements such as enhanced research, policy analysis, and institutional networks, while ensuring accountability and continual improvement. A strengthened MEL system will support the VAC in delivering high-quality, relevant services and sustaining meaningful partnerships across sectors and regions.

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<sup>3</sup> Aus4Skills 3 Investment Design Document.

**Recommendation 9:** To ensure the VAC's ongoing impact and strategic relevance, it is recommended to further develop a robust MEL system with targeted indicators aligned to core outcomes. This should include:

- Partnership metrics: Define and track indicators for joint research, policy initiatives, and co-developed projects, measuring both direct outputs and broader impacts on collaboration.
- Policy and institutional growth: Monitor progress in policy development and institutional capacity building, focusing on measurable improvements driven by VAC partnerships.
- Stakeholder engagement: Collect and analyse feedback on the relevance, inclusivity, and effectiveness of VAC services, ensuring stakeholder satisfaction and knowledge exchange.
- Adaptive learning: Incorporate regular reviews to enable agile response, helping the VAC and partners refine strategies and targets based on MEL findings.

*Sub-question 2.6: To what extent has the VAC been able to effectively promote Gender Equality, Disability Inclusion and Social Inclusion in its work to date, and how could this be strengthened?*

Progress on GEDSI has been encouraging, particularly through the success of the WILJ program and the development of the Research on Gender Equality Index. The index places strong emphasis on gender equality and commitment to improving women's representation in leadership, women's economic empowerment, and addressing gender-related challenges, aligning closely with the priorities outlined in the CSP. The Index represents an important step towards greater transparency and accountability in Vietnam's commitment to women's leadership and gender equality – critical for achieving the country's ambitious economic goals. HCMA representative affirmed that the index was a breakthrough tool to help clearly identify barriers and promote gender equality in personnel work, thereby contributing to building an increasingly strong female leadership team in the political system, contributing to implementing the Party's guidelines and policies, the State's policies and laws on gender equality. HCMA was committed to incorporating the research results and the index into training programs for cadres and research to promote substantive gender equality in the public sector.

However, several ongoing gaps remain:

- Participation in study missions continues to be male dominated.
- There is limited outreach and engagement with ethnic minorities, provincial groups, and persons with disabilities.

**Recommendation 10:** To strengthen GEDSI outcomes, the VAC should establish clear participation targets for greater inclusion of persons with disabilities and ethnic minorities, conduct joint studies for inclusion policy development, implement targeted outreach and support strategies to engage provincial and marginalised groups, integrate comprehensive GEDSI indicators and disaggregated data collection into all monitoring and evaluation frameworks, provide training and resources on inclusive and accessible practices to local partners, and institute regular review mechanisms to assess progress and adjust approaches as needed.

*Sub-question 2.7: To what extent are the current governance and management arrangements supporting the VAC to achieve its strategic goals, and what changes could strengthen their effectiveness in the future?*

While the foundational partners affirmed that PSC/ EC model functioned well with supporting services provided by the managing contractors, they also recommended:

- Synergy of three VAC's components per prioritised issues to better identify needs and solutions aligning the three VAC components on priority issues to better identify needs and solutions.
- Establishment of an Advisory Council/Board or thematic Technical Advisory Groups (TAG) for long-term policy alignment to ensure currency within a changing context.
- Expansion of governance to include a new ministry and selected provinces to better address sectoral and local needs (members of PSC or EC). The new members may bring in fresh expertise and ensure policies are more relevant locally/sector, but it may also make decision-making slower and coordination harder.
- Engagement of partners from academic institutes and the private sector through development of various types of partnerships to better mobilise expertise and resources.

*Sub-question 2.8: To what extent has climate change been considered within the VAC's activities to date, and what opportunities exist to enhance this in the future?*

VAC demonstrated engagement on climate change at high leadership level, most notably at the First Vietnam – Australia Forum which showcased the support package for climate change adaptation in the Mekong Delta (2023 – 2034). Although climate change was not a primary objective of the project, VAC actively requested service providers to mainstream climate-related topics into their programs. For example, the SLC3 course included topics on Leadership, Sustainability and Sustainable Growth, with the sub-topics on environmental protection, renewable energy and promoting both inter- and intra-regional sustainable growth.

**Recommendation 11:** To enhance future impact, opportunities include embedding climate change modules in training, fostering multi-sectoral policy dialogues, partnering with research institutes and international organisations, piloting provincial climate initiatives, building climate-focused networks, and leveraging digital platforms for wider dissemination. These steps would strengthen VAC's role in mainstreaming climate action and supporting Vietnam's transition to a climate-resilient future.

*Sub-question 2.9: What measures can VAC implement to ensure long-term financial and operational sustainability?*

Multiple stakeholders, including HCMA and several academic partners, flagged that the financial and operational sustainability of the VAC beyond Aus4Skills Phase 3 should be considered during Phase 3 implementation to create lasting impact.

The review team suggests that comprehensive sustainability planning is undertaken by the Aus4Skills Phase 3 MC and should consider investigating various institutional and operating models post-Phase 3. The review team has outlined potential models which could be explored further in Annex A and summarised below:

- Gradual transition to semi-autonomous centres within HCMA with co-funding.
- Diversification of funding beyond current ODA. MC should facilitate a consultation process to identify appropriate partners and develop engagement strategies. Examples of partnerships with academic, local, and private sector partners can be considered.

- Investment in permanent VAC staffing, MEL, Communication/ Public Relations and technical capacity.

