



GUIDE TO THE EU-VIETNAM FREE TRADE AGREEMENT



Delegation of the European Union to Vietnam

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FOREWORD BY Mr. MAURO PETRICCIONE

EU CHIEF NEGOTIATOR AND
DEPUTY DIRECTOR-GENERAL
FOR TRADE AT THE EUROPEAN
COMMISSION

For both the EU and Vietnam, completing negotiations on a Free Trade Agreement (FTA) is good news – the kind of thing we both need to ensure sustainable economic growth for our countries and good, stable jobs for our people.

On 2 December 2015, European Commission President Jean-Claude Juncker and former Vietnamese Prime Minister Nguyễn Tấn Dũng announced in Brussels that the EU and Vietnam had concluded negotiations on a new trade deal or Free Trade Agreement (FTA).

Both sides now need to ratify the agreement and then the deal will enter into force. This is expected in early 2018.

The agreement is a great opportunity for European exporters. Vietnam has a vibrant economy of more than 90 million consumers, a growing middle class and a young, dynamic workforce. It is a market with great potential for the EU's agricultural, industrial and services exports.

Vietnam is also one of the fastest growing countries in ASEAN with average GDP growth rate of around 6% between 2000 and 2014. It is projected to grow by 6.2% in 2016. In 2014, Vietnam climbed two positions to become the EU's second biggest trading partner in ASEAN after Singapore and ahead of Malaysia, with trade between the EU and Vietnam worth € 38 billion.

The FTA will put EU exporters at least on a par with those from other countries and regions which have already concluded FTAs with Vietnam. These include ASEAN, Australia, New Zealand, Chile, China, India, Japan, and South Korea, and the countries that make up the Trans-Pacific Partnership (TPP). At the same time,

it will put Vietnam in the same league as, for instance, South Korea and Singapore, who have concluded FTAs with the EU.

It will create new opportunities for growth and development on both sides – for example, by making cuts in customs duties which will come into force quickly, while protecting those sectors which are especially sensitive.

The FTA will also help promote high-quality investment between Vietnam and the EU. The EU's updated approach to investment protection strikes a better balance between boosting job-creating investment, whilst also protecting governments' right to pursue policies in the public interest.

Moreover, the agreement will promote sustainable development on both sides. It includes strong commitments to protect people's basic rights at work, their human rights more broadly, and the environment. And it will support Vietnam's efforts to grow and develop its economy for the benefit of all its people.

In fact, the Vietnam agreement is the most ambitious and comprehensive FTA that the EU has ever concluded with a middle-income country. As such, it sets a new benchmark for Europe's engagement with emerging economies.

After Singapore, Vietnam is the second ASEAN country with which the EU has concluded a trade deal. The agreement is, therefore, also an important step towards the EU's ultimate goal of securing an FTA with the whole ASEAN region.



FOREWORD BY Mr. BRUNO ANGELET

AMBASSADOR - HEAD
OF DELEGATION
DELEGATION OF THE
EUROPEAN UNION TO VIETNAM

Vietnam is a strategic partner for the European Union (EU). For decades, the EU's Member States and EU Institutions have contributed to Vietnam's development in almost all sectors of governance and in the vast majority of regions and provinces of the country. Strong economic growth and poverty reduction have made Vietnam an increasingly attractive partner for Europe, both within ASEAN as well as in wider Asia, allowing us to look forward to a broader, comprehensive partnership for the future.

Overall, the EU has been Vietnam's major donor in grants (over € 5 billion over the last 10 years) and is today Vietnam's biggest non-Asian investor (ranking 5th of total cumulative investment). We are also Vietnam's largest trading partner after China and the second biggest export market for Vietnam after the USA. Since 2015 Vietnam has been the EU's second biggest trade partner among the 10 ASEAN member countries (after Singapore) and, amongst them, the largest exporter of goods to the EU.

These figures clearly show the importance of our bilateral relationship with Vietnam. The conclusion of the EU-Vietnam Free Trade Agreement in 2015 will further reinforce our ties. I am convinced that the FTA provides the right platform for increased trade and investment between us. Vietnam is the third partner in Asia with which the EU has concluded an FTA after the two more developed economies of South Korea and Singapore. Indeed this opens plenty of opportunities. Our aim is that, through the FTA, we can encourage more European firms to be present in Vietnam, and promote better access for Vietnamese business to the European market. In short, our target is to promote strategic alliances between us that are sustainable

and that can contribute to improve the quality of life of our citizens. Our FTA deserves credit for being one of the most ambitious and comprehensive Free Trade Agreements that the EU has ever concluded with a developing country. It showed once again Vietnam's dynamic approach in pursuing international integration for the good of its citizens.

But the FTA is not a goal on its own. Together with the Partnership and Cooperation Agreement (PCA), the EU and Vietnam are developing a more strategic partnership. As Vietnam is turning into a middle-income country, we share a common agenda to stimulate growth and employment, improve competitiveness, further fight against poverty and consolidate reform.

There are, however, some challenges ahead to ensure effective and smooth implementation of our FTA as well as to maximise its win-win potential. We should, therefore, start preparing already and raise awareness of the content and potential of the FTA. We sincerely hope that this pragmatic guide will contribute to a better understanding of the Free Trade Agreement between the EU and Vietnam. We have tried to explain in simple and clear language, the main outcomes and achievements of the Agreement so that business can grasp the opportunities its presents from day one of its entry into force.

GUIDE TO THE EU-VIETNAM FREE TRADE AGREEMENT



INTRODUCTION

The purpose of this publication is to provide first-hand information to businesses about all the different areas covered by the EU – Vietnam Free Trade Agreement (FTA). It has been drafted to help businesses better understand what the main outcomes and achievements of the negotiations are.

This Guide is divided in three parts. The first part provides an overview of the bilateral trade and investment relations between the EU and Vietnam. The second part provides a more detailed explanation on what is actually in the FTA. Finally, the last part outlines useful information and tools for making the most of the opportunities offered by the FTA.

The texts of the FTA can be found on the website of the European Commission's Directorate-General for Trade¹ as well as on the website of the Ministry of Industry and Trade of the Socialist Republic of Vietnam². At this stage, it is made public exclusively for information purposes. The text presented on the website is the text at the end of the negotiations conducted by the European Commission. It is currently subject to legal revision by the legal experts. It will then be sent to the Council of the European Union and to the European Parliament for ratification. The text presented is not binding under international law and will only become so after it has been ratified.

1. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1437>

2. <http://portal.moit.gov.vn/fta/?page=home>



PART I

TRADE & INVESTMENT RELATIONS

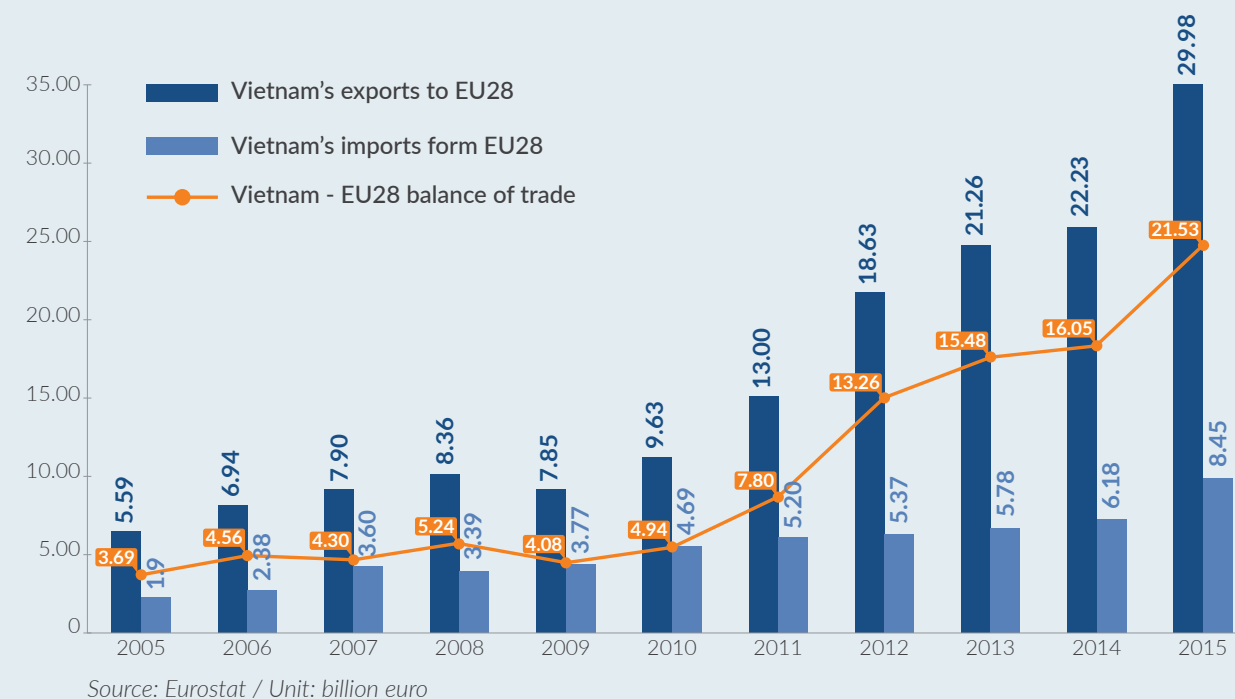
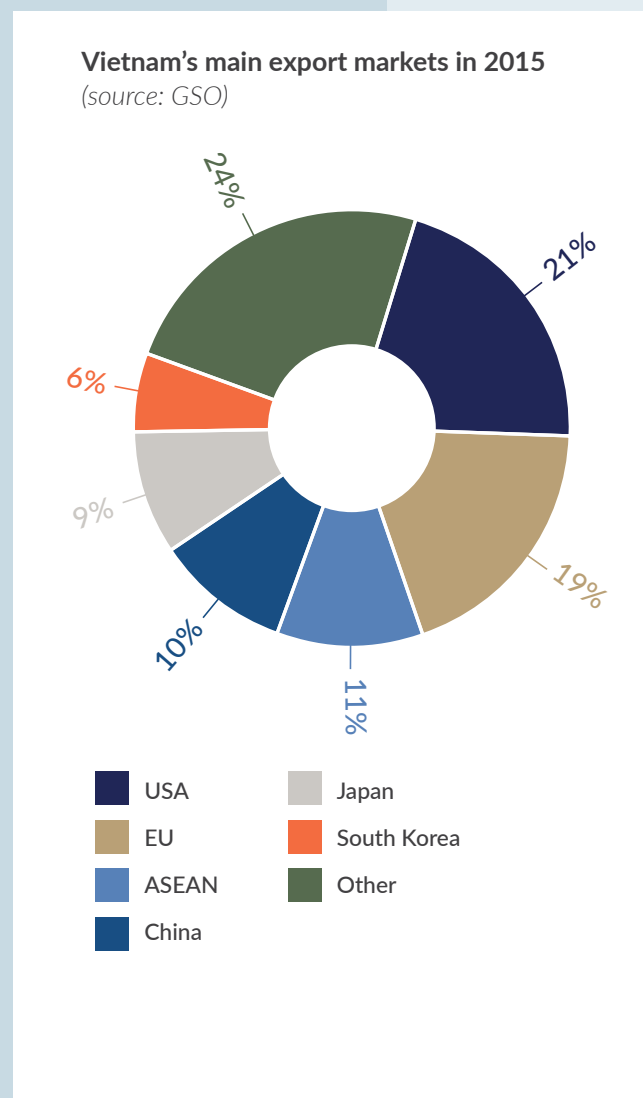
EU – VIETNAM

BILATERAL TRADE AND INVESTMENT RELATIONS

BILATERAL TRADE RELATIONS

Bilateral trade and investment links between the European Union (EU) and Vietnam have steadily strengthened since the two sides established formal diplomatic relations in 1996. For many years the EU has been the second largest overseas market for Vietnamese products and Vietnam's second most important two-way trading partner after China. This has been a dominant trend since 2004 when the EU and Vietnam concluded the bilateral negotiations of Vietnam's accession to the World Trade Organization (WTO) – the first bilateral agreement Vietnam had with a big WTO member – and the Early Harvest Agreement¹ which enabled mutual early market access for the two sides' companies three years before Vietnam became an official member of the WTO.

On average, Vietnam's exports of commodities to the EU account for around 19% of its exports to global markets. This figure has seen double-digit growth for the past decade, annualised at 13-15% and even reaching 25% in certain years. In 2015, commodities exports grew by 10.7% year-on-year to US\$ 30.9 billion according to Vietnam's General Statistics Office (GSO). It was even larger at € 29.98 billion according to Eurostat. Similarly, but with less vigorous growth, the past 10 years have seen Vietnam increasing imports of commodities from the EU. This figure in terms of value has grown annually by an average of 5-7%. Last year, Vietnam's imports of commodities from the EU rose by 36.7% year-on-year to € 8.45 billion as estimated by Eurostat or 16.3% year-on-year to US\$ 10.3 billion according to Vietnam's GSO.



The EU, as Vietnam's second largest export market, is the number one destination for many of Vietnam's key exports. The figures speak for themselves: in 2015 EU imports of telephone sets from Vietnam were valued at US\$ 9.76 billion, which rose 17.7% year on year and represented 32.3% of Vietnam's global exports of telephones. Similarly, its purchase of Vietnamese-made computers and electronics represented nearly 18% of the country's revenues from exports of computers and electronics. For footwear and coffee, such figures were 38.3% and 43% respectively. In addition, the EU has for a long time been the second largest importer of Vietnamese textiles and garments (representing nearly 15% of Vietnam's global export in 2015), bags/wallets, hats and umbrellas (representing 25%), fisheries (representing nearly 12%), and cashew nuts (representing about 24%).

There have been important shifts in the structure of Vietnam's exports of commodities to the EU during the past 10 years. In 2005, the products mainly comprised agro-food, footwear and apparels, many of which were either in the form of raw materials or simple processing with little value added. Nowadays, Vietnam – with strong presence from overseas firms that have invested in the country – has managed to export more sophisticated products such as smartphones, scooters or accessories for transport. Vietnam has become a hub of manufacturing for the Italian Piaggio Group and has supplied many brands of modern scooters to Asia and Europe. Similarly, Samsung's multi-billion-dollar projects have turned Vietnam into a regional hub for assembling smartphones, with around one third being exported to Europe. Although much remains to be done in order to further enhance the position of Vietnamese producers in global production chains, further liberalisation has benefitted Vietnam's economy.

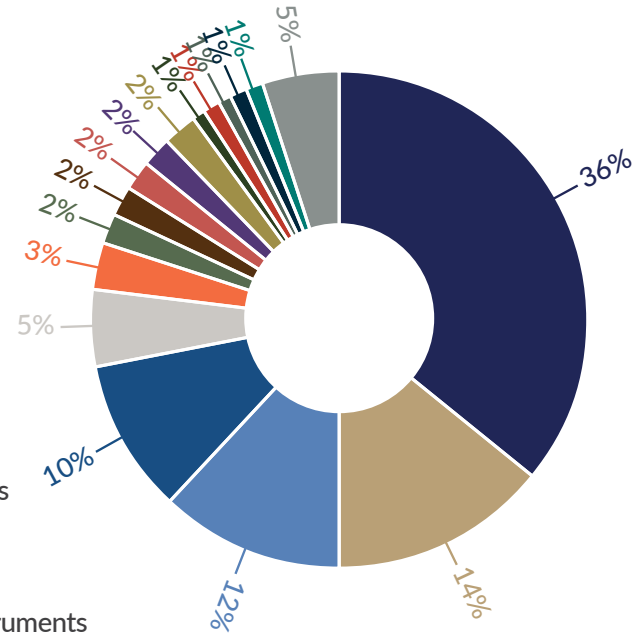


1. The Agreement on Market Access or "early harvest agreement" is an offshoot of the bilateral WTO accession deal signed by former EU Trade Commissioner Pascal Lamy on his visit to Hanoi, during the ASEM 5 Summit in December 2004. Effective from January 2005, the agreement suspended quotas on Vietnam's clothing exports to the EU. In exchange, Vietnam commits itself to treat the EU not less favourably than US or Japan. In addition, Vietnam offers companies of EU origin reduced tariffs on yarns, clothing, fabrics and made-up articles, fibres, beverages, motorbikes as well as manufacturing licenses in the pharma and cement sectors. Vietnam also committed itself to increase market access for service providers in the telecom, construction, computer, engineering, integrated engineering, architecture, and urban planning service sectors. Further licenses are being granted to EU companies in the life insurance, distribution, shipping, computer reservation system, environmental, and real estate service sectors.

