

FREE TRADE AGREEMENT BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE SOCIALIST REPUBLIC OF VIET NAM

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ("the United Kingdom"),

And

THE SOCIALIST REPUBLIC OF VIET NAM ("Viet Nam")

(hereinafter referred to as "the Parties"),

RECOGNISING that the Free Trade Agreement between the European Union ("the EU") and the Socialist Republic of Viet Nam done at Hanoi on 30 June 2019 ("the EU-Viet Nam FTA") sets out the preferential conditions of trade and investment that the United Kingdom and Viet Nam wish to apply between them; and

DESIRING specifically that the rights and obligations between them provided for by the EU-Viet Nam FTA should continue,

HAVE AGREED AS FOLLOWS:

Article 1. Definitions and Interpretation

1. Throughout this instrument:

"mutatis mutandis" means with the technical modifications necessary to apply the EU-Viet Nam FTA as if it had been concluded between the United Kingdom and Viet Nam, taking into account the object and purpose of this Agreement and any instrument or agreement made by the Parties relating to the interpretation of this term; and

"the Incorporated Agreement" means the EU-Viet Nam FTA to the extent incorporated into this Agreement (and related expressions are to be read accordingly).

2. Throughout the Incorporated Agreement and this instrument, "this Agreement" means the entire Agreement, including anything incorporated by Article 2.

3. Subject to Article 6, references in the Incorporated Agreement to Article 17.16 shall be read as references to Article 9 of this instrument.

4. (a) In the event of an inconsistency between this Agreement and the Protocol on Ireland/Northern Ireland to the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, signed in London and Brussels on 24 January 2020, this Agreement shall not prevent a Party from taking a particular measure not consistent with the obligations under this Agreement and relating to the inconsistency between this Agreement and that Protocol, provided that such a measure is not applied in a manner that would constitute a means of arbitrary or unjustified discrimination against the other Party or a disguised restriction on trade.

(b) In that event, a Party shall notify the other Party of such a measure and promptly provide, on request of the other Party, supplementary information or clarification thereon, and the Parties shall hold consultations, on request of either Party, in relation to the effects of the measure on this Agreement, and seek a mutually acceptable solution.

Article 2. Incorporation of the EU-Viet Nam FTA

1. The provisions of the EU-Viet Nam FTA in effect immediately before they cease to apply to the United Kingdom are incorporated into and made part of this Agreement, mutatis mutandis, subject to the provisions of this instrument, including

the Annex and Protocol. 2. Articles 1.3, 17.1.5, 17.16, 17.18.2, 17.22.2, 17.23, 17.24.1(a) and 17.25 of the EU-Viet Nam FTA shall not be incorporated into this Agreement.

Article 3. Objectives

The overriding objectives of this Agreement are as set out in incorporated Article 1.2.

Article 4. Territorial Application

1. This Agreement shall apply in respect of the United Kingdom, to the extent

that and under the conditions which the EU-Viet Nam FTA applied immediately before it ceased to apply to the United Kingdom.

2. Reference in paragraph 1 to the extent that and under the conditions which the EU-Viet Nam FTA applied shall not include any areas covered by paragraph 2 of Article 17.24 of the EU-Viet Nam FTA.

Article 5. References to the Euro

Notwithstanding Article 2, references to the euro (including "EUR" and "€") in the Incorporated Agreement shall continue to be read as such in this Agreement.

Article 6. Continuation of Time Periods

1. Unless this instrument provides otherwise:

(a) if a time period in the EU-Viet Nam FTA has not yet ended, the remainder of that time period shall be incorporated into this Agreement; and

(b) if a time period in the EU-Viet Nam FTA has ended, any ongoing rights or obligations in the EU-Viet Nam FTA shall apply between the Parties, and that time period shall not be incorporated into this Agreement.

2. Notwithstanding paragraph 1, a reference in the Incorporated Agreement to a time period relating to a procedure or other administrative matter, such as a review, committee procedure or notification, shall not be affected.

Article 7. Further Provision In Relation to the Trade Committee

1. The Trade Committee which the Parties establish under paragraph 1 of incorporated Article 17.1 shall, in particular, ensure that this Agreement operates properly.

2. Unless the Parties agree otherwise, any decisions adopted by the Trade Committee or the Specialised Committees (1) established by the EU-Viet Nam FTA before the EU-Viet Nam FTA ceased to apply to the United Kingdom shall, to the extent those decisions relate to the Parties to this Agreement, be deemed to have been adopted upon entry into force of this Agreement, mutatis mutandis and subject to the provisions of this instrument, by the Trade Committee or Specialised Committees the Parties establish under this Agreement.

