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EUROPEAN COMMISSION



Brussels, 29.11.2010 COM(2010) 699 final

2010/0340 (NLE)

Proposal for a

COUNCIL DECISION

of [...]

on the signing of the Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, of the one part, and the Socialist Republic of Vietnam, of the other part

EN EN

EXPLANATORY MEMORANDUM

In May 2007, the Council authorised the Commission to negotiate a Framework Agreement on Partnership and Cooperation (PCA) with Vietnam, based on the November 2004 authorisation for negotiations with Thailand, Indonesia, Singapore, the Philippines, Malaysia and Brunei. Negotiations with Vietnam were launched in Hanoi in November 2007. Both sides initialled the PCA in Brussels on 4 October 2010 following the endorsement of the outcome of the negotiations by Coreper.

The PCA with Vietnam is the third agreement finalised with an ASEAN country over the past year, following those with Indonesia and the Philippines. It will supersede the current legal framework of the 1995 Agreement between the European Community and Vietnam and the 1980 Cooperation Agreement between the European Economic Community and member countries of the Association of South-East Asian Nations, which was extended to Vietnam in 1999.

This Agreement with Vietnam constitutes another stepping stone towards enhanced political and economic involvement of the EU in South-East Asia. It covers the EU's standard political clauses on Human rights, ICC, WMD, SALW and Counter-terrorism and implements the EU policies on taxation as well as on migration. The PCA provides the basis for more effective engagement by the EU and its Member States with Vietnam in the development, trade, economic and justice domains. It encompasses areas such as health, environment, climate change, energy, education and culture, labour, employment and social affairs, science and technology, and transport. The Agreement further addresses legal cooperation, money laundering and terrorist financing, organised crime and corruption. It also covers areas of particular interest in the case of Vietnam such as cooperation on human rights and the rule of law as well as on remnants of war and natural disaster prevention.

Finally, the conclusion of the PCA will facilitate the launch and conclusion of a Free Trade Agreement with Vietnam in accordance with the EU's objective of creating a coherent economic and political framework for relations between the EU and ASEAN countries.

Proposal for a

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on the signing of the Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, of the one part, and the Socialist Republic of Vietnam, of the other part

THE COUNCIL OF THE EUROPEAN UNION.

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 207 and 209 in conjunction with Article 218(5) thereof,

Having regard to the proposal from the Commission¹,

Whereas:

- (1) On 14 May 2007, the Council authorised the Commission to negotiate a Framework Agreement on Partnership and Cooperation, hereinafter referred to as 'the Agreement', with the Socialist Republic of Vietnam.
- (2) Subject to its possible conclusion at a later date, the Agreement should be signed.

The provisions of this Agreement that fall within the scope of Part Three, Title V of the Treaty on the Functioning of the European Union bind the United Kingdom and Ireland as separate Contracting Parties, and not as part of the European Union, unless the European Union together with the United Kingdom and/or Ireland have jointly notified Vietnam that the United Kingdom and/or Ireland is bound as part of the European Union in accordance with Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of Freedom, Security and Justice annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union. If the United Kingdom and/or Ireland ceases to be bound as part of the European Union together with the United Kingdom and/or Ireland shall immediately inform Vietnam of any change in their position in which case they shall remain bound by the provisions of the Agreement in their own right. The same applies to Denmark in accordance with the Protocol No 22 on the position of Denmark annexed to those Treaties.

OJ C [...], [...], p. [...].

HAS DECIDED AS FOLLOWS:

Article 1

The signing of the Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, of the one part and the Socialist Republic of Vietnam, of the other part, is hereby approved on behalf of the Union, subject to the Council Decision concerning the conclusion of the said Agreement.

The text of the Agreement is attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement on behalf of the European Union.

Article 3

This Decision will enter into force the day after its adoption.

Done at Brussels, [...]

For the Council
The President
[...]

ANNEX

FRAMEWORK AGREEMENT ON COMPREHENSIVE PARTNERSHIP AND COOPERATION BETWEEN THE EUROPEAN UNION AND ITS MEMBER STATES, OF THE ONE PART, AND THE SOCIALIST REPUBLIC OF VIETNAM, OF THE OTHER PART

THE EUROPEAN UNION, hereinafter referred to as 'the Union'

and

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBURG,

THE REPUBLIC OF HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC.

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND.