Vietnam's main export products to the EU-28 in 2015

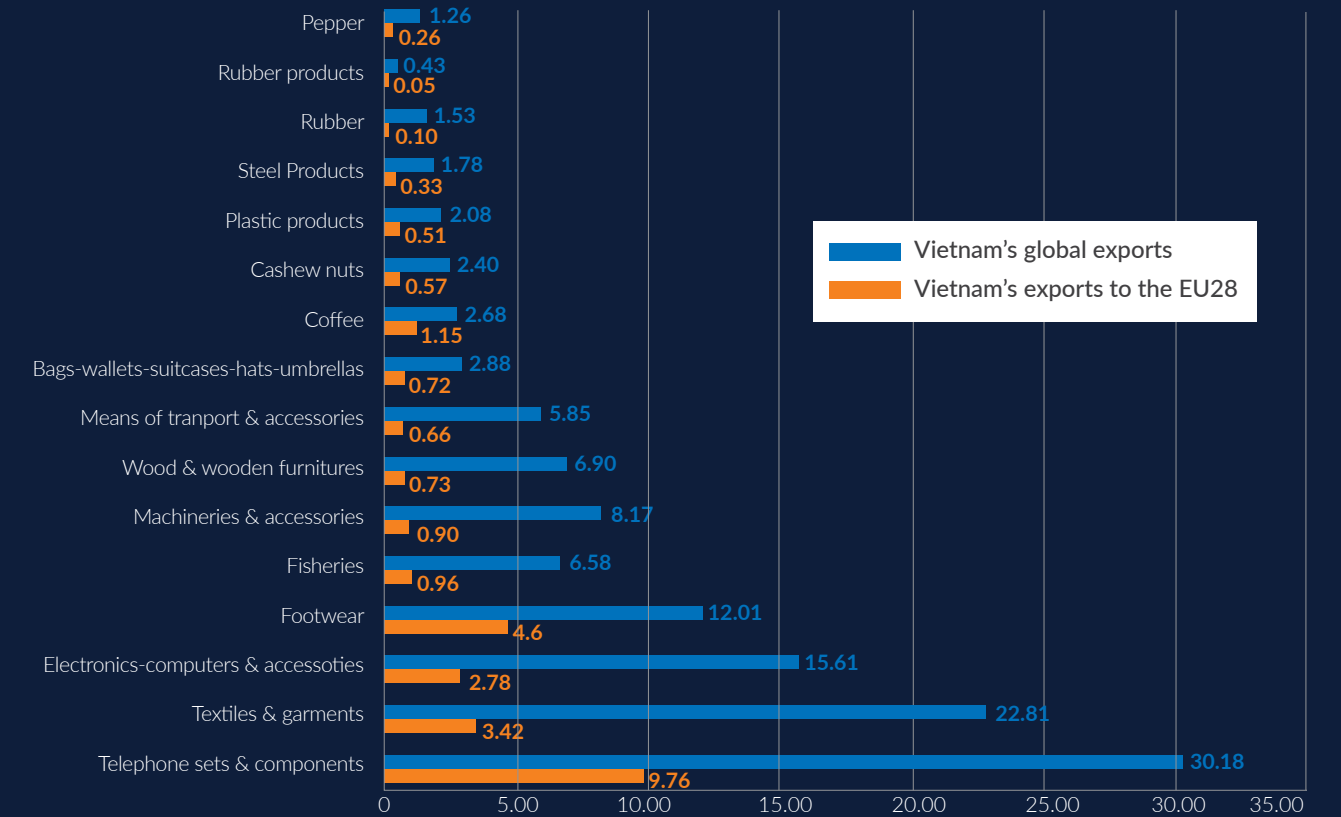
(source: Eurostat; Update: 24 April 2016)

- Electrical machinery & equipment
- Nuclear reactors-mechanical machinery
- Footwear
- Apparel & textiles
- Coffee & tea
- Furnitures
- Hand bags-travel goods-leather
- Fish-crustaceans-molluscs
- Plastics
- Fruits & nuts
- Iron & steel
- Preparation of meat-fish-crustaceans-molluscs
- Vehicles
- Runner
- Optical-photographic-medical & surgical instruments
- Toys-games-sport requisites
- Others



Vietnam's main exports to the EU-28 vs its global exports in 2015

(source: Vietnam Customs; Unit: USD billion)

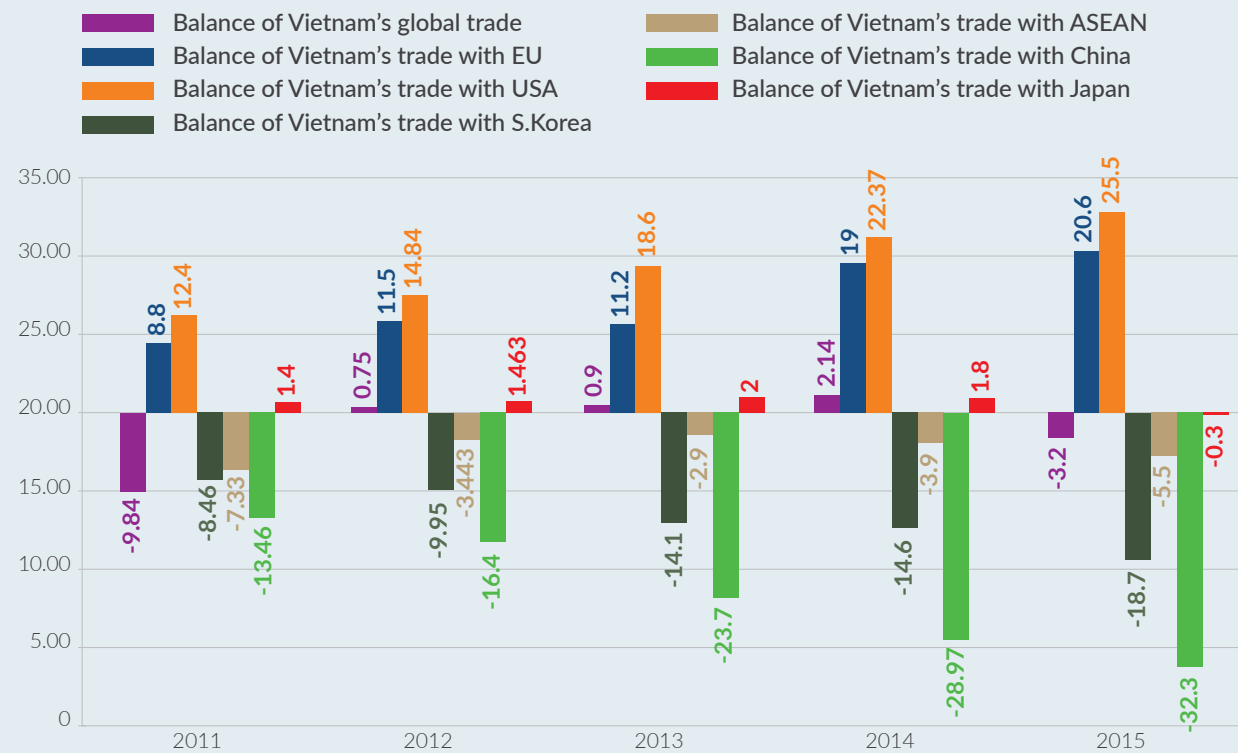


There are three underlining features of EU-Vietnam bilateral trade relations. First, the two partners' economies are strongly complimentary. Vietnam's cutting edge in the agro-food sector and labour-intensive industries are undeniable while the EU with its capital, high-tech and top quality management expertise is a competitive and reliable supplier for Vietnam. The EU's ability to supply advance technologies and important machineries and equipment matches Vietnam's needs for its manufacturing sectors. One example is the

nearly € 1.2 billion that Vietnam spent on imports of Airbus and accessories for its Airfleet from the EU and the US\$ 4.6 billion that European consumers spent on the purchase of footwear from Vietnam in 2015. Such complementarities will ensure a win-win sustainable and healthy growth of the bilateral trade ties in the long run. It was also an important reason behind the robust double digit growth of Vietnam's exports to the EU and imports of commodities from the EU in the past two decades.

Vietnam's trade balance with main partners 2011 - 2015

(Source: GSO; unit: USD billion)



Source: GSO; unit: USD billion

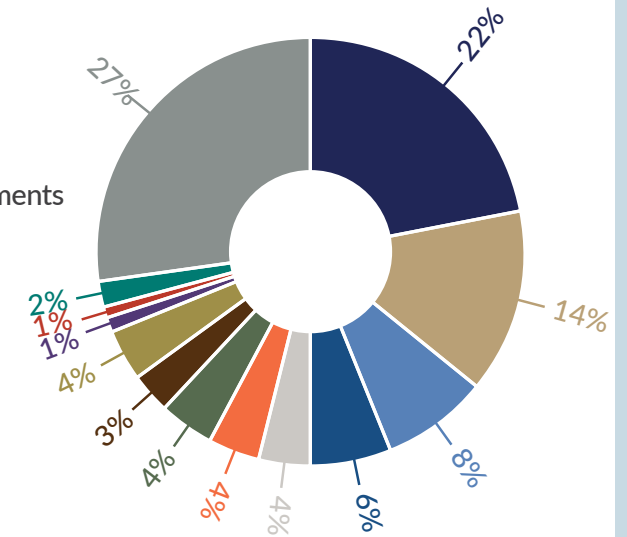
Second, the solid political relationship and strong commitments from Europe's and Vietnam's leaders act as a crucially important factor for promoting bilateral trade ties. The EU has long been a great supporter of Vietnam's economic and trade liberalisation. It not only provides considerable concessional loans and grants to accelerate Vietnam's reforms and international integration but also offers meaningful and practical opportunities for Vietnam's trade to mature. This close political partnership and the serious cooperation spirit of the Government of Vietnam has convinced the EU to provide the best possible conditions for Vietnam to develop sustainably. The EU has, for many years, offered unilaterally preferential treatments to a large number of commodities originating in Vietnam under the Generalised System of Preferences (GSP). This unilateral scheme in general has allowed Vietnamese products to be imported into the EU's 28 Member States duty-free or with reduced duties.



EU28's main export products to Vietnam in 2015

(Source: Eurostat; Update: 24 April 2016)

- Nuclear reactors-mechanical machinery
- Aircrafts
- Pharmaceutical products
- Electrical machinery & equipment
- Optical-photographic-medical & surgical instruments
- Raw hides-furskins & leather
- Vehicles
- Plastics
- Organic & miscellaneous chemicals
- Fertilisers
- Wood
- Iron & steel
- Others



Last but not least, the dynamics and proactiveness of the Vietnamese business community have undeniably played a decisive role in Vietnam's success in harnessing trade opportunities. Before 1997 it would have been inconceivable that Vietnam would be able to export fishery products to the EU, let alone the possibility of its having a leading share of the EU market. The quality of management at some modern fishery processing facilities in Southern Vietnam is high. The success in exporting its fishery products to the EU, with its high sanitary and phytosanitary standards, has enabled Vietnam to unlock other key markets such as Japan and the United States. Vietnam is witnessing similar success stories with electronics and computers, telephones, footwear, textiles and garments etc. The signature and enforcement of the EU - Vietnam Free Trade Agreement is expected to create momentum that will further strengthen the already robust trade ties.





INVESTMENTS

The EU has been an important source of investment for Vietnam since the country opened its economy to the world. In terms of cumulative investments, the EU ranks fifth out of Vietnam's 80 Foreign Direct

Investment (FDI) partners. By the end of December 2015, investors from the EU had pumped more than US\$23.2 billion into 1730 projects in Vietnam. In 2015 alone, European investors poured US\$1.545 billion in Vietnam, shifting the EU's ranking to the third position from its previous fifth place in 2014.

Cumulative FDI into Vietnam from EU

Source: Vietnam Foreign Investment Agency
Unit: million US\$
Update: 31 December 2015

Partner	No of projects	Total registered capital
Austria	25	96.63
Belgium	62	523.74
Bulgaria	10	30.94
Cyprus	13	966.57
Czech Republic	36	108.80
Denmark	115	681.41
Estonia	2	0.25
Finland	14	321.00
France	440	3,384.54
Germany	260	1,482.49
Hungary	15	50.66
Ireland	17	8.24
Italy	67	340.23
Liechtenstein	2	35.50
Luxembourg	39	1,855.56
Malta	1	0.05
Netherlands	253	8,141.34
Poland	13	100.81
Romania	3	2.10
Slovakia	5	235.47
Slovenia	4	3.27
Spain	49	38.58
Sweden	45	130.56
United Kingdom	239	4,683.79
Total	1,730	23,224.11

European investors have been active in all 18 economic sectors and present in 52 out of 64 provinces and cities throughout Vietnam. The three most prominent sectors where their investments are strongly felt include manufacturing sector, electricity production and transmission, and real estate. In the manufacturing sector, EU investors have had 590 projects with investments capital worth more than US\$6.62 billion, followed by real estate (capital: US\$ 4.6 billion; number of projects: 38) and the electricity production and transmission sector (FDI: US\$3.54 billion; number of projects: 19).

Most of the EU-invested projects are located in places where infrastructure is well developed such as Hanoi capital city, Quang Ninh Province and in the business hub in Southern Vietnam including Ho Chi Minh City,

Ba Ria Vung Tau Province and Dong Nai Province. Ho Chi Minh City ranks first as the most attractive destination for European investors with 638 projects worth US\$ 5.22 billion, trailed closely by Hanoi (capital: US\$ 3.79 billion; number of projects: 389) and Ba Ria Vung Tau Province (capital: US\$ 2.45 billion; number of projects: 35).

Twenty five EU Member States now have FDI projects in the country. Among the Member States, the Netherlands with nearly US\$ 8.15 billion in capital and 253 projects is taking the lead as Vietnam's biggest FDI partner. The UK ranks second with nearly US\$4.7 billion and 239 projects, followed by France with nearly US\$ 3.4 billion in capital and 440 projects.

Vietnam's main FDI partners in 2014 - 2015

Source: Vietnam Foreign Investment Agency;
Unit: million US dollars

Partner	2014	2015
ASEAN	2,739.4	3,953.6
EU	587.1	1,545.0
Korea	6,128.0	2,678.5
Japan	1,209.8	1,285.0
Turkey	-	660.3
Hong Kong	2,803.4	629.5
China	253.6	665.5
Taiwan	512.4	940.4
Virgin Islands	398.5	697.8
Seychelles	-	273.2
Cayman Islands	85.5	246.7
USA	71.4	217.9
West Indies	-	152.0
India	42.0	139.0
Samoa	133.6	1,314.0
Canada	258.9	-
Switzerland	112.5	-
Total (newly licensed and additional investments into existing projects)	20,230.9	22,000.76

OVERVIEW OF VIETNAM'S FTAs WITH OTHER PARTNERS

1.	Vietnam – Japan Economic Partnership Agreement (EPA) Status: Signed in December 2008, effective entry into force since 1 October 2009
2.	Vietnam – Chile FTA Status: signed in 11 November 2011, effective entry into force since 1 January 2014
3.	Vietnam – TPP (Trans-Pacific Partnership) Agreement Status: signed in 4 February 2016, not yet ratified by parliaments of member countries Members: Australia, Brunei, Canada, Chile, Japan, New Zealand, Peru, Singapore, United States, Malaysia, Mexico and Vietnam.
4.	Vietnam – Eurasia Economic Union Status: signed in 29 May 2015, effectively entry into force 60 days after the final member country ratifies the FTA by May 2016, Vietnam and Russia have ratified Member: Vietnam, Russia, Belarus, Armenia, Kyrgyzstan and Kazakhstan
5.	Vietnam – EFTA (European Free Trade Agreement) Status: negotiations launched in April 2012, it is still going on. (2) Members: Vietnam, Switzerland, Iceland, Norway and Lichtenstein
6.	Vietnam – South Korea Status: signed in 5 May 2015, effective since 20 December 2015; Members: Vietnam and South Korea
7.	Vietnam – European Union FTA Status: concluded in December 2015, pending for signature and ratification, expected to enter into force in early 2018

ASEAN FTAs

1.	ASEAN Free Trade Area Status: Signed, effective date since 30 January 2003
2.	ASEAN – China FTA Status: Signed, effective date starting 2003
3.	ASEAN – Japan FTA Status: Signed, Vietnam ratified in April 2009
4.	ASEAN – India FTA Status: Signed in August 2009
5.	ASEAN – Australia and New Zealand FTA Status: Signed in February 2009
6.	ASEAN – South Korea FTA Status: Trade in goods chapters signed in August 2006; trade in services signed in November 2007



The background of the slide is a puzzle. The left side features a large red puzzle piece with a yellow five-pointed star, representing the flag of Vietnam. The right side features blue puzzle pieces with yellow five-pointed stars, representing the flag of the European Union. The puzzle pieces are interlocking and cover the entire slide area.

PART II

EU-VIETNAM FREE TRADE AGREEMENT

INTRODUCTION TO THE FTA

VIETNAM

TRADE COMMITTEE

Specialised Committee on Trade in Goods

Working Group on IPR/GIs

Working Group on Motor Vehicles and Parts

Specialised committee on Services, Investment and Government Procurement

Specialised Committee on Trade and Sustainable Development

Specialised Committee on Sanitary and Phytosanitary Measures

Specialised Committee on Customs

* IPR/GIs = intellectual property rights / geographical indications

The European Union manages trade relations with countries outside the EU through its trade policy. Trade policy is an exclusive competence of the EU – so only the EU, and not individual Member States, can legislate on trade matters and negotiate international trade agreements, be they multilateral, regional or bilateral.

Economic relations between the Association of South East Asian Nations (ASEAN) and EU have proven to be mutually beneficial. The EU has always been an important trading partner for ASEAN, and vice versa. ASEAN is a key pillar of growth in Asia and a market of enormous potential. Strengthening trade relations between the EU and ASEAN is of importance to both regional blocs. The EU is ASEAN's second largest trading partner after China and by far the largest investor. ASEAN is the EU's third largest trading partner outside Europe after the US and China.

As highlighted in the European Commission's new trade strategy 'Trade for all', strengthening trade relations with ASEAN remains a key priority for the EU. The EU is fully engaged with ASEAN and its member countries in pursuing an ambitious trade agenda. Following the conclusion of the EU-Singapore FTA in 2014, negotiations with Vietnam were completed in December 2015 – the same month in which negotiations for an FTA with the Philippines were launched. The EU remains committed to resuming negotiations with Malaysia and Thailand when conditions are right. It has also concluded the scoping exercise with Indonesia and is working towards the opening of FTA negotiations. At regional level, the ultimate objective is for the bilateral FTAs under negotiation to serve as building blocks towards an ambitious and comprehensive EU-ASEAN regional FTA.

Free Trade Agreements aim fundamentally at obtaining preferential treatment for goods and services and eliminating non-tariff barriers encountered by both sides. They also set up a clear and transparent legal framework to govern trade and investment relations between both trade partners. Knowing the rules of the game is vital for businesses as it provides stability and predictability and allows them to make long-term plans.

Before the FTA, Vietnam enjoyed preferential access to the EU through the General System

of Preferences granted by the EU to developing countries. However, the limitations of this system are clear: Vietnam only had access for the products defined unilaterally by the EU and the conditions could be changed by the EU at any time. Furthermore, the EU had no preferential access to Vietnam. In this sense, the implementation of the FTA is clearly mutually beneficial.

Last but not least, this FTA is also significant because of its emphasis on sustainable development with strong commitments on fundamental labour rights and environmental protection. Respect for human rights is also embedded in the FTA. It will support Vietnam's efforts to further enhance economic growth and development for its people in the years to come.

Institutional structure of the EU – Vietnam FTA

A Trade Committee, plus specialised committees and working groups, will be responsible for ensuring the proper operation of the EU – Vietnam FTA. The different bodies provide an opportunity both to seek resolution of market access concerns and to engage in closer regulatory cooperation.

Meeting annually, the Trade Committee will be co-chaired by the Minister for Industry and Trade of Vietnam and the Member of the European Commission responsible for Trade, or their respective designees. The Trade Committee will manage the Agreement.

The EU – Vietnam FTA also foresees the establishment of five specialised committees and two working groups, which will meet according to need. The Trade Committee may decide to establish other specialised committees and working groups to assist it in its tasks.

TRADE IN GOODS

TARIFF ELIMINATION

Improved market access is one of the key objectives of any FTA. The EU-Vietnam FTA contains full dismantling of nearly all tariffs except for a few tariff lines that are subject to duty-free tariff rate quotas.

Widespread coverage is achieved already at entry into force with 65% of EU exports to Vietnam entering duty-free from day one. The remaining trade – with the exception of a few products – will be liberalised after 10 years. The EU will liberalise 71% of its imports from Vietnam from day one and 99% will enter duty-free after seven years.