3. Nothing in paragraph 2 prevents the Trade Committee or any of the Specialised Committees established by this Agreement from making decisions which are different to, revoke or supersede the decisions deemed to have been adopted by it under that paragraph.

(1) The term "Specialised Committees" here means the Committee on Trade in Goods, the Committee on Customs, the Committee on Sanitary and Phytosanitary Measures, the Committee on Investment, Trade in Services, Electronic Commerce and Government Procurement, the Committee on Trade and Sustainable Development and any other specialised committee established by the Trade Committee under paragraph 4 of Article 17.1 of the EU-Viet Nam FTA.

Article 8. Review of Rice Tariff Rate Quotas

Acknowledging the importance to Viet Nam's economy of the rice sector, the Parties shall consider reviewing the appropriateness of the tariff rate quotas for rice as set out in incorporated Section B of Annex 2-A, either in addition to or as part of any consultations under incorporated Article 2.7.6. Such review shall be initiated after three years from the date of

entry into force of this Agreement. Following any such review, a Party may consider any proposal from the other Party to amend these tariff rate quotas to reflect new developments, such as documented changes in trade. Any such amendments shall come into effect in accordance with incorporated Article 17.5.

Article 9. Final Provisions

1. Each Party shall notify the other Party of the completion of its applicable internal legal procedures required for the entry into force of this Agreement.

2. Unless the Parties agree to such other date, this Agreement enters into force on the later of:

(a) the first day of the second month following the date of receipt of the latter of the Parties' notifications that they have completed their applicable internal legal procedures; or

(b) the date on which the EU-Viet Nam FTA ceases to apply to the United Kingdom.

3. (a) Pending entry into force of this Agreement, the Parties may provisionally apply this Agreement by an exchange of written notifications. Such provisional application shall take effect from the date of receipt of the later of the Parties' notifications.

(b) A Party may terminate the provisional application of this Agreement by giving written notice to the other Party. Such termination shall take effect on the first day of the second month following the date of receipt of the notification.

4. Where this Agreement is provisionally applied, the term "entry into force of this Agreement" in any provisionally applied provisions shall be deemed to refer to the date that such provisional application takes effect.

5. The United Kingdom shall submit notifications under this Article to the Ministry of Foreign Affairs of Viet Nam or its successor. Viet Nam shall submit notifications under this Article to the United Kingdom's Foreign, Commonwealth and Development Office or its successor.

6. This Agreement is drawn up in the English and Vietnamese languages, each of these texts being equally authentic.

IN WITNESS WHEREOF, the undersigned, duly authorised thereto by their respective Governments, have signed this Treaty.

DONE at this day of 2020 in English and Vietnamese languages.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

For the Government of the Socialist Republic of Viet Nam:

Annex

The incorporation of the EU-Viet Nam FTA into this Agreement is further modified as follows:

1. MODIFICATIONS TO THE PREAMBLE

The First Paragraph of the Preamble to the EU-Viet Nam FTA shall be substituted with:

"RECOGNISING their longstanding and strong partnership based on common principles and values, and their important economic, trade and investment relationship;"

2. MODIFICATIONS TO ANNEX 2-A (REDUCTION OR ELIMINATION OF CUSTOMS DUTIES)

a) Subparagraph 1(k) of Section A of Annex 2-A of the EU-Viet Nam FTA shall be substituted with:

"(k)(i) the Parties acknowledge that the United Kingdom may introduce and apply an entry price system on or after the date of entry into force of this Agreement in order to replicate, in whole or in part, the entry price system that the Union applies to certain fruits and vegetables in accordance with the Common Customs Tariff provided for in Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 (and successor acts) laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors; and

(ii) the ad valorem component of the customs duties on originating goods provided for in the items in staging category A+EP in the Union's Schedule shall be eliminated upon the date of entry into force of this Agreement. The tariff elimination

applies to the ad valorem duty only; the specific duty provided for in United Kingdom legislation that is introduced on or after the date of entry into force of this Agreement to replicate, in whole or in part, the entry price scheme applied in accordance with Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 (and successor acts) laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors shall be maintained;"

b) In Sub-section 1 of Section B of Annex 2-A of the EU-Viet Nam FTA:

