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**Committee on Regional Trade Agreements**

**FACTUAL PRESENTATION**

**FREE TRADE AGREEMENT BETWEEN THE UNITED KINGDOM AND VIET NAM  
(GOODS AND SERVICES)**

*Report by the Secretariat*

This report, prepared for the consideration of the Free Trade Agreement between the United Kingdom and Viet Nam, has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

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### Key Facts

<b>Parties to the Agreement:</b>	United Kingdom and Viet Nam
<b>Date of Signature:</b>	29 December 2020
<b>Date of Entry into Force:</b>	1 May 2021
<b>Date of Notification:</b>	31 December 2020
<b>Full implementation:</b>	1 August 2035

## 1 TRADE ENVIRONMENT

1.1. The Free Trade Agreement between the United Kingdom and Viet Nam (hereinafter referred to as "the Agreement" or the "UK-Vietnam Agreement") is one of the UK's 38 RTAs and Viet Nam's 15 RTAs notified to the WTO.

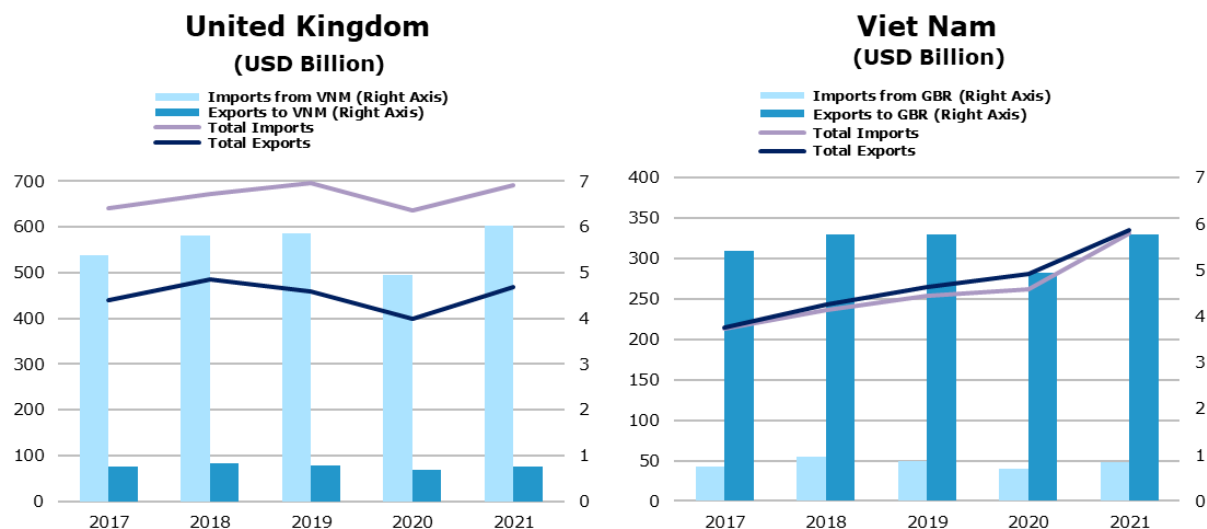
### 1.1 Merchandise trade

1.2. In 2021, the UK's global merchandise exports amounted to USD 468.2 billion and imports of USD 693.8 billion while for Viet Nam, exports were USD 335.9 billion and imports, USD 331.6 billion, respectively.<sup>1</sup> The UK is the world's 8<sup>th</sup> largest importer and 14<sup>th</sup> largest exporter of goods and Vietnam ranks 23<sup>rd</sup> in terms of imports and 20<sup>th</sup> in terms of exports.<sup>2</sup>

1.3. Chart 1.1 presents the trends in global and bilateral merchandise trade between 2018 and 2020. The UK shows a trade deficit throughout the period while Viet Nam shows a trade surplus. At the bilateral level, Viet Nam is a net exporter of goods to the UK. Trade between the parties has remained relatively stable during the period 2017-21, with a slight increase in 2021 after a decline in 2020. The UK has a bilateral trade deficit with Viet Nam, similar to its global merchandise trade deficit, whereas the situation is the opposite with Viet Nam, who maintains trade surpluses with the UK and the world.

<sup>1</sup> Based on data from the WTO Trade Profiles (2022) viewed on 25 July 2023; Viet Nam's exports in 2020 represented 1.4% of global exports while its imports were 1.3% of global imports.

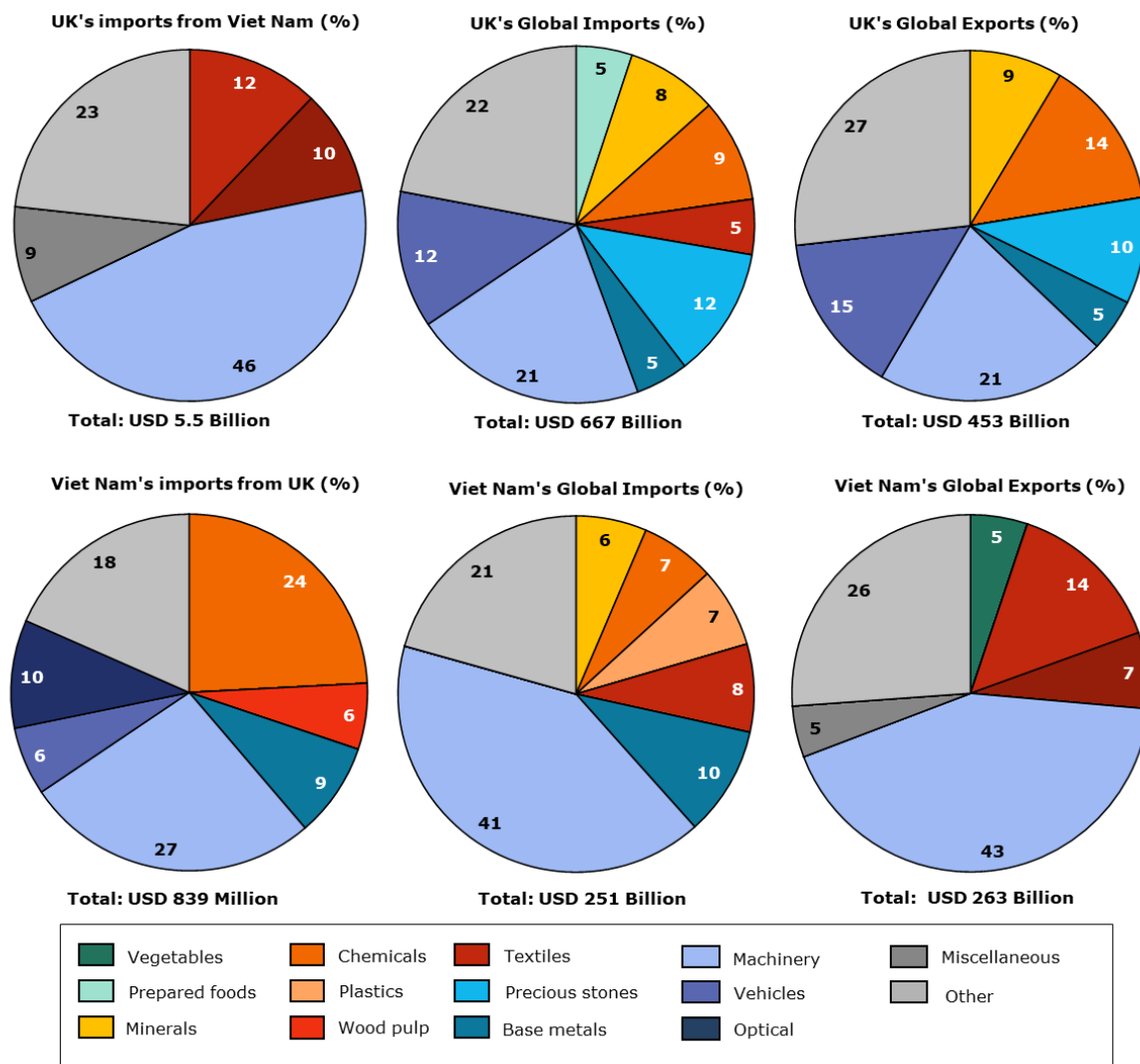
<sup>2</sup> Ranks in world trade and the shares of trade by main commodity group come from the Parties' WTO Trade Profiles 2022.

**Chart 1.1 United Kingdom-Viet Nam: Merchandise bilateral trade and with world (2017-2021)**

Note: Exchange rates used from GBP to USD: 0.78 (2017), 0.75 (2018), 0.78 (2019), 0.78 (2020), and 0.73 (2021).

Source: UK authorities and UNSD Comtrade, March 2023.

1.4. Chart 1.2 shows the commodity structure of trade between the UK and Viet Nam, as well as of their global trade in the period 2018-2020 on the basis of product categories of the Harmonized System (HS). Machinery forms the majority of Viet Nam's global exports (43%) as well as the UK's imports from Viet Nam (46%). Other significant categories of UK imports from Viet Nam are wood pulp (12%) and textiles (10%). In turn, around half of Vietnamese imports from the UK consist of chemicals and machinery (51%); these also form two of the top three UK global export sectors.

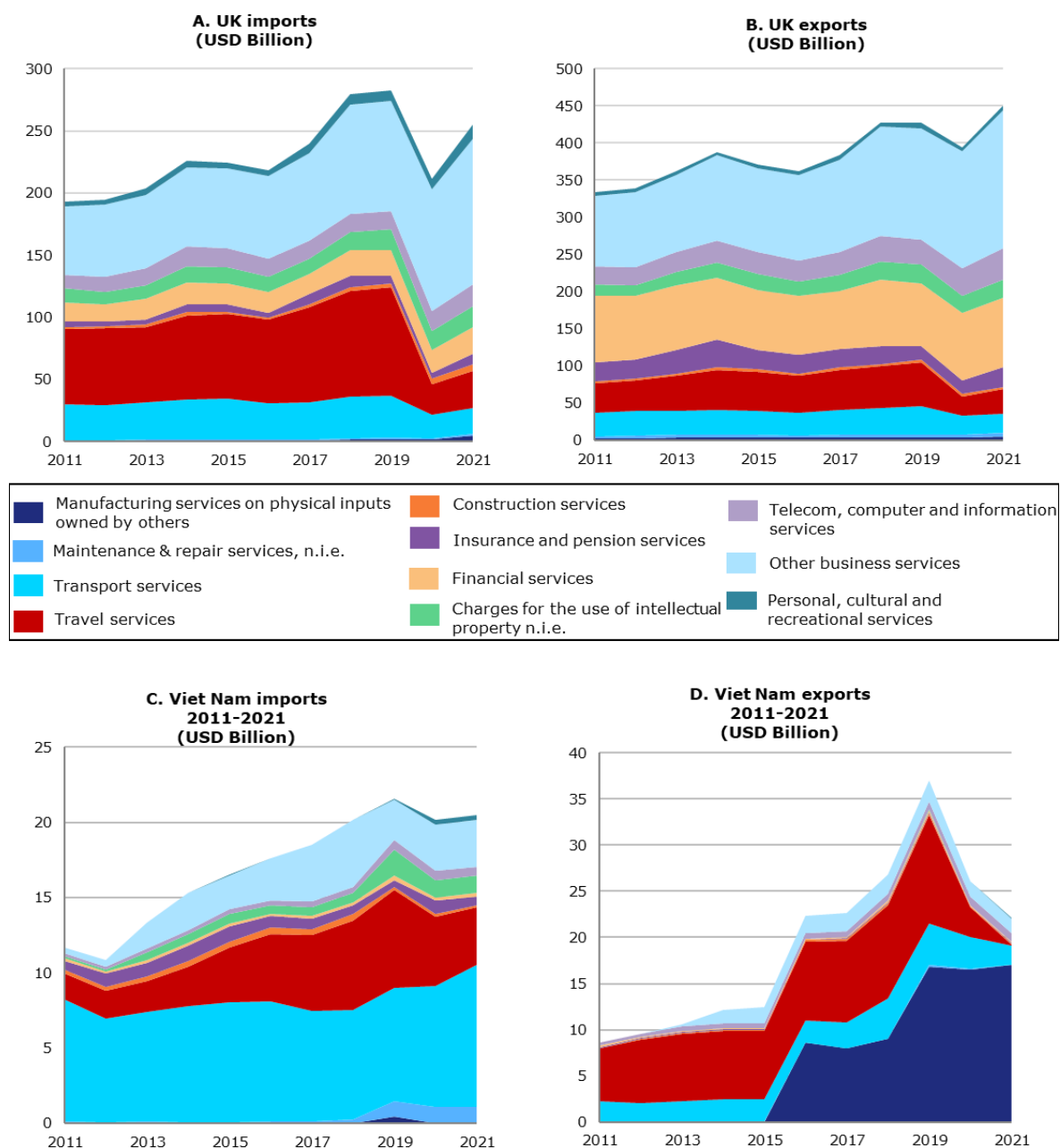
**Chart 1.2 UK-Viet Nam: Product composition of merchandise trade, by HS Section (2018-2020)**

Note: Exchange rates from GBP to USD: 0.7495 (2018), 0.7834 (2019) and 0.7800 (2020).

Source: UK authorities; UNSD, Comtrade database.

## 1.2 Trade in services and investment

1.5. Chart 1.3 depicts the UK and Viet Nam's global trade in commercial services from 2011-2021, in order of categories based on BPM6. In 2021, global imports for the UK were led by other business services, travel and financial services while global exports were dominated by other business services and financial services. For Viet Nam, global imports in 2021 were led by transport, travel, and other business services, while global exports were led by manufacturing services, followed by transport services.