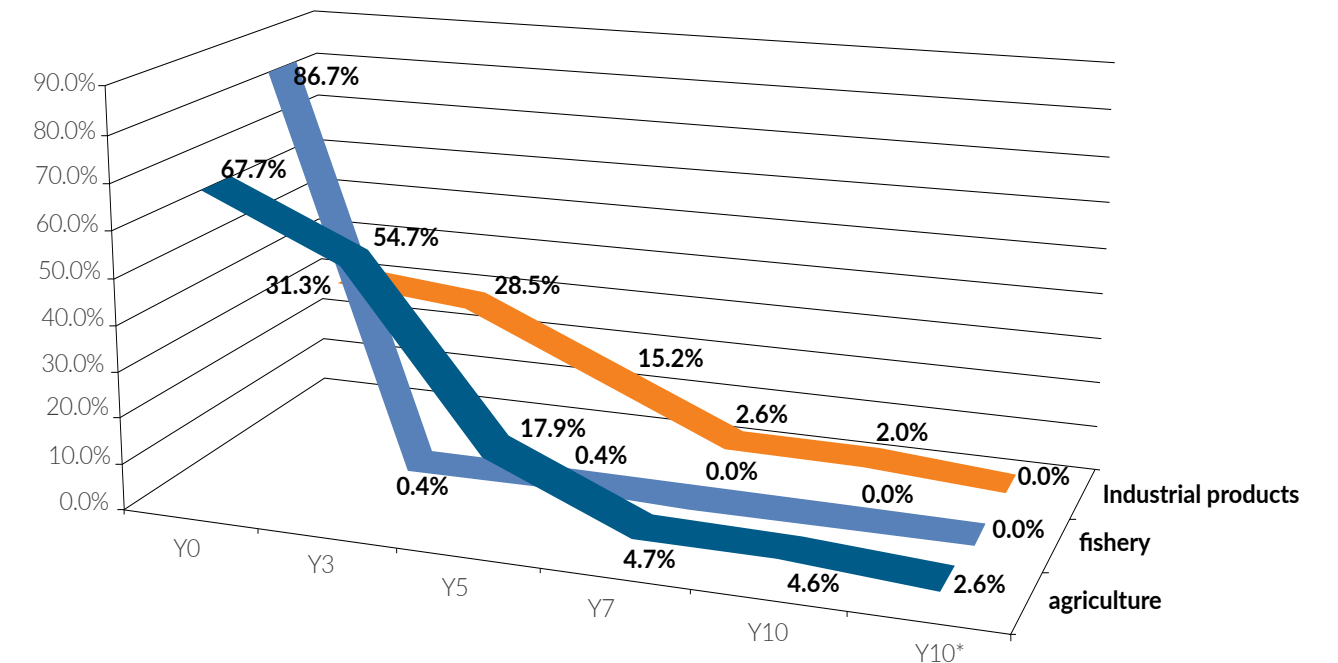
Custom duties will be removed over a transitional period (of a maximum period of seven years for Vietnamese goods and 10 years for EU goods) so that domestic producers can gradually adapt. Consumers from both sides will benefit from lower prices and exporters from strengthened competitiveness.

EXAMPLES OF BENEFITS FOR EU EXPORTERS FROM TARIFF ELIMINATION

- Almost all EU exports of machinery and appliances will be fully liberalised at entry into force of the FTA.
- Around half of EU pharmaceutical exports will be duty free immediately and the rest after seven years.
- All EU textile exports will be liberalised at entry into force.
- Car parts will be duty free after seven years.
- Motorcycles with engines larger than 150 cc will be liberalised after seven years and cars after 10 years except those with large engines (>3000cc for petrol, > 2500cc for diesel) which will be liberalised one year earlier.
- Close to 70% of EU chemicals exports will be duty free at entry into force and the rest after three, five and seven years respectively.
- Frozen pork meat will be duty free after seven years, dairy products after five years and food preparations after seven years. Chicken will be fully liberalised after 10 years.
- As for fisheries, Vietnam has accepted liberalisation at entry into force for salmon, halibut, trout and rock lobster and others after three years.
- Wines and spirits will be liberalised after seven years and beer after 10 years.
- Vietnam will maintain longer staging for cigarettes as well as existing WTO tariff rate quotas (albeit with reduction of the in-quota rate to zero over 10 years) for raw tobacco, refined sugar, salt and eggs.

Tariff elimination by Vietnam for EU products

(value in % accumulated)

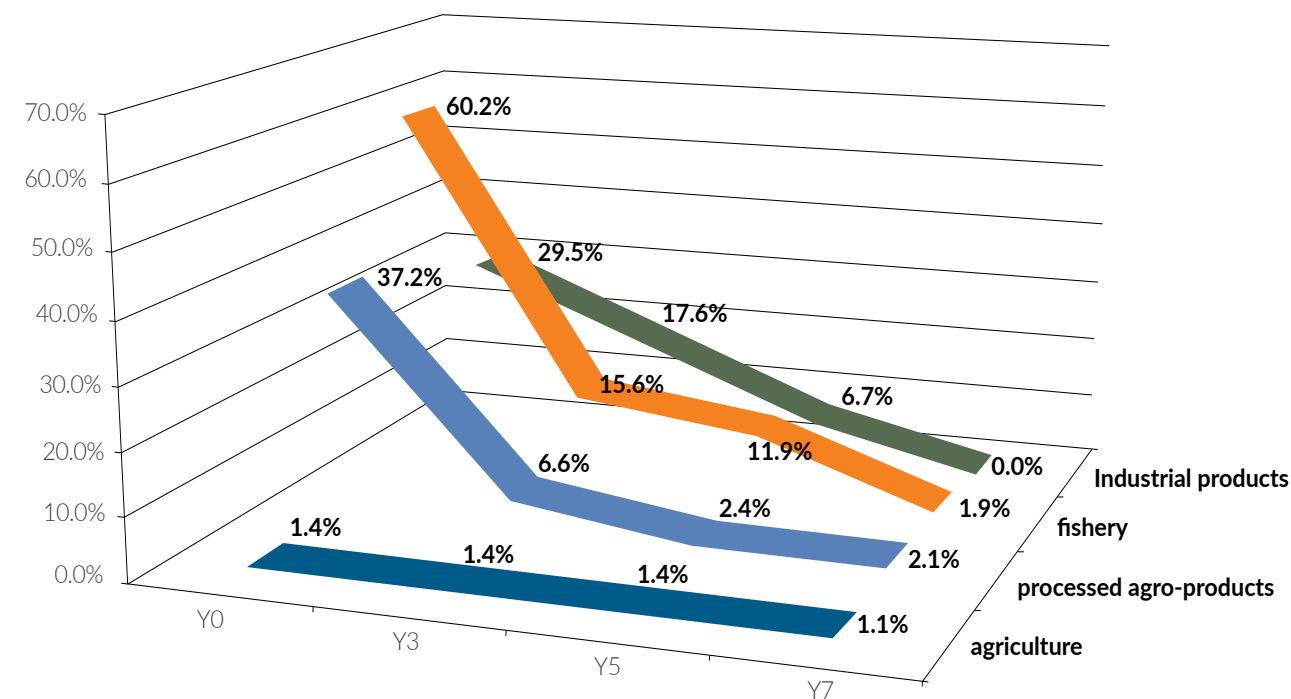


EXAMPLES OF EU MARKET ACCESS OFFER TO VIETNAM

- EU duties on textile apparel have dismantling periods stretching from five to seven years for the more sensitive items and three years and entry into force for less sensitive goods. Footwear also gets the longest EU staging of seven years for sensitive EU items and three years or entry into force on items which are less sensitive¹.
- The EU offered mostly duty-free tariff rate quotas for Vietnamese rice exports: (1) 30,000 tonnes of milled rice; (2) 20,000 tonnes of husked rice (in product weight, equal to 13,800 tonnes milled equivalent); (3) for broken rice: 50% tariff cut at entry into force and then linear reduction in 5 years; (4) 30,000 tonnes fragrant rice.
- Other products which received improved market access via duty-free tariff rate quotas include sweet corn (quota of 5,000 tonnes and liberalisation for baby corn), garlic (quota of 400 tonnes), mushrooms (quota of 350 tonnes), sugar and high-sugar-containing products (combined quota of 20,000 tonnes), and manioc starch (quota of 30,000 tonnes), surimi (quota of 500 tonnes) and canned tuna (quota of 11,500 tonnes and EU strict rules of origin; liberalisation of fresh/chilled tuna);
- Liberalisation of non-processed shrimps will be at entry into force;
- Pangasius (catfish) will be liberalised in three years.

1. On footwear, Vietnam agreed on a solution based on an ex-out definition, which enables liberalisation of athletic/sports footwear either at entry into force or in three years; the rest of the footwear products will be liberalised in seven years.

Tariff elimination by the EU for Vietnam's products
(value in % per accumulated)



DISCIPLINES

The FTA chapter on Trade in Goods sets new standards in many respects. The main provisions are explained below.

National treatment

The FTA prohibits discrimination between imported and domestically produced goods with respect to internal taxation or other government regulation. This principle will be key to ensure that EU goods are not treated differently from domestic goods once they are on the Vietnamese market.

Import and export restrictions

The FTA forbids the adoption of any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the other Party, in accordance with the World Trade Organisation (WTO) rules. This prohibition covers the adoption of:

- (a) import licensing subject to the fulfilment of a performance requirement; or
- (b) voluntary export restraints.

In the text of the FTA, there is only a short list of items where Vietnam can restrict importation, including right-hand steering vehicles, used consumer goods such as textiles and clothes, footwear, electronic goods, furniture and used motor-vehicles more than five years old as well as other limited products.

State trading enterprises

State trading enterprises are allowed but shall operate in a transparent manner in accordance with WTO rules. This covers requests for information on individual cases of such enterprises and on their operations, including information on their bilateral trade.

Remanufactured goods

The text includes for the first time the concept of 'remanufactured goods' – which is increasingly important for many policy objectives and not least for the protection of the environment. The substantive discipline stipulates that remanufactured goods shall receive the same treatment as provided to new like products – whilst of course specific labelling shall be allowed. Until now these remanufactured goods were considered by Vietnam to be 'used' goods and used goods are generally prohibited to be imported into Vietnam.

Therefore, this category of remanufactured goods opens trade for a lot of very high value products like in the medical device area (e.g. magnetic resonance tomography apparatus that easily cost beyond a million euros each in a remanufactured condition) and is equally important for car parts (especially for commercial vehicles) to serve the after sales market with original (remanufactured) parts. Vietnam can continue to restrict trade on specific 'used goods' under strict MFN (Most Favoured Nation) conditions.

Repaired goods

The text also includes disciplines on the category of 'repaired goods'. It establishes duty-free temporary import and export of goods that are repaired. This is essential for maintaining fair competitive conditions with regard to specialised maintenance services, for example, for aircraft maintenance.

Marking of origin

This is the first time a trading partner officially accepts in an FTA the marking of origin of 'Made in EU' for non-agricultural goods. This allows manufacturers to reflect the increasing integration of the EU market, with the exception of pharmaceuticals where there is still an important portion of national approvals. More traditional markings of origin referring to EU Member States will, of course, continue to be accepted. This provision gives manufacturers the choice to make a broader use of the EU's internal market without obliging them to establish specific systems of differentiating production locations inside the EU.

Import and export licensing procedures

The text contains much amplified and improved disciplines. The extent of detailed provisions especially on export licensing which is not covered by WTO rules is certainly noteworthy.

- As to import licensing, the bilateral obligations are very much written to help and enforce the implementation of the WTO Agreement on Import Licensing Procedures. It also contains a number of substantive provisions that reduce the possibility of seeking recourse to these measures or that reduce any possible trade restricting effect.
- On export licensing, the text provides for an obligation to first create full transparency on the existing export-related measures. Any future changes to that situation would need to be notified

to the other Party. The content of such notification is described in detail, inspired by the WTO Import Licensing Agreement. Publication obligations and timelines are quite demanding (even for the EU). In the case that licenses are denied, the applicant shall receive a written explanation promptly and has a right of appeal or review of the decision.

Administrative fees and formalities

Consular transactions are prohibited under the FTA. Consular authentication shall no longer be required three years after entry into force. This was considered a particularly burdensome practice for cosmetics, pharmaceuticals and vehicles exports. This positive change will lead to direct real-world trade facilitation as a result of this chapter.

Export duties

All export duties will be eliminated with very limited exceptions. Out of the 603 tariff lines (TL) still subject to export duties in Vietnam, it offered:

- standstill on 134 TL currently subject to 0% export duties
- elimination on 412 TL, after five, seven, 10, 12 and 15 years in several cuts, linear staging or immediately
- capping at 20% on 56 TL after five years, and a 10% cap for 1 TL of manganese ore, also after five years.

Export subsidies on agricultural goods

Introducing and maintaining export subsidies on agricultural goods by the exporting Party for products liberalised by the importing Party will be prohibited.

CARS

Improving market access for European cars to Vietnam was one of the key interests for the EU during the negotiation process. The FTA contains far-reaching provisions that will improve market access for European cars to Vietnam.

Tariffs

- Cars: duty free after 10 years.
- Cars with large engines (> 3000 cc for petrol, > 2500 cc for diesel): duty free after nine years.
- Car parts: duty free after seven years.
- Motorcycles with engines larger than 150 cc: liberalised after seven years.
- Smaller motorcycles: duty free after 10 years.

Rules of Origin

- Vehicles (chapter 87): maximum 45% of materials not originating in either Party
- Motorcycles (8711): change of tariff heading or maximum of 50% materials not originating in either Party
- Car parts and accessories (8708): change of tariff heading or maximum of 50% materials not originating in either Party

Investment

Manufacturing of motor vehicles and of transport equipment remain restricted.

Investment in automobile and motorbike assembly and manufacture is subject to Vietnamese Government planning that may give preferences to local investors in terms of production quantity to meet the demand of the domestic market and location preferences.

Non-tariff barriers

Eliminating customs duties does not mean automatic access to the market of the trade partner if the EU goods are not in compliance with Vietnam's rules regulating the car sector. The text of the FTA contains an Annex which is solely devoted to address non-tariff barriers in this sector. The aim is to facilitate trade and avoid unnecessary trade barriers.

The commitments included in this Annex build on the spirit and provisions of the 1958 UNECE Agreement. This is remarkable as Vietnam is not yet a UNECE member but in the FTA made far-reaching commitments stemming from the 1958 Agreement in the FTA. Through this Annex, Vietnam will itself profit from an intensification of the preparatory activities necessary for becoming a contracting party of the 1958 Agreement. It is therefore expected that the lengthy accession process of Vietnam may well be accelerated by the Annex.

The Annex will enter into effect three years after entry into force of the FTA.

The coverage of the Annex is very broad covering more than any other FTA the EU has negotiated with any other trade partner, notably:

1. Passenger cars up to 3.5 tonnes, including short pick-up trucks, as well as parts and equipment for these passenger cars and a substantial proportion of parts for commercial vehicles.
 - All 77 UNECE Regulations applicable to passenger cars and parts and equipment thereof will be covered.
2. Parts for small buses (having a maximum mass not exceeding five tonnes) and big trucks (vehicles used for the carriage of goods having a maximum mass exceeding 12 tonnes) to the extent that they are included in one of the UNECE Regulations that also cover passenger cars.

- 57 of the UNECE Regulations applicable to small buses are also covered (with only 13 Regulations left out that are very specific, for example theft protection).
- 55 UNECE Regulations applicable to (replacement) parts and equipment for large trucks will be covered (out of the possible maximum of 69, and excluding a few areas such as advanced emergency braking systems or retrofit emission control devices specifically designed for big lorries).

3. The Annex does not cover motorcycles and parts. However, upon request, after 10 years, the Parties can reconvene to discuss also a possible extension of coverage (for a few categories of specialised parts).

The disciplines included in the Annex will result in the following:

Parts and equipment

- Vietnam will accept on its market, on the basis of EU type approval certificates and without any further requirements in terms of testing and certification, EU parts and equipment complying with UNECE Regulations.
- Vietnam will also discontinue its practice to require voluminous conformity of production reports. Vietnam is also encouraged to accept parts on the basis of UNECE marks only, until it becomes a UNECE party, after which it shall be obliged to align fully with UNECE practice.
- Regarding parts and equipment with new features, Vietnam accepted a provision of not unduly delaying placing on the market of products on the grounds that they incorporate new features.

Whole passenger cars

- Vietnam will accept a whole vehicle EC Certificate of Conformity as sufficient proof for accepting on its market EU vehicles without further testing, conformity assessment or marking for at least seven years following the entry into force of this provision (after five years from the date of entry into force of the Agreement). After that, it shall in any case continue to accept the UNECE International Whole Vehicle Type Approval (which is not yet in force but is in the last phases of finalisation in the UNECE) issued by EU authorities for an unlimited period of time.
- Vietnam also agrees to recognise UNECE WP29 Regulations as the relevant international standards. It also accepts that these UNECE Regulations provide a sufficient level of protection of safety and environmental protection and will not introduce further requirements in these areas.

In order to ensure that the Annex works in practice, it envisages better cooperation between regulatory authorities and relevant information exchanges. If necessary, Vietnam will be granted technical assistance according to EU rules and procedures.

Further info:

United Nations Economic Commission for Europe (UNECE)
<http://www.unece.org/info/ece-homepage.html>

PHARMACEUTICAL PRODUCTS

Pharmaceutical products represent an important share of European exports to Vietnam, reaching 8 % in 2015 (Eurostat). The FTA achievements in this domain secure easier access to high-quality innovative drugs for the Vietnamese population. Provisions related to pharma are covered in various chapters of the FTA.

Tariffs, trading rights and related rights for pharmaceutical products

Roughly half of EU pharmaceuticals exports will be duty free at entry into force of the Agreement and the rest after seven years.

Vietnam will allow foreign pharmaceutical companies to establish foreign-invested enterprises in order to import pharmaceuticals that have duly been authorised to be sold on the Vietnamese market.

Such foreign-invested enterprises will be allowed to:

- Sell pharmaceuticals imported by them to distributors or wholesalers in Vietnam and to perform other activities
- Build their own warehouses
- Provide information about their product to Health Care Practitioners and do clinical study and testing.

Government Procurement of pharmaceutical products

Vietnam offered procurement of all pharmaceutical goods purchased by the Ministry of Health, the departments of health of Hanoi and Ho Chi Minh City and the 34 hospitals directly under the control of the Ministry of Health.

In the event that Vietnam sets up a centralised procurement mechanism for pharmaceuticals in the future, it was agreed that such a mechanism would be also subject to its FTA government procurement commitments.

For pharmaceuticals, specifically, Vietnam will maintain a set-aside scheme, as follows:

Year	1 st - 2 nd	3 rd - 9 th	10 th - 15 th	16 th onwards
% of contract value	100	65	60	50

It means in practice that, after a transitional period of two years from entry into force of the Agreement, EU suppliers will have legally secured market access. From that point, the share reserved for domestic suppliers/producers will diminish over 15 years to a final share of 50 %. The remainder will be open to all suppliers with market access rights.

