



International
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Terms of Reference

Recommendation on solutions to improve the SME's access to state's support policies in Vietnam; enhance the SME's investment in equipment, new technologies, green and digital transformation through access to finance; support SMEs to "go global"

ILO Country Office for Viet Nam (CO-Hanoi)

1. Background

The Vietnamese Small and Medium Sized Enterprise (SME) Supporting Law 2017 defines seven basic groups of policy for SME, including access to finance through commercial bank system and state fund one (SME Development Fund and Local Credit Guarantee Fund); access to land and production premises; support for accounting, corporate tax; support for technology, incubation, co-working space; support for market expansion; support for human resource; support to information access, consultancy and legal and support policies for 3 tailored made groups of SME transforming from business households, innovative startups and SME joining the industrial cluster and value chain. The enactment of the Law on Supporting SME in 2017 marked a pivotal step in institutionalizing Viet Nam's commitment to nurturing a dynamic private sector—particularly small and medium enterprises which constitute nearly 98% of all active private enterprises. To implement the SME Supporting Law, the Government and relevant ministries issued a comprehensive guiding legal documents and some core documents are:

- Decree 80/2021/NĐ-CP, which supersedes Decree 39/2018/NĐ-CP, elaborates the framework for identifying SMEs, supporting start-ups, providing technical assistance, and enabling participation in industry clusters and value chains. It reinforces the prioritization of Women-owned SMEs (WSMEs) and social enterprises.
- Decree 38/2018/ND-CP guiding investments in small and medium-sized startup companies.
- Decree 39/2019/ND-CP and Decree 45/2024/ND-CP on SME Development Fund
- Decree 34/2018/ND-CP on credit guarantee fund for SMEs
- Decree 55/2019/ND-CP on legal support for SMEs
- Circular 06/2022/TT-BKHĐT (Ministry of Planning and Investment) and Circular 52/2023/TT-BTC (Ministry of Finance) provide further guidance on operationalizing state budget support for WSMEs, especially in consulting and human resource development programs. These instruments explicitly promote the allocation of regular budget resources toward WSMEs and social enterprises, reflecting Viet Nam's broader commitment to inclusive economic growth.

While the legal framework is robust on paper, implementation challenges persist. After more than 8 years implementation, the results and outcomes to SMEs are limited. SMEs continue to face multiple structural barriers, including:

- Limited access to finance due to informality, collateral requirements, credit information asymmetries, SME credit inequality and gender bias in lending.
- Inadequate access to market information, technological infrastructure, government support, R&D investment, low adoption of digital solutions, and difficulty in integrating into larger supply chains and procurement opportunities.
- Shortages of skilled labour and weak business management capacity;

- SMEs are often more vulnerable to climate-related disruptions and rural and remote SMEs face additional challenges in infrastructure, connectivity, and market linkages;
- Complex administrative procedures and low coordination between business support programmes that disproportionately burden smaller and women-led businesses.

There are many reasons, but the following main reasons are:

- Some support policies (access to finance via state funds, technology support, innovative startups support, support to join in global value chain, etc) are less feasible in the reality and do not meet the SME's need
- Mechanisms of support from the state budget is too complicated and do not encourage both SMEs and SME support agencies

To address the above challenges, Vietnam has introduced special mechanisms and policies to assist small and medium-sized enterprises (SMEs) in accordance with market principles and international commitments: On May 4, 2025, the Vietnam Politburo issued resolution No. 68-NQ/TW on the development of the private sector, aiming to unlock all potential drivers of national growth. The resolution outlines breakthrough policy groups and solutions to facilitate the rapid and sustainable growth of the private economy in the coming period. One of the key solutions for sustainable long-term private sector development is enhancement of the supporting policies for SME. Resolution 68 clearly defined that the Government will: (1) introduce special mechanisms and policies to assist SMEs in accordance with market principles and international commitments; (2) Introduce a policy to prioritize granting commercial credit loans to private enterprises, particularly SMEs, supporting industry enterprises, and startups for making investment in machinery, equipment, new technologies, green and digital transformation, export credit, and supply chain credit; (3) Perfect the model of credit guarantee funds for SMEs at both central and local levels; propose the establishment of re-guarantee funds and mutual or co-guarantee models; (4) Support enterprises "go global" via exports and investments abroad, etc.

