



EU-VIETNAM FREE TRADE AGREEMENT

FACTS AND FIGURES



**JOINT CALL FOR THE SWIFT RATIFICATION
OF THE FTA**

ACEA - AmCham EU - amfori - CEEV - Cefic - CELCAA - CLEPA - DIGITALEUROPE
EFPIA - ESF - EUROCHAMBRES - EuroCommerce - FESI - spiritsEUROPE



ECONOMIC IMPACT OF THE FTA: A WIN-WIN FOR ALL



16th biggest EU trade in goods partner

The free trade agreement (FTA) between the EU and Vietnam, concluded in 2015, is the most ambitious trade deal ever negotiated between the EU and a developing country. The FTA will eliminate over 99% of all tariffs, and partly remove the rest through limited zero-duty quotas, known as Tariff Rate Quotas (TRQs). Tariffs on EU exports to Vietnam will be gradually removed over a 10-year period. EU duties on imports from Vietnam will be eliminated progressively over a 7-year period.

NOT ONLY GOODS...

Vietnamese exports to the EU:

- Are expected to rise by 29% by 2035*
- Will see 71% of tariffs disappear on entry into force

EU exports to Vietnam:

- Are expected to rise by 18% by 2035
- Will see 65% of tariffs disappear on entry into force



4th biggest Vietnam trade in goods partner

...BUT ALSO SERVICES AND PUBLIC PROCUREMENT

New business opportunities will be offered in Vietnam in many services sectors like business, computer, telecommunication, environment and insurance. The FTA also provides new possibilities for European businesses to tender to public procurement projects, providing public entities in works, goods and services in Vietnam.

€38.2 billion EU imports of goods from Vietnam



€1.8 billion EU imports of services from Vietnam



€11.1 billion EU exports of goods to Vietnam



€2.3 billion EU exports of services to Vietnam



*Source: all the data on this page comes from DG TRADE

FOSTER SUSTAINABLE DEVELOPMENT IN VIETNAM THROUGH TRADE



Vietnam's development over the past 30 years has been remarkable. Economic and political reforms under **Đổi Mới**, launched in 1986, have spurred rapid economic growth, transforming what was then one of the world's poorest nations into a lower middle-income country.

The FTA includes robust, **comprehensive and binding provisions** which will help address some of the challenges Vietnam is still facing concerning **labour rights and working conditions**.

FTA provisions on human rights and sustainable development

- Institutional and legal link to the **EU-Vietnam Partnership and Cooperation Agreement**, allowing appropriate action in the case of breaches of human rights
- **Trade and Sustainable Development Chapter** including binding obligations for both the EU and Vietnam with regard to a core set of multilateral standards and agreements on labour and the environment
- **Creation of Domestic Advisory Groups** as a mechanism for each Party to request and receive inputs from representatives of its civil society

45 Mio



People lifted out of poverty between 2002 and 2018*

US\$2,500



GDP per capita in 2018. Increased 2.5 times between 2012 and 2018

76 years



Current life expectancy. 70% of the population is under 35 years of age

13%



Population belonging to the middle class. Expected to reach 26% by 2026

Vietnam's ratification of ILO conventions and labour code

2019

2020

2023

Convention 88 (employment services)

Convention 98 (collective bargaining)

Convention 159 (people with disabilities)

Labour Code

Convention 105 (forced labour)

Convention 87 (freedom of association)

*Source: all the data on this page comes from the World Bank and ILO



Together we #SupportEVFTA



For more information, please contact the secretariat of one of our organisations