Contracting Parties to the Treaty establishing the European Union and the Treaty on the Functioning of the European Union, hereinafter referred to as the 'Member States',

of the one part, and

THE SOCIALIST REPUBLIC OF VIETNAM.

of the other part,

Hereinafter jointly referred to as 'the Parties',

CONSIDERING the traditional links of friendship between the Parties and the close historical, political and economic ties which unite them,

WHEREAS the Parties attach particular importance to the comprehensive nature of their mutual relationship, as demonstrated, *inter alia*, by the Vietnamese "Master Plan for relations between Vietnam and the European Union until 2010 and orientations towards 2015" of 2005 and the ensuing discussions between the Parties,

WHEREAS the Parties consider that this agreement forms part of a wider and coherent relationship between them through agreements to which both sides are parties together,

REAFFIRMING their commitment to the general principles of the international law and the purposes and principles of Charter of the United Nations, and the respect for democratic principles and human rights,

REAFFIRMING their respect for independence, sovereignty, territorial integrity and national unity of the Socialist Republic of Vietnam,

REAFFIRMING their attachment to the principle of good governance and the fight against corruption,

REAFFIRMING their desire to promote economic and social progress for their peoples, taking into account the principle of sustainable development and environmental protection requirements,

CONSIDERING that the International Criminal Court constitutes an important development for peace and international justice, which aims at the effective prosecution of the most serious crimes of concern to the international community,

WHEREAS the Parties share the view that the proliferation of weapons of mass destruction (WMD) pose a major threat to international security and wish to strengthen their dialogue and

cooperation in this area. The adoption by consensus of UNSC Resolution 1540 underlies the commitment of the whole international community to fight against proliferation of weapons of mass destruction,

RECOGNISING the need to strengthen disarmament as well as non-proliferation commitments under international obligations applicable to the Parties,

EXPRESSING their full commitment to fighting all forms of terrorism in conformity with international law, including human rights law and humanitarian law and to establishing effective international cooperation and instruments to ensure their eradication, and recalling the relevant UNSC Resolutions,

RECOGNISING the importance of the Cooperation Agreement of 7 March 1980 between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand – member countries of the Association of South-East Asian Nations (ASEAN) and which was extended to Vietnam in 1999, as well as the Cooperation Agreement between the European Community and the Socialist Republic of Vietnam of 17 July 1995,

RECOGNISING the importance of strengthening the existing relationship between the Parties with a view to enhancing cooperation between them, and their common will to consolidate, deepen and diversify their relations in areas of mutual interest on the basis of sovereignty, equality, non-discrimination, respect for the natural environment and mutual benefit,

RECOGNISING Vietnam's status as a developing country and taking account of the Parties' respective levels of development,

RECOGNISING the significant importance of development cooperation to developing countries, especially the low-income and lower middle-income developing countries, for their sustained economic growth, sustainable development and timely and full realization of the internationally agreed development goals, including the United Nations' Millennium Development Goals,

RECOGNISING the progress made by Vietnam towards achieving the Millennium Development Goals and in the implementation of its Strategy for Socio-Economic Development as well as its current level of development as a low income developing country,

WHEREAS the Parties attach particular importance to the principles and rules which govern international trade contained in the Agreement establishing the World Trade Organization (WTO), and the need to apply them in a transparent and non-discriminatory manner,

RECOGNISING that trade plays a significant role in development and the importance of trade preferential programmes,

EXPRESSING their full commitment to promote sustainable development in all its dimensions, including environmental protection and effective cooperation to combat climate change as well as effective promotion and implementation of internationally recognised labour standards ratified by the Parties,

UNDERLINING the importance of cooperation on migration,

CONFIRMING their desire to enhance, in full concord with activities undertaken in a regional framework, the cooperation between the Parties based on shared values and mutual benefit,

NOTING that the provisions of the Agreement that fall within the scope of Part III, Title V of the Treaty on the Functioning of the European Union bind the United Kingdom and Ireland as separate Contracting Parties, or alternatively, as part of the European Union, in accordance with the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to the Treaty on the European Union and the Treaty on the Functioning of the European Union. The same applies to Denmark, in accordance with the Protocol annexed to those Treaties on the position of Denmark,

HAVE AGREED AS FOLLOWS:

