



EU-Vietnam Business Hub.com



# EU-VIETNAM BUSINESS HUB

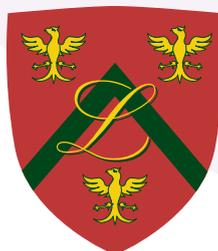
In Partnership with

**EGMONT INSTITUTE**

## How to boost EU-Vietnam Relations via Investment and Trade: A Debate

**INFOPACK**

Cercle de Lorraine  
Place Poelaert 6, 1000 Brussels  
24 June 2019



# SEMINAR ON EU-VIETNAM TRADE RELATIONS

One of the most rapidly developing nations of Southeast Asia, Vietnam is an extremely promising market for the European Union. There is huge potential for trade in both directions across a range of industries – automotive, industrial machine tools, wastes and water treatments, food & drink, pharmaceutical, textiles, to name a few – and this potential will only increase due to the **EU-Vietnam Free Trade Agreement (EVFTA)** which is awaiting signature.

The EVFTA can not only develop business but serve as an anchor of growth and stability in a strategically important region of the world.

Organized by the EU-Vietnam Business Hub in partnership with Egmont Institute, this debate aims to bring together stakeholders and experts who will present before the public their own first-hand experiences of operating or investing in Vietnam, and discuss the rich commercial and investment opportunities in this increasingly important partner for Europe.

## **EU-Vietnam Business Hub**

The EU-Vietnam Business Hub is dedicated to creating business opportunities between Vietnam and the European Union. The hub develops company-member interests by contributing recommendations on trade and investment to government officials. In addition, it hosts thematic, high-level meetings focused on developing strategic relationships between company executives and government officials.

## **Egmont Institute**

EGMONT – The Royal Institute for International Relations is an independent think-tank based in Brussels. Its interdisciplinary research is conducted in a spirit of total academic freedom. Drawing on the expertise of its own research fellows, as well as that of external specialists, both Belgian and foreign, it provides analysis and policy options that are meant to be as operational as possible.

**PRESS CONFERENCE:  
The EU-Vietnam Free Trade Agreement**

Cercle de Lorraine  
Place Poelaert 6, 1000 Brussels

**24 JUNE 2019**  
14:00 – 14:30

## **EVFTA SEMINAR – PROGRAMME**

**15:00 – 15:10** **Welcome**

**Presentation of the EU-Vietnam Business Hub**

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**15:10 – 15:20** **Opening Words**

Baron Joseph de Grand Ry, Honorary Consul of Vietnam

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**15:20 – 15:30** **EU-Vietnam FTA: An anchor of stability in an era of uncertainty**

Bruno Hellendorff, Joint Research Fellow at the Egmont Institute and European Policy Centre

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**15:30 – 16:10** **EU-Vietnam FTA: Opportunities and perspectives**

Nguyễn Canh Cuong, Minister counselor, Head of Economic and Trade Section at the Embassy of Vietnam to the Kingdom of Belgium, the Grand Duchy of Luxembourg and the European Union  
Helena König, Deputy Director General at Commission DG Trade

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**16:10 – 17:10** **Roundtable discussion**

Paul Smith, UK-Vietnam Network & former CEO of Nashtech Ltd.  
Michel Olivier, Consultant at YFAC  
Olaf Baumann, Executive Vice-President of FPT Europe  
Nguyễn Dinh Huy, Business Development at FPT Europe

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**17:00 – 17:30** **Q&A Session**

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**17:30 – 17:40** **Ambassador's statement on Vietnam- EU partnership**

H.E. Mr. Vu Anh Quang, Ambassador of Vietnam to the Kingdom of Belgium, the Grand Duchy of Luxembourg and the European Union

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**17:40 – 19:00** **Networking Drinks**

## BIOGRAPHIES – SEMINAR PARTICIPANTS

### **H.E. Mr. Vu Anh Quang**

H.E. Mr. Vu Anh Quang is the Ambassador of Vietnam to the Kingdom of Belgium, the Grand Duchy of Luxembourg and the European Union.