Annex A evaluates each option based on its alignment with VAC's strategic objectives, institutional ownership, political resilience, and operational flexibility. Additionally, it considers lessons learned from comparable bilateral centres and assesses potential risks (such as changes in political leadership, particularly in the lead-up to Vietnam's 14th Party Congress in 2026) that could impact the continuity of VAC's political support, strategy, and operations. Ultimately, whether the VAC evolves with stronger Vietnamese or Australian ownership, the selection of these pathways should be anchored in transparent and collaborative dialogue between DFAT and HCMA - the key foundational partners - ensuring alignment with shared objectives and mutual benefit.

**Recommendation 12:** Aus4Skills Phase 3 undertake further exploration of possible approaches to ensure the VAC has financial and operational sustainability beyond current programming to 2035 and delivers lasting impact.

## 4 Strategic and Structural Considerations

### 4.1 Strategic direction toward 2045

The VAC should align more strongly with Vietnam's major reform agendas and global positioning goals:

- Facilitating institutional reform (restructure of administration system and the 2-tier local governments)
- Promoting private sector competitiveness (Resolution 68)
- Enhancing leadership for digital governance (Resolution 57)
- Supporting integration into high-value global supply chains (Resolution 59)
- Advancing climate diplomacy and multilateralism (Resolution 66)

### 4.2 Key services

VAC can consider not only strengthening but also systematising a suite of core service lines, each designed to reinforce the VAC's strategic vision and its impact across bilateral and regional priorities. The close interconnections between these areas can synergistically enhance the VAC's value proposition and sustainability.

1. Leadership development: The VAC could expand its offering of targeted leadership programs, including professional and intensive short courses, to nurture the next generation of policy leaders and decision-makers in both Vietnam and Australia. Such programs might incorporate experiential learning, mentorship by senior leaders, and exposure to best practices in governance and public administration, thereby equipping participants with the practical skills and strategic vision needed to drive reforms in targeted sectors and areas.
2. Policy research and advisory services (long-term and quick response to policy requirements): By positioning itself as a trusted source for both long-term policy research and rapid-response advisory services, VAC can offer evidence-based recommendations tailored to the evolving needs of Vietnamese and Australian stakeholders. This may involve convening multi-disciplinary research teams, producing policy briefs on urgent issues, and forming expert panels to advise on complex reform initiatives.
3. Strategic dialogues and high-level forums (with direct links to research and courses to address emerging issues): The VAC can organise regular dialogues and summits, bringing together policymakers, academics, and industry leaders to address emerging policy challenges. These forums could be closely linked to ongoing research and training activities, ensuring that discussions are informed by the latest evidence and contribute to actionable outcomes.
4. Trilateral and regional engagement: Expanding engagement to include partners such as Laos, Cambodia, and the broader Mekong subregion, as well as ASEAN, will increase the VAC's regional footprint. Joint initiatives might include collaborative research projects, regional training workshops, and thematic policy dialogues focusing on shared challenges like sustainable development and digital transformation.

5. Alumni and institutional networking services: Establishing vibrant alumni networks and institutional partnerships is essential for sustained impact. The VAC could facilitate ongoing professional development, foster communities of practice, and support collaborative projects among graduates and partner organisations, strengthening ties between Vietnamese and Australian institutions and beyond. Also, by facilitating the establishment and operation of partnerships with academic, local, and private sector partners.

### **4.3 VAC Sustainability**

VAC's current implementation under Aus4Skills, has laid a solid foundation; however, it is recommended that there is further exploration of possible approaches to ensure the VAC has financial and operational sustainability beyond current programming to 2035, and delivers lasting impact – refer to Annex 1 and the response to sub-question 2.9.

Phase 3 should consider a staged transition plan (or a sustainability plan) that builds VAC's institutional capacity, enabling it to assume greater responsibility for both operations and strategic direction. This could involve:

- Empowering VAC with increased operational and financial authority, promoting self-sufficiency and responsiveness to evolving bilateral and regional priorities.
- Gradually decreasing reliance on external managing contractors beyond 2035, with a clear timeline for transferring program delivery functions from Aus4Skills to core VAC personnel, particularly those based at HCMA.

To support this shift, a refreshed governance framework should be established:

- Expand governance bodies to include representation from additional ministries and academic partners for broader stakeholder engagement, as emphasised in Annex 1.
- Form an Advisory Council or multiple TAGs to provide expertise on policy and curriculum, fostering innovation, and ensuring relevance and currency in VAC's offerings.
- Finally, a well-defined exit strategy for VAC is crucial. This should prioritise consolidating VAC's mandate, refine its business and service delivery models, and equip the organisation for autonomous operation. Such an approach will enable VAC to sustain its value and extend its impact in alignment with both Australian and Vietnamese strategic objectives.

In conclusion, the future direction of the VAC, whether it leans towards enhanced Vietnamese or Australian ownership, should be determined through transparent, collaborative dialogue between DFAT and HCMA, ensuring that strategic and structural choices are grounded in shared goals and reciprocal benefits.

## 5 Conclusion

This review concludes that the VAC has demonstrated substantial achievements in its foundational years. It has established strong institutional partnerships, delivered high-quality leadership and policy-focused programming, and earned credibility within both the Government of Vietnam and the Australian Government. As it moves into its next phase, the VAC should evolve to meet new strategic demands while consolidating its current gains.

