**Terms of Reference**

**Lead consultant - ILO - Institute of Science, Technology and Environment (INOSTE) collaboration on social insurance for cooperatives**

1. **Background & Rationale**

Viet Nam has made important progress in strengthening its social insurance system in recent years. Coverage of the scheme has increased substantially from around 23 per cent of the working labour force in 2015 to 42.7 per cent in 2024.[[1]](#footnote-1) The scheme covers a relatively wide set of contingencies with good levels of benefit adequacy for many participants. The Government of Viet Nam has also been proactive in advancing both policy and administrative reforms towards the continued improvement of the system. The new Social Insurance Law (2024) introduces the policy to expand coverage by focusing on extending the legal scope of the compulsory scheme to cover more workers that have the capacity to contribute including part-time worker, household business owners, and others.

Despite a relatively fast increase in the social insurance coverage in the last decade, still some groups of workers are facing difficulties in accessing to SI, including workers in cooperatives. This makes them less protected against different contingencies throughout their life cycles which can negatively impact their income and livelihoods. This is the case for instance of natural disasters, in particular those of higher magnitude, such as Typhoon Yagi, which hit Viet Nam in September 2024.

The storm flooded over 51,421 homes and damaged 21,170 homes, of which 5,504 required complete rebuilding, leaving thousands of families without safe shelter. Additionally, 592 schools and 82 healthcare centres were damaged, severely limiting access to education and healthcare for thousands of children and families. Critical community infrastructure—including cooperative facilities, cultivation lands, and irrigation systems—was also heavily damaged. These facilities are vital for community livelihoods and play a crucial role in supporting recovery efforts. This damage, combined with the low social insurance coverage in the cooperative sector (which has a strong presence in some of the most affected provinces by Yagi), lead to added vulnerability, and greater challenges to cope and recover from the devastating impacts of the typhoon.

In Viet Nam, the cooperative economic model has formed and developed very early and plays an important role in job creation, ensuring the livelihood of a large number of workers, addressing food security issues, creating political and social stability, and contributing to economic growth and development in international integration. According to the Vietnam Cooperative Alliance (VCA) and the General Statistics Office (GSO), as of end 2023, the country had 31,825 cooperatives. The total number of members in the cooperatives is currently at 5.8 million.

According to the Social Insurance Law, workers and managerial level staff in cooperatives are subject to mandatory SI since 2014[[2]](#footnote-2) and 2024, respectively including:

* All employed workers in the cooperatives (since 2014)
* The director, members of the Supervisory Board or supervisors, and other elected management positions of the cooperative, cooperative union as stipulated by the Cooperative Law receiving salaries (since 2014)
* Director, members of the Supervisory Board or supervisors, and other elected management positions of the cooperative, cooperative union as stipulated by the Cooperative Law who do not receive salaries (from 01/07/2025).

There are currently 180,000 workers employed in cooperatives that are actively producing and doing business. However, only some 40,000 of these workers are affiliated with Social Insurance, representing a coverage rate of 22% - about half of the national average. Furthermore, empirical evidence on the drivers of these low coverage rates is still scarce, presenting a valuable and important avenue of research which could contribute to the country’s broader goals for the future of its social insurance system.

To gain a deeper understanding of the challenges for workers in cooperatives in accessing social insurance, the role that social protection played in helping workers and employers in the sector recover from the Yagi Typhoon, and the potential role of social protection in building resilience, the ILO in collaboration with VCA’s Institute of Science, Technology and Environment (INOSTE) will conduct a study on the situation of social insurance coverage of workers in cooperatives in Viet Nam. The study will focus on the drivers behind the low effective social insurance coverage in the sector, the role social protection played in helping cooperatives and their workers recover from typhoon Yagi, the challenges to extension of coverage, and policy options which can contribute to coverage expansion in the sector. The study will combine the analysis of secondary quantitative data, with primary qualitative data collected through a survey deployed under the scope of the study. This will be further complimented by desk review of existing literature on social insurance and the cooperative sector in Viet Nam

The role of this consultancy is to support INOSTE and ILO in the design and implementation of the survey and developing a detailed analysis of the results of the survey, contextualize them in the broader social protection context in Viet Nam, and identify policy options which could support overcoming some of the main issues identified. This will be complimented with analysis of secondary data, as well as the existing literature on the topic.