### **Baron Joseph de Grand Ry**

Baron Joseph de Grand Ry is a maritime freight forwarder from Northern Europe to Southeast Asia and more specifically Vietnam. His first business relationship with Vietnam dates back to 1995, he was Vice-President and President of the Belgian Chamber of Commerce and Industry Belgium Vietnam from 1996 to 2002. He has been Honorary Consul of the Vietnam SAR in Belgium since 2003. In this capacity he advises Belgian and Vietnamese companies in the maritime and banking fields.

### **Nguyễn Canh Cuong**

Nguyễn Canh Cuong is the Minister counselor, Head of Economic and Trade Section at the Vietnamese Embassy of the Kingdom of Belgium, the Grand Duchy of Luxembourg and the European Union. Previously, Mr. Nguyễn worked in the Vietnamese Embassy to France and in the Vietnam Ministry of Trade and Industry. Mr. Nguyễn is highly experienced in European Market Development and has been involved in the negotiations of the Free Trade Agreement.

### **Bruno Hellendorff**

Bruno Hellendorff is Joint Research Fellow at the Egmont Institute and European Policy Centre (EPC) since 2018. His research focuses on the geo-economics and security dimensions of China's Belt and Road initiative, as well as on defence and security issues in Europe-Asia relations. He is associate researcher at the IR center of the Université Catholique de Louvain (CECRI) and at the East Asian Studies center (EAST) of the Université Libre de Bruxelles.

### **Helena König**

Helena König is the Deputy Director General of the European Commission's Directorate-General for Trade where she is responsible for inter alia Bilateral Relations with Asia, Africa and Latin America. Ms König has worked on EU-Asia relations since 1997. Before joining DG Trade she was the Deputy Head of Unit of the Southeast Asia Unit in the Directorate General for External Relations. In this capacity, she has worked on the political aspects of EU relations with the ASEAN countries and has also been in charge of bilateral relations with several of the ASEAN countries.

### **Paul Smith**

Executive Chairman of NashTech (part of the Harvey Nash Group plc), Non-Executive Director of FPT Software, a Vietnamese technology business, Board Member of Roehampton University, Vice Chair of the UK-Vietnam Network Executive Committee, and a Council Member of UK-ASEAN Business Council. He recently received an important award for outstanding services to Viet Nam's ICT industry, an award for services to Trade and Investment from the Vietnamese government and was appointed ICT Ambassador and advisor to Viet Nam's software industry.

### **Michel Olivier**

Michel Olivier has more than 35 years of experience in international business covering the sales of goods and services, the feasibility studies, and the set-up, implementation and follow-up of turnkey industrial projects. For the last 20 years he has been in charge of selecting, performing financial studies, tendering for, organizing the financing and managing projects of significant value in both developed and developing countries. He has been active in Vietnam since 1993.

### **Olaf Baumann**

Managing Director at FPT Slovakia and Executive Vice President for Sales for FPT Germany. I am an experienced leader, project manager and senior consultant in international corporations for more than twenty years. My areas of proven success and specializations are in digital transformation, biz strategies and organizational development, outsourcing, built up Near-shore Centre, transformation to offshore, process optimization, and change and transformation management. FPT is the most important Vietnamese private telco and software group

### **Nguyễn Dinh Huy**

Nguyễn Dinh Huy is in charge of Business Development for FPT on the Benelux market. Born in Vietnam and having moved to Belgium when he was 10 years old, he has the privilege of having the understanding of both European/Asian culture. Having worked for more than 15 years in the IT Outsourcing business with Western customers and Vietnamese suppliers, he witnessed the growing expertise of Vietnamese engineers which is utilized to transform European clients ideas into valuable solutions to support needs for innovation.