To implement the Politburo Resolution No. 68-NQ/TW on the development of the private sector, the Government also issued resolution No. 138/NQ-CP dated May 16, 2025. Under this resolution, Ministry of Finance (MOF) is tasked with reviewing and amending the SME Support Law (in 2026) and its implementing regulations to incorporate the policies in terms of: (1) a special mechanisms to assist SMEs in accordance with market principles and international commitments; (2) support private enterprises, particularly SMEs, supporting industry enterprises, and startups for making investment in machinery, equipment, new technologies, green and digital transformation, export credit, and supply chain credit via access to finance; (3) a mechanism for establishing a centralized credit re-guarantee fund to perform the function of re-guarantee local credit guarantee funds; (4) Support enterprise go global via export and investment abroad; (5) Develop the linkages of SMEs through industrial clusters, value chains, and supply chains and encourage large enterprises to lead

domestic supply chains and collaborate with SMEs and household businesses in different sectors such as manufacturing, agriculture, food processing, IT, and the creative industry; (6) Enhance enterprises' access to land and premises for production and business activities; (7) Facilitate private sector, especially SMEs in access to high-quality human resources.

The National Assembly also issued the Resolution No. 198/ 2025/QH15 that introduces special mechanisms and policies to promote private sector development, with a strong emphasis on supporting SMEs, innovative startups, and business households.

The Employment Law (revised) also aligns closely with the Resolutions 68-NQ/TW and Resolution 138/NQ-CP to promote private sector development by empowering enterprises to actively shape the labour market through recruitment, training, and human resource support. It expands access to preferential loans for SMEs, cooperatives, and household businesses to create jobs, maintain operations, or grow, with priority given to employers of people with disabilities, ethnic minorities, and those operating in disadvantaged areas.

Enhancing SME's investment in making investment in machinery, equipment, new technologies, green and digital transformation and supporting their efforts to go global can play a transformative role in driving inclusive economic development and advancing social well-being. These investments will improve productivity and competitiveness while reducing environmental impact, creating new job opportunities, enabling just transition toward a more sustainable economy.

The Productivity Ecosystems for Decent Work Project (PE4DW), launched jointly by the International Labour Organisation (ILO) together with the Swiss State Secretariat for Economic Affairs (SECO) and the Norwegian Agency for Development Cooperation (NORAD), aims at addressing constraints to productivity growth and decent job creation. The Project will address productivity and decent work deficits across policy, sector and enterprise levels for win-win solutions that improve productivity and that ensure, through social dialogue and workplace cooperation, that gains from productivity growth and decent work are distributed equitably. For this purpose, the Project will select a “slice” of the local productivity ecosystems, i.e., a sector and associated segment of the overall ecosystem in which the potential for productivity growth and decent job creation are aligned with feasibility to intervene.

The Agency for Private Enterprise and Cooperative Economic Development (APED) is a department under the Ministry of Finance (MOF) performs state management functions and support for enterprise development in all economic sectors. To promote the private economy to improve productivity, competitiveness, develop strongly, contribute significantly to job creation, social security, realize the goal by 2030, and to help Vietnam to become a developed country with high income by 2045, Vietnam needs to identify and implement breakthrough and outstanding solutions

to address bottlenecks for private economy development, especially in perfecting institutions and policies to access production and business resources for private enterprises (capital, land, production and business premises, participation in state's projects and tasks).

To address these barriers and to study for new policies for SMEs toward implementation of the Politburo's orientation, and with technical support by ILO, ILO and APED are looking for a consulting firm to implement a study on "Recommendations on solutions to improve the SME's access to state's support policies in Vietnam and enhance the SME's access to finance and to "go global".

The partnership with APED contributes to achieving Outcome 1 of the ILO Decent Work Country Programme 2022-2026, which aligns with the national Socio-economic Development Strategy (SEDS) for 2021-2030 and the Socio-economic Development Plan (SEDP) for 2021-2025.

2. Objectives and tasks

Objectives

The **overall objective** of this assignment is to conduct a comprehensive review and assessment of the current situation, mechanisms and policies related to support for SMEs; policies to support SMEs' access to finance and international markets (go global). Based on this assessment, the assignment aims to recommend new mechanisms and policy solutions to address existing bottlenecks in private enterprises' access to resources and go global. Specifically, the areas of research are as follows:

- Review existing policies and regulations, programmes and initiatives related to the implementation mechanism to support policies and programs for enterprises, especially SMEs from the state budget (implementation approach, role of supporting agencies, budget flow, budget allocation followed by the state budget regulations, mechanism on using annual budget based on the public procurement legal provisions, etc.) and propose the most suitable mechanisms to assist SMEs in accordance with market principles and international commitments; -
- Develop policy recommendations to support SMEs, especially those in supporting industry sector and startups- in investing in machinery, equipment, new technologies, green and digital transformation to improve productivity and efficiency through access to commercial loans, preferential loans and credit guarantee funds (CGF).
- Propose policy recommendations to support enterprises go global via export and overseas investments.