Intellectual Property Rights

Important improvements on IPR will make Vietnam more attractive for producers of pharmaceutical products and thus enable better access to quality medicines for the population:

- Vietnam will provide regulatory data protection to pharmaceutical (as well as to agro-chemical products) for five years. In other words, Vietnam shall not allow competitors to rely on test data in support of an application for pharmaceutical product approval for at least five years.
- It will also provide an extension of patent protection, up to a limit of two years, to compensate for delays in the marketing approval of pharmaceutical products if the approval process takes more than 24 months.
- Vietnam will withdraw existing clinical trials requirements on ethnicity which were not in line with international standards (in particular those of the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH)).

Annex on pharmaceutical products and medical devices

The provisions ensure the use of international standards, practices and guidelines for pharmaceutical products or medical devices highlighting those developed by relevant international standard setting bodies (WHO, OECD, the International Conference on Harmonization (ICH) and the Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme (PIC/S) for pharmaceutical products and the International Medical Device Regulators Forum (IMDRF) for medical devices). The recognition of these specific bodies as a benchmark for standard-setting is essential for increased regulatory cooperation.

Vietnam will also simplify requirements for marketing authorisation, which in turn will reduce delays and costs in delivering products to the Vietnamese population. This is of particular importance for research-based medicinal products.

Pharma-specific issues are cross-cutting and are covered by various chapters of the Agreement:

ALCOHOLIC BEVERAGES

Improved market access conditions have been achieved in the EU-Vietnam FTA for the alcoholic beverages sector.

Tariffs

Customs duties for wines and spirits will be liberalised after seven years and for beer after 10 years.

Rules of Origin

The agreement will facilitate the use of regional hubs by EU exporters, for example to label, re-package and re-consign shipments, thanks to the non-alteration clause contained under the rules of origin.

Distribution licenses

Vietnam has committed itself to ensuring that the conditions for the distribution and sale of spirits will not become more restrictive than at present and that it will abide by certain principles while issuing licences for wines (i.e. Vietnam will not apply any discriminatory quantitative and/or qualitative vertical or horizontal restrictions on licensing, etc.).

Existing licences for spirits will be renewed on the same terms.

Investment

Vietnam removed or eased limitations in manufacturing of beverages.

Excise duties are not covered in the text of the FTA. Nevertheless, the general disciplines in the Agreement on national treatment and level-playing field will be applied if ever internal duties discriminate against EU products in relation to local products.

Geographical Indications (GIs)

Champagne will be fully protected after a transition period of 10 years, during which all uses incompatible with the GI protection, including translations and transliterations in Vietnamese script will be phased out.

Many other EU GIs will be protected automatically upon entry into force of the FTA. A few examples are (not exhaustive list):

- Inländerrum – a spirit from Austria
- České pivo – beer from Czech Republic
- Bayerisches Bier – beer from Germany
- Rioja – wine from Spain
- Cognac; Eau-de-vie de Cognac; Eau-de-vie des Charentes – a spirit from France
- Ouzo – a spirit from Greece and Cyprus
- Pálinka – a spirit from Hungary
- Irish Cream – a spirit from Ireland
- Grappa – a spirit from Italy
- Genièvre/Jenever/Genever – a spirit from The Netherlands
- Polska Wódka/Polish vodka – a spirit from Poland

- Porto/Port/Oporto – wine from Portugal
- Cotnari – wine from Romania
- Svensk Vodka/Swedish Vodka – a spirit from Sweden
- Vinohradnícka oblasť Tokaj – wine from Slovakia
- Scotch Whisky – a spirit from the United Kingdom

Further info:

<http://ec.europa.eu/agriculture/wine/>

CUSTOMS AND TRADE FACILITATION

The importance of trade facilitation

Besides tariff reduction and opening up of markets, trade facilitation is a critical part of cross-border trade. According to the WTO definition, trade facilitation refers to measures simplifying and modernising customs and other import and export procedures and requirements. For business, the benefits of trade facilitation are well known. It promotes transparency, cuts red tape and stops possible institution of non-tariff barriers in export markets. In short, it saves time and money.

EU-Vietnam FTA disciplines

Customs and trade facilitation provisions in the FTA aim at addressing non-tariff issues at the border in order to facilitate legitimate trade without compromising effective customs controls. This chapter calls for the modernisation and simplification of customs rules, requirements, formalities and procedures related to import, export and transit trade.

The FTA promotes, among others:

- Exchange of information concerning customs requirements (e.g. legislation, implementation and customs procedures).
- Conformance of customs requirements and procedures to international instruments and standards, in particular modernisation and simplification of customs procedures as per the World Customs Organization Revised Kyoto Convention.
- Ensuring transparency of all customs requirements including mechanism of consultations between the administrations and the business community (e.g. on new legislation and procedures).

- Commitment to further simplification and standardisation of data and documentation required by customs and other agencies:
 - » separating release of goods from payment of duties and taxes;
 - » electronic submission of shipment information
 - » pre-arrival processing of shipments (advance electronic submission and eventual processing of information before physical arrival of goods to enable release of goods on arrival)
 - » single administrative document or electronic equivalent
 - » risk assessment and selective inspections
 - » post clearance audits
 - » advanced rulings for classification
 - » customs valuation
- Increase of competences of customs authorities in controlling goods infringing intellectual property rights (IPR), which will have a positive impact on IPR enforcement.

A Special Committee on Customs will be established under the Agreement where issues of concern can be addressed between EU and Vietnam. In addition, the FTA contains a Protocol on Mutual Administrative Assistance in Customs Matters that will allow exchange information ensuring a correct application of customs legislation and prevent customs violations.



RULES OF ORIGIN

The rules of origin (RoO) are the legal instrument used to link a product with a country to the effects of applying on the product a specific treatment. The preferential rules of origin define when a product can be considered as sufficiently transformed in a country in order to grant it a tariff preference as agreed in a FTA or as regulated in unilateral preferences.

Preferential RoO have become new trade policy instruments, used to enhance or to limit market access for preferential partners. Trade partners therefore negotiate the content of these rules in the framework of FTA negotiations, or define it unilaterally in the case of autonomous preferences.

How is it possible to benefit from the tariff elimination?

It is in the nature of an FTA that only products originating in one of the parties can benefit from the references granted under the Agreement: rules of origin are an important aspect. The relevant provisions for trade between the EU and Vietnam are laid down in the Protocol on Rules of Origin.

The following conditions have to be met for goods exported from the EU to benefit from preferential treatment at the Vietnamese border.

Goods must:

- 'originate' in the EU;
- fulfil certain additional requirements;
- be accompanied by a certificate of origin.

The rules of origin included in the FTA with Vietnam follow the EU approach and their main features are the same as those of the rules of origin of the EU's General System of Preferences (GSP) as well as of the EU's FTA with Singapore. They contain, however, a number of limitations and flexibilities which take into account the specific situation of Vietnam and of the EU for example in relation to products containing sugar and dairy, to products of steel, mechanical machinery, electrical

machinery and others. They are simplifications (most products will be covered by their Chapter rules) which will guarantee a similar level of flexibility as the GSP rules both for Vietnam and for the EU.



Main principles

Non-alteration: The Protocol contains the principle of non-alteration which means that the products can transit through third countries, as long as they have not been altered, transformed or subject to operations other than preserving them in good condition or adding/affixing marks, labels, seals or any other documentation to ensure compliance with specific domestic requirements of the importing country. Documentary proof of compliance with non-alteration (certificate of non-manipulation) may be required in case of doubt. It is thereby ensured that the authorities of the importing country cannot systematically require that evidence. This will facilitate the use of regional hubs such as Singapore.

Certification and self-certification: The FTA with Vietnam is based on the EU standard system available in other agreements. EU approved exporters can make use of self-certification. Any EU exporter may also use self-certification in case of consignments not exceeding the value of €6000. EU exporters may also export goods covered by certificates EUR.1 issued by customs. In the future the EU may move to a system of registered exporters (REX). Vietnamese exporters will need government certificates (Certificates of Origin) but Vietnam can also introduce self-certification whenever it is ready to do so.

Cumulation: The protocol provides for bilateral cumulation. It means, for example, that EU textile producers may supply Vietnamese garment producers with fabrics originating in the EU. The FTA provides also for other types of cumulation in two well targeted situations: Vietnam may benefit from extended cumulation with South Korea in relation to fabrics used for producing garments after complying with certain administrative requirements. Vietnam will also benefit from cumulation with ASEAN countries with which the EU has an FTA in force for two fishery products: squid and octopus. A review clause foresees the possibility of agreeing to extended cumulation for more products and/or more countries with which both parties have an FTA in the future. This has to be requested by one of the parties and will require consensus from both sides.



Most of the basic agricultural products have to be wholly obtained in Vietnam or in the EU. The PSR for agricultural and processed agricultural products mostly require the change of tariff classification (CTH) but often provide for weight limitations (between 20% and 60%) in relation to non-originating content of raw agricultural materials (i.e. dairy, sugar, cereals etc.). The PSR for other products mostly require the change of tariff classification (CTH) or alternatively a limitation in value of non-originating materials between 50% and 70%. Some products benefit from rules expressed in specific manufacturing operations. The PSR for textiles and garments require double transformation (from fibre to fabric or from yarn to garment). Printed fabrics benefit from the so called 'printing rule'. Vehicles have to comply with the value limit of 45% of non-originating materials and vehicle parts with the value limit of 50% of non-originating materials.



Duty drawback is allowed: Exporters using inward processing schemes for subsequent export to Vietnam or to the EU may benefit from suspension or reimbursement of duties applied to non-originating inputs used in the manufacture, provided that they have complied with Product Specific Rules (PSR).

Product Specific Rules (PSR)

A single set of product-specific rules (PSR) for both EU and Vietnam has been agreed and will apply without discrimination or any differential treatment to all producers in both countries who wish to benefit from the preferential treatment.

1. Inward processing allows imported raw materials or semi-manufactured goods to be processed for re-export without a requirement that the manufacturers have to pay customs duty and VAT on the goods being used

TECHNICAL BARRIERS TO TRADE

An open and fair international trading system is one of the foundations of Europe's competitiveness. Addressing barriers to EU exports in other countries accounts for the bulk of the potential to improve the competitive position of EU industry. The EU has consistently removed these barriers in its own economy and now has one of the most open markets in the world. With the elimination of customs duties in the FTA, the impact of technical requirements on trade is more apparent.



The term 'technical barriers to trade' (TBT) refers to mandatory technical regulations and voluntary standards that define specific characteristics that a product should have, such as its size, shape, design, labelling, marking, packaging, functionality or performance. The specific procedures used to check and demonstrate whether a product is in compliance with these requirements are also covered by the definition of TBT. These so-called 'conformity assessment procedures' can include, for example, product testing, inspection and certification activities.

TBTs are usually introduced by government authorities with a legitimate public policy objective in mind – for example, protecting human health and safety, animal and plant life and health or the environment or safeguarding consumers from deceptive practices. Nevertheless, TBTs often have an impact on trade and the competitiveness of exporters, and in particular small and medium enterprises (SMEs). Adjusting products and production processes to comply with different requirements in export markets, as well as

demonstrating compliance with these requirements, increase product costs and time-to-market, and can ultimately hurt the competitiveness of exporters.

Technical requirements exist in all sectors of the economy: the labelling of the food, the safety of toys, technical specifications of cars or the safety and energy efficiency of the home appliances are influenced by such requirements.

The FTA contains provisions to address such barriers, going beyond the obligations of the WTO TBT Agreement. The aim is to ensure that technical regulations, standards, and conformity assessment procedures are non-discriminatory and do not create unnecessary obstacles to trade. The TBT Agreement strongly encourages members to base their measures on international standards as a means to facilitate trade. Through its transparency provisions, it also aims to create a predictable trading environment.

Technical regulations

Vietnam agreed to the following:

- to assess the available regulatory and non-regulatory alternative to the proposed technical regulation and to endeavor to assess the impact in the form of a regulatory impact assessment as recommended by the WTO TBT committee.
- to refer to ISO, IEC, ITU, Codex Alimentarius Commission as examples of international standards that will be used as a basis for their technical regulations.
- to review technical regulations with a view to increasing their convergence with relevant international standards.

Standards

The FTA includes the following commitments:

- to encourage standardising bodies to participate in the preparation of international standards by relevant international standardising bodies.
- to use relevant international standards as a basis for the development of domestic standards.
- to avoid duplication of, or overlap with, the work of international standardising bodies.
- to review national and regional standards not based on relevant international standards at regular intervals, with a view to increasing their convergence with relevant international standards.
- to notify technical regulations and conformity assessment procedures making voluntary standards mandatory.

Conformity assessment

Vietnam agreed to the following:

- to consider the supplier's declaration of conformity as assurance of conformity among the options for showing conformity.
- to ensure that businesses have a choice amongst conformity assessment facilities as well as to ensure that there is independence and no conflicts of interest between accreditation bodies and conformity assessment bodies.
- to consider joining or encourage their testing, inspection and certification bodies to join any functioning international agreements or arrangements for harmonisation and/or facilitation of acceptance of conformity assessment results.

Transparency

The FTA contains enhanced transparency provisions, including the following commitments:

- to ensure that all technical regulations and mandatory conformity assessment procedures are publicly available on official websites and free of charge.
- to allow economic operators of the other Party to participate in any formal public consultation process concerning the development of technical regulations.
- to provide responses to the comments made by the other Party to proposed technical regulations.

Market surveillance

The FTA contains provisions:

- to ensure no conflict of interest between market surveillance function and conformity assessment function as well as between market surveillance bodies and economic operators subject to control or supervision.

SANITARY AND PHYTOSANITARY MEASURES

GENERAL PRINCIPLES

Trade policy must help ensure that traded food and feed is safe and meets the relevant sanitary and phytosanitary (SPS) measures in the importing country. The safety of food is of critical importance for the EU. Consumers must have confidence and assurance the food they buy and eat is not harmful or has adverse effects. Nevertheless, these measures are at times misused and become a protectionist barrier. In recent years, the use of SPS measures by the EU's trade partners as trade barriers for imports has increased considerably. This creates serious obstacles for EU exporters.

Generally speaking, third countries can afford to allow imports from the EU because they are produced with the highest hygiene standards which are legally binding for all Member States. EU exported products must comply with the same standards that those consumed in the EU.

To achieve these food safety standards, amongst other requirements, in the EU:

- food businesses have the primary legal responsibility for ensuring food safety;
- the competent authorities of all EU Member States put strict official controls in place;
- the EU's audit/inspection body evaluates the performance of the competent authorities of EU Member States with the aim of ensuring correct enforcement of the EU provisions;
- the European Food Safety Authority (EFSA) provides scientific opinions (risk assessment) on SPS issues.

Food safety requirements are defined at EU level and applied to all businesses regardless of their origin. The aim of the FTA is not to redefine the standards but to provide a commitment to their application

and to facilitate market access through the removal of unjustified and unnecessary barriers. It builds on commitments already established in the WTO SPS Agreement where both Parties are members.

The SPS Chapter focuses on securing progress based on the respect of the WTO SPS Agreement and other standards developed by international standard bodies: Codex Alimentarius (Codex) in food safety, the World Organisation for Animal Health (OIE) in animal health, the International Plant Protection Convention (IPPC) in plant health. It thus provides a framework and system to facilitate trade and to make the WTO SPS requirements more operational and 'applied on the ground'.

EU as a single entity

Vietnam commits itself to applying the same import requirements to like products coming from all EU Member States. Considering that – with very limited exceptions – food safety requirements are mainly defined at EU level, Vietnam shall not define different principles for each Member State as it has done in the past. The purpose of this Chapter is to set up a single and transparent procedure for the approval of EU exports of food products into Vietnam. This is an important step forward to accelerate the approval of EU export applications and to avoid discriminatory treatment.

Pre-listing

Once Vietnam has approved a category of food product from the EU and is confident that the competent authority of that country has the capacity to check and monitor compliance of the EU food safety requirements by its establishments, Vietnam will automatically allow imports from all of the establishments submitted by that country. This is what is known as 'pre-listing', i.e. approval of establishments in the exporting Party without prior individual inspections. In the event that Vietnam has doubts about a particular establishment and wishes to

undertake an inspection, the costs of the inspection will be borne by Vietnam and no longer by the EU.

Regionalisation

Vietnam shall recognise the EU official animal health status as determined by OIE and measures put in place in the EU in an area, region or zone affected by a disease and shall thus limit possible trade restrictive measures only to the affected area and not to the whole country. It should not maintain import restrictions for longer than necessary and justified, especially as indicated in the WTO SPS art. 5.7 of WTO SPS text and Terrestrial Animal Health Code of the OIE. Vietnam shall objectively consider the evidence of claims of disease free-regions presented by the EU to allow the importation of animal and animal products from such areas. Vietnam shall also recognise the concept of free-pest areas, areas of low pest prevalence, protected zones, and pest free production in accordance with SPS agreement and IPPC standards, guidelines and recommendations.

OIE health status

The specific recognition by the Parties of the official health status as accepted by international organisations such as the OIE for certain diseases is innovative and will help to tackle barriers in Vietnam related to BSE (bovine spongiform encephalopathy). This will 'push' Vietnam to drop any barrier linked to BSE (and other diseases for which the OIE grants an official status), except when aligned to the OIE standards.

Exports of fruits and vegetables

Considering the existing specific market access barriers and delays encountered by EU exports, very clear commitments have been included in the FTA to tackle them:

- » When a pest risk assessment is needed it will be carried out without undue delay.
- » Recognition of the concept of pest free areas, areas of low pest prevalence, protected zones and pest free production sites shall be granted.
- » The need to – in principle – base the plant health status on the information provided by the exporting party. This will lead to increased trust and over time open the door to recognition of the plant health status of areas in the EU.

Equivalence and transparency

The FTA includes provisions on equivalence, and also on technical assistance. This should contribute to helping Vietnam with its needs while respecting its status as a developing country.

Equivalence means that Vietnam (or the EU) shall accept that the SPS measures of the other Party as equivalent if it can objectively demonstrate that they achieve the same level of protection.

There is also increased transparency with strict deadlines for communicating relevant information.

Verifications and costs

The two Parties have the right to carry out verification in accordance with international standards and share the results according to precise deadlines. The relevant expenses shall be borne by the Party carrying out the verification.

Animal welfare

Enhanced cooperation on animal Welfare is covered in the cooperation Chapter of the FTA and SPS Committee shall be consulted for the necessary arrangements for its implementation.

SPS COMMITTEE

An SPS Committee will be set up where experts from both sides will meet at least annually to ensure a good dialogue on effective FTA implementation as well as on any delays or barriers encountered by the EU or Vietnamese operators. This will provide a suitable forum for discussing problems and ways forward. This increased dialogue should lead to an increased trust between partners.