**Chart 1.3: UK and Viet Nam: Trade in commercial services with world, 2011-2021**

Note: Exchange rates used from GBP to USD: 0.78 (2017), 0.75 (2018), 0.78 (2019), 0.78 (2020), and 0.73 (2021). No data for Manufacturing services on physical inputs owned by others for Viet Nam from 2011-2015, for both imports and exports. No bilateral data available.

Source: WTOStat (2011-2016) and UK authorities (2017-2021) for UK; ASEAN Statistics for Viet Nam.

1.6. Tables 1.1 and 1.2 show inward and outward foreign direct investment stock and flows for the United Kingdom and Viet Nam for 2018-2020 in millions of US dollars. For the United Kingdom, both inward and outward stocks (world) were relatively stable but grew slightly over the period 2018-20. Most of the UK's FDI with Viet Nam is outward, with relatively little inward FDI. This is also reflective in Viet Nam's global FDI figures, whereby it is major recipient of FDI, and has relatively little outflows.

**Table 1.1 United Kingdom: FDI stock and flow with Viet Nam and world, 2018-2020**

FDI Category	World (USD Billions)						Viet Nam (USD Millions)					
	Outward			Inward			Outward			Inward		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
<b>Total FDI Stock</b>	1,939	2,103	2,129	2,098	2,094	2,473	686	1,918	1,195	..	5	4
<b>Total FDI Flow</b>	83	12	-70	88	54	44	157	..	..	..	..	-1

.. Not available.

Note: Exchange rates from GBP to USD: 0.7495 (2018), 0.7834 (2019) and 0.7800 (2020)

Source: UK authorities.

**Table 1.2 Viet Nam: FDI stock and flow with world, 2018-2020**

FDI Category	World (USD Millions)					
	Outward			Inward		
	2018	2019	2020	2018	2019	2020
<b>Total FDI Stock</b>	10,668	11,133	11,513	144,991	161,111	176,911
<b>Total FDI Flow</b>	598	465	380	15,500	16,120	15,800

Note: No data available for bilateral FDI.

Source: UNCTADStat.

## 2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

### 2.1 Background information

2.1. The Agreement was signed on 29 December 2020 and notified to the WTO on 31 December 2020 under Article XXIV:7(a) of GATT 1994 and Article V:7(a) of the GATS (see documents WT/REG436/N/1 - S/C/N/1032). It entered into force on 1 May 2021 following the end of the transition period provided for in the Withdrawal Agreement between the UK and the EU.

2.2. The text of the Agreement, its Annexes, and Protocols are available on the Parties' official websites:

#### United Kingdom:

<https://www.gov.uk/government/publications/ukvietnam-free-trade-agreement>

**Viet Nam:** <https://fta.gov.vn/index.php?r=site%2Fcontent&id=279>

2.3. The Agreement aims to ensure continuity in the UK's trade relationship with third parties post Brexit through a technical replication of the existing agreement that was in place when the UK was a member of the EU. Thus, it has pursued a "short form agreement" that incorporates the relevant provisions of the existing EU-Viet Nam Free Trade Agreement (the "EVFTA"). Provisions of the EVFTA are applied *mutatis mutandis*. The EVFTA was considered by the Committee on Regional Trade Agreements (CRTA) on 1 November 2021 on the basis of a factual presentation prepared by the WTO Secretariat.<sup>3</sup> This factual presentation therefore makes reference to the factual presentation of the EVFTA. Box 2.1 summarizes the structure of the Agreement whereas Box 2.2 gives an overview of the modifications made by the Agreement to the EVFTA.

2.4. The Agreement has 7 Articles and additional or changed elements such as a new protocol and joint declaration, which form an integral part of the Agreement (Box 2.1). The Agreement basically maintains the content and structure of the EVFTA and most of the changes relate to the EU and the member States as a result of consequential adjustments, e.g. territorial application. Specific adjustments include modification of the tariff quota volumes, changes to rules of origin to allow cumulation with the EU, and modifications to Geographical Indications.

<sup>3</sup> WT/REG406/1.



**Box 2.1 Structure of the Agreement**

Articles	Titles
Preamble	
Article 1	Definitions and interpretation
Article 2	Incorporation of the EU-Viet Nam FTA
Article 3	Objectives
Article 4	Territorial application
Article 5	References to the euro
Article 6	Continuation of time periods
Article 7t	Further provision in relation to the Trade Committee
Article 8	Review of rice tariff rate quotas
Article 9	Final provisions
Protocol 1	Text of new Protocol 1
<i>Joint Declarations</i>	
Concerning a trilateral approach to rules of origin	
<i>Explanatory Notes</i>	
On how the United Kingdom interprets references in incorporated trade agreements to European Union law	
On <i>mutatis mutandis</i>	
Appendix I	

Source: WTO Secretariat based on the Agreement.

**Box 2.2 Overview of the modifications to the EU-Viet Nam Agreement**

<b><i>Chapters of the EU-Viet Nam Agreement and other related instruments</i></b>	<b><i>Title/description</i></b>	<b><i>Modifications to the Agreement</i></b>
Preamble		New text replaces the first paragraph of the preamble
Chapter 1	Objectives and general definitions	Article 1.3 not incorporated
Chapter 2	National treatment and market access for goods	Review of rice TRQs
Chapter 3	Trade remedies	
Chapter 4	Customs and trade facilitation	
Chapter 5	Technical barriers to trade	
Chapter 6	Sanitary and phytosanitary measures	Article 6.5.1(b) is replaced with new text on competent authorities
Chapter 7	Non-tariff barriers to trade and investment in renewable energy generation	
Chapter 8	Liberalisation of investment, trade in services and electronic commerce	Footnote 10 of subparagraph 1(j) of Article 8.2 not incorporated; new footnotes in Article 8.8, and Article 8.8, para. 1; Paragraph 4 of Article 8.8 is replaced with new text
Chapter 9	Government procurement	Modification to Article 9.6 on Notices
Chapter 10	Competition policy	Modification to Section B, Subsidies, Article 10.4.1

<b><i>Chapters of the EU-Viet Nam Agreement and other related instruments</i></b>	<b><i>Title/description</i></b>	<b><i>Modifications to the Agreement</i></b>
Chapter 11	State-owned enterprises, enterprises granted special rights or privileges, and designated monopolies	
Chapter 12	Intellectual property	Modifications to Geographical Indications
Chapter 13	Trade and sustainable development	
Chapter 14	Transparency	
Chapter 15	Dispute settlement	
Chapter 16	Cooperation and capacity building	
Chapter 17	Institutional, general and final provisions	Articles 17.1.5, 17.16, 17.18.2, 17.22.2, 17.23, 17.24.1(a) and 17.25 not incorporated
<b><i>Annexes and Appendices</i></b>		
Annex 2-A	Elimination of customs duties	Subparagraph 1(j) of Section A is replaced with new text; Sub-section 1 of Section B on TRQs, the volumes are modified
Appendix 2-A-1	Tariff schedule of the Union	
Appendix 2-A-2	Tariff schedule of Viet Nam	
Appendix 2-A-3	Export duty schedule of Viet Nam	
Appendix 2-A-4	Goods to which Viet Nam may apply specific measures	
Appendix 2-A-5	Goods excluded from the definition of remanufactured goods	
Annex 2-B	Motor vehicles and motor vehicles parts and equipment	
Annex 2-C	Pharmaceutical/medicinal products and medical devices	
Annex 6	Requirements and procedures for approval of establishments for products	
Annex 7	List of tariff headings	
Annex 8-A	The Union's schedule of specific commitments	References to the differentiated commitments of EU member States are removed
Appendix 8-A-1	Specific commitments on cross-border supply of services	Paragraphs 7 and 8 are not incorporated; for subsector 1.A(a) the words in Footnote 5 relating to EU member States are not incorporated; for subsector 1.E(b), the words relating to the Union are not incorporated; for subsector 12.D(d), the words relating to EU member States are not incorporated
Appendix 8-A-2	Specific commitments on liberalisation of investments	Paragraph 10 is not incorporated; a number of other modifications to the table have been incorporated to make the provisions relevant to the UK
Appendix 8-A-3	Specific commitments in conformity with Section D (temporary presence of natural persons for	Paragraph 11 is not incorporated; the reservation for "all sectors" for recognition and footnote 1 are not

<b><i>Chapters of the EU-Viet Nam Agreement and other related instruments</i></b>	<b><i>Title/description</i></b>	<b><i>Modifications to the Agreement</i></b>
	business purposes) of Chapter 8 (liberalisation of investment, trade in services and electronic commerce)	incorporated; for subsector 6.A(a), the words in Footnote 4 relating to EU member States are not incorporated; for subsector 6.A(k), the words in Footnote 6 relating to EU member States are not incorporated
Annex 8-B	Viet Nam's schedule of specific commitments	
Appendix 8-B-1	Specific commitments on cross-border supply of services and liberalisation of investments	
Appendix 8-B-2	Specific commitments in conformity with Section D (temporary presence of natural persons for business purposes) of Chapter 8 (liberalisation of investments, trade in services and electronic commerce)	
Annex 8-C	Exemption for Viet Nam on national treatment	
Annex 9-A	Coverage of government procurement for the Union	Modification of the publication of notices information for the UK
Annex 9-B	Coverage of government procurement for Viet Nam	
Annex 11	Specific rules for Viet Nam on state-owned enterprises, enterprises granted special rights or privileges, and designated monopolies	
Annex 12-A	List of geographical indications	Modifications of GIs
Annex 12-B	Product classes	
Annex 15-A	Rules of Procedure	
Annex 15-B	Code of Conduct for Arbitrators and Mediators	
Annex 15-C	Mediation mechanism	
<b><i>Protocols</i></b>		
Protocol 1	Concerning the Definition of the Concept of 'Originating Products' and Methods of Administrative Cooperation	Replaced and substituted with new Protocol and Annexes. Addition of a Joint Declaration Concerning a Trilateral Approach to Rules of Origin
Annex I to Protocol 1	Introductory notes to Annex II (list of required working or processing)	
Annex II to Protocol 1	List of required working or processing	
Annex III to Protocol 1	Materials referred to in paragraph 2 of Article 3 (cumulation of origin)	
Annex IV to Protocol 1	Products referred to in paragraph 2 of Article 3 (cumulation of origin)	
Annex V to Protocol 1	Products referred to in paragraph 7 of Article 3 (cumulation of origin)	
Annex VI to Protocol 1	Text of the origin declaration	

<b>Chapters of the EU-Viet Nam Agreement and other related instruments</b>	<b>Title/description</b>	<b>Modifications to the Agreement</b>
Annex VII to Protocol 1	Specimens of a certificate of origin and of an application for a certificate of origin	
Annex VIII to Protocol 1	Explanatory notes	
Protocol 2	On mutual administrative assistance in customs matters	Subparagraph (c) of Article 13.1 not incorporated; replacement of Article 13.2 with alternative text
<i>Understandings</i>		
	Concerning bank equity	Not incorporated; however exchange of side letters on bank equity, reflected in Appendix I
	Concerning specific commitments on distribution services for wine and spirits	
<i>Joint Declarations</i>		
	Concerning the Principality of Andorra	Not incorporated
	Concerning the Republic of San Marino	Not incorporated
	Regarding the revision of the rules of origin contained in Protocol 1 concerning the definition of the concept of "originating products" and methods of administrative cooperation	
	Concerning Customs Unions	Not incorporated

Source: WTO Secretariat based on the EU-Viet Nam and UK-Viet Nam Agreements.

### 3 PROVISIONS ON TRADE IN GOODS

3.1. The Agreement incorporates Chapters 2 to 7 of the EVFTA on trade in goods with provisions on national treatment and market access, trade remedies, customs and trade facilitation, technical barriers to trade, sanitary and phytosanitary measures and non-tariff barriers to trade and investment in renewable energy generation.

3.2. The main elements that have changed compared to the EVFTA are with respect to tariff rate quotas, mainly due to amendments of quota volumes to reflect the size of the UK market, and to the rules of origin. For details on the other main elements, see paragraphs 3.1-3.89 of the factual presentation on the EVFTA in document WT/REG406/1.

#### 3.1 Import duties and charges, and quantitative restrictions

##### 3.1.1 General provisions

3.3. For the liberalization of trade and tariff lines, the Agreement incorporates the existing provisions of the EVFTA on tariff reductions and staging. Most of the commitments in the EVFTA have been incorporated without change. However, the most prevalent amendments were with respect to tariff rate quota volumes. For other details, see also paragraphs 3.1-3.21 of the factual presentation on the EVFTA in document WT/REG406/1.

3.4. Article 2.7 outlines the reduction or elimination of customs duties and refers to Annex 2-A on the reduction or elimination of customs duties. This Annex contains the staged tariff reductions and commitments on tariff rate quotas, as well as two appendices outlining the specific commitments of

the United Kingdom, Appendix 2-A-1, and Viet Nam, Appendix 2-A-2. Protocol 2 includes provisions on mutual administrative assistance for customs matters, i.e. on the correct application of customs legislation, in particular on preventing, investigating and combating customs violations.<sup>4</sup>

3.5. The Parties shall not adopt or maintain prohibitions or restrictions on imports unless as provided by the Agreement (under Appendix 2-A-4 by Viet Nam). GATT Article XI and its Notes and Supplementary provisions are incorporated into the Agreement *mutatis mutandis* (Article 2.14).<sup>5</sup>

### 3.1.2 Liberalization of trade and tariff lines

3.6. The tariff elimination or reduction schedules and staging categories follow the same arrangements agreed in the EVFTA as implemented from 1 August 2020 with the exception of one change to staging category 1(j)<sup>6</sup> regarding the entry price system. The staging provisions remain as in the EVFTA, i.e. elimination of the *ad valorem* component while maintaining the specific duty component, but an additional paragraph acknowledges that the United Kingdom may introduce an entry price system, in whole or in part, for fruit and vegetables and processed fruit and vegetables on or after the entry into force of the Agreement.