Category	Conclusion Summary
<b>Relevance</b>	<p>Strong alignment with both Australia's and Vietnam's policy frameworks including the CSP, Invested strategy, and Vision 2045.</p> <p>VAC activities address priority leadership, policy, and governance gaps in Vietnam and are increasingly demanded by partners.</p>
<b>Effectiveness</b>	<p>Outputs have exceeded targets; EOPOs are on track but require better measurement tools and defined baselines.</p> <p>VAC has shown high adaptability to evolving context, partner needs, and emerging themes such as digital economy and regional diplomacy.</p>
<b>Governance</b>	<p>The PSC/EC governance model has worked effectively with the project-delivery approach, but some disadvantages of temporary modality remain.</p>
<b>Sustainability</b>	<p>Long-term sustainability should consider institutional autonomy, funding diversification, and strategic planning for beyond 2035. A sustainability plan for VAC is essential.</p>

## 6 Recommendations

The following recommendations are derived from the review's findings and stakeholder consultations. They are structured to support VAC's transition into its next strategic phase while strengthening delivery, impact, and sustainability.

**Recommendation 1:** The VAC's strategic position gained so far should be maximised by deepening bilateral policy dialogue, strengthening local leadership and governance capacity, and advancing inclusive initiatives, particularly in gender equality, social inclusion, and public sector innovation. VAC should also continue to facilitate high-level exchanges and collaborative research to inform policy and extend its regional collaboration efforts by sharing best practices with neighbouring countries.

**Recommendation 2:** To maintain ongoing strategic alignment with Vietnam's evolving priorities amid significant political shifts, it is recommended that DFAT and the MC include regular policy scans and structured stakeholder dialogue into the MEL framework. By systematically reviewing policy developments and engaging key stakeholders, the program will remain responsive and adaptable, ensuring that activities continue to reflect both Australia's and Vietnam's mutual interest. This approach will enhance agility and reinforce bilateral cooperation in a dynamic context.

**Recommendation 3:** VAC should strengthen targeted leadership development by integrating regular capacity needs assessments and comprehensive resource mapping into the MEL framework. This will enable a more effective response to local and sector-specific leadership needs and ensure that activities remain relevant and impactful. In addition to prioritising gender-balanced participation and deepening academic-government partnerships, VAC should actively mobilise the expertise and contributions of peers not only within the public sector, but also across academic networks and the private sector.

**Recommendation 4:** VAC should refine its prioritisation processes to focus on activities aligned with its mission while retaining flexibility and foster greater integration among its three strategic pillars. Targeted support should be developed for Vietnam's reform agenda, incorporating the four pillars of reform, and participant selection processes should be strengthened to include new stakeholders. Regular collection and use of stakeholder feedback will enhance program relevance, while shifting from general education to targeted capacity-building will ensure sustainable, high-impact outcomes in an evolving context.

**Recommendation 5:** To ensure VAC's courses and activities remain dynamic and relevant in the next phase, a strategic approach is recommended: prioritise targeted capacity-building initiatives aligned with Vietnam's reform agenda, tailor content to reform pillars and specific stakeholder groups, and improve participant selection for long-term benefits. Post-course support and flagship offerings should embed learning outcomes, while strengthening policy-practice linkages through research-driven, interactive engagement across pillars will foster sustainable change. Expanding reach to provincial and sectoral leaders, cultivating alumni engagement, and leveraging international partnerships will broaden systemic impact.

**Recommendation 6:** To enhance VAC's effectiveness, it is essential to prioritise early and active stakeholder engagement, so program activities closely reflect local needs. Fostering co-design and mentorship between external experts and local actors will enable a progressive transfer of capacity.



**Recommendation 7:** Establishing a structured Advisory Council will strengthen technical guidance and strategic oversight, and providing targeted support to foundational partners during proposal development will ensure alignment with VAC’s objectives. Relevant experts identified by the Foundational Partners and contracted service providers could be members of the Advisory Council. The MC should determine the strategic/technical needs of an Advisory Council and how it could best support the VAC.

**Recommendation 8:** Systematic investment in a range of capacities to strengthen VAC’s role as a bilateral hub. Such investments could include partnership brokering, facilitation of knowledge exchange; robust systems for research-policy integration; digital infrastructure to support networking and collaboration across countries; and institutional frameworks that enable ongoing engagement with diverse stakeholders. Investment in these capacities and resources will allow the VAC to more effectively drive research-policy integration and foster institutional partnerships, amplifying its impact across the sector.

**Recommendation 9:** To ensure the VAC’s ongoing impact and strategic relevance, it is recommended to further develop a robust MEL system with targeted indicators aligned to core outcomes. This should include:

- Partnership metrics: Define and track indicators for joint research, policy initiatives, and co-developed projects, measuring both direct outputs and broader impacts on collaboration.
- Policy and institutional growth: Monitor progress in policy development and institutional capacity building, focusing on measurable improvements driven by VAC partnerships.
- Stakeholder engagement: Collect and analyse feedback on the relevance, inclusivity, and effectiveness of VAC services, ensuring stakeholder satisfaction and knowledge exchange.
- Adaptive learning: Incorporate regular reviews to enable agile response, helping the VAC and partners refine strategies and targets based on MEL findings.

**Recommendation 10:** To strengthen GEDSI outcomes, the VAC should establish clear participation targets for greater inclusion of persons with disabilities and ethnic minorities, conduct joint studies for inclusion policy development, implement targeted outreach and support strategies to engage provincial and marginalised groups, integrate comprehensive GEDSI indicators and disaggregated data collection into all monitoring and evaluation frameworks, provide training and resources on inclusive and accessible practices to local partners, and institute regular review mechanisms to assess progress and adjust approaches as needed.

**Recommendation 11:** To enhance future impact, opportunities include embedding climate change modules in training, fostering multi-sectoral policy dialogues, partnering with research institutes and international organisations, piloting provincial climate initiatives, building climate-focused networks, and leveraging digital platforms for wider dissemination. These steps would strengthen VAC’s role in mainstreaming climate action and supporting Vietnam’s transition to a climate-resilient future.