Tasks

To realize the above-mentioned specific objectives and outputs, the assignment will include the following tasks:

- **Task 1:** Prepare a work-plan and draft a report outline: Conduct desk review to draft the report outline, survey methodology and data collection methods and participate in kick-off meeting to finalize a reporting outline, activities and research implementation plans
- **Task 2:** Conduct surveys/interviews with SMEs (including women entrepreneurs and SMEs in different regions) and other stakeholders to collect related information on:
 - Needs and challenges to access the state support programs/policies and recommendation.
 - Challenges and recommendations to policy on supporting SMEs to invest in machinery, equipment, new technologies, green and digital transformation to improve productivity and effectiveness through access to finance
 - Challenges and recommendations to policy on supporting SMEs go global. This should also include challenges related to SME linkages with large domestic and foreign firms, global value chains participation, impact of these linkages to MSMEs' access to finance, and policy recommendation to strengthen these linkages

For all the areas, the challenges shall include specific challenges that women entrepreneurs or SMEs in different regions are facing.

The survey will include mass survey (online or via email), in-depth interview and technical consultative meetings. This shall ensure at least 50 SMEs respondents for mass interview, and in-depth interview and consultation meeting with key stakeholders including representatives from government agencies, association, SME support organisations, financial institutions, banks and fintech institutions, etc.

- **Task 3:** Review legal regulations related to state support regulations for enterprise and propose a breakthrough mechanism in implementing the support programs/policies for SMEs.
 - Conduct a comprehensive review of current programs, policies, and regulations related to the state's support to SMEs
 - Analyze operational performance, challenges, and bottlenecks in existing support mechanisms.
 - Current state of SME support in Vietnam, including the lack of appropriate programme design, overlapping and fragmented government support, high rate of

informality, lack of digital solutions. Identify these issues.

- Research international best practices in executing and coordination the SME supporting programs by the state's budget. Identify international models of integrated SME support and assess which ones are adaptable to the Vietnamese context.
 - Develop proposals a special mechanisms and policies to assist SMEs in accordance with market principles and international commitments. Consider incentive policies for social and environmental compliance and best practices (i.e. the role of single registration and social security in these integrated digital portals as part of the set of incentives tied to compliances).
- **Task 4:** Propose policy recommendations to support SMEs investing in machinery, equipment, new technologies, green and digital transformation, export credit, and supply chain credit through access to finance:
- Conduct a comprehensive review of current laws, policies, and regulations related to support SME's investment in machinery, equipment, new technologies, green and digital transformation, focusing on access to finance including commercial and preferential loans and relevant funds
should be considered in the context on the new Employment law which foresees to expand access to preferential loans for job creation (i.e. how interventions to facilitate access to finance take into account job objectives and recommendations on how to enhance the impact on job)
 - Analyze operational performance, challenges, and bottlenecks in existing financial support mechanisms.
 - Map financial access barriers faced by SMEs (collateral, credit risk assessment, information asymmetry).
 - Research international best practices in SME finance (e.g., Korea, Japan, Singapore, EU) including green finance, crowdfunding, and fintech models.
 - Develop proposals to support SMEs, focusing on SME in the supporting industry and startups to invest in machinery, equipment, new technologies, green and digital transformation as well as policy measures and incentive mechanism that encourage financial institutions to expand credit provision to MSMEs, particularly women owned, digital enabled and green MSMEs.
- **Task 5:** Prepare proposed model for Credit guarantee Funds for SMEs at both central and local levels and the establishment of re-guarantee funds and mutual or co-guarantee models to creating the favourable conditions for SME in accessing to cheap finance to invest in more machinery, equipment, new technologies, etc.