TITLE I

NATURE AND SCOPE

Article 1 **General Principles**

- 1. The Parties confirm their commitment to the general principles of international law as defined in the purposes and principles of the Charter of the United Nations, reaffirmed in the UNGA Declaration of 1970 on Principles of the international law concerning friendly relations and cooperation among States in accordance with the Charter of the UN, and in other relevant international treaties, expressing *inter alia* the rule of law, and the principle of *pacta sunt servanda*; and to the respect for democratic principles and human rights, as laid down in the UNGA Universal Declaration of Human rights and other relevant international human rights instruments to which the Parties are Contracting Parties, which underpin the internal and international policies of both Parties and which constitute an essential element of this Agreement.
- 2. The Parties confirm their commitment to further cooperate towards the full achievement of internationally agreed development goals, including the Millenium Development Goals, through compliance with the existing mutual international obligations which are applicable to the Parties. This constitutes an essential element of this Agreement. They confirm their respective commitments to the European Consensus on Development of 2005, the Paris Declaration on Aid Effectiveness agreed at the High Level Forum on Aid Effectiveness in 2005, the Accra Agenda for Action agreed at the Third High-level Forum on Aid Effectiveness, and the Hanoi Core Statement on Aid Effectiveness agreed in 2006 with a view to further improve development cooperation performance, including progress on untying aid and achieving more predictable aid mechanisms.
- 3. The Parties confirm their commitment to promoting sustainable development in all its dimensions, cooperating to address the challenges of climate change as well as globalisation and contributing to the internationally agreed development goals, including those contained in the Millennium Development Goals.
- 4. The Parties agree that the implementation of all cooperation activities under this Agreement shall take into account their respective levels of development, needs and capacity.
- 5. The Parties confirm that trade plays a significant role in development and that trade preferential programs help to promote the development of developing countries, including Vietnam.

6. The Parties agree that cooperation under this Agreement will be in accordance with their respective legislation, rules and regulations.

Article 2 **Aims of cooperation**

With a view to strengthening their bilateral relationship, the Parties undertake to hold a comprehensive dialogue and promote further cooperation between them on all sectors of mutual interest. Their efforts will in particular be aimed at:

- (a) establishing cooperation bilaterally and in all relevant regional and international *fora* and organisations;
- (b) developing trade and investment between the Parties to their mutual advantage;
- (c) establishing cooperation in all trade and investment-related areas of mutual interest, in order to facilitate sustainable trade and investment flows and to prevent and remove obstacles to trade and investment, in a consistent and complementary manner to ongoing and future regional EU-ASEAN initiatives;
- (d) working through development cooperation towards eradicating poverty, promoting sustainable development, combating emerging challenges such as climate change and communicable diseases, deepening economic reform and integrating into the world economy;
- (e) establishing cooperation in the area of justice and security, including rule of law and legal cooperation, data protection, migration, combating organised crime, money laundering and illicit drugs;
- (f) fostering cooperation in all other sectors of mutual interest, including human rights; economic policy; financial services; taxation; industrial policy and small and medium-sized enterprises; information and communication technologies; science and technology; energy; transport; urban and regional planning and development; tourism; education and training; culture; climate change; environment and natural resources; agriculture, forestry, livestock, fisheries and rural development; health; statistics; labour, employment and social affairs; reform of public administration; associations and non-governmental organisations; natural disaster prevention and mitigation; gender equality;
- (g) enhancing existing and encourage new participation of both Parties within subregional and regional cooperation programmes open to the participation of the other Party;
- (h) establishing cooperation on countering the proliferation of weapons of mass destruction and their means of delivery; combating illicit trade in small arms and light weapons in all its aspects; remnants of war;
- (i) establishing cooperation on combating terrorism;
- (j) raising the roles and profiles of the Parties in each others' regions through various means, including cultural exchanges, use of information technology and education;
- (k) promoting people-to-people understanding *inter alia* through cooperation among entities such as think-tanks, academics, business and the media in the form of seminars, conferences, youth interaction and other activities.

Cooperation in regional and international organisations

- 1. The Parties undertake to exchange views and cooperate in regional and international *fora* and organisations, including the United Nations and its agencies and organisations, the ASEAN-EU dialogue, ASEAN Regional Forum (ARF), the Asia-Europe Meeting (ASEM), and the World Trade Organisation (WTO).
- 2. The Parties also agree to promote cooperation in these fields between think-tanks, academics, non-governmental organisations, business and the media through the organisation of seminars, conferences and other related activities, provided that such cooperation is based on mutual consent.