**Recommendation 12:** Aus4Skills Phase 3 undertake further exploration of possible approaches to ensure the VAC has financial and operational sustainability beyond current programming to 2035 and delivers lasting impact.

The VAC is encouraged to broaden its funding sources beyond current ODA dependencies by cultivating partnerships with academic institutions, local governments, and the private sector. These collaborations can support joint research projects, co-hosted training, and shared service delivery, thereby driving both innovation and resource mobilisation.

To support operational resilience, targeted investment in permanent staffing, MEL systems, and enhanced communication and public relations capacities is essential.

# Annex A Alternative Institutional and Operational Models for a Sustainable Vietnam - Australia Centre

This annex examines institutional and governance models that can ensure the long-term sustainability and effectiveness of the Vietnam–Australia Centre (VAC), particularly within the framework of Aus4Skills Phase 3. It evaluates each option based on their alignment with VAC’s strategic objectives (EOPOs), institutional ownership, political resilience, and operational flexibility.

Additionally, it considers lessons learned from comparable bilateral centres and assesses potential risks (such as changes in political leadership, particularly in the lead-up to Vietnam’s 14th Party Congress in 2026) that could impact the continuity of VAC’s political support, strategy, and operations.

## 1. Purpose and Strategic Objectives

The purpose of this annex is to support sustainability planning of **future institutional and operational models** for the VAC beyond Phase 3 to achieve its long-term objectives.

*Table 1: Comparison of VAC objectives in different versions of Project Documents*

VAC Objectives	As in the existing Project Document “Establishing and Enhancing the Capacity of the VAC” 2022-2026	As in the VAC Program Logic 2023-2030  (used for Aus4Skills Phase 2)	As in the draft Project Document “Sustainable Development of the VAC” 2027-2031  (prepared for Aus4Skills Phase 3)
EOPO 1 (Program’s outcomes)	Vietnam has strengthened leadership, improved public sector management skills and evidence informed policy to promote its national development and international engagement.	Vietnam has strengthened leadership, improved public sector management skills and evidence informed policy to promote its national development and international engagement.	Vietnam and Australia have strengthened strategic partnership for public sector governance that fosters increased leadership capability and networks, advances women in leadership, and promotes inclusive green growth and institutional innovation.

VAC Objectives	As in the existing Project Document “Establishing and Enhancing the Capacity of the VAC” 2022-2026	As in the VAC Program Logic 2023-2030  (used for Aus4Skills Phase 2)	As in the draft Project Document “Sustainable Development of the VAC” 2027-2031  (prepared for Aus4Skills Phase 3)
EOPO 2 (Program’s outcomes)	Vietnam and Australia have a stronger, more positive and sustainable relationship based on shared interests and mutual benefits.	Vietnam and Australia have a stronger, more positive and sustainable relationship based on shared interests and mutual benefits.	Vietnam and Australia have strengthened strategic partnership for public sector governance that fosters increased leadership capability and networks, advances women in leadership, and promotes inclusive green growth and institutional innovation.
IO 1	<ul style="list-style-type: none"> <li>- Selected Vietnamese leaders and managers, men and women are applying strategic leadership skills and international engagement capabilities.</li> <li>- Vietnamese leaders and managers are using evidence informed policy analysis, advice and dialogue.</li> </ul>	<p>1. Leadership and international engagement capacity development:</p> <ul style="list-style-type: none"> <li>- Participants have increased skills, knowledge and confidence in targeted leadership and international engagement areas.</li> <li>- Participants are applying newly developed knowledge and skills in targeted areas in the professional environment, with an emphasis on women in leadership.</li> </ul> <p>2. Policy research and analysis:</p> <ul style="list-style-type: none"> <li>- Evidence of action taken as a result of findings from research projects and research and policy support grants.</li> <li>- Evidence of policy research and analysis informing national policy dialogue and development and international engagement</li> </ul>	Specific objective 1: Vietnamese public sector leaders apply their enhanced knowledge and skills to inform and/or implement inclusive, climate-adaptive, and socially responsive tools, practices and policies.

VAC Objectives	As in the existing Project Document “Establishing and Enhancing the Capacity of the VAC” 2022-2026	As in the VAC Program Logic 2023-2030  (used for Aus4Skills Phase 2)	As in the draft Project Document “Sustainable Development of the VAC” 2027-2031  (prepared for Aus4Skills Phase 3)
IO 2	<ul style="list-style-type: none"> <li>- Vietnamese and Australian leaders, policy makers, officials and experts have stronger and more positive peer to peer and institutional relationships.</li> <li>- Vietnamese and Australian leaders have genuine two-way policy and knowledge exchange.</li> <li>- VAC alumni have a more positive image of Australia.</li> <li>- The VAC has strong, sustainable partnerships with the private sector, academia and research institutions.</li> </ul>	<p>3. Partnerships and collaborative engagement:</p> <ul style="list-style-type: none"> <li>- Early-stage collaborative activity between the VAC, private sector, academia and research institutions</li> <li>- Peer-to-peer and institutional links between Vietnam and Australia are forming through a process of policy and knowledge exchange.</li> <li>- Growing peer-to-peer and institutional relationships between Vietnamese and Australian leaders, policy makers, officials and experts, including GEDSI related areas.</li> <li>- Evidence of VAC being a centre of choice for high level engagement and discussions between Vietnam and Australia and also within the international region.</li> </ul>	<p>Specific objective 2: Long-term partnerships between Australia and Vietnam through the VAC advance inclusive and equitable public sector capability, and foster mutual trust, learning and on-going collaboration to meet CSP objectives.</p>
EOIO 1 (VAC services/ interventions)	A flagship leadership capability development program (including an elite certificate program), and policy advisory and research service, are established and favoured by the Vietnamese leadership.	N/A.	<p>N/A</p> <p><b>Expectation of HCMA:</b> Effective cooperation model and centre of excellence for leadership training, policy research and knowledge exchange between Vietnam and Australia. With several issues to be considered:</p> <ul style="list-style-type: none"> <li>- Ensure high-level commitment, stability of financial resources, and policy support from both Governments.</li> </ul>