- Analyze gaps, overlaps, and inconsistencies in current policies affecting SMEs to access to finance through SME Credit Guarantee Fund (CGF).
- Map out key challenges SMEs face in complying with demands of CGF.
- Research international best practices on CGF (especially in Korea, Japan, Indonesia) and lessons learnt for Viet Nam.
- Develop proposals to restructure CGF system, including recommendation for establishment of central re-guarantee fund.
- **Task 6:** Propose recommendations on supporting enterprise go global via export and investment abroad:
 - Conduct a comprehensive review of current non-financial support programs: consulting, training, market development, technology adoption, innovation, digital transformation, sustainable development for SMEs, etc to support SME can go global.
 - Research international best practices in supporting SME go global, including export and investment abroad (Singapore, Korea, Japan, the USA, etc.)
 - Analyse the challenges for SMEs to go global including but not limited to SME linkages with large domestic and foreign firms, global value chains participation, impact of these linkages to MSMEs' access to finance, and policy recommendation to strengthen these linkage
 - Develop policy proposals for national programs that support SMEs in export and investment abroad.
 - Develop proposals to establishing the policies system for SMEs go global, focusing on export and investment in other countries.
- For all the relevant tasks, where possible the recommendations should map the inter relationships among the different components covered, such as single/simplified registration, access to financial, fiscal and market access incentives, streamlining of export procedures and fees, matchmaking support, etc.
- The consultant team will closely work with APED and ILO to ensure that the study research and policy recommendation meet the APED's expectations and requirements, thereby supporting the process of reviewing and recommendations for supporting SMEs access to resources and go global.

3. Deliverables and timeline

The assignment is expected to start from 5 September 2025 until 30 April 2026. The expected deliverables are provided in the table below:

Deliverables	Deadline
<p>Deliverable 1 (for Task 1): A work-plan detailing activities and research implementation plan, including detailed description and justification of survey methodology and data collection method, showing milestones/major deliverables and activities highlighting the critical path forward and three reports outlines on:</p> <ul style="list-style-type: none"> - Mechanisms and Policies to assist SMEs by the state's budget; - Support SMEs invest in machinery, equipment, new technologies, green and digital transformation to improve productivity and effectiveness through access to commercial loans and credit guarantee funds. - Support enterprises go global via export and investment abroad. - Proposed analytical and consultative approaches towards designing concrete recommendations; this should include a perspective on the interrelationships among the different support measures (such as single/simplified registration, access to financial and fiscal incentives tied to compliance , streamlining of export procedures tied to single/simplified registration, etc.) <p>Tentative list of the following:</p> <ul style="list-style-type: none"> - Inventory of existing programmes and policies in Vietnam (similar to the bullet points under Deliverable 1) - International case studies to benchmark, with indication of features that are pertinent to Vietnam - Respondents to interview, with details on the ministries, associations and agencies relevant to the listed programmes 	<p>Within 15 days upon signing of the contract</p>
<p>Deliverable 2 for Task 2: A report on survey data analysis and meeting notes in related in-depth interviews</p>	<p>30 October 2025</p>
<p>Deliverable 3 for Task 3: Draft Report on Review legal regulations related to state support regulations for enterprise and propose a breakthrough mechanism in implementing the programs/policies to assist SMEs</p> <p><i>The report shall include and integrate the analysis of Legal & Policy Review; International Best Practices; Policy Recommendation</i></p>	<p>30 November 2025</p>

Deliverables	Deadline
Deliverable 4 for Tasks 4 & 5: Draft Report on Review legal regulations and recommendation to support SMEs invest in machinery, equipment, new technologies, green and digital transformation to improve productivity and effectiveness through access to commercial loans and credit guarantee funds. <i>The report shall include and integrate the analysis of Legal & Policy Review; International Best Practices; Policy Recommendation</i>	30 November 2025
Deliverable 5 for Task 6: Draft Report on review legal regulations and recommendation to support enterprises go global via export and investment abroad.	30 November 2025
Deliverable 6: Power Point slides and minutes of findings at the Stakeholder consultation meetings (if required)	30 January 2026
Deliverable 7 (Final versions of Deliverables 3, 4, 5): Three final reports that address APED's and ILO's comments on the draft report as well as feedback from the consultation workshops	15 days upon receiving feedback of ILO and APED on the draft reports

APED and ILO will review all deliverables and provide feedback on whether the deliverables are in line with expectations.

All deliverables shall be in Vietnamese and English (auto-translation with the experts' finalization to ensure the accuracy of technical content and the proper use of technical terms).

4. Financial arrangements

The contractor is expected to propose the total value and cost break down for the work above.