Article 4 **Bilateral and regional cooperation**

- 1. For each sector of dialogue and cooperation under this Agreement, and while giving due emphasis to matters under bilateral cooperation, the Parties agree to carry out the related activities at either bilateral or regional level or through a combination of both frameworks. In choosing the appropriate framework, the Parties will seek to maximise the impact on and reinforce the involvement of all interested parties, while making the best possible use of available resources, taking account of the political and institutional feasibility, and ensuring coherence with other activities involving the Union and ASEAN. Cooperation may, as appropriate, include support for ASEAN integration and community building.
- 2. The Parties may, as appropriate, decide to extend financial support to cooperation activities in the areas covered by the agreement or in relation to it, in accordance with their respective financial procedures and resources. This cooperation may in particular support the implementation of Vietnam's socioeconomic reforms, and may include capacity-building measures such as organisation of training schemes, workshops and seminars, exchanges of experts, studies, and other actions agreed by the Parties in accordance with donor development assistance strategies.

TITLE II

DEVELOPMENT COOPERATION

Article 5 **General principles**

- 1. The central objectives of development cooperation are to achieve the Millennium Development Goals as well as poverty eradication, sustainable development and integration into the world economy. The objectives of development cooperation shall take account of Vietnam's socio-economic development strategies and programmes. The Parties recognise that development cooperation between them is key to addressing Vietnam's development challenges.
- 2. The Parties agree to promote cooperation activities in accordance with their respective procedures and resources.

Article 6 **Aims of Cooperation**

The development cooperation strategies of the Parties shall aim at, *inter alia*:

- (a) achieving sustained economic growth;
- (b) promoting human and social development;
- (c) promoting institutional reforms and development;
- (d) promoting environmental sustainability, regeneration and best practices, and the preservation of natural resources;
- (e) preventing and tackling the consequences of climate change;
- (f) supporting policies and instruments aimed at the progressive integration into the world economy and trade.

Article 7

Forms of cooperation

- 1. For each sector of cooperation under this Title, the Parties agree to carry out activities at bilateral or regional level or through a combination of both, including through tripartite cooperation.
- 2. The forms of cooperation between the Parties may include:
- (a) development and technical assistance to the programs and projects as agreed by the Parties:
- (b) capacity building through training courses, workshops and seminars, exchange of experts, studies, and joint research between the Parties;
- (c) consideration of other forms of development financing as appropriate;
- (d) exchange of information on best practices of aid effectiveness.

TITLE III

PEACE AND SECURITY

Article 8

Countering the proliferation of weapons of mass destruction and their means of delivery

1. The Parties consider that the proliferation of weapons of mass destruction and their means of delivery, both to state and non-state actors, represents one of the most serious threats to international stability and security, while reaffirming the Parties' legitimate rights to research, develop, use, trade and transfer biological, chemical and nuclear technology and related materials for peaceful purposes in accordance with the treaties and conventions to which they are parties. The Parties therefore agree to cooperate and to contribute to countering the proliferation of weapons of mass destruction and their means of delivery through full compliance with and national implementation of their respective existing obligations under international disarmament and non-proliferation treaties and agreements and relevant international obligations which are applicable to the Parties. The Parties agree that this provision constitutes an essential element of the Agreement.

- 2. The Parties furthermore agree to cooperate in and to contribute to countering the proliferation of weapons of mass destruction and their means of delivery by:
- (a) taking steps to sign, ratify, or accede to, as appropriate, all other relevant international treaties and agreements, and to fully implement their respective obligations;
- (b) establishing, with due regard to each Party's capacity, an effective system of national export controls, controlling the export and transit of WMD-related goods, including a WMD end-use control on dual use technologies and containing effective sanctions for breaches of export controls in line with UNSC Resolution 1540 without affecting normal and legal import and export activities and financial transactions. This may include the provision of assistance, including capacity building.
- 3. The Parties agree to pursue a regular political dialogue that will accompany and consolidate these elements.

Cooperation on combating illicit trade in Small arms and light weapons (SALW) in all its aspects

- 1. The Parties recognise that the illicit manufacture, transfer and circulation of small arms and light weapons, in all its aspects, including their excessive accumulation, and uncontrolled spread continue to pose a serious threat to peace and international security, while reaffirming the legitimate rights of the Parties to manufacture, import and retain small arms and light weapons for their self-defence and security needs. In this regard, the Parties recall the relevant contents of UNGA Resolutions 64/50 and 64/51.
- 2. The Parties agree to observe and fully implement their respective obligations to deal with the illicit trade in small arms and light weapons, in all its aspects, under existing international agreements to which the Parties are contracting parties and UN Security Council resolutions, as well as their commitments within the framework of other relevant international instruments applicable in this area, such as the UN Programme of Action to prevent, combat and eradicate the illicit trade in SALW in all its aspects.
- 3. The Parties undertake to establish a dialogue, as appropriate, in order to exchange views and information and develop a common understanding of the issues and problems related to illicit trade in small arms and light weapons, and to strengthen the ability of the Parties to prevent, combat and eradicate such trade.