Further info:

DG TRADE

http://trade.ec.europa.eu/doclib/docs/2013/april/tradoc_150986.pdf

INTELLECTUAL PROPERTY RIGHTS

According to the World Intellectual Property Organisation (WIPO), Intellectual Property Right (IPR) refers to creations of the mind: inventions; literary and artistic works; and symbols, names and images used in commerce. IPR protect intangible assets of companies and secure that inventors can actually benefit from their creative and innovative activities. As such, IPR can become an important source of revenue (licensing, franchising, etc.). These days, it is not exceptional that intangible assets represent over half of the value of companies and their importance is growing.

Intellectual property can be divided into two categories:

- Industrial Property includes patents for inventions, trademarks, industrial designs and geographical indications.
- Copyright covers literary works, films, music, architectural design and artistic works like drawings, paintings, photographs and sculptures, etc.

Important positive improvements in IPR field have been agreed in the FTA, which will bring benefits both the IPR owners as well as consumers:



Copyright

- Vietnam will accede to WIPO Internet Treaties.

The WIPO Copyright Treaty and the WIPO Performances and Phonogram Treaty (known together as the "Internet Treaties"), set down norms preventing unauthorised access to and use of creative works on the Internet or other digital networks.

They address the challenges posed by today's digital technologies, in particular the dissemination of protected material over digital networks such as the Internet.

Most importantly, the Treaties ensure that the owners of those rights will continue to be adequately and effectively protected when their works are disseminated through new technologies and communications systems such as the Internet.

The Treaties also require Vietnam to ensure that right holders can effectively use technology to protect their rights and to license their works online:

- » First, by providing adequate legal protection and effective remedies against the circumvention of technological measures (such as encryption) used by right holders to protect their rights. These 'anti-circumvention' provisions tackle the problem of 'hacking'.
 - » Second, by prohibiting the deliberate alteration or deletion of electronic 'rights management information': that is, information which accompanies any protected material, and which identifies the work, its creators, performer, or owner, and the terms and conditions for its use.
- Authors, broadcasters, performers and producers gain additional rights through the FTA, such as the right of reproduction, distribution and of making available, rights of communication to the public

and the right to single equitable remuneration (for broadcasts and communication to the public). This means, for example, European artists can get royalties from food, drink and retail establishments that play music to attract consumers.

Trademarks

Vietnam will apply WIPO recommendation on the protection of well-known trademarks, which takes into consideration additional parameters that are not restricted exclusively to its degree of prominence amongst relevant consumers in a country.

Additional clarification for grounds for revocation has been agreed, including the obligation to have a requirement of use and protection against misleading use of names.

Designs

Vietnam has committed itself to accede to the Hague Agreement (Procedural treaty on the registration of designs) and to extend term of protection for designs to 15 years.

Patents

Patent owners can enjoy extension of patent protection in case of delays in marketing authorisation procedures.

Protection of undisclosed information and data

Data protection on pharmaceutical products (i.e. including biologics) and agrochemical products has been set at five years.

Plant varieties

The Parties shall protect plant varieties rights, in accordance with the International Convention for the Protection of New Varieties of Plants (UPOV) and its latest revision (the so-called '1991 UPOV ACT'). This means innovative plant varieties that can lead to

better yields or, for example, protection against rot for rice plants will be protected and are therefore likely to be introduced more quickly onto the Vietnamese market to the benefit of farmers and consumers.

Geographical Indications

Geographical indications are a distinctive sign used to identify a product as originating in a territory of a particular country, region or locality where its quality, reputation or other characteristic are linked to its geographical origin. They are also protected under the FTA.

ENFORCEMENT

Efficient enforcement of IPR is necessary to ensure continuous investment in innovation and to avoid commercial-scale intellectual property rights infringements that result in economic harm. The obligations of Vietnamese authorities and customs officers are more precisely defined. They also gain increased competences and better tools to address possible infringements.

As such, the Agreement contains strong provisions improving the legal framework for enforcement at all levels:

- The obligation to recognise a number of entities as entitled applicants to enforcement measures.
- The obligation to provide for provisional measures and injunctions against intermediaries.
- Making the right to information an obligation and extending it to other entities than the infringer.
- Additional obligations regarding provisional measures, such as the possibility of recurring penalty payments, blocking of bank accounts and other assets.
- Possibility to replace injunctions or corrective measures by pecuniary compensation in certain cases of unintentional infringement.



- Measures to dispose of infringing goods at the expense of the infringer.
- Publication of judicial decisions.

Customs

- Ability for customs officers to act 'ex-officio' – in other words to intervene without having to wait for a complaint.
- The obligation to extend border enforcement measures to exports of infringing goods.
- The obligation to cooperate with right-holders and to use risk analysis.

Liability of Intermediary Service Providers (ISPs)

- Rules defining the role of intermediaries' services in the digital environment.
- Liability limitations for infringements of copyright by ISPs performing specific functions through telecommunication networks ('mere conduit', 'caching' and 'hosting').

This means it will become easier to start e-commerce in Vietnam as the rules are clearer as to the liabilities of service providers.

Important improvements in the IPR filed will make Vietnam more attractive for producers of pharmaceutical products and thus provide people with better access to quality medicines.

GEOGRAPHICAL INDICATIONS

A Geographical Indication (GI) is a distinctive sign used to identify a product as originating in the territory of a particular country, region or locality where its quality, reputation or other characteristic is linked to its geographical origin.

The EU supports better protection of Geographical Indications internationally due to the increasing number of violations throughout the world as geographical names with commercial value are exposed to misuse and counterfeiting. The abuse of geographical indications limits access to certain markets and undermines consumer loyalty. Fraudulent use of geographical indications hurts both producers and consumers.

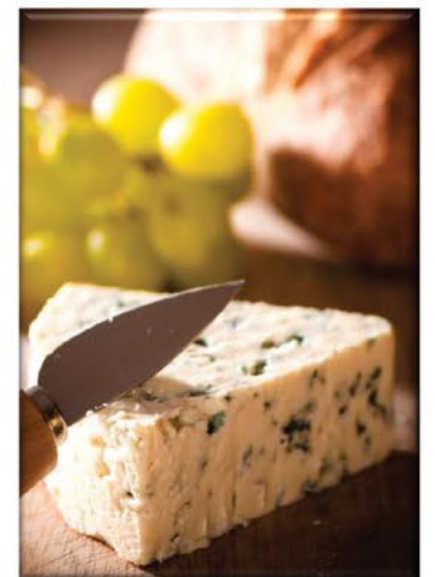
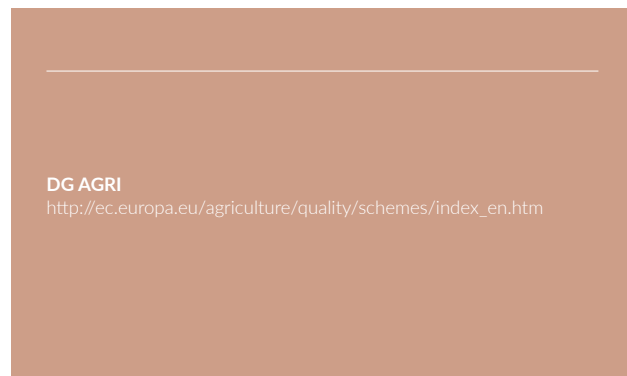


As a result of the FTA, farmers and businesses producing with traditional methods kinds of food and drinks protected by 169 European GIs¹ will benefit from the recognition and protection on the Vietnamese market at a comparable level to that of EU legislation. This means that the use of Geographical Indications (GIs) such as Champagne, Feta, Parmigiano Reggiano, Rioja, Roquefort or Scotch Whisky will be reserved in Vietnam for products imported from the European regions in which they originate. This protection will be assured on the Vietnamese market by appropriate administrative sanctions, including upon request of an interested party and will apply once the FTA enters into force.

The listed GIs will benefit from a direct protection through the FTA that will provide for the legal basis to challenge any usurpation of the EU GIs, with only very limited exceptions: specific solutions were agreed for five EU GIs (Asiago, Champagne, Feta, Fontina and Gorgonzola), addressing possible coexistence with prior registered trademarks or uses in Vietnam.

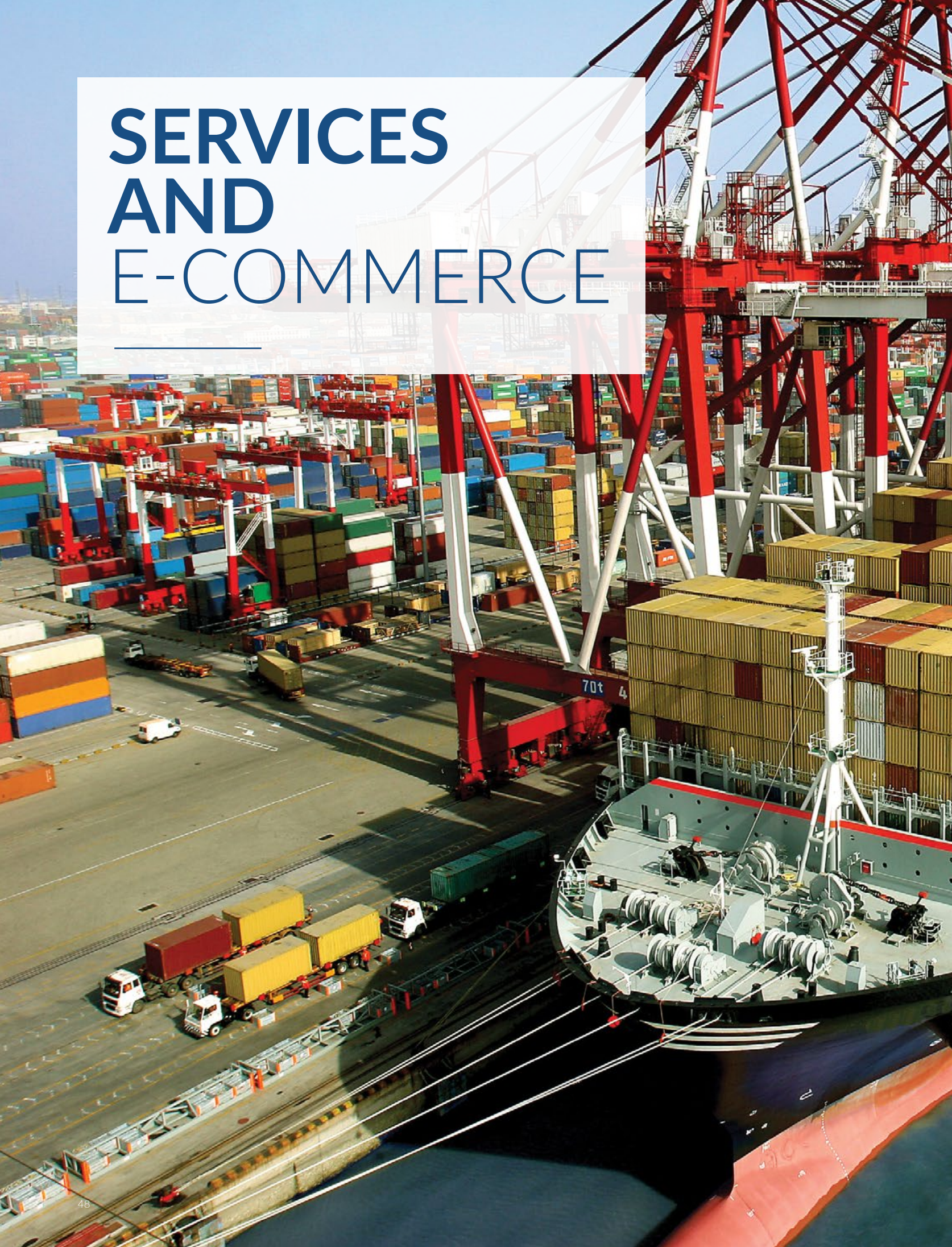


39 Vietnamese GIs, too, will be recognised and protected as such in the EU thanks to the FTA, providing the adequate framework for further promoting imports of quality products such as Phú Quốc fish sauce, Mộc Châu tea or Buôn Ma Thuật coffee.

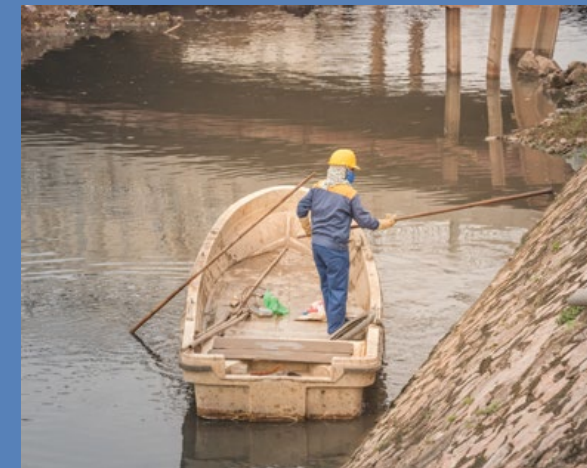


1. The full list of EU and Vietnamese GIs can be found as an Annex to the Chapter of the FTA on Intellectual Property http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154223.%20institutional%20-%20GIs%206.5a3%206.11wg%20rev2%20-%20for%20publication.pdf

SERVICES AND E-COMMERCE



These days, economic relations among countries go far beyond traditional flows of goods. Trade in services has been growing and represents around 70 % of GDP in Europe and 40 % in Vietnam. It is, therefore, positive that the FTA not only grants further opening trade in services and investment but also provides improvements and more stable conditions to already existing investments.



Market access

In many aspects of the FTA, Vietnam went beyond its WTO commitments or other FTA Agreements, for example:

- In business services, the Agreement provides for better access in a number of business sub-sectors and more specifically:
 - » Vietnam abolished limitations in number of business services (e.g. architectural, urban planning and urban landscape architectural services);
 - » Vietnam offered new market access to a number of services sectors such as in building cleaning services, including disinfecting and exterminating; packaging services; trade fairs and exhibitions services; rental/leasing without operators relating to machinery and equipment; interdisciplinary Research and Development; technical testing and analysis services for cross border in certain services or certain special photography services.
 - » Further opportunities are now available in Vietnam for providers of nursing services, physiotherapists and paramedical personnel.

- In health related services, Vietnam committed itself for the first time to social services (with accommodation and without accommodation) subject to foreign equity cap of 70% on establishment.

- Important improvements also apply to environmental services (sanitation and similar services; nature and landscape protection services).

- In higher education services, Vietnam opened cross border services for the first time. It reflects the modern trend in education, where certain courses can be provided online.

- In distribution services, five years after the entry into force of the FTA retailers will no longer have to undergo an economic needs test (ENT) when opening outlets in Vietnam. Until then, no ENT will apply for outlets beyond the first one which are less than 500 square metres. Vietnam also offered written assurances on wines and spirits which will ensure that the conditions set out in the existing licenses of spirits will not become more restrictive and that Vietnam will abide by a set of principles while licensing wines.

- In financial services, in securities Vietnam committed on market access and national treatment cross border financial data processing and to advisory, intermediation and other auxiliary securities related to trading for own account or for account of customers as long as they are permitted to Vietnam's own financial services suppliers (issues of all kinds of securities, asset management settlement and clearing services for securities, etc.)

In insurance Vietnam offers commitments on retrocession, health insurance and branching in re-insurance.

- Vietnam offered commitments on cross border market access and national treatment provision and transfer of financial information and financial data processing as well as advisory intermediation and other auxiliary financial services.

- In maritime transport, Vietnam offered commitments for the first time compared to GATS and other FTAs in all the following sub-sectors:

- » cross border passenger and freight transportation; for establishing companies the 49% foreign equity cap increased up to 70%;
- » maintenance and repair of vessels in all modes of supply; with foreign equity cap of 70% for joint ventures;
- » maritime agency services with foreign equity cap of 49%;
- » cross border container station and depot services;
- » internal waterways transport for passenger and freight transport cross border without any limitations;
- » maintenance and repair of vessels for all modes of supply; with foreign equity cap up to 51% for joint ventures;
- » air transport ground handling services for all modes of supply with some transitory limitations on equity cap for joint ventures (reaching 51% eight years after entry into force);
- » in-flight meal serving services subject to joint venture with foreign equity caps up to 49%;
- » in auxiliary to maritime transport, there are commitments for the first time in maritime cargo handling services for up to 49% joint ventures;
- » full cross border commitments on container handling services;
- » full commitments on storage and warehouse services to all modes of supply without any limitations.
- » dredging services with foreign equity of 49% and in five years from the entry into force, up to 51%.

- In postal services, Vietnam opened up both courier and postal services except those subject to universal service and reserved services¹. The foreign equity

cap limitation in joint ventures with Vietnamese companies was abolished.

- In telecommunications, Vietnam offered broad commitments on all sub-sectors subject to foreign equity caps and joint ventures. However, Vietnam increased the foreign equity cap in many sub-sectors of interest to the EU subject to a transition period of five years. In particular, Vietnam increased the foreign equity cap in non-facilities based virtual private network services from 70 to 75 %;
 - » In non-facilities-based value-added services the foreign equity caps were abolished and for the first time in this sector the EU industry can invest up to 100% ownership and without the obligation to form a joint venture;
 - » In facilities-based value-added services, the current 50% foreign equity cap was increased up to 65% (allowing hence the management);
 - » In non-facilities-based internet access, the foreign equity cap increased from 65% to 75% and in facilities-based internet access for from 50% to 65% (allowing hence the management).
- In temporary presence of natural persons, Vietnam offered substantial commitments for both services and goods including a list of sectors to be covered by commitments to contractual service suppliers in addition to the engineering and computer services committed in GATS (i.e. architectural, urban planning and landscape architecture services, integrated engineering, higher education, foreign language and environmental services).



¹. However if the universal service is revised as it is expected soon, the EU will benefit from this further opening

The Agreement contains the so-called Most Favoured Nation clause for establishment (both services and non-services sectors) and for cross border services. As a consequence, for example, the benefits granted by Vietnam under Trans-Pacific Partnership Agreement and by EU under Transatlantic Trade and Investment Partnership Agreement and Japan FTA will be extended to the other Party.

Regulatory disciplines

In addition to commitments to standard market access and national treatment provisions, Vietnam also commits itself for the first time to a set of high level regulatory disciplines on financial services, telecommunications, computer services, postal services, domestic regulation, international maritime transport and mutual recognition of professional qualifications. These disciplines in general relate to licencing, qualifications, regulatory environment, laying down the main elements of a regulatory framework ensuring access to the specific markets at a level playing field and offering further guarantees on fair competition between local and foreign companies, etc.