VAC Objectives	As in the existing Project Document “Establishing and Enhancing the Capacity of the VAC” 2022-2026	As in the VAC Program Logic 2023-2030  (used for Aus4Skills Phase 2)	As in the draft Project Document “Sustainable Development of the VAC” 2027-2031  (prepared for Aus4Skills Phase 3)
			<ul style="list-style-type: none"> <li>- Expand and diversify its cooperation types and partners, thereby enhancing quality, innovation and sustainability in its training, research and policy advisory services.</li> <li>- Invest in systematic and long-term capacity development for the Centre’s core staff and experts as well as the next generation.</li> <li>- Attract broader interest, support and participation in the Centre’s projects and initiatives (policy makers, leaders at all levels, the business community and social organisations).</li> </ul>
EOIO 2 (VAC status with its strategic position, capable to deliver VAC services and thus program’s outcomes)	A functional vibrant VAC attracts high level leaders from both countries (government, academia, research and the private sector) and is seen as a Centre of choice for engagement and discussions in areas that are priorities for both governments.	NA	<p>N/A</p> <p><b>Expectation of HCMA:</b> Effective cooperation model and centre of excellence for leadership training, policy research and knowledge exchange between Vietnam and Australia. With several issues to be considered:</p> <ul style="list-style-type: none"> <li>- Ensure high-level commitment, stability of financial resources, and policy support from both Governments.</li> <li>- Expand and diversify its cooperation types and partners, thereby enhancing quality, innovation and sustainability in its training, research and policy advisory services.</li> <li>- Invest in systematic and long-term capacity</li> </ul>

<b>VAC Objectives</b>	<b>As in the existing Project Document “Establishing and Enhancing the Capacity of the VAC” 2022-2026</b>	<b>As in the VAC Program Logic 2023-2030</b>  <b>(used for Aus4Skills Phase 2)</b>	<b>As in the draft Project Document “Sustainable Development of the VAC” 2027-2031</b>  <b>(prepared for Aus4Skills Phase 3)</b>
			development for the Centre’s core staff and experts as well as the next generation. - Attract broader interest, support and participation in the Centre’s projects and initiatives (policy makers, leaders at all levels, the business community and social organisations).

### 3. Model Options

*Table 2: Summarises the pros, cons, and mitigation measures for five institutional models for further consideration.*

<b>Model Option</b>	<b>Description</b>	<b>Pros</b>	<b>Cons</b>	<b>Risk Mitigation</b>
1. HCMA + DFAT TA (Status Quo)	HCMA hosts, DFAT/Aus4Skills provides funding and contractor-managed TA.	<ul style="list-style-type: none"> <li>- Familiar model</li> <li>- Political legitimacy</li> <li>- Rapid implementation</li> </ul>	<ul style="list-style-type: none"> <li>- Low ownership</li> <li>- Limited flexibility</li> <li>- Reliant on current leadership</li> <li>- Dependent on contractor capacity and limitations</li> </ul>	<ul style="list-style-type: none"> <li>- Formal MOU</li> <li>- Joint governance</li> <li>- Establish Advisory Council and/or Technical Groups</li> <li>- Strengthen HCMA role in VAC operation</li> <li>- Develop capacity for VAC core staff at HCMC</li> </ul>
2. Semi-autonomous Centre under HCMA	Independent governance board; own staff and budget under HCMA umbrella.	<ul style="list-style-type: none"> <li>- Institutional resilience</li> <li>- Operational flexibility</li> <li>- Policy credibility</li> </ul>	<ul style="list-style-type: none"> <li>- Requires approval beyond Aus4Skills</li> <li>- Capacity of VAC core staff</li> </ul>	<ul style="list-style-type: none"> <li>- Formal MOU</li> <li>- External advisory board</li> <li>- DFAT short-term TA</li> </ul>
3. University or Think Tank Hosted Centre	Hosted at VNU, RMIT, or similar institution, with oversight from DFAT and GoV.	<ul style="list-style-type: none"> <li>- Academic linkage</li> <li>- Youth engagement</li> </ul>	<ul style="list-style-type: none"> <li>- Less direct political access</li> <li>- Host institutions may shift focus</li> </ul>	<ul style="list-style-type: none"> <li>- Secure bilateral mandate</li> <li>- Targeted high-level outreach</li> </ul>

Model Option	Description	Pros	Cons	Risk Mitigation
		- Diverse partnerships		
4. Public Sector Unit with Long-term MOU	Permanent GoV unit with DFAT strategic agreement and Aus4Skills support to establish.	- Strong ownership - Budget support - National policy integration	- Bureaucratic inertia - Slow to adapt	- Safeguard fund - Independent review cycles
5. Australian Centre in Vietnam	Permanent unit hosted by Australian organisation/ company with DFAT strategic agreement.	- Strong ownership (of Australia) - Diverse types and areas of cooperation (education, research, business, etc.) and funding (e.g. private sector involvement)	- Requires approval beyond Aus4Skills - Significant initial investment - Alignment with national priorities and regulations	- Formal MOU - Strategy for maintaining relevance to both Australian and Vietnamese partners - External advisory board - DFAT short-term TA

### Option 1: HCMA + DFAT TA (Status Quo Model)

While the status quo model provides a solid foundation through HCMA leadership and enables rapid deployment, it is heavily reliant on the managing contractor, which restricts institutional ownership, establishment of partnerships with academia and the private sector, and slows capacity building within HCMA. Stakeholder feedback (mainly Vietnamese stakeholders) indicates that, for the centre to realise its ambitions and long-term impact, it must transition toward a model that empowers HCMA, fosters ownership, and builds capabilities for future independent operation.