Article 10

Cooperation in combating terrorism

The Parties reaffirm the importance of the fight against terrorism in full respect for the law, including the UN Charter, human rights law, refugee law and international humanitarian law. Within this framework and, in accordance with the UN Global Counter-Terrorism Strategy, contained in UNGA Resolution no 60/288 of 8 September 2006, the joint EU-ASEAN declaration of 28 January 2003 on co-operation to combat terrorism, the Parties agree to strengthen cooperation in the prevention and suppression of terrorism.

The Parties shall do so in particular:

- (a) in the framework of the full implementation of UNSC Resolution 1373 and other relevant UN resolutions, and taking steps to ratify and fully implement international conventions and instruments on fighting and preventing terrorism;
- (b) by establishing under the Joint Committee regular consultations on cooperation on countering and preventing terrorism;
- (c) by exchange of information on terrorist groups and their support networks in accordance with international and national law and, subject to the Parties' programmes and instruments, by providing support for capacity building in countering and preventing terrorism:
- (d) by exchanges of views on means and methods used to counter terrorism and incitement of terrorist acts, including in technical fields and training, and by exchange of experiences in respect of terrorism prevention;
- (e) by cooperating so as to deepen the international consensus on the fight against terrorism and its normative framework and by working towards an agreement on the Comprehensive Convention on International Terrorism as soon as possible so as to complement the existing UN counter-terrorism instruments;
- (f) by promoting co-operation among UN Member States to effectively implement the UN Global Counter-Terrorism Strategy;
- (g) by exchange of best practices in the area of protection of human rights in the fight against terrorism.

Legal cooperation

- 1. The Parties agree to cooperate on legal matters, the strengthening of the rule of law and of institutions at all levels in the areas of administration of justice and law enforcement.
- 2. The Parties agree to cooperate on the enhancement of the judicial capacity and legal system in such areas as civil law, civil procedural law, criminal law and criminal procedural law, as well as to engage in an exchange of information concerning legal systems and legislation.
- 3. The Parties also agree to cooperate in the field of international criminal justice. The Parties consider that the most serious crimes of concern to the international community must not go unpunished and that their effective prosecution must be ensured by taking relevant measures at the appropriate level.
- 4. The Parties consider that the International Criminal Court is a progressive and independent institution operating for the purpose of international peace and justice. The Parties agree to cooperate with a view to strengthening the legal framework aimed at preventing and punishing the most serious crimes of concern to the international community and to consider the possibility of adherence to the Rome Statute. The Parties agree that dialogue and cooperation on this matter would be beneficial.

TITLE IV

COOPERATION ON TRADE AND INVESTMENT ISSUES

Article 12 General principles

- 1. The Parties shall engage in a dialogue on bilateral and multilateral trade and trade-related issues with a view to strengthening bilateral trade relations and advancing the multilateral trade system.
- 2. The Parties undertake to promote the development and diversification of their commercial exchanges to the highest possible level and to their mutual benefit. They undertake to achieve enhanced and predictable market access conditions by working towards the elimination of barriers to trade, in particular through the timely removal of non-tariff barriers and restrictions to trade, and by taking measures to improve transparency, having regard to the work carried out by international organisations in this field of which both Parties are members.
- 3. Recognising that trade plays an indispensable role in development, and that trade preferences schemes, including the Generalised System of Preferences (GSP), and the special and differential treatment as specified by WTO have proven beneficial to developing countries, the Parties shall endeavour to strengthen consultations on their effective implementation.
- 4. The Parties shall take into consideration their respective levels of development for the implementation of this Title.
- 5. The Parties shall keep each other informed concerning the development of trade and traderelated policies such as agricultural policy, food safety policy, consumer policy and environmental policy.
- 6. The Parties shall encourage dialogue and cooperation to develop their trade and investment relations, including the solution of commercial problems and the provision of technical assistance and capacity building programmes to address trade issues in, *inter alia*, the areas referred to under this Title.
- 7. With a view to unleashing their potentials and utilising their economic complementarity, the Parties endeavour to explore and seek more opportunities and solutions to strengthen their trade and investment relations, including, where appropriate, ^{negotiation} of free trade and other agreements of mutual interest.