- i) in paragraph 2, the number "500" shall be substituted with "68";
- ii) in paragraph 3, the number "400" shall be substituted with "54";
- iii) in paragraph 4, the number "5 000" shall be substituted with "681";
- iv) in paragraph 5, the number "20 000" shall be substituted with "3356";
- v) in paragraph 6, the number "30 000" shall be substituted with "5 001";
- vi) in paragraph 7, the number "30 000" shall be substituted with "5 001";
- vii) in paragraph 11, the number "30 000" shall be substituted with "12 215";
- viii) in paragraph 12, the number "11 500" shall be substituted with "1 566";
- ix) in paragraph 13, the number "500" shall be substituted with "68";
- x) in paragraph 14, the number "20 000" shall be substituted with "2 724";
- xi) in paragraph 15, the number "400" shall be substituted with "54";
- xii) in paragraph 16, the number "350" shall be substituted with "48";
- xiii) in paragraph 17, the number "1 000" shall be substituted with "136";
- xiv) in paragraph 18, the number "2 000" shall be substituted with "272".

For greater certainty in relation to the application of Article 6 of this Agreement, for tariff elimination and reduction, on the date of entry into force of this Agreement, the Parties shall continue to implement the remaining stages of tariff reduction as if this Agreement had entered into force on the date of entry into force of the EU-Viet Nam FTA.

3. MODIFICATIONS TO CHAPTER 6 (SANITARY AND PHYTOSANITARY MEASURES)

Article 6.5 (b) Competent Authorities and Contact Points) of the EU-Viet Nam FTA shall be replaced by:

"The United Kingdom shall notify Viet Nam of its competent authorities on the date of entry into force of this Agreement"

4. MODIFICATIONS TO CHAPTER 8 (LIBERALISATIONS OF INVESTMENT, TRADE IN SERVICES, AND ELECTRONIC COMMERCE)

a) Footnote 10 of subparagraph 1(j) of Article 8.2 of the EU-Viet Nam FTA shall not be incorporated into this Agreement.

b) The following footnote shall be added to Article 8.8 (Performance Requirements) of the EU-Viet Nam FTA:

"[fn.] For greater certainty, in respect of Viet Nam, this Article does not preclude enforcement of any commitment, undertaking or requirement between private parties, if Viet Nam did not impose or require the commitment, undertaking or requirement."

c) The following footnote shall be added to paragraph 1 of Article 8.8 (Performance Requirements) of the EU-Viet Nam FTA:

"[fn.] For greater certainty, nothing in this paragraph prevents the United Kingdom from enforcing an undertaking voluntarily given by a person in relation to a takeover or merger. An "undertaking voluntarily given" means an undertaking that is not required by a Party as a condition of the approval of the takeover or merger."

d) Paragraph 4 of Article 8.8 (Performance Requirements) of the EU-Viet Nam FTA shall be substituted with:

"4, Subparagraph 1(f) shall not be construed as preventing the application of a requirement imposed or a commitment or undertaking enforced by a court or administrative tribunal, or by a competition authority pursuant to a Party's competition law."

5. MODIFICATIONS TO APPENDIX 8-A-1 (SPECIFIC COMMITMENTS ON CROSS-BORDER SUPPLY OF SERVICES)

- a) Paragraphs 7 and 8 of Appendix 8-A-1 of Annex 8-A of the EU-Viet Nam FTA shall not be incorporated into this Agreement.
- b) In the table of Appendix 8-A-1 of Annex 8-A of the EU-Viet Nam FTA, for subsector 1.A(a) (relating to legal services (CPC 861) excluding legal advisory and legal documentations and certification services provided by legal professionals entrusted with public functions, such as notaries, "huissiers de justice" or other "officiers publics et ministériels"), the words in Footnote 5 from "However, in some Member States" to "in which the lawyer is entitled to practice." shall not be incorporated into this Agreement.
- c) In the table of Appendix 8-A-1 of Annex 8-A of the EU-Viet Nam FTA, for subsector 1.E(b) (relating to aircraft (CPC 83104)) the words "or elsewhere in the Union" shall not be incorporated into this Agreement.
- d) In the table of Appendix 8-A-1 of Annex 8-A of the EU-Viet Nam FTA, for subsector 12.D(d) (relating to Rental of aircraft with crew (CPC 734)) the words "or, if the licensing Member State so allows, elsewhere in the Union" shall not be incorporated into this Agreement.