3.7. Annex 2-A, Section A, provides for 12 staging categories for tariff elimination:

- i. category A: customs duties eliminated on the date of entry into force,
- ii. category B3: customs duties eliminated in four equal annual stages beginning on the date of entry into force,
- iii. category B5: customs duties eliminated in six equal annual stages beginning on the date of entry into force,
- iv. category B7: customs duties eliminated in eight equal annual stages beginning on the date of entry into force,
- v. category B9: customs duties eliminated in ten equal annual stages beginning on the date of entry into force,
- vi. category B10: customs duties eliminated in 11 equal annual stages beginning on the date of entry into force,
- vii. category B10\* and category B10\*\*: customs duties eliminated in 11 specific annual stages indicated in annex 2-A beginning on the date of entry into force,
- viii. category B15: customs duties eliminated in 16 equal annual stages beginning on the date of entry into force,
- ix. category A+EP: the *ad valorem* component is eliminated on the date of entry into force while the specific duty is maintained,
- x. category R75: specific customs duties applied from the date of entry into force,
- xi. category CKD: excluded lines.

3.8. Remaining provisions on customs duties and eliminations are as outlined in the factual presentation on the EVFTA in document WT/REG406/1.

<sup>4</sup> Minor amendments were made to Article 13 of Protocol 2 due to consequential changes from EU/EU member States to the United Kingdom regarding "Other Agreements".

<sup>5</sup> Including right hand steering vehicles, certain used consumer goods, used vehicles and spare parts, asbestos products and materials under amphibole group and all types of specialized coding machines and cipher software programmes.

<sup>6</sup> The parties have advised that the Agreement text referring to a change in subparagraph 1(k) of Section A of Annex 2-A was in error and in fact should have referred to subparagraph 1(j).

### 3.1.3 Liberalization schedule

#### 3.1.3.1 United Kingdom

3.9. The elimination of tariff commitments under the Agreement aligns with the commitments under the EVFTA. The tariff preferences applied by the UK for products from Vietnam remained the same as those applied by the EU under the EVFTA, and from the date the UK ceased to be bound by the EVFTA the existing tariff levels and staged reductions continued to apply uninterrupted. Table 3.1 outlines the remaining phase-out schedule for the United Kingdom.<sup>7</sup> The majority of UK tariffs are already duty-free under the Agreement or on an MFN basis with over 80% with a zero rate of duty as of 2023. The rest will be eliminated after full implementation in 2027, with only 74 tariff lines (0.8% of all lines) remaining dutiable.<sup>8</sup>

3.10. When examining the tariff eliminations by HS Section (Table 3.2), tariff elimination is still being implemented for most HS sections. After full implementation, dutiable goods remain exclusively in the agricultural sector, i.e. Sections I (live animals), II (vegetables), IV (prepared food) and VI (chemicals, although these are all covered in the WTO Agreement on Agriculture, e.g. sorbitol, mannitol, starches, etc.). The products remaining dutiable include egg yolks, rice, tuna, sugar, cocoa powder, mushrooms, and artificial sugars.

**Table 3.1 United Kingdom: Tariff elimination commitments under the Agreement and corresponding average trade**

Duty phase-out period	Tariff lines in UK's tariff schedule		UK's imports from Viet Nam (2018-20) <sup>a</sup>	
	Number	%	Value (USD million) <sup>b</sup>	%
2021 (MFN)	4,462	47.0	3,343.0	60.4
2021	3,771	39.7	1,148.8	20.8
2023	397	4.2	177.0	3.2
2024	1	0.0	0.0	0.0
2025	390	4.1	453.5	8.2
2026	2	0.0	0.0	0.0
2027	397	4.2	407.2	7.4
Remain dutiable	74	0.8	2.5	0.0
<b>TOTAL</b>	<b>9,494</b>	<b>100.0</b>	<b>5,532.0</b>	<b>100.0</b>

a Import coverage is for HS chapters 1-97.

b The import values were reported in GBP and converted into USD using the exchange rates of 0.7495 (2018), 0.7834 (2019) and 0.7780 (2020).

Note: Tariff lines subject to in-quota rates are excluded in the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by UK.

**Table 3.2 United Kingdom: Tariff elimination under the Agreement, by HS Section**

HS Section	MFN 2021			Lines under the Agreement					Avg. Dutia-ble Tariff
	Avg. Tariff (%)	No. of lines	Duty free lines	Duty Free				Remain Dutiable	
				2021	2023	2025	2027		
I	8.9	956	109	504	116	87	135	5	*
II	4.4	554	213	275	6	22	6	32	4.7

<sup>7</sup> Some variations exist in the number of lines phased out in the respective years compared to the EU tariff elimination due to nomenclature updates and because the UK phase out reflects preferential rates as applied by the UK.

<sup>8</sup> The UK's MFN tariff in 2021 consisted of 9,494 lines at the eight-digit level. Around 90.7% (8,613 lines) of the tariff had *ad valorem* rates of duty. Of the remaining lines 647 had specific rates, 230 compound rates and 4 lines had mixed rates of duty.

HS Section	MFN 2021			Lines under the Agreement					Avg. Dutia-ble Tariff
	Avg. Tariff (%)	No. of lines	Duty free lines	Duty Free				Remain Dutiable	
				2021	2023	2025	2027		
III	4.8	129	30	95	2		2		
IV	12.9	869	119	511	50	60	99	30	16.1
V	0.4	231	202	29					
VI	2.7	1,226	550	544	93	16	16	7	7.4
VII	3.7	301	86	205		10			
VIII	1.4	130	73	57					
IX	1.1	235	189	14	2	30			
X	0.0	195	195						
XI	7.0	1,149	243	683	51	128	44		
XII	7.3	106	17	50	5	9	25		
XIII	2.0	234	162	31	35	6			
XIV	0.5	58	47	11					
XV	0.6	955	804	116	17		18		
XVI	0.7	1,338	981	346	5	6			
XVII	3.7	286	121	88	9	9	59		
XVIII	0.6	299	218	79		2			
XIX	1.4	22	7	8	7				
XX	1.4	214	89	125					
XXI	0.0	7	7						
Total	3.8	9,494	4,462	3,771	398	385	404	74	12.6

\* Tariff lines subject to specific duties only.

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For tariff lines subject to seasonal duties<sup>9</sup>, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK.

### 3.1.3.2 Viet Nam

3.11. Viet Nam's commitments and phase-out schedule remain as provided in the EVFTA and continue uninterrupted under the Agreement without amendment. Thus, duties continue to be phased out over a longer period, until 2035, as compared to the UK, and as of 2023 a lower percentage have achieved full liberalization, i.e. about 56% of total tariff lines (Table 3.3).<sup>10</sup> In 2025 the largest percent, about 20% of lines, will have duties eliminated. At the end of implementation, 261 tariff lines, i.e. 2.4% of all lines, will remain dutiable.

3.12. As shown in Table 3.4 on tariff elimination by HS Section, Viet Nam's tariff elimination is slower and there are more dutiable goods at the end of implementation, mainly in the agricultural sector. The only exception to this is 230 tariff lines in the motor vehicle sector designated as "CKD" that are subject to a special regime and are excluded from liberalization commitments. Duties will

<sup>9</sup> Tariff lines 0302.41.00, 0302.43.90, 0302.44.00, 0303.51.00, 0303.53.90, 0303.54.10, 0303.89.40, 0304.59.50, 0304.99.23, 0702.00.00, 0708.10.00, 0805.10.22, 0805.10.24, 0805.10.28, 0808.10.80, 0808.30.90, 0809.29.00 and 0809.40.05 are subject to MFN seasonal duties; and Tariff lines 0302.41.00, 0302.43.90, 0302.44.00, 0303.51.00, 0303.53.90, 0303.54.10, 0304.59.50, and 0304.99.23 are subject to seasonal duties under the Agreement during the transition periods of tariff liberalization (Fully liberalized at the end of implementation period).

<sup>10</sup> Viet Nam's MFN tariff in 2021 consisted of 10,813 lines at the eight-digit level. Almost 97.9% (10,583 lines) of the tariff had *ad valorem* rates of duty. Of the remaining lines 230 under HS Chapter 98 had no specific tariff rates.

remain in HS Sections I (live animals), IV (prepared food), V (minerals) and XVII (vehicles). The products under these sections pertain mainly to eggs, sugar, tobacco, salt, and motor vehicles.

**Table 3.3 Viet Nam: Tariff elimination commitments under the Agreement and corresponding average trade**

Duty phase-out period	Tariff lines in Viet Nam's tariff schedule <sup>a</sup>		Viet Nam's imports from the UK (2018-2020)	
	Number	%	Value (USD million)	%
2021 (MFN)	3,156	29.2	527.2	63.0
2021	1,826	16.9	54.6	6.5
2023	1,123	10.4	41.4	4.9
2025	2,130	19.7	119.9	14.3
2027	1,300	12.0	53.6	6.4
2029	58	0.5	1.9	0.2
2030	940	8.7	36.0	4.3
2035	19	0.2	2.7	0.3
Remain dutiable <sup>b</sup>	261	2.4	0.0	0.0
<b>Total</b>	<b>10,813</b>	<b>100.0</b>	<b>837.4</b>	<b>100.0</b>

a Tariff coverage is from HS chapters 1-97.

b There are 230 tariff lines under HS Chapter 87 (motor vehicles) which are excluded from reduction commitments but are included in the tariff line count. These are products based on special instructions under HS Chapter 98.

Note: Tariff lines subject to in-quota rates are excluded in the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the Viet Nam authorities, the WTO-IDB and the information from the EU-Viet Nam FP.

**Table 3.4 Viet Nam: Tariff elimination under the Agreement, by HS Section**

HS Section	MFN 2021			Duty free lines under the Agreement							Remain Dutiable	Avg. Dutiable Tariff
	Avg. Tariff (%)	Total lines <sup>a</sup>	Duty free lines	2021	2023	2025	2027	2029	2030	2035		
I	12.4	589	92	69	329	28	22	7	36		6	80.0
II	15.2	491	65	31	94	255	34		12			
III	16.5	175			13	2	22		138			
IV	30.3	470	35	3	4	54	283	1	52	19	19	84.7
V	6.9	218	69	61	27	1	6		48		6	53.3
VI	3.0	1,259	749	197	56	110	133		14			
VII	8.8	565	85	143	169	116	6		46			
VIII	12.7	91	24	10	1	56						
IX	7.3	228	109	28		59	32					
X	12.7	300	37	25	15	85	138					
XI	12.6	1,175	92	859	49	130	40		5			
XII	23.0	84	4	38	5	31	6					
XIII	19.9	250	14	34	7	98	97					
XIV	12.2	86	19	30			37					
XV	8.0	1,035	364	78	64	335	65		129			
XVI	6.1	2,133	1,047	176	23	706	174		7			
XVII	34.3	1,033	85	4		29	186	50	449		230 <sup>b</sup>	
XVIII	4.5	326	220	35	23	35	13					
XIX	5.2	30	24	2					4			



HS Section	MFN 2021			Duty free lines under the Agreement							Remain Dutiable	Avg. Dutiable Tariff
	Avg. Tariff (%)	Total lines <sup>a</sup>	Duty free lines	2021	2023	2025	2027	2029	2030	2035		
XX	17.8	267	17		244		6					
XXI	3.8	8	5	3								
Total	12.0	10,813	3,156	1,826	1,123	2,130	1,300	58	940	19	261	77.7

a Tariff coverage is from HS chapters 1-97.

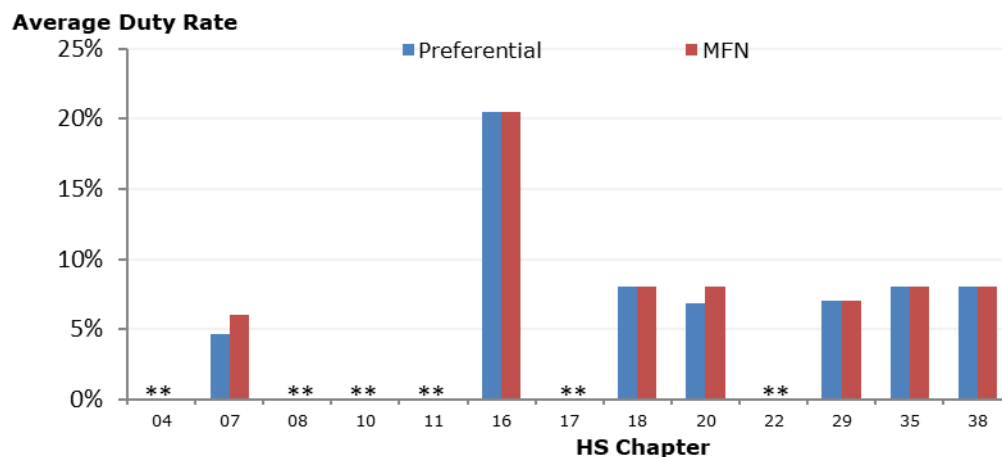
b There are 230 tariff lines under HS Chapter 87 (motor vehicles) which are excluded from reduction commitments but are included in the tariff line count. These are products based on special instructions under HS Chapter 98.