### Option 2: Semi-autonomous Centre under HCMA

A semi-autonomous Centre housed within HCMA could be modelled after the Centre for Indian Studies (CIS), established in 2014. This structure would blend institutional support with greater independence to foster academic research, policy studies, and international collaboration, especially between Vietnam and key partners. The Centre would organise seminars, facilitate exchanges, and conduct joint research, while maintaining robust government connections and advisory oversight. Such a model would enhance capacity-building and promote strategic partnerships, aligning with national priorities yet strengthening operational autonomy. Collaboration with embassies, associations, and academic institutions would be central to its ongoing impact and relevance.



### **Option 3: University/Think Tank Hosted Centre**

This model envisions the VAC as a university- or think tank-hosted centre, offering expanded academic partnerships and international collaboration, akin to the Australia Vietnam Policy Institute (AVPI) hosted by RMIT. Such a structure could attract policy research co-development opportunities and foster innovation, with strong support from Australian universities. However, this approach risks weakening essential connections with Vietnamese government leadership and could potentially limit direct policy support. HCMA stakeholders highlight the necessity of maintaining robust government linkages to ensure relevance and policy support. While this model offers greater academic flexibility, balancing independence with governmental engagement remains a critical challenge for long-term success.

### **Option 4: Australian Centre with Long-Term MoU**

Making VAC an official part of the Vietnamese civil service would guarantee ongoing national funding and help secure its long-term future. However, this model carries the risk of increased bureaucracy, which could slow down decision-making and reduce the centre's ability to respond flexibly to new opportunities or challenges. To address these risks, it is suggested to implement regular external reviews and establish periods devoted to innovation. These measures could help maintain VAC's effectiveness and adaptability while ensuring government support and financial stability.

### **Option 5: Australian Centre in Vietnam**

This option proposes establishing an Australian Centre in Vietnam, inspired by the “German House” in Ho Chi Minh City. As a standalone, high-profile institution, it would serve as a hub for bilateral engagement, housing Australian organisations, offering collaborative spaces, and hosting events that foster partnerships and policy dialogue. While enhancing visibility and year-round engagement, the model would require significant investment, careful coordination with Vietnamese authorities, and a diversified funding strategy to ensure long-term sustainability. Ultimately, this approach could create a landmark institution symbolising the enduring Australia–Vietnam partnership.

## **Annex B 4 Resolutions of Vietnam's reform agenda**

### **Summary of Resolution No. 57-NQ/ TW**

#### **RESOLUTION OF THE POLITBURO ON BREAKTHROUGH IN THE DEVELOPMENT OF SCIENCE, TECHNOLOGY, INNOVATION, AND NATIONAL DIGITAL TRANSFORMATION**

#### **SUMMARY OF SOME IMPORTANT CONTENTS:**

##### **Objectives:**

##### **- By 2030:**

- The potential of science, technology, and innovation reaches advanced levels in many fields; enterprises have above-average global innovation capacity; some fields achieve international standards. Vietnam ranks among the regional leaders in digital competitiveness, e-government, AI, and digital technology industry. At least 5 digital technology enterprises reach international stature.
- The contribution of Total Factor Productivity (TFP) to growth exceeds 55%; the proportion of high-tech exports in the total value of exported goods accounts for at least 50%; the digital economy reaches 30% of Gross Domestic Product (GDP); over 80% of citizens and enterprises use online public services, non-cash transactions reach 80%; over 40% of enterprises engage in innovation; science and technology contribute to maintaining HDI above 0.7.
- R&D funding reaches 2% of GDP, with society contributing over 60%; at least 3% of the annual budget is allocated to science, technology, and digital transformation. Scientific and technological organisations are streamlined effectively; research personnel reach 12 per 10,000 people; 40–50 organisations are ranked regionally and globally; international scientific publications increase by an average of 10%/year; intellectual property patents increase by an average of 16–18%/year, with commercial exploitation reaching 8–10%.
- Modern digital technology infrastructure with large capacity, nationwide 5G coverage; gradually mastering strategic technologies such as AI, IoT, big data, cloud computing, blockchain, semiconductors, quantum, nano, 5G/6G, satellite information... Establishing smart cities in centrally governed cities and some

eligible provinces and cities; attracting at least 3 leading technology enterprises to invest in Vietnam.

- State management in the digital environment operates seamlessly among agencies in the political system; completing national and sectoral databases; effectively exploiting digital resources, establishing data trading platforms. Developing digital government, digital economy, digital society, digital citizens, and digital cultural industry at a high level. Vietnam ranks among the leaders in cybersecurity, data security, and data protection.

#### **- Vision to 2045:**

- Science, technology, innovation, and digital transformation develop firmly, contributing to making Vietnam a developed, high-income country. Vietnam's digital economy reaches at least 50% of GDP; it becomes one of the regional and global centers for the digital technology industry; ranks among the top 30 countries globally in innovation and digital transformation. The proportion of digital technology enterprises matches that of developed countries; at least 10 digital technology enterprises reach the level of advanced countries. Attracting at least 5 leading global technology organisations and enterprises to establish headquarters, invest in research, and produce in Vietnam.