Deliverables	Payment terms
1. Submission of Deliverable 1/A work-plan of implementation of the assignment, survey methodology and data collection methods and the outlines of the three reports with ILO and APED's approval of the workplan	10% of total contract amount

Deliverables	Payment terms
2. Submission of deliverable 2/A report on survey data analysis and meeting notes in related in-depth interview with ILO's and APED's approval of the report	20% of total contract amount
3. Submission of deliverables 3, 4, 5/ Three draft reports as mentioned in the Deliverables with ILO's and APEED's approval of the draft reports	40% of total contract amount
4. All products under the contract including Deliverables 6 and 7 which are approved by APED and ILO	30% of total contract amount

5. Qualification requirements

- The consulting firm shall have:
 - at least 7 years of recent working experience related to research, consultancy and policy advice in enterprises development, investment, finance, international trade especially those for SMEs development;
 - demonstrated expertise in policies and programmes for SMEs development in Vietnam and other countries;
 - strong experience in working with and providing services to government agencies and donor-supported agencies in relevant areas as well as companies/enterprises in various sectors, start-ups in Vietnam
 - Have ability to coordinate with local partners to organize consultation workshops or technical meetings
- The consulting firm shall make available an expert team including a team leader with required qualification for the assignment. The expert team shall possess:
 - advanced degrees with strong expertise in finance, investment, economics, international trade or related fields;
 - extensive experiences in working with governmental agencies at central and local levels, association, financial institutions and SMEs in Viet Nam;
 - Proven experience in undertaking research and survey and consultancy services to the government agencies and donor supported project as well as experience in working with companies and enterprises/SMEs in concerned areas
 - Strong writing skills in Vietnamese and English with two samples of previous similar work;

6. Application process

The contractor is requested to submit the following:

1. Technical proposal should include the following components while further details is available in the Appendix 1:
 - A one-page cover letter explaining their expression of interest and suitability for the assignment
 - Short outline of the technical approach to achieve goals of the TOR;
 - Brief workplan, task division and timeline (Gant chart or other) for the assignment;
 - Consultants' and company experience and skills relevant to the assignment;
2. Financial proposal that includes estimated number of days, daily rate and other costs.
3. Sample of previous work, preferably related to the focus of this consultancy
4. Up-to-date Curriculum Vitae (CV) (with references) of consultants in the team
5. Please note that the ILO will only contact shortlisted applicants for further steps. The selection for contract negotiation does not guarantee the awarding of a contract. A contract will only be granted after both the partners and the ILO reach agreement on all terms and the partners are able to fulfil the requirements outlined in the final Terms of Reference (TORs).

The documentation indicated above should be sent in English in electronic format to **the International Labour Organization**, email: HAN PROCUREMENT@ilo.org by **August 21, 2025, midnight Hanoi time zone (GMT+7)**.

7. Evaluation of the proposals

All proposals will be evaluated equally following the criteria below:

Summary of Evaluation	Weight
Bidder's profile and experience	10%
Technical proposal- Proposed approach and work-plan	20%
Personnel	30%
Financial proposal (best value for money)	40%

Appendix 1: Technical proposal template

The following are the recommended key contents for the technical proposal. Bidders are encouraged to include additional information as they deem necessary

- 1. Title of the Proposal**
- 2. Name of the bidder**
- 3. Introduction of the bidder** (maximum 1 page on core competency related to the proposal, other information on the partner profile, experience, previous projects etc. should be in annex 1)
- 4. Description of the methodology, activities and expected results**
 - 4.1. Description of approach and methodology in the implementation of the assignment
 - 4.2. Description of activities with clear task division among the proposed expert team
 - 4.3. Description of expected results
 - 4.4. Description of monitoring and evaluation and assurance of the reliability of collected data.
 - 4.5. Description of quality assurance measures to all proposed activities.
 - 4.6. Description of timeline with key milestones for the completion of the assignment
- 5. Summary of expert(s) competency and explanation why competency is relevant to the assigned tasks of the proposal**
 - Annex 1: Partner profile
 - Annex 2: Reference for background information
 - Annex 3: Examples and templates
 - Annex 4: CVs of expert team

Appendix 2: Financial proposal template (to be prepared in a separated excel file)**TOTAL BUDGET PLAN**

This sheet should automatically link with other detail budget sheets of each activity

No.	Activities/Task	Total budget
a	b	c
1	Activity 1	
2	Activity 2	
3	Etc.	
...		
	TOTAL	0

No.	Cost item	Unit	Quantity/ person	Day	Unit price	Amount	Remarks
a	b	c	d	E	f	$g = d * e * f$	
							Please do not combine different expenditure types (e.g. consultant and travel) into 1 package.
	Total					-	