ELECTRONIC COMMERCE

E-commerce is an area that is rapidly developing because of technological and business innovations such as cloud computing or the internet of things. In the EU alone, the percentage of turnover on e-sales in 2014 amounted to 17% of the total turnover of firms with 10 or more persons employed in the EU-28.

E-commerce in the FTA refers to use of electronic means to conduct business. As such, it is an issue cutting across various sectors. Rules on e-commerce apply to a wide variety of services, including retail services but also financial services or business services or any other service, to the extent that those services are provided by electronic means.

The EVFTA promotes a number of rules on e-commerce, such as:

- » the prohibition of customs duties on electronic transmissions,
- » liability exemptions for online intermediaries (in order to increase legal certainty for internet access providers and e-commerce platforms);
- » treatment of unsolicited electronic commercial communications (spam); and
- » cooperation on e-commerce matters.



INVESTMENT

Following the entry into force of the Treaty of Lisbon on 1 December 2009, Foreign Direct Investment became included in the common commercial policy of the European Union. This makes it part of the EU exclusive competence and opens up new possibilities for action at EU level. Since then, investment has become an integral part of the free trade agreements negotiated by the EU.

The existing 21 Bilateral Investment Treaties (BITs) in force between Vietnam and EU Member States will be replaced by the FTA once it enters into force. The FTA contains some innovative provisions on investment that are not present in the existing BIT Agreements.

The new approach contains guarantees that EU investors will enjoy the best available treatment when investing in Vietnam. In addition, the Agreement will ensure a high level of investment protection while preserving the EU's and Vietnam's right to regulate their policies to pursue legitimate public policy objectives such as the protection of health, safety or the environment.

Market Access

Increased access to the Vietnamese market will attract foreign investors and create opportunities for developing manufacturing in Vietnam.

- Limitations in the following sectors have been eased:
 - » food products and beverages including on processing of fish and aquaculture products
 - » cane sugar
 - » fertilisers and nitrogen composites
 - » tyres and tubes, gloves and plastic products; and
 - » ceramics

- On machinery, restrictions have been removed on assembly of marine engines and services related to general purpose machinery, as well as on agricultural machinery, domestic appliances and bicycles.
- Restrictions for the production of construction glasses, clay bricks and cement products have been reduced.
- Licenses for the manufacturing of soft drinks have been allowed.

New, precise standards on investment

Standards of investment protection are basic guarantees that governments will respect certain fundamental principles of treatment that a foreign investor can rely upon when making a decision to invest in a certain country.

These guarantees include:

- » non-discrimination
- » no expropriation without prompt and adequate compensation
- » possibility to transfer and repatriate funds relating to an investment
- » a general guarantee of fair and equitable treatment and physical security
- » a commitment that governments will respect their own written and legally binding contractual obligations towards an investor
- » a commitment to compensate for losses in certain circumstances linked to war or armed conflict.

The FTA defines precisely when governments are in breach of the fair and equitable treatment obligation and removes the scope for discretionary interpretation. Such cases may be observed when justice in criminal, civil or administrative proceedings is denied or parties are seriously in breach of due process in judicial and administrative rulings.

The FTA does not protect so-called 'shell' or 'mailbox' companies. To qualify as an investor, companies have to run real business operations either in the EU or in Vietnam.

Finally, the FTA provides a detailed set of provisions giving guidance to arbitrators on how to decide whether or not a government measure constitutes indirect expropriation. Detailed language has been included to clarify that legitimate public policy measures cannot be challenged by investors.





GOVERNMENT PROCUREMENT

Public procurement is about how public authorities spend public money when buying goods, works or services. This can range from buying IT equipment or providing water, gas and electricity, to building a hospital or a road.

Public procurement affects a substantial share of world trade flows, amounting to € 1,000 billion per year. In the EU, the public purchase of goods and services has been estimated to account for 16% of GDP. Vietnam is one of the countries with the highest ratio of public investment to GDP in the world. Since 1995, this ratio has maintained at over 39% annually with a large part invested in infrastructure projects. This market has become very attractive to many foreign investors.

Hence, under the FTA, Government Procurement is an important chapter. Vietnam and the EU have agreed on disciplines in line with the Government Procurement Agreement (GPA) rules of the World Trade Organization. This is particularly valuable as Vietnam is not yet member of the GPA. The government procurement chapter of the EVFTA achieves a degree of transparency and procedural fairness comparable to other FTAs that the EU has signed with developed and more advanced developing countries.

Market Access

Upon entry into force of the Agreement, EU companies will be able to bid for public procurement contracts under the same conditions like Vietnamese companies for the following entities:

- All Vietnamese ministries at central level including for infrastructure such as road and ports and two other entities equivalent to ministries (Committee on Ethnic Minority Affairs and Government Inspectorate).
- Two key utility-related State Owned Enterprises (i.e. the branches of the national electricity operator Electricity of Vietnam (EVN) in charge of power transport and distribution and VNR, the nationwide railway operator).
- 34 public hospitals directly under the control of the Ministry of Health.

- Two major universities and two major research institutes.
- Entities in Hanoi and Ho Chi Minh City covered by the annex, which stand for 50 % of procurement conducted at sub-central level.

Given its developing country status, Vietnam will benefit from differentiated treatment and/or transitional measures in certain areas. This particularly concerns threshold values. Only those procurement activities that are carried out by covered entities purchasing listed goods, services or construction services of a value exceeding specified threshold values are subject to the Agreement. For thresholds values, a transitional period of 15 years will apply across the board with a progressive scaling-down of thresholds up to a level comparable to those offered by other GPA members.

For example, the initial threshold of 1.5 million Standard Drawing Rights (SDR) for goods and services for procurement done by central government entities would be gradually reduced to 130 000 SDR (equivalent to around €160 000 ; see Table below for more details).

Vietnam agreed to develop a central web portal for advertising procurement contracts that should be operational at the latest 10 years after entry into force of the FTA. It is also of great importance for the foreign investors that summaries of procurement notices will be available in English.

Goods procurement

Vietnam offered a large coverage of products except a few agricultural products and a few manufactured goods of minor value. All pharmaceuticals purchased by the Ministry of Health are included as well as by the Departments of Health of Hanoi and Ho Chi Minh City and the 34 hospitals already mentioned.

A specific scheme has been agreed for pharmaceutical products (explained under section on pharmaceuticals).

1. 130,000 SDR correspond to € 161,324.15 in May 2016; 100,000 SDR are equivalent to 124,095.50.

Services procurement

Vietnam offered a number of sectors including most computer-related services. For public works, Vietnam was ready to offer basically all construction services, including under the Ministry of Transport and notably to include dredging services, sectors of importance for a number of EU Member States.

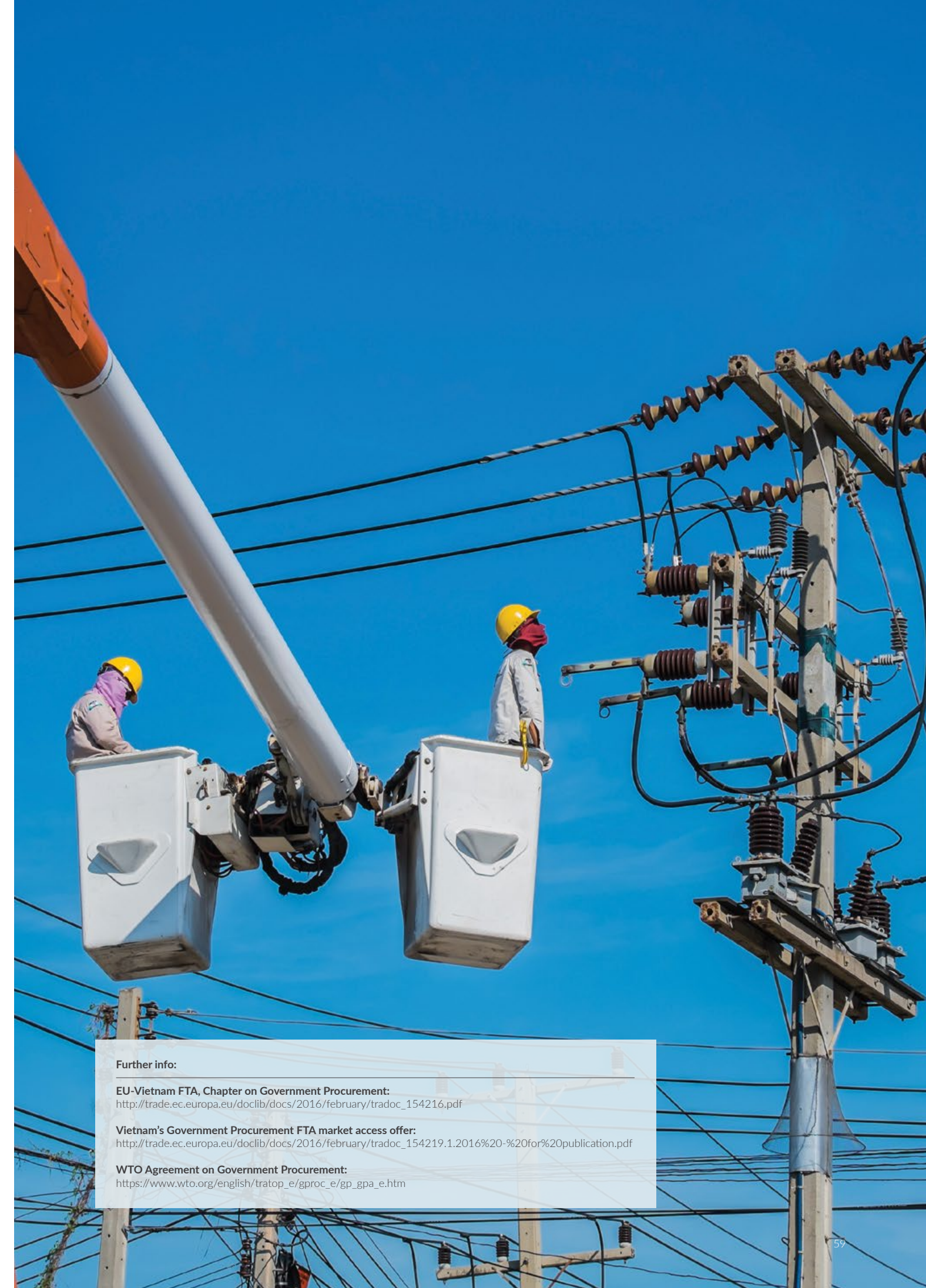
Overview of Vietnamese thresholds (SDR) and coverage in the FTA Agreement:

	Section A: Central Level of Government Entities		Section B: Sub-Central level of Government Entities		Section C: Other covered entities	
	Goods and services	Construction services	Goods and services	Construction services	Goods and services	Construction services
	All ministries, the social security office as well as two other entities equivalent to ministries (Committee on Ethnic Minority Affairs; and Government Inspectorate)		Two major cities – Hanoi and Ho Chi Minh City		Two utility-related SOEs (i.e. the branches of the national electricity operator EVN in charge of power transport and distribution and VNR, the nationwide railway operator); two major universities; two major research institutes and 34 public hospitals directly under the control of the Ministry of Health	
Vietnam at entry into force	1,500,000	40,000,000	3,000,000	40,000,000	3,000,000	40,000,000
Vietnam after transition period 15 years	130,000	5,000,000	1,000,000	15,000,000	1,000,000	15,000,000

Note: Currently, the procurement contracts for the purchase of a single pharmaceutical product tend to be considerably smaller than the thresholds indicated in the Table [1]. Vietnam therefore considered a much lower final threshold of 130,000 SDR for these contracts (equivalent to around € 160,000).



Vietnamese companies will also get access to the EU procurement market. Procurement for goods and services by both central and local entities in the EU's 28 Member States will be open to Vietnamese bidders. The value of tenders advertised across the EU is approximately € 420 billion per year (in 2010).



Further info:

EU-Vietnam FTA, Chapter on Government Procurement:

http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154216.pdf

Vietnam's Government Procurement FTA market access offer:

http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154219.1.2016%20-%20for%20publication.pdf

WTO Agreement on Government Procurement:

https://www.wto.org/english/tratop_e/gproc_e/gp_gpa_e.htm

TRADE AND SUSTAINABLE DEVELOPMENT

Supporting economic growth, social development and environmental protection are three basic elements for achieving sustainable development. Trade policies can have wide-ranging effects on an economy, employment, labour standards, social cohesion and the environment. It is the EU's objective, therefore, to ensure that its trade policy supports sustainable development within the EU, in its partner countries and globally.

The FTA includes a robust, comprehensive and binding chapter on Trade and Sustainable Development, dealing with labour and environmental matters relevant to trade relations between the EU and Vietnam.

The chapter sets specific provisions in this area with the two-fold aim of (1) promoting mutual supportiveness between trade and investment, labour, and environmental policies, and (2) ensuring that increased trade and investment do not come at the expense of workers and environmental protection. Against this background, the chapter includes obligations from both the EU and Vietnam regarding a core set of labour and environmental issues.



Multilateral labour and environmental rules

With respect to labour matters, specific commitments address the effective implementation of each of the four International Labour Organization (ILO) core labour standards (freedom of association and right to collective bargaining; forced or compulsory labour; child

labour; non-discrimination in respect of employment and occupation) and of all the ratified ILO Conventions (not only the fundamental ones), as well as progress towards ratification of non-ratified fundamental ILO Conventions.

On environment, the FTA includes commitments to the effective implementation by each Party of all the ratified Multilateral Environmental Agreements (MEAs), including, among others, the UN Convention on Biological Diversity (CBD), the UN Convention on International Trade in Endangered Species (CITES) and the UN Framework Convention on Climate Change (UNFCCC). With regard to the last, a dedicated article on climate change further underlines the common engagement of the EU and Vietnam to achieve climate change objectives.

Domestic levels of labour and environmental protection

The FTA also establishes specific disciplines to avoid a 'race to the bottom' in the labour and environmental areas. This means in practice that neither the EU nor Vietnam can derogate from, or fail to effectively enforce, any of its domestic labour and environmental laws in order to attract trade or investment. At the same time, it recognises the right of each Party to regulate in the area of labour and the environment and to establish the levels of protection it deems appropriate beyond – but not below – the commitments to ILO standards and Conventions and to MEAs.

Thematic issues

Specific attention is paid to trade and investment practices of particular relevance for fostering sustainable development, including fair and ethical trade and other voluntary sustainable assurance schemes, as well as Corporate Social Responsibility (CSR), where reference is made to international principles and OECD guidelines on responsible business conduct.

Furthermore, the Agreement provides for specific action to advance the conservation and sustainable



management of natural resources. In particular, it sets commitments on biodiversity, including with regard to strengthening cooperation under CITES and addressing illegal trade in wildlife; forestry, including with regard to combatting against illegal logging; fisheries including with regard to fostering cooperation with Regional Fisheries Management Organisations, fighting against Illegal, Unreported and Unregulated fishing (IUU) and promoting sustainable aquaculture.

Institutional set-up and civil society involvement

The FTA establishes dedicated institutional structures to ensure the full implementation of the chapter and its oversight, through both a governmental body and channels for the involvement of independent civil society, including social partners, in the EU and in Vietnam, both domestically and jointly.

A special Committee on Trade and Sustainable Development will specifically monitor the implementation of the Trade and Sustainable development chapter.

In addition to this special Committee, the chapter also foresees specialised structures for the active involvement of civil society from both sides. At the domestic level, both the EU and Vietnam will consult Domestic Advisory Groups (DAGs). DAGs will comprise independent civil society representatives and include employers' and workers' organisations, business groups, and environmental organisations.

At bilateral level, the FTA establishes a joint forum as a suitable platform for regular exchanges among EU and Vietnamese civil society on all sustainable development aspects of trade relations among the EU and Vietnam. Members of each side's DAGs are an integral part thereof.

NON-TARIFF BARRIERS TO TRADE AND INVESTMENT IN RENEWABLE ENERGY GENERATION

Vietnam is a middle-income country developing very fast with impressive macro-economic figures. Vietnam's target is to turn itself into a fundamentally modern industrialised country as soon as practical and this is putting increasing pressure on energy sourcing, and in particular on sustainable energy sourcing. There is, therefore, a strong potential for the development of renewable energies in Vietnam which opens new possibilities for EU investors. In order to ensure that the right legal framework is in place, the EU and Vietnam have agreed to a set of provisions fostering trade and investment in renewable energy in order to promote generation of energy from renewable and sustainable non-fossil fuels.

The EU is already supporting Vietnam's energy sector through its development cooperation programme. Our target is to engage in a policy dialogue with Vietnam to promote a more sustainable sector policy which also enables the development of renewable energies and energy efficiency.

The so-called Green Tech Annex of the FTA is dedicated to tackling non-tariff barriers affecting the renewable energy sector. It contains specific rules for the renewable energy sector on non-discriminatory treatment in general (licensing and authorisation procedures), on local content in particular and further on the use of international standards.

The benefits that would derive from boosting trade in this sector are obvious. Vietnam has great potential whereas the EU can rely on considerable experience and know-how. Cooperation with the EU can help Vietnam to profit from the EU's successful experience in this sector. Clear rules will provide for better trade opportunities and investor confidence.

The Green Tech Annex brings added value. It shows that the EU and Vietnam are able to use trade agreements not only for the benefit of trade but also for the benefit of tackling climate change: more renewable energy will contribute to that.

Further info:

http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154228.pdf

ANTITRUST AND MERGERS, SUBSIDIES AND STATE-OWNED ENTERPRISES



Competition policy helps to ensure a more efficient allocation of scarce public or private resources. Rules on competition are not about increasing market access per se, but rather about ensuring appropriate conditions which will enable market access to become effective and translate into real business opportunities. Anticompetitive behaviour and certain subsidies are not the traditional tariff barriers to trade but can be important behind-the-border barriers.

The EU is particularly interested in ensuring a level playing field for European and Vietnamese companies and avoiding trade benefits stemming from the FTA being neutralised by anti-competitive practices.

When properly designed, competition related issues are inherently pro-development, since it is developing countries whose companies and consumers are the most vulnerable victims of anti-competitive practices. Transparency and basic control of subsidies also ensures a better use of scarce public resources. Moreover, it will be easier for Vietnam to attract foreign companies if these can be reassured that basic competition laws will be respected.

Antitrust and mergers

The EU and Vietnam have agreed to a section on antitrust and mergers (anticompetitive conducts), including the obligation to maintain competition laws and relevant authorities and to apply the laws in a transparent and non-discriminatory manner. This means that companies operating in Vietnam should respect the same basic competition principles as

in Europe, i.e. no abuse of a dominant position and no agreements between enterprises that restrict competition and scrutiny of the competitive effects of a merger. At the same time, companies are assured that their rights in the competition procedures will be respected (procedural fairness) and that they can turn to the Vietnamese competition authorities to ask them to ensure an efficient competitive environment.