Note: Tariff lines subject to in-quota rates are excluded in the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the Viet Nam authorities, the WTO-IDB and information from the factual presentation of the EU-Viet Nam Agreement.

3.13. Charts 3.1 and 3.2 shows the average *ad valorem* rates remaining dutiable by HS Chapter applied by the UK to imports from Viet Nam and vice versa at the end of the implementation period. For the UK, in Chapters 7 and 20, average MFN rates remain higher than the preferential rate; and in Chapters 4, 8, 10, 11, 17, and 22 they are subject to only specific tariffs. No preferential treatment is granted in Chapters 16, 18, 29, 35 and 38. Meanwhile for Viet Nam, all remaining dutiable lines for Chapters 4, 17, 24, and 25 are not granted preferential treatment.

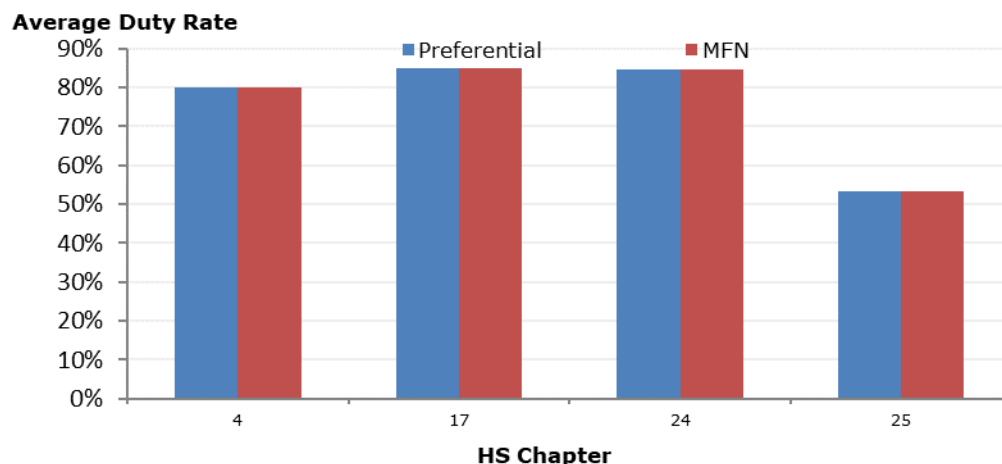
**Chart 3.1 United Kingdom: Average of dutiable rates, by HS Chapter**



\*\* Tariff lines subject to specific duties

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

Source: WTO estimates based on data provided by the UK.

**Chart 3.2 Viet Nam: Average of dutiable rates, by HS Chapter**

Note: Tariff lines subject to in-quota rates are excluded in the computation.

Source: WTO estimates based on data provided by the Viet Nam authorities, the WTO-IDB and the information from the EU-Viet Nam factual presentation.

### 3.1.4 Tariff rate quotas

3.14. Section B of Annex 2-A provides for the concessions on tariff rate quotas for both parties. Sub-section 1 gives the details on the 14 quota categories for the UK (birds' egg and egg yolks; garlic; sweet corn; husked rice; milled rice; fragrant rice; manioc; tuna; surimi; sugar and other products containing high levels of sugar; speciality sugar; mushrooms; ethanol; and mannitol, sorbitol, dextrins and other modified starches) which all have a zero rate of duty within the quota and remain unchanged from the EVFTA except that the quota volumes have been adjusted to provide for continuity of historical trade flows with the UK. The Agreement goes further to provide for the initiation of a review of the rice TRQs three years after entry into force of this Agreement (Chapter 8) by acknowledging the importance of rice to Viet Nam's economy and potential changes in trade patterns.

3.15. Section B of Annex 2-A on tariff rate quotas has been amended to re-size the quota volumes to reflect that the UK is a smaller importer and exporter with Viet Nam compared to the EU. The revised quota volumes are further elaborated in Table A2.1 and in Annex 2 along with additional details.

3.16. Viet Nam has four quota categories on agricultural and non-agricultural goods (birds' eggs, sugar, tobacco, and salt) which are the same as its WTO TRQs. The in-quota tariff rates start from various base rates (see Table A2.2) and will be eliminated in 11 equal annual stages beginning on the date of entry into force of the EVFTA. The quota volumes, administration methods, and other terms and conditions are aligned with Viet Nam's WTO commitments, meaning the quota volume continues to grow at a rate of 5% annually.

## 3.2 Rules of origin

3.17. The rules of origin provisions in the Agreement, as contained in Protocol 1--Concerning the Definition of the Concept of 'Originating Products' and Methods of Administrative Cooperation, replace the rules in Protocol 1 of EVFTA. The new Protocol 1 has a similar framework with eight Annexes and for the most part, the same rules of origin. The main change is a cumulation provision allowing EU processing and content to count towards origin determination; this is outlined in Article 3 of Section B of Protocol 1. Furthermore, an additional Joint Declaration was added at the end on a Trilateral Approach to Rules of Origin with the aim of updating Protocol 1 following an agreement between the UK and the EU on rules of origin appropriate for a trilateral approach.

3.18. In order to benefit from the Agreement, i.e. preferential tariffs, a good must be originating in the exporting Party by being obtained there or by incorporating materials of a Party or the EU, provided that the working or processing carried out in the exporting Party goes beyond the operations referred to in Article 6. Additionally, working or processing carried out in the EU shall be considered as having been carried out in the UK when the products obtained undergo subsequent working or processing in the UK, beyond the operations referred to in Article 6. A further cumulation provision allows materials listed in Annex III to Protocol 1 originating in an ASEAN country with which the UK applies a preferential trade agreement to be considered as materials originating in Viet Nam when further processed or incorporated into one of the products listed in Annex IV to Protocol 1. A final cumulation provision allows for fabrics originating in Republic of Korea to be considered as originating in Viet Nam when further processed or incorporated into certain products, provided that they have undergone working or processing in Viet Nam which goes beyond the operations referred to in Article 6. The Agreement maintains the two basic routes for origin determination, i.e. wholly obtained and substantial transformation. Substantial transformation uses three basic methodologies—value added, change in tariff classification, and specific processing or manufacturing method. These origin determining parameters have not changed and remain as outlined in the EVFTA, see paras. 3.22-3.30 of the factual presentation in document WT/REG406/1.

### 3.3 Export duties and charges, and quantitative restrictions

3.19. The Agreement makes no changes to the export duty provisions of the EVFTA. Thus, export commitments of the Parties state that the maintenance or adoption any duties, taxes, or other charges of any kind on exports of a good to the territory of the other Party are not allowed in excess of those imposed on like goods for domestic consumption and other than in accordance with the scheduled commitments of Viet Nam.

3.20. The export duty schedule for Viet Nam is contained in Appendix 2-A-3 to Annex 2-A and contains commitments on 469 tariff lines. These are broadly on the following products: Aquilaria Crassna Pierre plant extracts, mineral products, rubber, raw hides and skins, wood, precious stones and metals, iron and steel, and base metals. These export duties are gradually being reduced or eliminated per the commitments, the majority of which will be eliminated after the full transition period (Table 3.5). There is no corresponding export duty schedule for the United Kingdom.

**Table 3.5 Viet Nam export duties, by category**

Category	Number of tariff lines <sup>a</sup>	Initial Base Rates	Final rates
B5a	1	40%	10%
B5b	5	30% - 40%	20%
B5*a	32	3% - 5% - 10% - 15%	0%
B5*b	13	25% - 30% - 40%	20%
B7*	9	5% - 10%	0%
B10	74	15% - 20%	0%
B10*	193	1% - 3% - 5% - 10% - 15%	0%
B12	11	14% - 15% - 17% - 20% - 30%	0%
B12*	21	5% - 7% - 10% - 20% - 30%	0%
B15	35	15% - 17% - 20% - 22% - 25% - 30% - 40%	0%
B15*a	19	10% - 15% - 30%	0%
B15*b	10	17% - 20%	0%
B15*c	2	22%	0%
B15*d	4	30%	0%
B15*e	2	40%	0%
S	38	2% - 10% - 13% - 15% - 17% - 20%	2% - 10% - 13% - 15% - 17% - 20%
<b>Total lines</b>	469		

a Includes double counting due to ex-lines.

Source: Viet Nam authorities based on Appendix 2-A-3 of the Agreement.

3.21. The Parties shall not adopt or maintain prohibitions or restrictions on exports unless as provided by the Agreement (under Appendix 2-A-4 by Viet Nam). GATT Article XI and its Notes and Supplementary provisions are incorporated into the Agreement *mutatis mutandis* (Article 2.14).<sup>11</sup>

### **3.4 Regulatory provisions on trade in goods**

#### **3.4.1 Standards**

##### **3.4.1.1 Sanitary and phytosanitary measures**

3.22. The provisions on sanitary and phytosanitary measures are contained in Chapter 6 of the Agreement and remain essentially the same as in the EVFTA. There was one minor modification to Article 6.5.1(b), Competent Authorities and Contact Points, whereby the following phrase replaces the original text-- "The United Kingdom shall notify Viet Nam of its competent authorities on the date of entry into force of this Agreement".

3.23. The Parties reconfirm their rights and obligations with respect to each other under the SPS Agreement and the remainder of the Chapter addresses matters on equivalence, import requirements and procedures, verifications, measures linked to animal and plant health, emergency measures, procedure for listing establishments, consultations, transparency and exchange of information, and technical assistance and special and differential treatment. These are further elaborated in paras. 3.33-3.39 of the factual presentation on the EVFTA in document WT/REG406/1.

##### **3.4.1.2 Technical barriers to trade**

3.24. Chapter 5 of the Agreement covers technical barriers to trade and contains the same provisions as the EVFTA. The Parties reconfirm their rights and obligations with respect to each other under the TBT Agreement, which is incorporated in the Agreement, *mutatis mutandis*. The Chapter enhances bilateral cooperation between the Parties and aims to eliminate unnecessary obstacles to trade as per the TBT Agreement. The main elements of the TBT Agreement are further expanded upon, e.g. technical regulations, standards, and conformity assessment procedures. Provisions on market surveillance, marking and labelling, transparency, consultation, and cooperation are also contained in the Agreement. These are further elaborated on in paras. 3.40-3.48 of the factual presentation on the EVFTA in document WT/REG406/1.

#### **3.4.2 Safeguard mechanisms**

3.25. Global and bilateral safeguard provisions are contained in Sections B and C of Chapter 3.

##### **3.4.2.1 Global safeguards**

3.26. The provisions on global safeguards in Section B of Chapter 3 are identical to those in the EVFTA. The Parties affirm their commitments under Article XIX of GATT 1994, the Safeguards Agreement and Article 5 of the Agreement on Agriculture. The two other elements include provisions on transparency, covering notification and consultation requirements, and the exclusion of global safeguards from the Dispute Settlement provisions under the Agreement.

##### **3.4.2.2 Bilateral safeguards**

3.27. The Agreement also allows for the application of a bilateral safeguard measure, if, as a result of the reduction or elimination of customs duty under the Agreement, a good is imported from a Party in such increased quantities and under such conditions to cause or threaten to cause serious injury to a domestic industry producing like or directly competitive goods. The commitments remain identical to those in the EVFTA; see paras. 3.52-3.57 of the factual presentation on the EVFTA in document WT/REG406/1.

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<sup>11</sup> Round timber and sawn timber and all types of specialized coding machines and cipher software programmes.

### **3.4.3 Anti-dumping and countervailing measures**

3.28. Section A of Chapter 3 provides the Agreement's provisions on anti-dumping and countervailing duties. The Agreement replicates the trade remedies provisions in the EVFTA without amendment. The commitments affirm the Parties' rights and obligations under Article VI of GATT 1994 and the Agreement on Subsidies and Countervailing Measures. Furthermore, there is recognition that measures should be based on a fair and transparent system and interested parties should have an opportunity to comment. The Agreement also includes provisions on the consideration of public interest and application of the lesser duty rule.

### **3.4.4 Subsidies and state-aid**

3.29. The provisions on subsidies in Section B of Chapter 10 of the EVFTA are incorporated with only one change to Article 10.4 in the Agreement. This concerns the end of paragraph 1 whereby alternative text is incorporated to the effect that the parties should not grant subsidies to enterprises providing goods or services if they have or could have a significant negative effect on trade between the Parties. The remainder of the provisions on subsidies remain unchanged and are detailed in paras. 3.64-3.69 of the factual presentation on the EVFTA in document WT/REG406/1.

### **3.4.5 Customs-related procedures**

3.30. Customs and trade facilitation measures are contained in Chapter 4 of the Agreement and have not undergone any substantial change, thus they remain identical to those in the EVFTA. The Agreement reinforces cooperation in this area with a view to ensuring that respective customs legislation and procedures fulfil the objectives of promoting trade facilitation while ensuring effective customs control. The main elements include customs cooperation and mutual administrative assistance, customs legislation and procedures, release of goods, simplified customs procedures, transit and transshipment, risk management, transparency, advance rulings, fees and charges, customs brokers, customs valuation, pre-shipment inspections, review and appeal, and relations with the business community. Further details on these elements are in paras. 3.70-3.78 of the factual presentation on the EVFTA in document WT/REG406/1. The chapter also makes reference to the establishment of a Committee on Customs established under Article 17.2 (Specialised Committees).