#### **Guiding Directions:**

1. The pivotal role of science and technology: Science, technology, innovation, and digital transformation are the foremost breakthrough, creating momentum for modern production, innovative governance, social development, preventing lag, and enabling the country to break through.
2. Strengthening the Party's comprehensive leadership, harnessing the collective strength of the entire political system, the active participation of entrepreneurs, enterprises, and the People in the development of science, technology, innovation, and national digital transformation. Citizens and enterprises are the center, the subject, the resource, and the main driving force; scientists are the key factor; the State plays the role of leading, promoting, and creating the most favorable conditions for the development of science, technology, innovation, and national digital transformation.
3. Institutions, human resources, infrastructure, data, and strategic technologies are the core, central contents, with institutions being the prerequisite condition, needing to be perfected and ahead of the curve. Innovating the mindset in lawmaking to ensure both management requirements and encouragement of

innovation, eliminating the mindset of “prohibiting what cannot be managed”. Prioritising the assurance of high-quality human resources for the development of science, technology, innovation, and national digital transformation; having special mechanisms and policies for talents. Developing infrastructure, especially digital and technology infrastructure, based on the principle of “modern, synchronised, secure, safe, efficient, avoiding waste”; enriching and maximising the potential of data, turning data into a key production asset, promoting the rapid development of large databases, data industry, and data economy.

4. Rapid and sustainable development, gradually achieving self-reliance in technology, especially strategic technologies; prioritising national resources for investment in development of science, technology, and innovation, and digital transformation. Maximising Vietnam’s potential and intellect while quickly adopting, absorbing, and applying the world’s advanced scientific and technological achievements; promoting applied research, emphasising basic research, aiming for self-reliance and competitiveness in some fields where Vietnam has demand, potential, and advantages.

5. Ensuring national sovereignty in cyberspace; ensuring cybersecurity, data security, and information safety of organisations and individuals is a consistent, inseparable requirement throughout the process of developing science, technology, and innovation, and national digital transformation.

### **Tasks and Solutions:**

1. Raising awareness, breaking through in mindset innovation, determining strong political resolve, decisively leading and directing, creating new momentum and enthusiasm in society as a whole to about development of science, technology, and innovation, and national digital transformation.

2. Urgently and decisively perfecting regulations institutions; eliminating all thoughts, notions, barriers hindering development; turning regulations institutions into a competitive advantage in the development of science, technology, and innovation, and digital transformation.

3. Strengthening investment, improving infrastructure for science, technology, and innovation, and digital transformation national digital transformation.

4. Developing and valuing high-quality human resources, and talents, to meet the requirements for the development of science, technology, technology, and innovation, and digital transformation national digital transformation.

5. Vigorously promoting digital transformation, applying science, technology, and innovation, and innovation in the activities of agencies in the political system; enhancing the efficiency of national governance, and the effectiveness of state management in various fields, ensuring national defense and security.
6. Strongly promoting science, technology, and innovation, and digital transformation activities in enterprises.
7. Strengthening international cooperation in the development of science, technology, and innovation, and digital transformation.

## **Summary of Resolution No. 59-NQ/TW**

### **RESOLUTION OF THE POLITBURO**

### **ON INTERNATIONAL INTEGRATION IN THE NEW SITUATION**

#### **SUMMARY OF SOME IMPORTANT CONTENTS:**

##### **Overall Objective:**

Enhance the quality, effectiveness, coherence, comprehensiveness, and depth of international integration, maintaining a peaceful and stable environment, making practical contributions to building, developing, and protecting the country. Maximise external resources and favorable conditions to build an independent, self-reliant, self-sufficient, and resilient economy, developing rapidly and sustainably; perfect the socialist-oriented rule-of-law State of Vietnam of the people, by the people, and for the people; continuously improve the people's overall living standards for their happiness; preserve and promote cultural values and the strength of the Vietnamese people, enhancing the country's comprehensive national strength; elevate the country's role, position, and international prestige. By the first half to mid-21st century, Vietnam becomes a developed, high-income country following a socialist orientation.

##### **Specific Objectives:**

- International economic integration.
- International integration in politics, defense, and security.
- International integration in science, technology, innovation, culture, society, tourism, environment, education and training, healthcare, and other fields.
- Enhance the capacity and political resolve for international integration.

##### **Tasks and Solutions for Implementation:**

1. Strengthen the Party's leadership; innovate thinking, awareness, and actions in international integration in the new situation.
2. Enhance the effectiveness of international economic integration to serve the building of an independent, self-reliant, self-sufficient, and resilient economy,

promote economic restructuring, innovate the growth model, and advance digital transformation.

**3.** Pursue deeper, more comprehensive, and effective international integration in politics, defense, and security, contributing to maintaining a peaceful and stable environment, promoting socio-economic development, protecting the Fatherland from early and from afar, and enhancing the country's potential and international position.

**4.** Promote international integration in science, technology, and innovation, contributing to enhancing national competitiveness, expanding sustainable development space, and modernising the country.

**5.** Promote international integration in culture, society, tourism, environment, education and training, healthcare, and other fields.

**6.** Enhance the capacity to implement international commitments and agreements, coupled with strengthening inspection, supervision of implementation, and promoting the improvement of domestic institutions, policies, and laws.

**7.** Enhance the effectiveness and efficiency of directing and coordinating international integration efforts; promote the proactive and active role of localities.