Subsidies

Companies can receive subsidies for well-defined public policy objectives such as research and development, training and regional development. However, the FTA acknowledges that certain kinds of subsidies can hinder competition and trade. Therefore, rules are agreed to limit the potential negative effects of the subsidies. Those rules cover transparency, consultations and also certain of the most distortive types of subsidies, which are made subject to certain conditions.

Important achievements levelling the playing field between EU and Vietnamese enterprises:

- Vietnam has agreed to notify not only subsidies to goods but also subsidies to services. This goes well beyond the existing WTO rules.

As a result, at least every four years both sides will notify or make public subsidies to companies in selected services sectors which are important from market access point of view such as telecommunications, banking, transport and energy.

- Companies have the possibility to alert their governments to potential subsidies with negative effects for their business. Governments can then engage in a consultation process with the other Party, in the first place to get information and, in case the distortive subsidy is confirmed, try to find a satisfactory solution.
- Unlimited guarantees (in amount or duration) are not allowed and subsidies to ailing companies are not possible without a viable restructuring plan.
- Both Parties can provide aid to public services and continue subsidising services of general economic interest. Limited exemptions to the competition rules apply in this regard.

State-Owned Enterprises

The Agreement contains rules regarding state-owned enterprises (SOEs), designated monopolies (public and private) and enterprises granted special rights or privileges in order to ensure that trade liberalisation achieved by the Agreement is not undermined by the unfair behaviour of such companies.

A very ambitious and high level agreement on SOEs has been reached. This achievement is even more significant as SOEs have traditionally been a backbone of Vietnamese economy and create around 40% of GDP.

Core rules related to SOEs:

- **Non-discrimination and commercial considerations:** rules applicable to SOEs will put SOEs and private enterprises on an equal footing when engaged in commercial transactions (sales and purchases with a profit making objective).
- **Transparency:** Parties can request information on a case-by-case basis on corporate structures and finances of the companies.
- **Corporate governance:** regulatory functions will treat SOEs and private enterprises in the same way and that all laws and regulations will be applied in a non-discriminatory manner.

Public services are fully safeguarded under the Agreement and nothing in the SOE chapter will affect the Parties' ability to continue providing services of general economic interest.

To target the most important SOEs from the trade and investment point of view, a turnover threshold of 200 million Standard Drawing Rights (SDR) (around €248 million in May 2016) has been agreed. Moreover, the rules will apply also to sub-central levels of government five years after the entry into force of the Agreement.

TRADE REMEDIES

The use of trade defence instruments in the FTA is based on rules set out by the WTO. These instruments – Anti-Dumping, Anti-Subsidy and Safeguard measures – allow the EU and Vietnam to defend its producers against competitive distortions in the form of dumped or subsidised imports and, in the case of safeguard action, against dramatic shifts in trade flows among them.

Some of the FTA provisions go beyond WTO concerning anti-dumping and countervailing duties. In particular, regarding transparency, both parties agreed to ensure adequate right of defence to the Parties. For greater efficiency, the investigating authorities will use the English language for bilateral communications and exchanges of documents.

Both sides shall also endeavour to apply the so-called lesser duty rule (by which the amount of duty imposed on imports should not exceed the duty necessary to remove the injurious element of dumping) and consider the interest of the various businesses (public interest test) before imposing measures.

Bilateral safeguard clause

Unlike subsidies and dumping, safeguards are not enacted to address unfair trade practices. Such specific bilateral measures are limited to remedy problems caused on either side by an unforeseen significant increase of imports as a result of the liberalisation of trade in goods. Producers cannot reasonably be expected to adapt immediately to a changed trade situation. Bilateral safeguard measures in the FTA can be used by either party during a transitional period of 10 years after the entry into force of the Agreement.

DISPUTE SETTLEMENT

The bilateral dispute settlement mechanism under the FTA is an efficient tool in cases where the Parties have divergent views on the interpretation and application of the Agreement. Ideally, the Parties should arrive to a mutually agreed solution and avoid disputes through dialogue in the institutionalised committees set up under the Agreement. If not feasible, the dispute settlement mechanism provides a way to resolve trade irritants through binding decisions of a panel.

The FTA improves on the existing WTO dispute settlement in various respects:

A faster system through stricter deadlines

The FTA dispute settlement proceedings are much faster than in the WTO. While a case in the WTO dispute settlement system can take up to 860 days, the timeframe under the EU's FTA with Vietnam is 425 days.

A more efficient system of panel composition

The FTA will establish a mandatory use of roster lists of arbitrators which is designed to enhance the mutual trust in arbitrators as well as the efficiency and automaticity of the panel selection process. The advantage of this system is that it is less exposed to litigation tactics and arbitrators enjoy the general support of both Parties.

A more transparent system (amicus curiae, public hearing)

The FTA enhances the transparency of dispute settlement proceedings compared to the WTO by providing that, subject to certain confidentiality rules, panel hearings are generally open to the public. In addition, the FTA gives a right for private parties established in either Party to submit amicus curiae submissions (information relevant to the case) to the panel.

An innovative system through the establishment of an elaborated mediation mechanism

The FTA clarifies the scope, procedural rules and effect of the mediation. The mediation mechanism is a voluntary system to which the Parties subscribe on an ad hoc basis.



PART III

USEFUL
INFORMATION
AND PRACTICAL
TOOLS

EUROPEAN CHAMBER OF COMMERCE (EUROCHAM)



Since its establishment with only 60 members in 1998, the European Chamber of Commerce in Vietnam (EuroCham) has grown to represent more than 900 European businesses by early 2016, counting among its supporters many of the world's leading companies. With offices in both Hanoi and Ho Chi Minh City, EuroCham's mission is to represent the business interests of its European members in Vietnam, and to improve the business environment in Vietnam for the benefit of all players. EuroCham also aims at helping Vietnamese enterprises to successfully meet the many challenges posed by the country's on-going global economic integration.

As the lead organisation representing European business interests in Vietnam, EuroCham works in partnership with the Belgium-Luxembourg Chamber of Commerce in Vietnam (BeluxCham), the French Chamber of Commerce and Industry in Vietnam (CCIFV), The Central and Eastern European Chamber of Commerce in Vietnam (CEEC), the Dutch Business Association Vietnam (DBAV), the German Business Association in Vietnam (GBA), the Italian Chamber of Commerce in Vietnam (ICham), the Hanoi Chapter of the Nordic Chamber of Commerce Vietnam (NordCham) and the Spanish Business Group in Vietnam (SBG). EuroCham is also a member and founder of the EU-ASEAN Business Council representing European business interests in ASEAN and a founding member of the European Business Organisations (EBO) Network, which promotes interests of European businesses in more than 30 countries across the globe.

Representing a plethora of industry sectors and type of companies ranging from SME to MNC size, EuroCham has a very strong business network in both Vietnam and Europe.

EuroCham offers a wide range of benefits and services to its members:

- Support establishment and growth of business (market insight, training, legal advice, etc.)
- Information on legal, tax, socio-economic environment in Vietnam
- Networking with other businesses and business leaders
- Policy dialogue and advocacy (yearly Whitebook, meetings with Vietnamese Ministries and government stakeholders)

Hanoi Office
GF, Sofitel Plaza Hanoi, 1 Thanh Nien Road, Ba Dinh District, Hanoi, Vietnam
Tel: (84-4) 3 715 2228 | Fax: (84-4) 3 715 2218
Email: info-hn@eurochamvn.org

Ho Chi Minh City Office
15F, The Landmark, Room 2B, 5B Ton Duc Thang, District 1, HCMC, Vietnam
Tel: (84-8) 3827 2715 | Fax: (84-8) 3827 2743
Email: info-hcmc@eurochamvn.org

Web site: www.eurochamvn.org

The EU-Vietnam Business Network (EVBN)

The EU-Vietnam Business Network (EVBN) is a project co-funded by the European Union and established in the end of 2013. EVBN's core objective is to help European companies, in particular small and medium sized enterprises (SMEs), to access the Vietnamese market and do business in Vietnam, as well as to improve the trade and investment environment and to foster exports, market entries and investment from Europe to Vietnam and ASEAN.

EVBN business support services, activities & events

Website

- www.evbn.org
- Update on Vietnam market & EVBN activities

"Ask the expert"

- Free first guidance & orientation to European SMEs

Business Incubator

- Unique comprehensive startup facilities for European companies

Starter Kit

- Guide of 60 pages to support SMEs in their approach of the Vietnamese market - accessible for free on EVBN website

Market studies

- Opportunities and challenges in different activity sectors: Free download on EVBN website

Pre-market consultation

- Tailored report with information about your target market including legal consideration - quotation upon request

Partner search

- Tailored agenda of 3 to 4 days with potential Vietnamese partners interested in your products / services - quotation upon request

Events

- Trade missions to Vietnam, presentations and roadshows in Europe
- Presence in main fairs in Europe, business luncheons and conferences

Database

- Database of European services providers in Vietnam, useful to start your business - accessible for free on EVBN website

Newsletter

- Subscribe on the website to receive regularly our newsletter & flashlight

More information and details available
www.evbn.org / info@evbn.org

Free South-East Asia IPR advice for European SMEs

- ◆ The South-East Asia IPR SME Helpdesk provides **free information and services** in the form of **jargon-free first-line confidential advice on intellectual property and related issues, plus training, materials and online resources.**
- ◆ The Helpdesk **raises awareness** about IPR matters in South-East Asia affecting European SMEs, and helps them make **informed IPR decisions.**

Available to all EU SMEs, the Helpdesk *co-operates with European SME networks, chambers of commerce and industry associations to offer these services free of charge:*



Helpdesk Enquiry Service – Confidential Advice

Individual SMEs and SME intermediaries can submit IPR enquiries directly to the Helpdesk via phone, email or in person, getting access to a panel of experts to receive **free and confidential first-line advice** within **3 working days.**



Training Materials

Industry and business-focused guides and training materials address IPR issues in the South-East Asia region by:

- **IP specific guides**, e.g. patents & trade marks
- **Country IP factsheets**: IP overviews of each of the 10 South-East Asia countries
- **Industry specific guides**, e.g. textiles, machinery, creative industries
- **Business guides**, e.g. technology transfer, manufacturing

The Helpdesk can also supply intermediaries with **articles** about IPR in the South-East Asia region written by IP experts for partners' newsletter content or other publications.



Online Services

- The **multi-lingual** online portal provides easy access for all EU SMEs to Helpdesk information and services, including Helpdesk **guides, event information, and webinar recordings.**
- Users can subscribe to our **blog *Your IP Insider***, our **project newsletter**, and our **Twitter, Facebook and LinkedIn** feeds, to stay up to date on project activities and South-East Asia IPR news.



Training Events and Webinars

The Helpdesk organises **training events and webinars** in Europe and South-East Asia on **South-East Asia IPR protection and enforcement**, tailored to the needs of SMEs:

- **General IPR issues**, including IP registration and establishing an IP enforcement strategy.
- **Practical business challenges**, e.g. choosing business partners, attending trade fairs, licensing.
- **Industry specific trainings**
- **One-to-one sessions**: free 20 minute one-on-one consultations with an IP expert are available at most training events.
- **Webinars**: 45 minute online presentations + 30 minute live Q&A, from the convenience of your own office or home. All recordings are available for free download from our website post-session.

Working together

For more information and to discuss how we can work together, please contact us:
Tel: +84 8 3825 8116 | Fax: +84 8 3827 2743
Email: question@southeastasia-iprhelpdesk.eu
Online: www.southeastasia-iprhelpdesk.eu
Blog: www.yourIPinsider.eu



An initiative co-funded by the European Union

Project implemented by:



MARKET ACCESS DATABASE (MADB)



The Market Access Database (MADB) is a platform operated by the European Commission. It provides information free of charge to companies exporting from the EU about import conditions in third country markets:

 <http://madb.europa.eu/madb/indexPubli.htm>

Tariffs

- Duties and taxes on imports of products into specific countries

Procedures and Formalities

- Procedures and documents required for customs clearance in the partner country

Statistics

- Trade flows in goods between EU and non-EU countries

Trade barriers

- Main barriers affecting your exports

SPS: Sanitary and Phytosanitary Issues

- Food safety/animal health/plant health measures

Rules of Origin

- Preferential agreements and rules of origin

Services for SME

- Useful links to services targeting small and medium-sized enterprises

EU TRADE HELPDESK

What is the EU Trade Helpdesk?

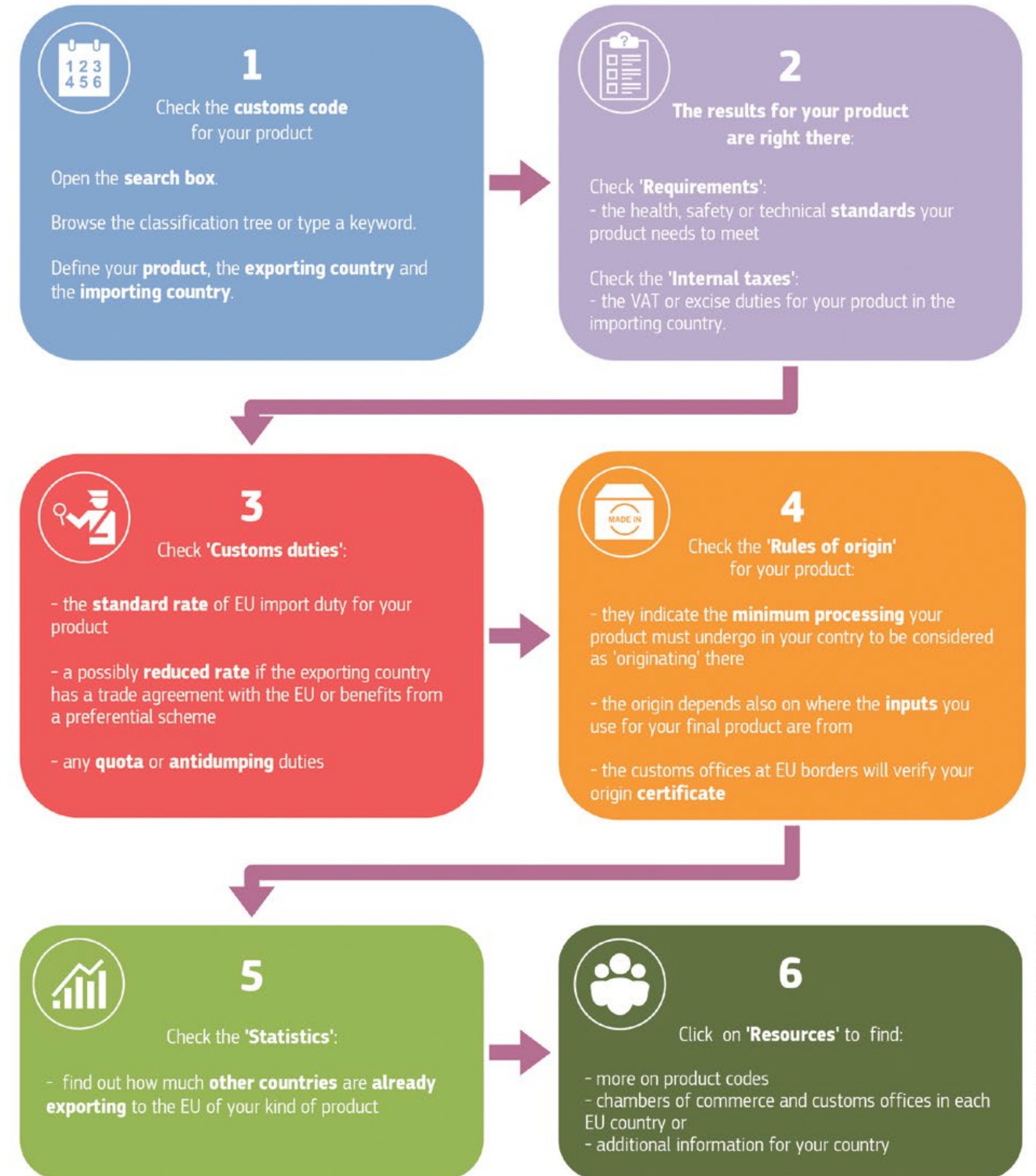
The Export Helpdesk (EH) is a freely accessible, online database for companies from non-EU countries which intend to sell products on the EU market. The system holds real-time information on the EU's import conditions for any type of product from machinery and chemicals to textiles, food and wine. Businesses can access applied customs duties for all goods listed in the EU tariff schedule and also retrieve the actual EU import requirements for these products, the applicable tax rates in the 28 EU Member states and comprehensive trade statistics going back to 2002. Special features of the database are the EU's product specific requirements such as sanitary and phytosanitary rules, technical standards and labelling rules that can be searched product-by-product. The website is regularly updated and thus a reliable source of information. Most of the information is available in English, French, Spanish and Portuguese.

 www.exporthelp.europa.eu

When planning to export to the EU businesses can check:

- Which documents they need to produce to get access to the EU market (customs documents, import licenses, freight insurance papers) – the general import requirements
- Which EU legal requirements for human health, consumer safety, packaging, marketing and labelling apply to the product they intend to import – the specific import requirements
- Which import duties, tariffs and preferential and non-preferential tariff quotas apply to their products
- Which preferential arrangements the EU has with other countries and how to claim lower duty rates by respecting the rules of origin for a product
- The VAT rates and excise duties applying in each of the 28 EU Member States
- Trade statistics for trade flows between non-EU and EU countries

EXPORTING TO EUROPE IN 6 EASY STEPS



THE EUROPEAN TRADE POLICY AND INVESTMENT SUPPORT PROGRAMME (EU-MUTRAP)



The European Trade Policy and Investment Support Programme (EU-MUTRAP) is a follow-up trade capacity-building project in Vietnam funded by the European Union after the completion of three phases of MUTRAP from 1998 to 2012.

The overall objective of the EU-MUTRAP is to further Vietnam's integration into the global, ASEAN and sub-regional trade systems and to enhance EU-Vietnam trade and investment relations in order to maximise the benefits for the country's economic, development, inclusive growth and poverty reduction.

The specific purpose of the EU-MUTRAP is to support the Vietnamese Ministry of Industry and Trade (MOIT) and other relevant ministries/agencies in facilitating

sustainable international trade and investment through improved capacity for policymaking, policy consultation and the negotiations and implementation of related commitments, particularly vis-a-vis the EU-Vietnam Free Trade Agreement (EVFTA).

The total amount of the EU-MUTRAP is €16 million of which the EU contributes €15,000,000 while Vietnamese partners agree to contribute €1,000,000 to the implementation of the project activities during the five years. The MOIT is the lead agency. The current implementation EU-MUTRAP programming period runs between 27 August 2012 and 30 June 2017.