### **3.4.6 Other regulations**

#### **3.4.6.1 State trading enterprises**

3.31. The Agreement recalls the parties' obligations under Article XVII of GATT 1994, including its Notes and Supplementary Provisions, and the WTO Understanding on the Interpretation of Article XVII of GATT 1994, which are incorporated into and made part of the Agreement, *mutatis mutandis*.

3.32. When a Party requests information from the other Party on individual cases of state trading enterprises and on their operations, including information on their bilateral trade, the requested Party shall ensure transparency subject to subparagraph 4(d) of Article XVII of GATT 1994.

## **3.5 Sector-specific provisions on trade in goods**

### **3.5.1 Motor vehicles, including parts and equipment and pharmaceuticals**

3.33. The EVFTA sets out specific Annexes on motor vehicles and pharmaceuticals to address non-tariff barriers to these products; the Agreement has not amended these provisions. Thus, Article 2.21 and the respective Annexes, 2-B and 2-C continue to apply with the main goal of eliminating and preventing non-tariff barriers to bilateral trade in these products. The Annexes address the specific non-tariff barriers such as standards, market access, regulatory convergence, origin marking, and transparency. After ten years of entry into force at the request of either party, negotiations may be held to broaden the scope of commitments on non-tariff measures relating to motor vehicles, including parts and equipment.

### 3.5.2 Renewable energy generation

3.34. The Agreement, in Chapter 7, also contains provisions that affect trade and investment related to the generation of energy from renewable and sustainable sources. These have not changed and remain as outlined in the factual presentation on the EVFTA in document WT/REG406/1.

## 4 PROVISIONS ON TRADE IN SERVICES

### 4.1 Scope and definitions

4.1. Chapter 8 covers liberalisation of investment, trade in services and electronic commerce with the structure outlined in Box 4.1. Obligations and commitments of EU member States that had appeared in the EVFTA has been removed in the Agreement. In general, the same provisions and commitments otherwise continue to apply with minor modifications or technical alteration. Thus, the same scope applies under the Agreement and certain sectors are excluded from investment liberalisation. Provisions on MFN and national treatment remain as in the EVFTA but there have been slight modifications to the performance requirement provisions (Article 8.8). Details on the scope and definitions are contained in the factual presentation on the EVFTA in document WT/REG406/1.

#### Box 4.1 Structure of Chapter 8, liberalisation of investment, trade in services and electronic commerce

Sub-sections	Title
Section A	General provisions
Section B	Liberalisation of investment
Section C	Cross-border supply of services
Section D	Temporary presence of natural persons for business purposes
Section E	Regulatory framework
Section F	Electronic commerce
Section G	Exceptions
Section H	Institutional provisions

Source: Compiled by the Secretariat.

### 4.2 Denial of benefits

4.2. There is no denial of benefits provision *per se* in the Agreement, although there are a few clarifications that may restrict its application. Article 8.2 defines judicial person of a Party and changes to the Agreement from the EVFTA have removed footnote 10 to subparagraph 1(j), thereby removing the further clarity on substantive business operations per this provision. Notwithstanding the provision on judicial person of a Party, shipping companies controlled by nationals of either party are covered by provisions of the Chapter if registered under their regulations and fly the flag of the party.

### 4.3 General provisions on trade in services

#### 4.3.1 Market access

4.3. Market access provisions for investment are contained in Article 8.4 and for the cross-border supply of services in Article 8.10. The Parties each have agreed to accord treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in their respective Schedules of Specific Commitments. There have been no amendments and the same language as in the EVFTA remains; see paras. 4.8-4.10 of the factual presentation on the EVFTA in document WT/REG406/1 for details.

### **4.3.2 National treatment and MFN**

4.4. The provisions on national treatment for investment and services are contained in Articles 8.5 and 8.11; and an MFN provision exists for investment (Article 8.6). Regarding measures affecting cross-border trade in services and establishment in the sectors inscribed in its Schedule of Specific Commitments, Article 8.11 on national treatment is similar to Article XVII of GATS and provides for treatment no less favourable than accorded to each Party's own like services and service suppliers. On investment, similar language is provided with respect to no less favourable conditions in like situations, to its own investors.

4.5. The MFN provision on investment provides treatment no less favourable than accorded to investors in like situations, to investors of a third country and their enterprises. However, it does not apply to the following sectors: communication services, except for postal services and telecommunication services; recreational, cultural and sporting services; fishery and aquaculture; forestry and hunting; and mining, including oil and gas.

### **4.3.3 Commercial presence**

4.6. Commercial presence is provided in Articles 8.3 and 8.4 under Section B, Liberalisation of investment, whereby the establishment and maintenance of an enterprise treatment no less favourable than that provided for under respective Schedule of Specific Commitments shall be accorded. The Schedules list various limitations on commercial presence through the market access commitments and also through reservations.

### **4.3.4 Movement of natural persons**

4.7. Chapter 8, Section D, provides for the limited movement of natural persons, for business purposes and includes specific, limited commitments on Entry and Temporary Stay in each Party's territory for different specified categories of business professionals. This Section has not changed and remains as in the EVFTA; for further details, see paragraphs 4.15-4.19 of the factual presentation in document WT/REG406/1.

## **4.4 Liberalization commitments**

4.8. The Schedules of Specific Commitments pursuant to Sections B and C of Chapter 8, i.e. specific commitments on cross-border supply of services and liberalisation of investments, as well as temporary presence of natural persons for business purposes are set out in Annexes 8-A and 8-B.

### **4.4.1 United Kingdom**

#### **4.4.1.1 MFN and horizontal commitments**

4.9. The Agreement incorporates, *mutatis mutandis*, the horizontal restrictions that are listed in Annex 8-A and related Appendices of the EVFTA. However, certain amendments were made to remove differentiated commitments of EU member States and related changes as a result thereof. Details on the MFN and horizontal commitments are discussed in the Factual Presentation of the EVFTA, see paras. 4.22-4.25 of document WT/REG406/1.

#### **4.4.1.2 Sector specific commitments**

4.10. The UK incorporates, *mutatis mutandis*, Annex 8-A and related Appendices of the EU's schedule of specific commitments under the EVFTA for most services sectors, these remain identical except for minor elements. The main change compared to the EVFTA was with respect to the removal of all differentiated commitments of EU member States. This particularly impacts services relating to aircraft, maritime transport services (cabotage), legal services, and pharmaceutical services. Thus, the details on the specific commitments are summarised in Table 4.1, as well as their comparison to the UK's GATS commitments. Details of the sector specific commitments are discussed in depth in the Factual Presentation of the EVFTA, as contained in document WT/REG406/1.

4.11. The UK's GATS commitments are notified to the WTO but not yet certified.<sup>12</sup>

**Table 4.1 UK: comparison between GATS and Agreement specific commitments**

Sectors / Sub-sectors	GATS	FTA				
		Compared to GATS	Trade in services Sector coverage	Commitments <sup>a</sup>	Investment Sector coverage	Commitments <sup>a</sup>
<b>1. Business services</b>						
A. Professional Services	Partial	Improved	Partial	Partial	Partial	Partial
B. Computer and Related Services	Full	Same	Full	Full	Full	Full
C. Research and Development Services	Partial	Improved	Full	Partial	Full	Partial
D. Real Estate Services	Full	Same	Full	Partial	Full	Partial
E. Rental/Leasing Services without Operators	Partial	Improved	Partial	Partial	Partial	Partial
F. Other Business Services	Partial	Improved	Partial	Partial	Partial	Partial
<b>2. Communication services</b>						
A. Postal services	---	New	Partial	Full	Partial	Full
B. Courier services	---	New	Partial	Full	Partial	Full
C. Telecommunication services	Partial	Similar	Partial	Full	Partial	Full
D. Audiovisual services	---	Same	Excluded	Excluded	Excluded	Excluded
E. Other	---	Same	---	---	---	---
<b>3. Construction and related engineering services</b>						
A. General construction work for buildings	Partial	Improved	Full	Full	Full	Full
B. General construction work for civil Engineering	Partial	Improved	Full	Full	Full	Full
C. Installation and assembly work	Partial	Improved	Full	Full	Full	Full
D. Building completion and finishing work	Partial	Improved	Full	Full	Full	Full
E. Other	Partial	Improved	Full	Full	Full	Full
<b>4. Distribution services</b>						
A. Commission agents' services	Partial	Improved	Partial	Partial	Partial	Partial
B. Wholesale trade services	Partial	Improved	Partial	Partial	Partial	Partial
C. Retailing services	Partial	Improved	Partial	Partial	Partial	Partial
D. Franchising	Partial	Improved	Full	Partial	Full	Full
E. Other	---	Same	---	---	---	---
<b>5. Education services</b>						
A. Primary education services	Partial	Similar	Partial	Partial	Partial	Partial
B. Secondary education services	Partial	Similar	Partial	Partial	Partial	Partial
C. Higher education services	Partial	Similar	Partial	Partial	Partial	Partial
D. Adult education	Partial	Similar	Partial	Partial	Partial	Partial
E. Other education services	---	Same	---	---	---	---
<b>6. Environmental services</b>						
A. Sewage services	Partial	Improved	Full	Full	Full	Full
B. Refuse disposal services	Partial	Improved	Partial	Full	Full	Full
C. Sanitation and similar services	Partial	Improved	Full	Full	Full	Full
D. Other	Partial	Improved	Partial	Full	Full	Full
<b>7. Financial services</b>						
A. All insurance and insurance-related services	Partial	Improved	Partial	Partial	Partial	Partial
B. Banking and other financial services	Partial	Improved	Partial	Partial	Partial	Partial
<b>8. Health related and social services</b>						
A. Hospital services	Partial	Similar	Partial	Partial	Partial	Partial
B. Other Human Health Services	---	New	Partial	Partial	Partial	---
C. Social Services	Partial	Improved	Partial	Partial	Partial	Partial
D. Other	---	---	---	---	---	---
<b>9. Tourism and travel related services</b>						
A. Hotels and restaurants (including catering)	Partial	Improved	Partial	Partial	Partial	Partial
B. Travel agencies and tour operators services	Full	Same	Partial	Partial	Partial	Partial
C. Tourist guides services	Full	Same	Partial	Partial	Full	Full
D. Other	---	Same	---	---	---	---

<sup>12</sup> WTO document S/C/W/380.



Sectors / Sub-sectors	GATS	FTA				
		Compared to GATS	Trade in services		Investment	
			Sector coverage	Commitments <sup>a</sup>	Sector coverage	Commitments <sup>a</sup>
<b>10. Recreational and cultural and sporting services</b>						
A. Entertainment services	Partial	Improved	Partial	Partial	Partial	Partial
B. News agency services	Full	Same	Partial	Partial	Partial	Partial
C. Libraries, archives, museums and other cultural services	---	Improved	Partial	Partial	Partial	Partial
D. Sporting and other recreational services	Partial	Improved	Partial	Partial	Partial	Partial
E. Other	---	Improved	Partial	Full	Partial	Full
<b>11. Transport services</b>						
A. Maritime Transport Services	---	New	Partial	Full	Partial	Partial
B. Internal Waterways Transport	---	---	---	---	---	---
C. Air Transport Services	Partial	Excluded	Excluded	Excluded	Excluded	Excluded
D. Space Transport	---	---	---	---	---	---
E. Rail Transport Services	Partial	Improved	Partial	Partial	Partial	Partial
F. Road Transport Services	Partial	Improved	Partial	Partial	Partial	Partial
G. Pipeline Transport	---	New	Partial	Partial	Partial	Partial
H. Services auxiliary to all modes of transport	Partial	Same	Partial	Partial	Partial	Partial
I. Other Transport Services	Partial	Same	Partial	Partial	Partial	Partial
<b>12. Other services not included elsewhere</b>	---	New	Partial	Partial	Partial	Partial

Note: MFN and Horizontal limitations, as well as Mode 4 commitments/limitations not included.

a Information in this column refers only to commitments in sectors or sub-sectors covered under the Agreement.

Full: Specific commitments not subject to limitation(s) under market access or national treatment.

Partial: Specific commitments subject to some limitation(s) under market access or national treatment.

---: No specific commitment. No existing or future measures are indicated.

Improved: Overall improved commitments under the Agreement compared to those under the GATS.

Narrower: Some additional limitations (as compared to GATS commitments).

Same: Identical commitments.

Similar: Similar liberalization possibly, in individual cases, with limited improvements and/or limited additional reservations. The assessment is based on a broad perspective taking into consideration both sectoral coverage and the level of specific commitments.

Excluded: Sector or subsector excluded from the Agreement; or broad reservations for future measures apply.

Source: The United Kingdom's Schedules annexed to the Agreement and the United Kingdom GATS Specific Commitments.

#### 4.4.2 Viet Nam

##### 4.4.2.1 MFN and horizontal commitments

4.12. Viet Nam incorporates, *mutatis mutandis*, the horizontal commitments that are listed in Annex 8-B and related Appendices of the EVFTA. Furthermore, Viet Nam's horizontal limitations under the GATS are the same as under the Agreement. Viet Nam's MFN and horizontal commitments are explained in the Factual Presentation of the EVFTA, paras. as contained in document WT/REG406/1.

##### 4.4.2.2 Sector specific commitments

4.13. Similar to the situation noted above, Vietnam incorporates, *mutatis mutandis*, Annex 8-B and related Appendices of its schedule of specific commitments under the EVFTA for the services sector without change. Table 4.2 outlines the commitments and makes a comparison against Viet Nam's GATS commitments. Details of the sector specific commitments are discussed in depth in the Factual Presentation of the EVFTA, as contained in para. 4.40-4.53 of document WT/REG406/1.