1. **Methodology and Specific Tasks**

Throughout the course of this assignment, the consultant will work under the overall coordination of the Director of ILO CO Viet Nam in close collaboration with the SP Team in Viet Nam, and with guidance from ILO experts at the DWT-Bangkok and HQ (SOCPRO).

The main task of this consultancy are as follows:

* Overall Research Design and Planning
  + Develop detailed research methodology, including data collection tools (interview guides, survey questionnaires, FGD outlines).
  + Define sampling strategies and target groups for KIIs, FGDs, and surveys.
  + Prepare research work plan and timeline.
* Supervision and Technical Guidance
  + Guide and supervise researchers/enumerators in conducting FGDs, KIIs, and surveys.
  + Provide orientation/training sessions to researchers/enumerators on data collection techniques and ethical standards.
  + Ensure quality control of fieldwork and data collection.
  + Guide communication awareness consultant work on awareness raising toolkit
* Direct Participation in Key Activities: at central level, and in Yen Bai, Nghe An and Daklak provinces.
  + Attend and facilitate selected FGDs (especially high-level or strategically important ones).
  + Conduct or co-conduct key interviews with important stakeholders (e.g., government officials, leaders of major cooperatives, cooperative unions).
  + Support in solving any problems or challenges during fieldwork.
* Data Analysis and Synthesis
  + Lead the qualitative and quantitative data analysis process.
  + Triangulate findings from various sources to ensure accuracy and depth.
* Report Writing
  + Draft the full research report, including executive summary, main body, findings, analysis, and recommendations.
  + Integrate feedback from stakeholders and revise the report accordingly.
  + Ensure coherence, consistency, and quality of the final product.
* Presentation and Dissemination (if applicable)
  + Support national consultant responsible for awareness raising toolkit to develop communication materials in line with the key takeaways from primary data collection.
  + Prepare and deliver presentations of key findings to stakeholders (e.g., at a validation workshop).
  + Support final advocacy and dissemination activities related to the report.

The report will address the following questions:

* 1. What are the main barriers to expanding effective social insurance coverage for workers and managerial level staff (salaried) in cooperatives in Viet Nam?
  2. What degree of support through social protection programmes did cooperatives and their workers receive in the wake of Typhoon Yagi?
  3. What policy options could help to the expansion of effective social insurance coverage in the sector in the future?

Annex 1 presents a tentative outline of the report, and Annex 2 presents the methodology in more detail.

## Annex 1 Outline of Research Report (Tentative)

**Executive Summary**

* Brief overview of objectives, key findings, challenges, and recommendations.

**1. Introduction**

* Background on cooperatives in Viet Nam and the importance of social insurance (SI).
* Legal framework: Law on Cooperatives, Law on Social Insurance, and related regulations.
* Problem statement: Low SI coverage among cooperative workers despite legal mandates.
* Objectives of the research.
* Scope and methodology.

**2. Context and Current Situation**

2.1. Overview of Cooperatives in Viet Nam

* Number, type, and economic contribution of cooperatives.
* Employment characteristics in cooperatives.

2.2. Social Insurance Framework for Cooperative Workers and managers

* Legal obligations regarding SI enrolment.
* Rights and benefits under SI for cooperative workers.

2.3. Current Status of SI Coverage

* Data/statistics on coverage rates.
* Comparison with national average and other sectors.