EU MEMBER STATES' EMBASSIES AND BUSINESS SUPPORT STRUCTURES

AUSTRIA



EMBASSY OF THE REPUBLIC OF AUSTRIA

Website: <http://www.bmeia.gv.at/en/foreign-ministry/startpage.html>
Email: hanoi-ob@bmeia.gv.at
Address: Prime Center, 8th floor, 53 Quang Trung str, Hanoi
Tel: +84 4 3943 4869

Commercial Section in Hanoi

Website: www.advantageaustria.org/vn
E-mail: Hanoi@advantageaustria.org
Address: Prime Center, 8th floor, 53 Quang Trung str, Hanoi

Commercial Section Ho Chi Minh City

Website: www.advantageaustria.org/vn
Email: hcmc@advantageaustria.org
Address: 18 Bis/2. Nguyen Thi Minh Khai St., Dist.1, Ho Chi Minh City, Vietnam
Tel./Fax: +84 8 3829 8918

BELGIUM



EMBASSY OF THE KINGDOM OF BELGIUM

Website: <http://countries.diplomatie.belgium.be/en/vietnam/>
Email: hanoi@diplobel.fed.be
Address: 9th Floor, Hanoi Towers, 49 Hai Ba Trung str, Hanoi
Tel: +84 4 3934 6179 /80

Embassy of Belgium – Flanders Investment and Trade Office

Website: www.flandersinvestmentandtrade.com
Email: hanoi@fitagency.com
Address: Hanoi Towers, 9th Floor, 49 Hai Ba Trung, Ha Noi
Tel: +84 4 3934 6172 / 73

Embassy of Belgium – Wallonian Export & Investment Agency (AWEX)

Website: www.awex.be
Email: hochimnhville@awex-wallonia.com
Address: Lim Tower, 23rd Fl. 9-11 Ton Duc Thang, D1 – Ho Chi Minh City
Tel: +84 8 3821.9228

Embassy of Belgium – Brussels invest & export Vietnam

Website: www.brusselsinvestexport.be
Email: hanoi@brusselsinvestexport.com
Address: Hanoi Towers, 9th Floor, 49 Hai Ba Trung, Ha Noi
Tel: +84 4 3934 6182

BULGARIA



BULGARIAN EMBASSY

Website: <http://www.mfa.bg/embassies/vietnam/setlang/en>
Email: embassy.hanoi@mfa.bg
Address: 5 Nui Truc Street, Van Phuc Quarter, Hanoi
Tel: +84 4.3845.2908

Commercial and Economic Office in Ho Chi Minh City of Embassy of Republic of Bulgaria

Website: <http://www.stiv-hcmc.com/en/>
Email: bgtrade.hcmc@gmail.com
Address: Floor 14, Vincom Center B, Office No. 13, 45A Ly Tu Trong Street, Dist.1, Ho Chi Minh City
Tel: +84 914373844

CZECH REPUBLIC



EMBASSY OF THE CZECH REPUBLIC

Website: <http://www.mzv.cz/hanoi/en/>
Email: commerce_hanoi@mzv.cz
Address: 13 Chu Van An street, HANOI
Tel: + 84 4.3845.4131 / 32

CZECH TRADE (Ministry of Industry and Trade of the Czech Republic)

Website: www.czechtrade.vn
Email: ho-chi-minh-city@czechtrade.cz
Address: 4 Nguyen Dinh Chieu, Da Kao Ward, Dist.1, Ho Chi Minh City
Tel: +84 8.6288.8689

DENMARK



EMBASSY OF THE KINGDOM OF DENMARK

Website: www.vietnam.um.dk
E-mail: hanamb@um.dk
Address Hanoi: 7th Floor, BIDV Tower, 194 Tran Quang Khai, Hoan Kiem, Hanoi
Tel: +84 (4) 3823 1888

Address HCMC: Suite 505, 5th Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai, District 3, Ho Chi Minh City
Tel: +84 (8) 3821 9373

FINLAND



EMBASSY OF THE REPUBLIC OF FINLAND

Website: www.finland.org.vn
Email: sanomat.han@formin.fi
Address: 24th floor West Wing, Lotte Centre, 54 Lieu Giai, Hanoi, Vietnam Hanoi
Tel: +84 4 3826 6788

FINPRO – Finland Trade Center

Website: www.finpro.fi
Email: eija.tynkkynen@finpro.fi; sanomat.han@formin.fi
Address: F/5, Somerset Chancellor Court, 21-23 Nguyen Thi Minh Khai str, District 1, Ho Chi Minh City
Tel: +84 8 3823 2644

FRANCE



EMBASSY OF THE FRENCH REPUBLIC

Website: <http://www.ambafrance-vn.org/>
Email: ambafrance.hanoi@diplomatie.gouv.fr
Address: 57 Tran Hung Dao str, Hoan Kiem, Hanoi
Tel: +84 4 3944 5830

GENERAL CONSULATE OF FRANCE

Website: <http://www.consulfrance-hcm.org/>
Email: info@consulfrance-hcm.org
Address: 27 Nguyen Thi Minh Khai str, District 1, Ho Chi Minh City
Tel: +84-8 3520 6800

BUSINESS FRANCE

Website: www.businessfrance.fr
Email: vietnam@businessfrance.fr
Address Hanoi: 57 Tran Hung Dao str, Hoan Kiem, Hanoi
Tel: +84 4 3944 5800

Address HCMC: 27 Nguyen Thi Minh Khai str, District 1, Ho Chi Minh City
Tel: +84 8 3520 6885

GERMANY



EMBASSY OF THE FEDERAL REPUBLIC OF GERMANY

Website: <http://www.hanoi.diplo.de/>
Email: info@hano.diplo.de
Address: 29 Tran Phu Street, HANOI
Tel: +84 4 3845 3836/7

CONSULATE GENERAL OF THE FEDERAL REPUBLIC OF GERMANY

E-mail: wi-10@hoch.diplo.de
Address: 126 Nguyen Dinh Chieu Str., District 3, Ho Chi Minh City, Vietnam
Tel.: +84 (0) 8 - 38 291 967 - ext. 220 / Fax: +84 (0) 8 - 38 231 919

AHK Vietnam / German Industry and Commerce Vietnam

Website: www.vietnam.ahk.de
Email: info@vietnam.ahk.de
Address Hanoi: Hanoi Office, 1303 Vietcombank Tower, 198 Tran Quang Khai, Hanoi, Vietnam
Tel.: (+84) 4 3825 1420, Fax: (+84) 4 3825 1422

Address HCMC: Ho Chi Minh City Office, Somerset Chancellor Court, 5th Floor, 21-23 Nguyen Thi Minh Khai, Dist. 1, Ho Chi Minh City, Vietnam
Tel.: (+84) 8 38239 775, Fax: (+84) 8 38239 773

GREECE



EMBASSY OF THE HELLENIC REPUBLIC

Website: www.mfa.gr/hanoi
Email: gremb.han@mfa.gr
Address: 27-29 Au Co, Tay Ho str, Hanoi
Tel: +84 4 3715 2254

HUNGARY



EMBASSY OF HUNGARY

Website: www.hanoi.kormany.hu
Email: mission.hoi@mfa.gov.hu
Address: Hanoi Lake View, 9th Floor, 28 Thanh Nien, Tay Ho, Hanoi
Tel: +84 4 3771 5714

Hungarian National Trading House

Website: www.tradehouse.hu
Email:
Address: 1 Ba Trieu, Hoan Kiem, Hanoi
Tel: +84 4 3839.8958

IRELAND



EMBASSY OF IRELAND

Website: www.embassyofireland.vn
Email: hanoiembassy@dfa.ie
Address: 2nd floor, Sentinel Place, 41A Ly Thai To, Hoan Kiem, Hanoi
Tel: +84 4 3974 3291

ITALY



EMBASSY OF THE ITALIAN REPUBLIC

Website: www.ambhanoi.esteri.it
Email: ambasciata.hanoi@esteri.it
Address: 9 Le Phung Hieu str, Hanoi
Tel: + 84 4 3825 6256

ITALIAN CONSULATE

Email: hochiminh.commerciale@esteri.it
Address: President Place, 10th Floor, 93 Nguyen Du Street, Ben Nghe Ward, District 1, Ho Chi Minh City
Tel: + 84 8 3827 5445

Italian Trade Commission – Trade promotion section of the Italian Embassy

Website: <http://www.italtrade.com/> and <http://www.ice.gov.it/>
Email: hochiminh@ice.it
Address: Unit 1105 – 11th floor, Me Linh Point Tower, 2 Ngo Duc Ke str, District 1, Ho Chi Minh City
Tel: +84 8 3822 8813

GRAND-DUCHY OF LUXEMBOURG



CHANCERY OF THE EMBASSY OF LUXEMBOURG (based in Thailand)

Website: <http://www.luxembourg.public.lu/fr/index.html>
Email: bangkok.amb@mae.etat.lu

Tel: +66 (0) 26777360

NETHERLANDS



EMBASSY OF THE KINGDOM OF THE NETHERLANDS

Website: <http://www.hollandinvietnam.org/>
Email: han-ea@minbuza.nl
Address: BIDV Tower, 7th Floor, 194 Tran Quang Khai, Hanoi, Vietnam
Tel: +84 4 3831 5650

CONSULATE GENERAL OF THE KINGDOM OF THE NETHERLANDS

Website: <http://www.hollandinvietnam.org/>
Email: hcm@minbuza.nl
Address: Saigon Tower, Suite 901, 29 Le Duan, Dist.1, Ho Chi Minh City
Tel: +84 8 3823 5932

POLAND



EMBASSY OF THE REPUBLIC OF POLAND

Website: <http://www.hanoi.msz.gov.pl/>
Email: hanoi.amb.sekretariat@msz.gov.pl; mariusz.boguszewski2@msz.gov.pl
Address: 3 Chua Mot Cot Street, Hanoi
Tel: + 84 4 3845 2027

ROMANIA



EMBASSY OF ROMANIA

Website: <http://www.mae.ro/>
Email: romambhan@fpt.vn
Address: 5 Le Hong Phong str, Hanoi
Tel: +84 4 3845 2014

SLOVAKIA



EMBASSY OF THE SLOVAK REPUBLIC

Website: <http://www.mzv.sk/hanoi>
Email:
Address: 12 Ba Huyen Thanh Quan, Hanoi
Tel: +84 4 3734 7601 /02

SPAIN



EMBASSY OF THE KINGDOM OF SPAIN

Website: www.exteriores.gob.es/Embajadas/Hanoi
Email: emb.hanoi@maec.es
Address Hanoi: 4 Le Hong Phong Street, Ba Dinh District, Hanoi
Tel: +84 4 3771 5207 / 08 / 09

Economic and Commercial Office – Embassy of Spain in Vietnam

Website: <http://www.icex.es>
E-mail: hochiminhcity@comercio.mineco.es
Address: 21 Phung Khac Khoan Street, District 1, Ho Chi Minh City, Vietnam
Tel: +84-8.38250173
Fax: +84-8.38250174

SWEDEN



EMBASSY OF SWEDEN

Website: www.swedenabroad.com
Email: ambassaden.hanoi@gov.se
Address: Daewoo Business Centre, 15th floor, 360 Kim Ma, Ngoc Khanh, Ba Dinh, Hanoi, Vietnam
Tel: +84 4 3726 0400

Business Sweden – The Swedish Trade & Invest Council

Website: <http://www.business-sweden.se/en/contact/offices-abroad/Vietnam/Hanoi/>
Email: asean@business-sweden.se
Address: Daewoo Business Centre, 15th floor, 360 Kim Ma, Ngoc Khanh, Ba Dinh, Hanoi, Vietnam
Tel: +84 4 3726 0400 (Switchboard Embassy of Sweden in Hanoi)

UNITED KINGDOM



EMBASSY OF UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Website: www.gov.uk/world/vietnam
Email: UKTIVietnam@fco.gov.uk
Address: 4th floor, Central Building, 31 Hai Ba Trung str, Hanoi
Tel: + 84 4 3936 0500

BRITISH CONSULATE GENERAL

Email: bcghcmc@hcm.vnn.vn
Address: 25 Le Duan Street, District I, Ho Chi Minh City
Tel: + 84 8 3825 1380

EUROPEAN UNION



DELEGATION OF THE EUROPEAN UNION TO VIETNAM

Website: <http://eeas.europa.eu/delegations/vietnam>
Email: delegation-vietnam@eeas.europa.eu
Address: 24th floor West Wing, Lotte Centre, 54 Lieu Giai, Hanoi, Vietnam Hanoi
Tel: +84 439410099

CHAMBERS OF COMMERCE AND BUSINESS ASSOCIATIONS

BELGIUM

Belgium-Luxembourg Chamber of Commerce in Vietnam (BELUXCHAM)

Website: www.beluxcham.com
Email: info@beluxcham.com
Address: Floor 15, The Landmark, 5B Ton Duc Thang, District 1, Ho Chi Minh City
Tel: +84 8.3822.4029

FRANCE

La Chambre de Commerce et d'Industrie Française au Vietnam (CCIFV)

Website: <http://www.ccifv.org>
Email: info@ccifv.org
Address Hanoi: Sofitel Plaza Hanoi, 1 Thanh Nien, Ba Dinh District, Ha Noi
Tel: +84 4 3715 2229

Address HCMC: The Landmark, 15th floor, 5B Ton Duc Thang, Dist.1,
Ho Chi Minh City
Tel: +84 8 3825 8625

GERMANY

German Business Association in Vietnam (GBA)

Website: <http://www.gba-vietnam.org>
Email: info@gba-vietnam.org
Address: Somerset Chancellor Court 5th Floor, 21-23 Nguyen Thi Minh Khai Street,
District 1, HCMC
Tel.: +84 8 3823 9772 / Fax: +84 8 3823 8909

IRELAND

Irish Business Association, Vietnam (IBAV) who is based in HCMC.

Website: <http://www.iba.vn/> and <https://www.linkedin.com/groups/4069894/profile>
Contact: Mr. John Marron
E-mail: jmarron.vn@gmail.com
Mobile: +84 909 815099

ITALY

Italian Chamber of Commerce in Vietnam (ICHAM)

Website: www.icham.org
Email: info@icham.org
Address Hanoi: 18 Le Phung Hieu, Hoan Kiem District, Hanoi
Tel: +84 4 3824 5997

Address HCMC: Floor 15, The Landmark, 5B Ton Duc Thang, District 1,
Ho Chi Minh City
Tel: +84 8 38224059

LUXEMBOURG

Belgium-Luxembourg Chamber of Commerce in Vietnam (BELUXCHAM)

Website: www.beluxcham.com
Email: info@beluxcham.com
Address: Floor 15, The Landmark, 5B Ton Duc Thang, District 1, Ho Chi Minh City
Tel: +84 8.3822.4029

NETHERLANDS

Dutch Business Association Vietnam (DBAV)

Website: www.dbav.org.vn
Email: info@dbav.org.vn
Address: Floor 15, The Landmark, 5B Ton Duc Thang, District 1, Ho Chi Minh City
Tel: +84 8 3822 4019

SLOVAKIA

Slovak - Vietnam Chamber of Commerce

Website: www.svcc.sk/vi and <https://www.facebook.com/Slovak-Vietnam-ese-Chamber-of-Commerce-186445441349>
Email: info@svcc.sk
Address: 16 Ly Thuong Kiet, Hanoi
Tel. +84903 404 541 (Mr Nguyen Huy Cuong)

SPAIN

Spanish Business Group in Vietnam

Website: www.spainchamvn.org
Address: 5th Floor, 49 Mac Dinh Chi Street, District 1, Ho Chi Minh City, Vietnam

UNITED KINGDOM

British Business Group Vietnam (BBGV)

Website: <http://www.bbgv.org/>
Address: G/F 25 Le Duan Blvd, Dist. 1, Ho Chi Minh City
Tel: +84 8 3829 8430

MULTINATIONAL CHAMBERS

Belgium-Luxembourg Chamber of Commerce in Vietnam

Website: www.beluxcham.com
Email: info@beluxcham.com
Address: Floor 15, The Landmark, 5B Ton Duc Thang, District 1, Ho Chi Minh City
Tel: +84 8.3822.4029
Central and Eastern European Chamber of Commerce in Vietnam
Website: <http://ceecvn.org/>
Address Hanoi: CTSC Building, 2nd Floor, 1 Bà Triệu, Hoàn Kiếm, Hanoi, Vietnam
Tel: +84 (0) 4 3839 8958

Address HCMC: Ho Chi Minh Office, The Landmark, 15th Floor, 5b Tôn Đức Thắng,
Ho Chi Minh, District 1, Vietnam
Tel: +84 (0) 8 3825 8513

Nordic Chamber of Commerce (NORDCHAM)

Nordcham in Hanoi
Website: <http://www.nordchamhn.org.vn>
Email: Secretariat@nordchamhn.org.vn
Address: 22nd Floor, Capital Tower Building, 109 Tran Hung Dao Str., Hanoi
Tel: +84 43941 2893

Nordcham in HCMC

Website: <http://nordcham.com>
Email: contact@nordcham.com
Address: Petroland Tower, 17th Floor, No. 12 Tan Trao Street, Tan Phu Ward,
District 7, Ho Chi Minh City, Vietnam
Hotline: +84 93 878 9851
Tel: +84 85 416 0922 / Fax: +84 85 416 0919

EUROPE

EUROPEAN CHAMBER OF COMMERCE (EUROCHAM)

Website: www.eurochamvn.org
Email: info-hn@eurochamvn.org
Address Hanoi: Sofitel Plaza Hanoi, G/F 1 Thanh Nien Road, Ba Dinh street, Hanoi
Tel: +84 4 3715 2228

Address HCMC: The Landmark, 15th Floor, 5B Ton Duc Thang, Dist 1,
Ho Chi Minh City
Email: info-hcm@eurochamvn.org

Useful links

EU websites:

- **European Commission, Directorate General for Trade**

<http://ec.europa.eu/trade/>

- **Twitter EU Trade:**

https://twitter.com/Trade_EU

- **EU Trade Commissioner:**

http://ec.europa.eu/commission/2014-2019/malmstrom_en

- **EU Trade Newsletters:**

<http://trade.ec.europa.eu/eutn/register.htm>

- **How to export into the EU:**

www.exporthelp.europa.eu

- **EU-Vietnam FTA:**

<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1437>

Vietnamese websites:

- **Ministry of Industry and Trade:**

<http://www.moit.gov.vn/en/Pages/default.aspx>

- **The official portal of MOIT:**

<http://portal.moit.gov.vn/fta/?page=home>

- **The portal of the WTO centre under VCCI:**

<http://www.trungtamwto.vn/vn-eu-fta/toan-van-hiep-dinh-thuong-mai-tu-do-giua-viet-nam-va-lien-minh-chau-au-evfta>



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