**Table 4.2 Viet Nam: comparison between GATS and Agreement specific commitments**

Sectors / Sub-sectors	GATS	FTA				
		Compared to GATS	Trade in services		Investment	
			Sector coverage	Commitments <sup>a</sup>	Sector coverage	Commitments <sup>a</sup>
<b>1. Business services</b>						
A. Professional Services	Partial	Improved	Partial	Full	Partial	Partial
B. Computer and Related Services	Partial	Improved	Full	Full	Full	Partial

Sectors / Sub-sectors	GATS	FTA				
		Compared to GATS	Trade in services		Investment	
			Sector coverage	Commitments <sup>a</sup>	Sector coverage	Commitments <sup>a</sup>
C. Research and Development Services	Partial	Improved	Partial	Full	Partial	Partial
D. Real Estate Services	---	Same	---	---	---	---
E. Rental/Leasing Services without Operators	Partial	Improved	Partial	Full	Partial	Partial
F. Other Business Services	Partial	Improved	Partial	Partial	Partial	Partial
<b>2. Communication services</b>						
A. Postal services	---	Improved	Partial	Partial	Partial	Partial
B. Courier services	Partial	Improved	Partial	Full	Partial	Full
C. Telecommunication services	Partial	Improved	Partial	Partial	Partial	Partial
D. Audiovisual services	Partial	Narrower	Excluded	Excluded	Excluded	Excluded
E. Other	---	Same	---	---	---	---
<b>3. Construction and related engineering services</b>						
A. General construction work for buildings	Partial	Same	Full	Partial	Full	Partial
B. General construction work for civil Engineering	Partial	Same	Full	Partial	Full	Partial
C. Installation and assembly work	Partial	Same	Full	Partial	Full	Partial
D. Building completion and finishing work	Partial	Same	Full	Partial	Full	Partial
E. Other	Partial	Same	Full	Partial	Full	Partial
<b>4. Distribution services</b>						
A. Commission agents' services	Partial	Improved	Partial	Partial	Partial	Partial
B. Wholesale trade services	Partial	Improved	Partial	Partial	Partial	Partial
C. Retailing services	Partial	Improved	Partial	Partial	Partial	Partial
D. Franchising	Partial	Same	Partial	Partial	Partial	Partial
E. Other	---	Same	---	---	---	---
<b>5. Education services</b>						
A. Primary education services	---	Same	---	---	---	---
B. Secondary education services	Partial	Same	Partial	Partial	Partial	Partial
C. Higher education services	Partial	Improved	Partial	Full	Partial	Partial
D. Adult education	Partial	Improved	Partial	Full	Partial	Partial
E. Other education services	Partial	Improved	Partial	Full	Partial	Partial
<b>6. Environmental services</b>						
A. Sewage services	Partial	Improved	Partial	Partial	Full	Partial
B. Refuse disposal services	Partial	Same	Partial	Partial	Partial	Partial
C. Sanitation and similar services	---	Improved	Full	Full	Full	Full
D. Other	Partial	Improved	Partial	Partial	Partial	Partial
<b>7. Financial services</b>						
A. All insurance and insurance-related services	Partial	Improved	Partial	Partial	Partial	Partial
B. Banking and other financial services	Partial	Improved	Partial	Partial	Partial	Partial
<b>8. Health related and social services</b>						
A. Hospital services	Partial	Improved	Full	Full	Full	Full
B. Other Human Health Services	---	Same	---	---	---	---
C. Social Services	---	Improved	Full	Full	Full	Partial
D. Other	---	Same	---	---	---	---
<b>9. Tourism and travel related services</b>						
A. Hotels and restaurants (including catering)	Partial	Same	Partial	Full	Partial	Full
B. Travel agencies and tour operators services	Partial	Same	Full	Full	Full	Partial
C. Tourist guides services	---	Same	---	---	---	---
D. Other	---	Same	---	---	---	---
<b>10. Recreational and cultural and sporting services</b>						
A. Entertainment services	Partial	Same	Partial	Partial	Partial	Partial
B. News agency services	---	Same	---	---	---	---
C. Libraries, archives, museums and other cultural services	---	Same	---	---	---	---
D. Sporting and other recreational services	Partial	Same	Partial	Partial	Partial	Partial
E. Other	---	Same	---	---	---	---
<b>11. Transport services</b>						
A. Maritime Transport Services	Partial	Improved	Partial	Full	Partial	Partial
B. Internal Waterways Transport	Partial	Lower	---	---	---	---
C. Air Transport Services	Partial	Improved	Partial	Partial	Partial	Partial
D. Space Transport	---	---	---	---	---	---
E. Rail Transport Services	Partial	Same	Partial	Partial	Partial	Partial
F. Road Transport Services	Partial	Same	Partial	Partial	Partial	Partial
G. Pipeline Transport	---	Same	---	---	---	---
H. Services auxiliary to all modes of transport	Partial	Improved	Partial	Partial	Partial	Partial
I. Other Transport Services	---	Same	---	---	---	---

Sectors / Sub-sectors	GATS	FTA				
		Compared to GATS	Trade in services		Investment	
			Sector coverage	Commitments <sup>a</sup>	Sector coverage	Commitments <sup>a</sup>
12. Other services not included elsewhere	---	Same	---	---	---	---

General: MFN and Horizontal limitations, as well as Mode 4 commitments/limitations not included.

a Information in this column refers only to commitments in sectors or sub-sectors covered under the Agreement.

Full: Specific commitments not subject to limitation(s) under market access or national treatment.

Partial: Specific commitments subject to some limitation(s) under market access or national treatment.

---: No specific commitment. No existing or future measures are indicated.

Improved: Overall improved commitments under the Agreement compared to those under the GATS.

Narrower: Some additional limitations (as compared to GATS commitments).

Same: Identical commitments.

Similar: Similar liberalization possibly, in individual cases, with limited improvements and/or limited additional reservations. The assessment is based on a broad perspective taking into consideration both sectoral coverage and the level of specific commitments.

Excluded: Sector or subsector excluded from the Agreement; or broad reservations for future measures apply.

Source: Viet Nam's Schedules annexed to the Agreement and GATS Schedule of Specific Commitments.

## 4.5 Regulatory provisions

### 4.5.1 Domestic regulation

4.14. The provisions on domestic regulation are provided for Sub-Section 1 of Section E of Chapter 8 and include scope and definition, conditions for licensing and qualification, and licensing and qualification procedures. These elements have not changed compared to the EVFTA, thus details can be found in paras. 4.54-4.55 of the Factual Presentation in document WT/REG406/1.

### 4.5.2 Recognition

4.15. Article 8.21 covers mutual recognition of professional qualifications in which there have been no changes compared to the EVFTA. The parties shall promote mutual recognition of professional qualifications by encouraging the relevant professional bodies or authorities to provide joint recommendations to the Committee on Investment, Trade in Services, Electronic Commerce and Government Procurement with a view to negotiating Mutual Recognition Agreements.

### 4.5.3 Subsidies

4.16. Section B of Chapter 10 (Competition Policy) contains provisions on subsidies that also apply to the services sector.<sup>13</sup> While recognising subsidies may be granted for a public policy objective, it is also noted that subsidies to enterprises should not negatively affect competition and trade (Article 10.4). The 'transparency' and 'specific subsidies subject to conditions' articles pertain only to certain services sectors, i.e. telecommunications, banking, insurance, transport including maritime transport, energy, computer services, architecture and engineering, and construction and environmental services, and subject to certain reservations provided for in Chapter 8 (Article 10.5). The inclusion of additional services sectors will be reviewed after five years and regularly thereafter.

### 4.5.4 Safeguards

4.17. As elaborated in section 5.2, the Agreement allows for certain safeguards for balance of payment reasons and a Party may invoke temporary safeguard measures for up to one year under certain circumstances (Articles 17.11 and 17.12).

<sup>13</sup> The Agreement adopts the definition of subsidy per Article 1.1. of the SCM Agreement for the supply of services. It also only applies to subsidies that are specific in accordance with Article 2 of the SCM Agreement.

#### **4.5.5 Other**

### **4.6 Sector specific provisions on trade in services**

#### **4.6.1 Postal services**

4.18. There have been no changes to the postal service provisions, and they remain as outlined in the EVFTA. Sub-section 4 of Section E (Articles 8.23-25) covers anti-competitive practices, licensing, and regulatory body measures for postal services.

#### **4.6.2 Telecommunications networks and services**

4.19. The telecommunications sub-section 5 of Section E has no changes and has measures on the regulatory authority, scarce resources, the authorization to provide telecommunications networks and services, access to and use of public telecommunications networks and services, interconnection, competitive safeguards, universal service, number portability, confidentiality of information, resolution of disputes, co-location, leased circuits services and unbundled network elements (Article 8.28 through 8.40).

#### **4.6.3 Financial services**

4.20. Chapter 8, Sub-section 6 of Section E provides the principles of the regulatory framework for all financial services liberalized under the Agreement, i.e. investment, cross-border supply, and temporary movement of natural persons for business purposes related in insurance, banking, and other financial services. The provisions under the EVFTA on prudential carve-out, transparent regulation, new financial service, data processing, specific exceptions, self-regulatory organisations, and clearing and payment systems are unchanged and details are outlined in the factual presentation on the EVFTA in document WT/REG406/1.

4.21. The main change from the EVFTA is that the Understanding Concerning Bank Equity was not incorporated in the Agreement, rather an exchange of side letters was included for bank equity, which are contained in Appendix I. The side letters are similar to the Understanding but the main change was the reduction to one, instead of two, for the number of joint-stock commercial banks of Viet Nam that allow up to 49% of foreign equity in the enterprise's chartered capital. This provision applies until 1 August 2025 and it also excludes four commercial banks in which the Government of Viet Nam held the majority of equity.

#### **4.6.4 International maritime transport services**

4.22. Chapter 8, Sub-section 7 of Section E has provisions on the principles regarding the liberalisation of international maritime transport services for investment, cross-border supply, and temporary movement of natural persons (Article 8.49). The main principle is of unrestricted access to the international maritime markets and trades on a commercial and non-discriminatory basis. The provisions have not changed and remain as outlined in the factual presentation on the EVFTA in document WT/REG406/1.

## **5 GENERAL PROVISIONS OF THE AGREEMENT**

### **5.1 Transparency**

5.1. The provisions on transparency in Chapter 14, Articles 14.1-14.8, have not changed and remain as in the EVFTA. The main aim of the chapter is to promote a predictable regulatory environment, in particular for SMEs, through publication, good regulatory practice and administrative behaviour. The transparency provisions also provide for enquiry and contact points, administration of measures, review and appeal procedures, and for specific rules in other chapters to apply without prejudice.

### **5.2 Current payments and capital movements**

5.2. Chapter 17 on Institutional, general, and final provisions contain specific provisions on the current account (Article 17.8), capital movements (Article 17.9), and application of laws and regulations relating to these (Article 17.9). The agreement provides for free movement of currency

or capital for balance of payments (BOP) purposes in respect of the current account, capital account, and financial account. Free movement of capital in particular relates to investments liberalised within the scope of the Agreement.

5.3. Furthermore Articles 17.10, 17.11, and 17.12 allow each party to apply laws and regulations related to the current account or capital movements in a non-discriminatory way for certain purposes, invoke temporary safeguard measures, and impose restrictions in cases of BOP or external financial difficulties.

### **5.3 Exceptions**

5.4. For goods, general exceptions are provided for in Article 2.22 and incorporate Article XX of GATT 1994 *mutatis mutandis*, including its Notes and Supplementary Provisions. Furthermore, taking measures provided for in subparagraphs (i) and (j) of Article XX require an information exchange between the parties and consultations upon request. Article 17.13 contains similar language as contained in Article XXI of GATT 1994 and Article XIV *bis* of GATS, thereby combining the security exceptions of goods and services in this Article. General exceptions on services, similar to but expanded compared to Article XIV of GATS, are contained in Article 8.53.

5.5. Article 9.3 on Government Procurement also contains general and security exceptions related specifically to procurement; this Article essentially incorporates the same provision of Article III of the GPA (GPA 2012).

### **5.4 Accession and withdrawal**

5.6. There are no provisions on accession, as Article 17.23 of the EVFTA on Future Accessions to the Union was not incorporated into the Agreement. Article 17.17 covers duration and termination, whereby the agreement remains valid indefinitely; either party may initiate termination which becomes effective 6 months after notification to the other party. The Agreement may also be amended through the provisions of Article 17.5 by an exchange of written letters indicating the completion of legal procedures or by a decision of the Trade Committee where this is provided for in the Agreement. Special amendment procedures may also apply for certain government procurement provisions.

### **5.5 Institutional framework**

5.7. The same institutional framework established under the EVFTA is maintained under the Agreement. Namely, the Trade Committee is the main body that ensures the overall operation, implementation, and application of the Agreement. However, Article 7 of the UK-Vietnam Agreement further expands on the framework by incorporating the decisions adopted by the EVFTA Trade Committee before it ceased to apply to the United Kingdom to this Agreement *mutatis mutandis*. However, subsequent decisions under this Agreement through the relevant bodies may revoke or supersede the incorporated decisions.

5.8. The Trade Committee oversees five specialised Committees on Trade in Goods; Customs; Sanitary and Phytosanitary Measures; Investment, Trade in Services, Electronic Commerce and Government Procurement; and Trade and Sustainable Development (Article 17.2). Working groups also form part of the framework and there are two established already, on Intellectual Property Rights, including Geographical Indications, and on Motor Vehicles and Parts. The Trade Committee may decide to establish other working groups as needed for a specific task or subject matter.