**3. Challenges to Expanding Social Insurance Coverage**

*(Based on findings from desk research, interviews, FGDs, surveys)*

3.1. Challenges from the Cooperatives' Perspective

3.2. Challenges from the Workers' Perspective

3.3. Challenges Related to Policy and Institutional Environment

**4. Good Practices and Lessons Learned**

* Successful examples from Viet Nam (if available).
* Relevant international experiences (e.g., models from other countries where cooperatives have higher SI coverage).
* Key factors for success.

**5. Stakeholders’ Roles and Responsibilities**

* Role of government agencies (MOHA, VSS, local authorities).
* Role of cooperative unions/federations.
* Role of workers’ organizations/unions.
* Role of development partners.

**6. Recommendations for Expanding SI Coverage**

*(Short-term, medium-term, and long-term actions)*

6.1. Policy and Regulatory Recommendations

6.2. Cooperative-Level Measures

6.3. Worker-Level Measures

6.4 Awareness Raising Efforts

6.5. Institutional Strengthening

**7. Conclusion**

**Annexes**

* List of key informants interviewed.
* Survey/FGD questionnaires.
* Relevant legal documents reviewed.

Additional data tables or graphs.

## Annex 2: Methodology

The study will combine the analysis of secondary quantitative data, with primary qualitative data collected through a survey deployed under the scope of the study. This will be further complimented by desk review of existing literature on social insurance and the cooperative sector in Viet Nam.

*Desk review:* The desk review will include (but not be limited to) the analysis of the following documents:

* National laws, regulations, and policies related to social insurance and cooperatives (e.g., Law on Social Insurance (2014, 2024), Law on Cooperatives 2012 and 2023, Relevant Government Decrees and, Circulars).
* Existing reports, surveys, and statistics from:
  + Viet Nam Social Security (VSS)
  + Ministry of Labour, Invalids, and Social Affairs (MOLISA) before March 2025, and MOHA
  + Viet Nam Cooperative Alliance (VCA)
  + International organizations (ILO, UN, WB and others)
  + International good practices on extending SI to informal and cooperative workers, managers and members.

*Secondary data:* The analysis of secondary data will focus on key dimensions of employment status of workers in cooperatives, including (but not limited to):

* Share of cooperative workers registered in compulsory social insurance (VSS data)
* Share of cooperative workers registered in voluntary social insurance (VSS data)
* Employment share of cooperative sector (NSO)
* Number of cooperatives registered (NSO)

*Primary Data*

The primary data will be collected through a survey toolkit to be developed jointly between the ILO and INOSTE, which will include Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and an online survey questionnaire for cooperatives, cooperative workers and cooperative managers (salaried). The goal of the collection of primary data is to compliment the previous two sources of analysis with a more in-depth analysis of key issues regarding social insurance coverage in the cooperative sector, including awareness, perceived barriers, ability/willingness to play, as well as the role social protection played in supporting cooperative workers following the Yagi typhoon (where applicable.

The provinces covered by the survey are: Lao Cai, Phu Tho, Nghe An, Nha Trang, Dak Lak, Dong Nai and An Giang. This selection of provinces ensures a variety of different contexts, urban areas, rural areas, and representative of the 6 different economic regions of the country[[3]](#footnote-3), with different prevalence of industries (including agriculture, construction, transportation, services, handicraft, fisheries, aquaculture, etc), and was chosen to ensure inclusion of provinces significantly affected by typhoon Yagi. As the cooperative production is very diversified between the regions, it is not necessary that each type of production will be survey in each location. In each province, cooperatives sampled will be chosen based on the characteristics of that economic region.

1. VSS data, <https://baohiemxahoi.gov.vn/chidaodieuhanh/pages/thong-tin-bao-chi.aspx?ItemID=24219&CateID=125> [↑](#footnote-ref-1)
2. Article 2 of the 2014 Social Insurance Law, further in Article 2 of 2024 Social Insurance Law [↑](#footnote-ref-2)
3. Northern Mountain, Red River Delta, Central Coast, Central Highland, South East, Me Kong Delta. [↑](#footnote-ref-3)