MODIFICATIONS TO APPENDIX 8-A-2. (SPECIFIC COMMITMENTS ON LIBERALISATION OF INVESTMENTS)

- a) Paragraph 10 of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA shall not be incorporated into this Agreement.
- b) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for ALL SECTORS, under the heading "Types of Establishment", in the second column, Footnote 8 shall not be incorporated into this Agreement.
- c) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for ALL SECTORS, under the heading "Types of Establishment", in the second column, the words from "However, this does not prevent a Member State" to "unless such extension is explicitly prohibited by Union law." shall not be incorporated into this Agreement.
- d) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 6.A(a) (relating to Legal services (CPC 861) excluding legal advisory and legal documentations and certification services provided by legal professionals entrusted with public functions, such as notaries, "huissiers de justice" or other "officiers publics et ministériels"), the words in Footnote 25 from "However, in some Member States" to "in which the lawyer is entitled to practice." shall not be incorporated into this Agreement.
- e) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 6.A(k) (relating to retail sales of pharmaceuticals and retail sales of medical and orthopaedical goods (CPC 63211) and other services supplied by pharmacists) the words in Footnote 27 "In some Member States, only the supply of prescription drugs is reserved to pharmacists." shall not be incorporated into this Agreement.
- f) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 6.E(b) (Relating to aircraft (CPC 83104)) the words "or elsewhere in the Union" shall not be incorporated into this Agreement.
- g) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 16.A(a) (relating to International passenger transportation (CPC 7211 less national cabotage transport)), Footnote 49 shall be substituted with:

"For the United Kingdom, cabotage in maritime transport services under this Section covers transportation of passengers or goods between a port or point located in the United Kingdom and another port or point located in the United Kingdom, including on its continental shelf, as provided for in the United Nations Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located in the United Kingdom."
- h) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 16.A(b) (relating to International freight transportation (CPC 7212 less national cabotage transport)), Footnote 50 shall be substituted with:

"For the United Kingdom, cabotage in maritime transport services under this Section covers transportation of passengers or goods between a port or point located in the United Kingdom and another port or point located in the United Kingdom, including on its continental shelf, as provided for in the United Nations Convention on the Law of the Sea, and traffic originating and terminating in the same port or point located in the United Kingdom."
- i) In the table of Appendix 8-A-2 of Annex 8-A of the EU-Viet Nam FTA, for subsector 17.D(d) (relating to Rental of aircraft with crew (CPC 734)) the words "or, if the licensing Member State so allows, elsewhere in the Union" shall not be incorporated into this Agreement.

7. MODIFICATIONS TO APPENDIX 8-A-3 (SPECIFIC COMMITMENTS IN CONFORMITY WITH SECTION D (TEMPORARY PRESENCE OF NATURAL PERSONS FOR BUSINESS PURPOSES) OF CHAPTER 8 (LIBERALISATION OF INVESTMENT, TRADE IN SERVICES AND ELECTRONIC COMMERCE))

- a) Paragraph 11 of Appendix 8-A-3 of Annex 8-A of the EU-Viet Nam FTA shall not be incorporated into this Agreement.
- b) In the table of Appendix 8-A-3 of Annex 8-A of the EU-Viet Nam FTA, the reservation for ALL SECTORS for "Recognition", and Footnote 1, shall not be incorporated into this Agreement.
- c) In the table of Appendix 8-A-3 of Annex 8-A of the EU-Viet Nam FTA, for subsector 6.A(a) (relating to Legal services (CPC 861) excluding legal advisory and legal documentations and certification services provided by legal professionals entrusted with public functions, such as notaries, "huissiers de justice" or other "officiers publics et ministériels"), the words in Footnote 4 from "However, in some Member States" to "in which the lawyer is entitled to practice." shall not be incorporated into this Agreement.
- d) In the table of Appendix 8-A-3 of Annex 8-A of the EU-Viet Nam FTA, for subsector 6.A(k) (relating to retail sales of pharmaceuticals and retail sales of medical and orthopaedical goods (CPC 63211) and other services supplied by pharmacists) the words in Footnote 6 "In some Member States, only the supply of prescription drugs is reserved to pharmacists." shall not be incorporated into this Agreement.

8. MODIFICATIONS TO CHAPTER 9 (GOVERNMENT PROCUREMENT)

- a) In the first sentence of paragraph 4 of Article 9.6 (Notices) of the EU- Viet Nam FTA, the words "and financial" shall not be incorporated into this Agreement.
- b) The following footnote shall be added to paragraph 4 of incorporated Article 9.6. (Notices):

"[fn.] This paragraph is valid for Viet Nam only when an automatic system for the translation and publication of summary notices in English is set up and operational in Viet Nam, thanks to the technical and financial assistance of the EU."