### **5.6 Dispute settlement**

5.9. The Agreement incorporates the provisions on dispute settlement of the EVFTA without amendment. Thus, disputes are addressed through consultation and mediation, dispute settlement procedures, including arbitration, and there are respective compliance measures. For further details, see paragraphs 5.20-5.29 of the factual presentation on the EVFTA in document WT/REG406/1.

## 5.7 Relationship with other agreements concluded by the parties

5.10. Article 17.22 on relations to other agreements provides that previous agreements between the Parties are not superseded by this Agreement; that the Agreement will be part of the overall relations between the Parties; and nothing is to be construed as requiring a Party to act in a manner inconsistent with its obligations under the WTO Agreement.

5.11. Paragraph 4 of Article 1 of the Agreement provides that, in the event of an inconsistency between the 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, the Agreement does not prevent the parties from taking a measure relating to the inconsistency. This permission is subject to general constraints on discrimination or disguised trade restriction, and to notification and consultation requirements.

5.12. Table 5.1 shows the Parties' RTAs in force, notified and non-notified, other than the Agreement.

**Table 5.1 United Kingdom and Viet Nam: participation in other RTAs (notified and non-notified in force), as of 21 November 2023**

RTA Name	Entry into force <sup>a</sup>	Coverage	GATT/WTO Notification	
			Year	WTO Provision
UNITED KINGDOM				
United Kingdom – Australia	31-May-23	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – New Zealand	31-May-23	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Iceland, Liechtenstein and Norway	01-Dec-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Mexico	01-Jun-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Serbia	20-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Albania	03-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Jordan	01-May-21	Goods	2021	GATT Art. XXIV
United Kingdom – Ghana	05-Mar-21	Goods	2021	GATT Art. XXIV
European Union – United Kingdom	01-Jan-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Cameroon	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Canada	01-Jan-21	Goods	2020	GATT Art. XXIV
	01-Apr-21	Services	2021	GATS Art. V
United Kingdom – CARIFORUM States	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Central America	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Chile	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Colombia, Ecuador and Peru	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Côte d'Ivoire	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Eastern and Southern Africa States	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Egypt	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Faeroe Islands	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Georgia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Israel	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Japan	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Kenya	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Kosovo <sup>b</sup>	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Lebanon	01-Jan-21	Goods	2020	GATT Art. XXIV

RTA Name	Entry into force <sup>a</sup>	Coverage	GATT/WTO Notification	
			Year	WTO Provision
United Kingdom – Morocco	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – North Macedonia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Pacific States	01-Jan-21	Goods	2020	GATT Art. XXIV
• <i>United Kingdom – Pacific States – Accession of Samoa</i>	01-Jan-21	Goods	2020	GATT Art. XXIV
• <i>United Kingdom – Pacific States – Accession of Solomon Islands</i>	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Palestine	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Republic of Korea	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Republic of Moldova	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – SACU and Mozambique	01-Jan-21	Goods	2021	GATT Art. XXIV
United Kingdom – Singapore	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom – Switzerland – Liechtenstein	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Tunisia	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Türkiye	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom – Ukraine	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
<b>VIET NAM</b>				
EU – Viet Nam	01-Aug-20	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
ASEAN - Hong Kong, China	11-Jun-19	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	14-Jan-19	Goods & Services	2018	GATT Art. XXIV & GATS Art. V
Eurasian Economic Union (EAEU) – Viet Nam	05-Oct-16	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
Republic of Korea – Viet Nam	20-Dec-15	Goods & Services	2016	GATT Art. XXIV & GATS Art. V
Chile – Viet Nam	01-Jan-14	Goods	2015	GATT Art. XXIV
ASEAN - Republic of Korea	01-Jan-10 01-May-09	Goods Services	2010	GATT Art. XXIV, Enabling Clause & GATS Art. V
ASEAN – Australia and New Zealand	01-Jan-10	Goods & Services	2010	GATT Art. XXIV & GATS Art. V
Japan – Viet Nam	01-Oct-09	Goods & Services	2009	GATT Art. XXIV & GATS Art. V
ASEAN - India	01-Jan-10 01-Jul-15	Goods Services	2010 2015	Enabling Clause GATS Art. V
ASEAN - Japan	01-Dec-08 01-Aug-20	Goods Services	2009 2022	GATT Art. XXIV GATS Art. V
ASEAN - China	01-Jan-05 01-Jul-07	Goods Services	2005 2008	Enabling Clause GATS Art. V
ASEAN Free Trade Area (AFTA)	17-May-10 12-Aug-98 29-Oct-21	Goods Services Services	2021 2022	GATT Art. XXIV GATS Art. V Not notified
Global System of Trade Preferences among Developing Countries (GSTP)	19-Apr-89	Goods	1989	Enabling Clause
Regional Comprehensive Economic Partnership (RCEP) Agreement	01-Jan-22	Goods & Services	Not notified	

a Dates of the first entry into force/provisional application for at least one of the Parties.

b Reference to Kosovo in this table shall be understood to be in the context of the United Nations Security Council resolution 1244 (1999).

Source: WTO Secretariat. Further information on these Agreements and on specific dates of entry into force/provisional applications may be found in the WTO Database on RTAs: <http://rtais.wto.org>.



## 5.8 Government procurement

5.13. Minor amendments have been made to the EVFTA provisions on government procurement to provide for the commitments between the UK and Viet Nam. These concern an amendment to Annex 9-A (Coverage of Government Procurement for United Kingdom) and Article 9.6.4 on Notices. The minor amendment to the Annex, Paragraph 28 of Part B of Sub-section 2 of Section H, is for publication of procurement notices by the UK, thereby amending the reference to the EU Official Journal and replacing it with "the United Kingdom shall provide Viet Nam with details of the United Kingdom's means of publication of notices". Paragraph 4 of Article 9.6 has been amended to remove the words "and financial", thus the UK is committed to only providing technical assistance in this respect. A footnote has been added to the same paragraph to clarify that these provisions are only applicable for Viet Nam when an automatic system for translation and publication of summary notices in English is operational.

5.14. The rest of the provisions on government procurement remain as in the EVFTA; details are explained in paras. 5.34-5.40 of document WT/REG406/1.<sup>14</sup>

## 5.9 Intellectual property rights

5.15. There have been no changes to the intellectual property provisions in the Agreement as compared to the EVFTA except with respect to the sub-section on geographical indications (GIs). Exceptions relating to certain GIs of European Union (EU) Member States under Article 12.28 (paragraphs 1-3) are not incorporated into the Agreement. GIs specific to parts of the EU that are not in the United Kingdom, as listed under Annex 12-A, Part A, are not incorporated into the Agreement. Notwithstanding the removal of GIs specific to parts of the EU that are not in the United Kingdom from Annex 12-A, the Agreement retains GI protections for "Irish Whisky/Irish Whiskey/Uisce Beatha Eireannach" and "Irish Cream" produced in the Republic of Ireland and Northern Ireland. With respect to the GI Scottish Farmed Salmon, the Agreement adds a footnote clarifying this GI shall continue to be protected under Viet Nam's domestic laws. The remainder of the intellectual property provisions remain as outlined in paras. 5.41-5.53 of document WT/REG406/1.

## 5.10 Competition

5.16. No changes have been made to the competition provisions in the Agreement and they remain as in the EVFTA, Chapter 10, Sections A and C. This covers anti-competitive conduct and certain definitions and common principles related to competition.<sup>15</sup> Further, the anti-competitive conduct provisions cannot have recourse to the dispute settlement provisions of the Agreement. The competition provisions are further explained in the factual presentation on the EVFTA, paras. 5.54-5.58 of document WT/REG406/1.

## 5.11 State-owned enterprises, enterprises granted special rights or privileges, and designated monopolies

5.17. The Agreement contains no changes to the state-owned enterprise provisions in Chapter 11, as contained in the EVFTA. The WTO rules on state trading enterprises as well as monopolies and exclusive services suppliers are incorporated into the Agreement.

5.18. With regard to state-owned enterprises, the Chapter does not prevent a party from establishing or maintaining them, granting them special rights or privileges, or designating or maintaining monopolies. However, certain elements are imposed or recommended such as to act in a non-discriminatory way and in accordance with commercial considerations (Article 11.4), to observe internationally recognised standards of corporate governance (Article 11.5), and transparency provisions (Article 11.6).

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<sup>14</sup> The thresholds in the UK's GPA schedule remain the same as those of the EU.

<sup>15</sup> Chapter 10, Section B covers subsidies which are covered in section 4.5.3 of this report.



## **5.12 Environment and labour**

5.19. Environmental provisions remain identical to those contained in the EVFTA, Chapter 13, Trade and Sustainable Development. The Agreement aims to promote sustainable development by recognizing the importance of environmental protections and their role in fostering trade and investment. Provisions include those on trade-related environmental cooperation, upholding levels of protection on the environment, multilateral environmental agreements, climate change, biological diversity, sustainable forest management and trade in forest products, trade and sustainable management of living marine resources and aquaculture products. The details of the environment provisions are in the factual presentation on the EVFTA, paras. 5.66-5.75 of document WT/REG406/1.

5.20. The provisions on labour in the Agreement have not changed and remain as in the EVFTA. Chapter 13 on Trade and Sustainable Development contain several provisions integrating labour issues as they relate to trade and investment matters. The Chapter has provisions on upholding levels of protection on labour matters, multilateral labour standards and agreements, and transparency. Details of the labour provisions are contained in the factual presentation on the EVFTA, paras. 5.76-5.82 of document WT/REG406/1.

## **5.13 Electronic commerce**

5.21. There are no changes to the provisions on electronic commerce compared to the EVFTA. In Chapter 8, Section F, Articles 8.50-8.52 cover provisions on electronic commerce with the basic objective to promote the development of electronic commerce. Article 8.51 on customs duties, specifies that no customs duties will be applied on electronic transmissions; and Article 8.52 provides for a dialogue on regulatory cooperation on electronic commerce.

## **5.14 Balance of payments safeguard**

5.22. Article 17.12 contains provisions for using restrictive measures to safeguard a Party's balance of payments position or when experiencing external financial difficulties. These measures may apply to capital movements, payments or transfers, subject to certain conditions, or be adopted in accordance with GATT 1994 and the Understanding on the Balance-of-Payments Provisions of GATT 1994 or Article XII of the GATS.

## **5.15 Small and medium-sized enterprises**

5.23. Certain provisions give recognition, exceptions, or special treatment to small and medium-sized enterprises (SMEs). On government procurement, Viet Nam may provide preferences to SMEs; on state-owned enterprises, the non-discrimination clause does not apply to certain Vietnamese SMEs; simplified customs procedures (Article 4.5) should be provided for SMEs; on subsidies, an exception is provided for subsidies in favour of SMEs; Article 11.6 on transparency provisions for state-owned enterprises does not apply to SMEs; and on transparency, a predictable regulatory environment and efficient procedures should be provided, in particular for SMEs.

## ANNEX 1

1. Table A1.1 compares MFN and preferential rates under the Agreement for imports by the UK from Viet Nam. In 2021 the UK's average applied MFN tariff was 3.8% overall, 2.5% for industrial products and considerably higher at 8.9% for agricultural products. Around 47% of the tariff was duty free for imports from all MFN sources, 57.1% for industrial products and considerably lower at 18.8% for agricultural products. Under the Agreement average tariffs for imports from Viet Nam in 2021 were 0.7% overall and 0.5% and 1.4% respectively for industrial and agricultural products. As a result, Viet Nam's exporters benefited from a relative margin of preference of 81.6% overall and 80% and 84.3% for industrial and agricultural products respectively. The share of duty free lines was 86.7% for imports from Viet Nam (91.3% for industrial products and 74% for agricultural products) and is expected to rise to 99.2% by the end of implementation in 2027 (99.9% for industrial products and 97.3% for agricultural products).

**Table A1.1 United Kingdom: Indicators of MFN and preferential rates for imports from Viet Nam**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	3.8	7.8	47.0	8.9	12.0	18.8	2.5	5.8	57.1
<b>Viet Nam</b>	2021	0.7	6.3	86.7	1.4	7.8	74.0	0.5	5.4	91.3
	2022	0.5	4.9	86.7	1.1	6.0	74.0	0.4	4.1	91.3
	2023	0.3	5.0	90.9	0.7	6.3	80.9	0.2	4.1	94.5
	2024	0.2	3.4	90.9	0.5	4.4	80.9	0.1	2.7	94.5
	2025	0.1	4.1	95.0	0.3	6.0	87.7	0.1	2.9	97.6
	2026	0.1	2.6	95.0	0.2	4.2	87.7	0.04	1.6	97.6
	<b>2027</b>	<b>0.0</b>	<b>12.6</b>	<b>99.2</b>	<b>0.1</b>	<b>14.8</b>	<b>97.3</b>	<b>0.01</b>	<b>7.4</b>	<b>99.9</b>

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.  
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK.

2. Viet Nam's top 25 exports which accounted for 45.4% of its exports were covered by 87 tariff lines at the HS six-digit level in the UK market in 2021 (Table A1.2). Of these lines 32 were already duty-free at the MFN level. Following implementation of the Agreement a further 39 lines will become duty free for imports from Viet Nam. The 16 lines which will remain dutiable correspond to rice and faced a specific rate of duty in the UK in 2021.