## I. LOOKING BACK: EU-VIETNAM TRADE RELATIONS

- Bilateral trade and investment links between the European Union and Vietnam have been progressively growing **since 1995**, when the EU-Vietnam Framework Cooperation Agreement (**FCA**) was signed.
- The European Union has been the **second largest overseas market for Vietnamese products** and Vietnam's second most important two-way trading partner, after China.
- Vietnam's exports of commodities towards the European Union account for around **19% of its total exports** to global markets.
- There have been noticeable **shifts in the nature of Vietnamese exports of commodities** towards the European Union, from primarily raw materials to more sophisticated products, e.g. smartphones.
- The European Union is also an **important source of foreign investment** for Vietnam and ranks fifth out of Vietnam's 80 Foreign Direct Investment (FDI) partners in terms of cumulative investments. With twenty-five EU Member States having FDI projects in the country, the three most prominent **sectors for European investment** include the manufacturing sector, electricity production and transmission, and real estate.
- In 2008, negotiations on a **Framework Agreement on Comprehensive Partnership and Cooperation (PCA)** were launched. The PCA was officially signed in 2012.
- **Negotiations on the free trade agreement** were launched in the same year and concluded in 2015. Following the 2017 ECJ opinion on the FTA with Singapore, the European Commission **split the original FTA into two parts**: (1) an **FTA** which includes only **exclusive EU competences** and can therefore be ratified by the EU alone, and (2) a separate **Investment Protection Agreement (IPA)**. The IPA, in addition to ratification at EU level, will have to be ratified by Member States.
- The two texts were **adopted by the European Commission** in October 2018 and submitted to the Council of the EU in November 2018.

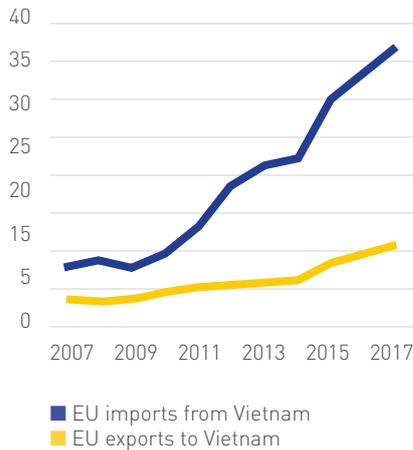
## II. THE EVFTA IN A NUTSHELL – KEY POINTS

- The EVFTA includes the **near complete removal of tariff barriers** and the **elimination of over 99% of customs duties** on exports in both directions over a **transitional period** of a maximum of seven years for Vietnamese goods and 10 years for EU goods. For instance, the EVFTA contains provisions that will improve **market access for European cars to Vietnam**.
- The EVFTA also aims at **addressing non-tariff barriers** to facilitate legitimate trade. Included are rules of origin and provisions regarding technical barriers to trade, ensuring that technical regulations, standards, and conformity assessment procedures are non-discriminatory and do not create unnecessary obstacles.
- With the safety of food being of critical importance for the European Union, the EVFTA also provides a **commitment to apply sanitary and phytosanitary measures**, especially for exports of fruits and vegetables as well as animal welfare. Important improvements on **intellectual property rights** have also been agreed concerning the enforcement of copyright, trademarks, patents and geographical indications.
- With trade in services representing around 70% of GDP in Europe and 40% in Vietnam, the EVFTA aims at improving **access to Vietnam's service markets** by making it easier for EU companies to operate in the Vietnamese postal, banking, insurance, environmental and other service sectors, and by providing improved and more stable conditions for already existing investments.
- The EVFTA also promotes a number of rules on **e-commerce** such as the **prohibition of customs duties** on electronic transmissions, which applies to a wide variety of services (retail, financial and business).
- Regarding **FDI**, the existing 21 Bilateral Investment Treaties (BITs) in force between Vietnam and EU Member States will be replaced by the EVFTA at entry into force of the agreement. The agreement will also allow EU companies to bid for Vietnamese **government contracts**, and vice versa.
- The EVFTA contains robust, comprehensive and binding commitments regarding **labour rights, sustainable development, environmental protection, and human rights**, as well as safeguards against negative outcomes as some of its more vulnerable sectors may suffer from competition with the European Union.