9. MODIFICATIONS TO ANNEX 9-A (COVERAGE OF GOVERNMENT PROCUREMENT FOR THE UNION)

Paragraph 28 of Part B of Sub-section 2 of Section H of Annex 9-A of the EU-Viet Nam FTA shall be substituted with:

"28. UNITED KINGDOM

28.1 Upon entry into force of this Agreement, the United Kingdom shall provide Viet Nam with details of the United Kingdom's means of publication of notices."

10. MODIFICATIONS TO SECTION B (SUBSIDIES) OF CHAPTER 10 (COMPETITION POLICY)

The final sentence of paragraph 1 of Article 10.4 (Principles) of the EU-Viet Nam FTA shall be substituted with:

"In principle, a Party should not grant subsidies to enterprises providing goods or services if they significantly negatively affect or are likely to significantly negatively affect trade between the two Parties."

11. MODIFICATIONS TO CHAPTER 12 INTELLECTUAL PROPERTY)

- a) In paragraph 2 of Article 12.26 (Amendment of the List of Geographical Indications) of the EU-Viet Nam FTA, the words "date of signing of this Agreement" shall be substituted with "earlier of the date of signing of this Agreement or the date of signing of the EU-Viet Nam FTA, was".
- b) Paragraphs 1, 2 and 3 of Article 12.28 (Exceptions) of the EU-Viet Nam FTA shall not be incorporated into this Agreement.

12. MODIFICATIONS TO ANNEX 12-A (LIST OF GEOGRAPHICAL INDICATIONS)

- a) Geographical indications listed in Part A of Annex 12-A of the EU-Viet Nam FTA that relate to parts of the European Union that are not in the United Kingdom shall not be incorporated into this Agreement.
- b) Notwithstanding paragraph (a), the "Irish Whiskey / Uisce Beatha Eireannach / Irish Whisky" and "Irish Cream" geographical indications, which cover spirit drinks produced in the Republic of Ireland and Northern Ireland, shall be incorporated into this Agreement. The protection of "Irish Whiskey/Uisce Beatha Eireannach/Irish Whisky" and " Irish Cream" geographical indications for products produced in Northern Ireland is without prejudice to the protection of these geographical indications for products produced in the Republic of Ireland.
- c) The following footnote shall be added to the Designation Name column for "Scottish Farmed Salmon" in Part A of Annex 12-A of the EU-Viet Nam FTA:

"[fn.] For greater certainty, Viet Nam confirms that protection of this geographical indication in Viet Nam shall continue to be protected under its domestic laws, in accordance with the terms of this Agreement."

13. MODIFICATIONS TO PROTOCOL 1 (CONCERNING THE DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE CO-OPERATION)

Protocol 1 (Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation), and its Annexes of the EU-Viet Nam FTA shall be substituted with Protocol 1 of this instrument.

14. MODIFICATIONS TO PROTOCOL 2 (ON MUTUAL ADMINISTRATIVE ASSISTANCE IN CUSTOMS MATTERS)

a) Subparagraph (c) of Article 13.1 of Protocol 2 of the EU-Viet Nam FTA shall not be incorporated into this Agreement.

b) = Article 13.2 of Protocol 2 of the EU-Viet Nam FTA shall be substituted with "Notwithstanding paragraph 1, the provisions of this Protocol shall take precedence over the provisions of any bilateral agreement on mutual assistance which has been concluded between the United Kingdom and Viet Nam prior to the date this Agreement is signed insofar as the provisions of the latter are incompatible with those of this Protocol."

15. MODIFICATIONS TO JOINT DECLARATIONS

a) The Joint Declaration Concerning Customs Unions to the EU-Viet Nam FTA shall not be incorporated into this Agreement.

b) The Joint Declaration Concerning the Principality of Andorra to the EU- Viet Nam FTA shall not be incorporated into this Agreement.

c) The Joint Declaration Concerning the Republic of San Marino to the EU- Viet Nam FTA shall not be incorporated into this Agreement.

16. MODIFICATIONS TO UNDERSTANDING CONCERNING BANK EQUITY

a) The Understanding Concerning Bank Equity to the EU-Viet Nam FTA shall not be incorporated into this Agreement.

b) Viet Nam and the United Kingdom agree to exchange side letters relating to bank equity, which are reflected in Appendix I as a part of this Agreement.