## **Summary of Resolution No. 66-NQ/TW**

### **RESOLUTION OF THE POLITBURO ON INNOVATING THE WORK OF LAW-MAKING AND LAW ENFORCEMENT TO MEET THE REQUIREMENTS OF NATIONAL DEVELOPMENT IN THE NEW ERA**

#### **Objectives:**

##### **- By 2030:**

- Vietnam has a democratic, fair, coherent, unified, transparent, and feasible legal system with a strict and consistent enforcement mechanism, ensuring the legal basis for the normal, continuous, and seamless operation of agencies after organisational restructuring, resolving practical obstacles, paving the way for creative development, and mobilising all citizens and enterprises to participate in socio-economic development so that by 2030, Vietnam becomes a developing country with modern industry and upper-middle income.
- By 2025, basically complete the resolution of "bottlenecks" caused by legal regulations. By 2027, complete the amendment, supplementation, and issuance of new legal documents to ensure a coherent legal basis for the operation of the state apparatus under the three-tier government model. By 2028, perfect the legal system for investment and business, contributing to placing Vietnam's investment environment among the top three countries in ASEAN.

##### **- Vision to 2045:**

- Vietnam has a high-quality, modern legal system approaching international standards and best practices while suitable to the country's realities, enforced strictly and consistently, respecting, ensuring, and effectively protecting human rights and citizens' rights; the supremacy of the Constitution and the law becomes the behavioral standard for all entities in society; modern national governance with a lean, efficient, and effective state apparatus meets the requirements for rapid and sustainable national development, becoming a developed, high-income country following a socialist orientation by 2045.



## **Tasks and Solutions:**

1. Ensure the comprehensive and direct leadership of the Party in law-making, highly promoting the Party's principles in the development and enforcement of laws.
2. Innovate thinking and orientation in law-making to both ensure state management requirements and encourage creativity, unleash all productive forces, and unlock all resources for development.
3. Create breakthroughs in law enforcement, ensuring laws are implemented fairly, strictly, consistently, promptly, effectively, and efficiently; closely linking law-making with law enforcement.
4. Enhance the effectiveness of international cooperation and international law.
5. Develop breakthrough solutions to improve the quality of legal human resources.
6. Strengthen digital transformation, applying artificial intelligence and big data in law-making and law enforcement.
7. Implement special financial mechanisms for law-making and law enforcement.

## **Summary of Resolution No. 68-NQ/TW**

### **RESOLUTION OF THE POLITBURO ON THE DEVELOPMENT OF THE PRIVATE ECONOMY**

#### **Objectives:**

##### **- By 2030:**

- The private economy is one of the most important driving forces of the national economy; it is the pioneer in the development of science, technology, innovation, and digital transformation.
- Strive to have 2 million enterprises operating in the economy, with 20 enterprises per thousand people. Have at least 20 large enterprises participating in global value chains.
- The average growth rate of the private economy reaches approximately 10 - 12%/year, higher than the overall economic growth rate; contributing approximately 55 - 58% to GDP, approximately 35 - 40% to total state budget revenue, providing employment for approximately 84 - 85% of the total labor force; labor productivity increases by an average of approximately 8.5 - 9.5%/year.
- The level and capacity of technology, innovation, and digital transformation rank among the top three countries in ASEAN and the top five countries in the Asian region.

##### **- Vision to 2045:**

- Vietnam's private economy develops rapidly, strongly, and sustainably, proactively participating in global production and supply chains; it has high competitiveness in the region and internationally; strive to have at least 3 million enterprises operating in the economy by 2045; contributing approximately over 60% to GDP.

## **Tasks and Solutions:**

1. Innovate thinking, achieve high consensus in awareness and action, ignite national confidence and aspiration, create new momentum and enthusiasm to develop the private economy.
2. Promote reform, improve, and enhance the quality of institutions and policies, effectively ensure and protect property rights, business freedom rights, asset rights, equal competition rights of the private economy, and ensure contract enforcement of the private economy.
  - 2.1. Promote reform and improve the quality of institutions and policies
  - 2.2. Effectively ensure and protect property rights, business freedom rights, asset rights, equal competition rights, and ensure contract enforcement of the private economy
  - 2.3. Adhere to the principle of clearly distinguishing criminal liability from administrative and civil liability, between legal entities and individuals in handling violations
3. Facilitate the private economy's access to resources such as land, capital, and high-quality human resources.
  - 3.1. Enhance opportunities for the private economy to access land and business premises
  - 3.2. Promote and diversify capital sources for the private economy
  - 3.3. Improve the quality of human resources for the private economy
4. Promote science, technology, innovation, digital transformation, green transformation, and efficient, sustainable business practices in the private economy.
5. Strengthen connectivity between private enterprises, and between private enterprises, state-owned enterprises, and FDI enterprises.
6. Form and rapidly develop large and medium-sized enterprises, and private economic groups of regional and global stature.
7. Provide substantial and effective support to small, micro-enterprises, and household businesses

## Annex C . List of documents reviewed

1. VAC Design (2020)
2. VAC Strategy (2022-2026)
3. VAC Project Document
4. VAC MEL Framework
  - Independent review of VAC MEL Framework (2023)
5. VAC Communication Strategy
6. VAC Annual Plan 2022-23
7. VAC Annual Plan 2023-24
8. VAC Annual Plan 2024-25
9. VAC Annual Report 2022-23
10. VAC Annual Report 2023-24
11. VAC Program Steering Committee (PSC) and Executive Committee (EC) TORs
12. VAC International and National Directors TORs
13. Program Steering Committee Minutes (2022-2025)
14. Aus4Skills Mid-term Review (December 2023)
15. Australia Vietnam Development Partnership Plan
16. Aus4Skills Phase 3 Investment Design Document (2025-2035) (provided post-submission of the draft report)