

28 October 2024

His Excellency Dr. Thani bin Ahmed Al Zeyoudi

Minister of State for Foreign Trade

United Arab Emirates

Your Excellency,

I have the honour to acknowledge the receipt of your letter No. USO/TNIO-363 /2024 dated 28 October 2024, which reads as follows:

“In connection with the signing on this date of the Comprehensive Economic Partnership Agreement (the “Agreement”), between the Government of the United Arab Emirates (“UAE”) and the Government of the Socialist Republic of Viet Nam (“Viet Nam”), I have the honour to confirm the UAE’s understanding as follows:

The UAE is an independent, sovereign, federal State, with seven sovereign Member Emirates (“Member Emirates”), and pursuant to its Constitution, each Member Emirate retains full sovereignty, sovereign rights and exclusive jurisdiction over its natural resources and wealth of which the Energy Resources Sector is the subject matter of this letter. For the purposes of this letter, “Energy Resources Sector” means all hydrocarbons such as oil, gas, and condensates, derivatives and primary by-products thereof with respect to ownership, management, exploration, development and production, exploitation (including reservoir management), transportation, storage, refining and processing, and distribution up to and including retail distribution.

In recognition of the foregoing, the Agreement shall not grant any rights to Viet Nam or create any obligations for the UAE or any of its Member Emirates with regard to the Energy Resources Sector. Accordingly, the Energy Resources Sector is excluded from all aspects and provisions of the Agreement, including Chapter 17 (Dispute Settlement). All matters pertaining to the Energy Resources Sector of any of the Member Emirates are within the exclusive jurisdiction of the Member Emirates, and all determinations and decisions of each Member Emirate made by such Member Emirate’s competent authorities pertaining to the Energy Resources Sector (“Competent Authorities”) that are the subject of its jurisdiction shall be final, binding and not subject to review or challenge.

Subsequent to the date of entry into force of the Agreement and in the event that the UAE with the concurrence of the Member Emirates’ Competent Authorities grants any rights excluded by this letter to a third country with respect to the Energy Resources Sector by a regional trade agreement, such rights shall be granted to Viet Nam.

Notwithstanding the above, in the event of a difference in the interpretation or application of this letter, the UAE and Viet Nam commit to have recourse to consultations at the request of either Party to this letter. For the purposes of such consultation, Article 17.6

(Consultations), except for paragraph 8, of Chapter 17 (Dispute Settlement), shall apply *mutatis mutandis*. The Parties shall make every attempt through consultations to arrive at a mutually agreed solution within 60 days from the request.

In the event that the UAE and Viet Nam fail to achieve a mutually agreed solution within 60 days following recourse to consultations, or if the UAE fails to comply with the mutually agreed solution within the agreed timeframe, the only recourse of Viet Nam shall be that it may suspend benefits under the Agreement proportionate to the trade effects which the measure in question causes or threatens to cause. Moreover, Viet Nam shall repeal its compensatory measure to the extent that the UAE's measure in question ceases to apply. The above-mentioned procedure shall also apply in case of any dispute relating to whether Viet Nam's compensatory measure is proportionate, with the UAE likewise ultimately having the right to suspend benefits proportionately.

The UAE and Viet Nam further agree that this letter shall constitute an integral part of the Agreement and that, in the unlikely event of any inconsistency between this letter and any provisions of the Agreement, this letter shall prevail to the extent of that inconsistency.”

I have further the honour to confirm that the proposed understanding of the the Government of the United Arab Emirates with regards to the Energy Resources Sector as specified in the letter is accepted by the Government of the Socialist Republic of Viet Nam and shall constitute an integral part of the Comprehensive Economic Partnership Agreement between the Government of the Socialist Republic of Viet Nam and the Government of the United Arab Emirates.

Please accept, Your Excellency, the assurances of my highest consideration.

Yours Sincerely,

His Excellency Mr. Nguyen Hong Dien
Minister of Industry and Trade
Socialist Republic of Viet Nam