**Table A1.2 United Kingdom: Market access opportunities under the agreement for Viet Nam's top 25 exports to the world**

Viet Nam's top export products in 2018-20			Access Conditions to UK's markets							
HS number and description		Share in global exports (%)	MFN 2021			No. of duty-free lines under the agreement				Remain Dutiable
			Average Tariff (%)	No. of duty-free lines	No. of dutiable lines					
						2021	2023	2025	2027	
851712	Telephones for cellular networks	12.2	0.0	1						
851770	Parts of telephone sets, telephones for cellular networks or for other wireless networks	7.2	0.0	1						
854231	Electronic integrated circuits	3.9	0.0	3						
851762	Machines for the reception, conversion and transmission	2.2	0.0	1						
640411	Sports footwear	1.9	16.0		1	1				
640419	Footwear	1.4	16.0		2		2			
852990	Parts suitable for use solely or principally with transmission and reception apparatus	1.3	0.0	8						
640399	Footwear	1.3	7.5		11	1			10	
847130	Data-processing machines	1.3	0.0	1						
854140	Photosensitive semiconductor devices	1.3	0.0	2						
080132	Fresh or dried cashew nuts	1.1	0.0	1						
854430	Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	1.0	1.8		1	1				
100630	Semi-milled or wholly milled rice	0.9	*		16					16
090111	Coffee	0.9	0.0	1						
640299	Footwear	0.8	16.0		9	9				
852580	Television cameras, digital cameras and video camera recorders	0.8	0.0	5						
940360	Wooden furniture	0.8	0.0	3						
030617	Frozen shrimps and prawns	0.7	12.0		5	4		1		
844331	Machines which perform two or more of the functions of printing, copying or facsimile transmission	0.7	0.0	1						
270900	Petroleum oils and oils obtained from bituminous minerals	0.7	0.0	2						
611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton	0.7	12.0		3			3		
852872	Reception apparatus for television, colour	0.6	14.0		6			6		
030462	Frozen fillets of catfish "pangasius spp., silurus spp., clarias spp., ictalurus spp."	0.6	8.0		1		1			
900691	Parts and accessories for photographic cameras	0.6	0.0	1						
851830	Headphones and earphones	0.6	0.0	1						
Total of above		45.4		32	55	16	3	10	10	16

\* Dutiable tariff lines are subject to specific duties only.

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the UK.

3. Table A1.3 compares MFN and preferential rates under the Agreement for imports by Viet Nam from the UK. In 2021 Viet Nam's average applied MFN tariff was 12% overall, 10.7% for industrial products and considerably higher at 18.5% for agricultural products. Around 29% of the tariff was duty free for imports from all MFN sources, 32.6% for industrial products and considerably lower at 11.1% for agricultural products. Under the Agreement average tariffs for imports from the UK in 2021 were 7.7% overall and 6.7% and 12.8% respectively for industrial and agricultural products. As a result, UK exporters benefited from a relative margin of preference of 35.8% overall and 37.4% and 30.8% for industrial and agricultural products respectively. The share of duty-free lines was 46.1% for imports from the UK (51.6% for industrial products and 17.1% for agricultural products) and is expected to rise to 97.6% by the end of implementation in 2035 (97.4% for industrial products and 98.6% for agricultural products).

**Table A1.3 Viet Nam: Indicators of MFN tariff rates and preferential rates for imports from the United Kingdom**

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	12.0	17.1	29.2	18.5	20.8	11.1	10.7	16.1	32.6
UK	2021	7.7	14.5	46.1	12.8	15.4	17.1	6.7	14.1	51.6
	2022	6.2	11.7	46.1	10.3	12.4	17.1	5.4	11.5	51.6
	2023	4.7	11.1	56.5	7.8	13.5	42.6	4.1	10.4	59.1
	2024	3.6	8.4	56.5	6.1	10.6	42.6	3.1	7.8	59.1
	2025	2.4	10.9	76.2	4.4	11.7	62.3	2.0	10.6	78.8
	2026	1.8	8.0	76.2	3.4	8.9	62.3	1.5	7.6	78.8
	2027	1.2	11.6	88.2	2.4	14.0	83.2	0.9	10.7	89.1
	2028	0.9	8.6	88.2	2.0	12.2	83.2	0.6	7.3	89.1
	2029	0.6	5.9	88.7	1.8	10.8	83.7	0.3	4.0	89.7
	2030	0.3	56.2	97.4	1.4	56.6	97.4	0.0	53.3	97.4
	2031	0.3	54.6	97.4	1.4	54.8	97.4	0.0	53.3	97.4
	2032	0.3	53.0	97.4	1.4	53.0	97.4	0.0	53.3	97.4
	2033	0.2	51.4	97.4	1.3	51.1	97.4	0.0	53.3	97.4
	2034	0.2	49.8	97.4	1.3	49.3	97.4	0.0	53.3	97.4
	2035	0.2	77.7	97.6	1.2	83.6	98.6	0.0	53.3	97.4

Note: Tariff lines subject to in-quota rates are excluded in the computation.  
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the Viet Nam authorities, the WTO-IDB and information from the factual presentation of the EU-Viet Nam Agreement.

4. Table A1.4 shows market access in Viet Nam for the UK's top 25 exports which accounted for 38.4% of its exports and were covered by 323 tariff lines at the HS six-digit level in Viet Nam in 2021. Of these lines 45 were already duty-free at the MFN level. Following implementation of the Agreement a further 200 lines will become duty free for imports from the UK with most tariff liberalization backloaded to 2030. The 78 lines which will remain dutiable all correspond to motor vehicles and faced average MFN tariffs ranging from 41.2% to 60.3% in Viet Nam in 2021.

**Table A1.4 Viet Nam: Market access opportunities under the agreement for United Kingdom's top 25 exports to the world**

United Kingdom's top export products in 2018 -2020			Access Conditions to Viet Nam's import markets								
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty-free lines under the Agreement					Remain Dutiable
			Average Tariff (%)	Number of lines		2021	2023	2027	2029	2030	
				duty-free	duti-able						
710813	Gold	5.6	0.0	1							
270900	Petroleum oils, crude	4.9	1.0	2	1	1					
300490	Medicaments	3.2	2.6	13	16	1		15			
880330	Parts of aeroplanes	2.9	0.0	1							
841112	Turbojets of a thrust > 25 kn	2.6	0.0	1							
870323	Motor cars principally designed for the transport of <10 persons, of a cylinder capacity>1.500cm³ but<=3.000 cm³	2.4	58.1		36					20	16
841191	Parts of turbojets.	2.1	0.0	1							
870324	Motor cars principally designed for the transport of<10 persons, of a cylinder capacity>3.000 cm³	1.7	41.2		18				7	3	8
220830	Whiskies	1.3	45.0		1			1			
271012	Light oils and preparations	1.3	18.8		22					22	
970110	Paintings	1.3	5.0		1	1					
870322	Motor cars principally designed for the transport of <10 persons, of a cylinder capacity>1.000 cm³ but <=1.500 cm³	1.2	55.0		20					10	10
711319	Articles of jewellery and parts	1.0	25.0		2			2			
271019	Medium oils and preparations	1.0	5.6		16					16	
870332	Motor cars principally designed for the transport of <10 persons, of a cylinder capacity>1.500cm³ but<=2.500 cm³	0.7	60.3		32					16	16
300220	Vaccines for human medicine	0.6	0.0	3							
870340	Motor cars principally designed for the transport of <10 persons, of a cylinder capacity>1.500cm³ but<=2.500 cm³	0.6	51.0		68				5	46	17
711021	Palladium, unwrought or in powder form	0.6	1.0		2	2					
300215	Immunological products	0.6	0.0	1							
851762	Machines for the reception, conversion and transmission	0.6	0.6	15	1		1				
382200	Diagnostic or laboratory reagents	0.5	0.0	4							
490199	Printed books, brochures	0.5	2.5	1	1			1			
870333	Motor cars principally designed for the transport of <10 persons, of a cylinder capacity > 2.500 cm³	0.5	54.0		21				10		11
840890	Compression-ignition internal combustion piston engine	0.4	7.9	2	5			2		3	
870899	Parts and accessories, for tractors, motor vehicles	0.4	15.0		15			15			
	Total of above	38.4		45	278	5	1	36	22	136	78

Note: Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the Viet Nam authorities, the WTO-IDB, information from the factual presentation on the EU-Viet Nam Agreement and the UK authorities.

## ANNEX 2

Table A2.1 United Kingdom: Tariff rate quotas

Description	Quota volume (metric tonnes)	Tariff Lines	Out of quota rate MFN (% or as indicated as non-ad valorem duty)
Birds' egg and egg yolks	68	04081180	119 GBP / 100 kg
		04081981	51 GBP / 100 kg
		04081989	55 GBP / 100 kg
		04089180	114 GBP / 100 kg
		04089980	29 GBP / 100 kg
Garlic	54	07032000*	8% + 100 GBP / 100 kg
Sweet corn	681	0710400099, 2001903010, 2001903099, 2005800010, 2005800099	4% + 7.80 GBP / 100 kg / net drained wt
Rice (husked)	3,356 (expressed in husked rice equivalent)	10061030*, 10061050*, 10061071*, 10061079*	176 GBP / tonne
		10062011*, 10062013*, 10062015*, 10062017*, 10062092*, 10062094*, 10062096*, 10062098*	25 GBP / tonne
Rice (milled)	5,001 (expressed in milled rice equivalent)	10063021*, 10063023*, 10063025*, 10063027*, 10063042*, 10063044*, 10063046*, 10063048*, 10063061*, 10063063*, 10063065*, 10063067*, 10063092*, 10063094*, 10063096*, 10063098*	121 GBP / tonne
Rice (fragrant) <sup>a</sup>	5,001 (expressed in milled rice equivalent)	10061030*, 10061050*, 10061071*, 10061079*	176 GBP / tonne
		10062011*, 10062013*, 10062015*, 10062017*, 10062092*, 10062094*, 10062096*, 10062098*	25 GBP / tonne
		10063021*, 10063023*, 10063025*, 10063027*, 10063042*, 10063044*, 10063046*, 10063048*, 10063061*, 10063063*, 10063065*, 10063067*, 10063092*, 10063094*, 10063096*, 10063098*	121 GBP / tonne
Manioc (cassava)	12,215	11081400*	138 GBP / tonne
Tuna	1,566	16041421, 16041428, 16041431, 16041438, 16041441, 16041448, 16041939, 16042070	20
		16041490	25
Surimi	68	16042005	20
Sugar and other products containing high levels of sugar	2,724 (expressed in raw sugar equivalent)	17011310*, 17011410*	28 GBP / 100 kg / std qual
		17011390*, 17019100*, 17019910*, 17019990*	35 GBP / 100 kg
		17023050*	22 GBP / 100 kg
		17029050*, 17029079*	16 GBP / 100 kg
		17029071*, 17029095*	0.30 GBP / 100 kg / % sacchar.
		17029075*	23 GBP / 100 kg
		18061030, 18061090	8% + 26 GBP / 100 kg
Speciality sugar	54	17011490*	35 GBP / 100 kg
Mushrooms	48	07115100, 20031020	0
		20031030	
		20019050	16
Ethanol	136	20071000	16 GBP / hl
		20072000	8.5 GBP / hl
	272	29054300	8% + 105 GBP / 100 kg

Description	Quota volume (metric tonnes)	Tariff Lines	Out of quota rate MFN (% or as indicated as non- <i>ad valorem</i> duty)
Mannitol, Sorbitol, Dextrins and other modified starches		29054411	6% + 13 GBP / 100 kg
		29054419, 38246019	8% + 31 GBP / 100 kg
		29054491	6% + 19 GBP / 100 kg
		35051010, 35051090	8% + 14 GBP / 100 kg

a At the time of conclusion of the Agreement, only fragrant rice of the following varieties: Jasmine 85, ST 5, ST 20, Nang Hoa 9 (NàngHoa 9), VD 20, RVT, OM 4900, OM 5451 and Tai nguyen Cho Dao (Tàinguyên Chợ Đào). List may be amended by a decision of the Trade Committee.

\* Tariff lines also subject to MFN TRQs.

Note: The in-quota duty rates are all 0%.

Source: UK's schedule, UK Tariff Rate Quotas (<https://www.gov.uk/guidance/uk-tariff-rate-quotas>), WTO document G/AG/N/GBR/6/Rev.1, and data provided by the UK.

**Table A2.2 Viet Nam: Tariff rate quotas**

Description	Quota volume <sup>a</sup> (metric tonnes, except eggs, in dozen)	Tariff Lines	In-quota rate <sup>b</sup> (%)	Out-of-quota rate MFN <sup>c</sup> (%)
Birds' eggs	59,396	04072100, 04072910, 04072990, 04079010, 04079020, 04079090	30 to 0	40
Sugar	108,896	17011200, 17011300, 17011400	15 to 0	25
		17019100, 17019910, 17019990	15 to 0	40
Tobacco	61,378	24011010, 24011020, 24011040, 24011050, 24011090, 24012010, 24012020, 24012030, 24012040, 24012050, 24012090, 24013090	30 to 0	30
		24013010	15 to 0	15
Salt	296,990	25010010, 25010020	30 to 0	30
		25010050	15 to 0	15
		25010091, 25010092, 25010099	10 to 0	13

a Quota volume on date of entry into force of this Agreement based on Viet Nam's commitments in Schedule CLX – Socialist Republic of Viet Nam. The quota volume continues with an annual growth rate of 5% consistent with Viet Nam's WTO commitments.

b The in-quota customs duties shall be removed in 11 equal annual stages beginning on the date of entry into force of the Agreement. The rates provided are the base rate of duty on the date of entry into force and the final rate.

c Unbound.

Source: Viet Nam's schedule and data provided by Viet Nam.