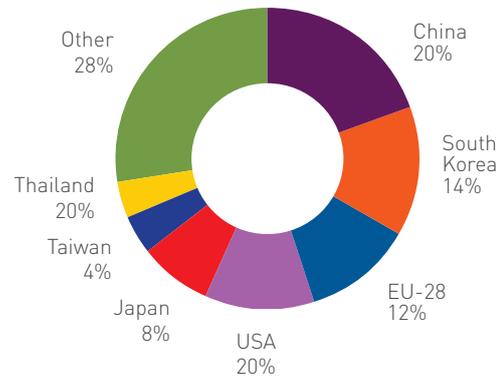
Sources: [Guide to the EVFTA](#), [EVFTA agreed text](#), [European Parliament Think Tank](#)

# EU-VIETNAM TRADE IN NUMBERS

**EU-Vietnam trade in goods**  
(€ billion)



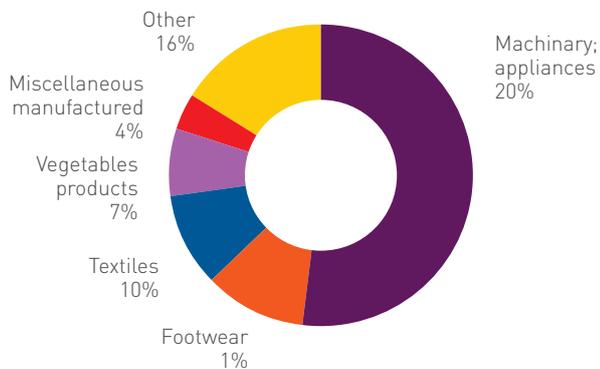
**Vietnam main trading partners**  
(% total trade in goods, 2017)



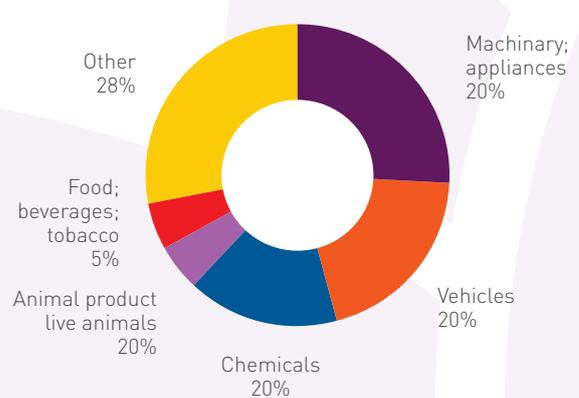
**€37.0 billion**  
EU imports from Vietnam  
**€10.6 billion**  
EU exports to Vietnam  
**€47.6 billion**  
total EU-Vietnam trade

**1.3%**  
as share of total  
EU external trade  
**19<sup>th</sup>**  
Vietnam's rank as  
EU trading partner

**Main EU imports from Vietnam (2017)**



**Main EU exports to Vietnam (2017)**



**Average rates of import duties**  
(from world, trade weighted average MFN tariff applied, 2015)  
Vietnam: **5.6 %**; European Union: **3.0 %**

Data source: European Commission, DG Trade (2017), World Trade Organization (2017).

Source : ERPS Oct. 2018

### III. LOOKING AHEAD: NEXT STEPS FOR FINALISATION

- Under the direction of the Romanian Presidency, **the Council of the EU is expected to endorse the signature of the EVFTA on 25 June 2019**, paving the way for its formal signature by the EU and Vietnam (which is also expected to occur around the end of June).
- Afterwards, the European Parliament is required to vote on giving its consent to the EVFTA. Once the new Parliament has settled in and held discussions on the text, a decision could be taken by autumn 2019 at the earliest. This would enable **ratification of the FTA by the end of the year**.
- The **finalisation of the separate IPA will take longer** (3-5 years) due to the requirement for ratification not only by the Council and European Parliament but also by each individual EU Member State.

#### To join the EU-Vietnam Business Hub, contact

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