Article 13 **Trade Development**

1. The Parties undertake to develop, diversify and increase trade between them and to improve the competitiveness of their products on domestic, regional and international markets. Cooperation between the Parties towards this end shall aim at in particular strengthening capacity building in areas such as trade development strategies, optimisation of the potential for trade, including GSP preferences, competitiveness, promotion of technology transfer between enterprises, transparency of policies, laws and regulations, market information, institutional development as well as regional networking.

2. The Parties shall make full use of the Aid for Trade and other supplementary assistance programmes for the purposes of enhancement of trade and investment between them.

Article 14 Sanitary and Phytosanitary and Animal welfare issues

- 1. The Parties reaffirm their existing rights and obligations under the WTO Agreement on Sanitary and Phytosanitary measures (SPS).
- 2. The Parties shall strengthen cooperation and exchange information on legislation, implementation, certification, inspection and surveillance procedures on SPS in trade between the Parties within the framework of the WTO Agreement on Sanitary and Phytosanitary measures, the International Plant Protection Convention (IPPC), the Office International des Epizooties (OIE) and the CODEX Alimentarius.
- 3. The Parties further agree to cooperate on SPS matters and to promote cooperation in this field between the Parties, through capacity building and technical assistance, which shall be specific to the needs of each Party and aimed at assisting them to comply with each others' legal framework including food safety, plant and animal health and the use of international standards.
- 4. The Parties agree to cooperate on animal welfare as necessary, including technical assistance and capacity building for the development of animal welfare standards.
- 5. The Parties shall designate contact points for communication on issues under this Article.

Article 15 **Technical Barriers to Trade**

- 1. The Parties shall promote the use of international standards and cooperate and exchange information on standards, technical regulations, and conformity assessment procedures, especially within the framework of the WTO Agreement on Technical Barriers to Trade (TBT).
- 2. The Parties endeavour to exchange information from early stages of formulating new legislation in the TBT field. To this end, the Parties shall encourage any measures aiming at bridging the gaps between them in the area of conformity assessment and standardisation and improving the convergence and compatibility between the respective systems of the Parties in this area. The Parties agree to exchange views on, and to explore the possibility to apply third party certification with a view to facilitate the flows of trade between them.
- 3. Cooperation in technical barriers to trade shall be undertaken, *inter alia*, through dialogue in appropriate channels, joint projects, technical assistance and capacity-building programs. The Parties shall designate, when necessary, contact points for communication on issues under this Article.

Article 16 Cooperation on Customs matters and Trade Facilitation

1. The Parties shall:

- (a) share experience and best practices in and examine possibilities for simplifying import, export and other customs procedures;
- (b) ensure the transparency of customs and trade facilitation regulations;
- (c) develop cooperation on customs matters, and effective mutual administrative assistance mechanisms;
- (d) seek convergence of views and joint action in the context of relevant international initiatives including trade facilitation.
- 2. The Parties will pay special attention to, inter alia,
- (a) increasing the security and safety dimension of international trade;
- (b) ensuring a more effective and efficient customs enforcement of intellectual property rights;
- (c) ensuring a balanced approach between trade facilitation and the fight against fraud and irregularities.
- 3. Without prejudice to other forms of cooperation, provided for under this Agreement, the Parties state their interest in considering, in the future, the conclusion of protocols on customs cooperation and mutual administrative assistance, within the institutional framework laid down in this Agreement.
- 4. The Parties shall endeavour to mobilise technical assistance resources to support the implementation of cooperation on customs matters and of trade facilitation regulations under this Agreement.

Article 17 **Investment**

The Parties shall encourage a greater flow of investment through the development of an attractive and stable environment for investment through a consistent dialogue aimed at enhancing understanding and cooperation on investment issues, exploring administrative mechanisms to facilitate investment flows, and promoting stable, transparent, open rules and a level playing field for the Parties' investors.

Article 18 **Competition policy**

- 1. The Parties shall maintain competition laws and authorities. They will apply these laws in an effective, non-discriminatory and transparent way in order to foster legal certainty in their respective territories.
- 2. To this end, the Parties may engage in capacity building and other cooperation activities in the development and implementation of competition laws and regulations, subject to the availability of funding under the Parties' cooperation instruments and programmes.

Article 19 **Services**

The Parties shall establish a regular dialogue notably aimed at exchanging information on their respective regulatory environments with a view to identify best practices, promoting access to each other's markets, including e-commerce, promoting access to sources of capital and technology and promoting trade in services between both regions and in third countries' markets.

Article 20 **Protection of Intellectual Property Rights**

- 1. The Parties reaffirm the great importance they attach to the protection of intellectual property rights (IPR) and the full implementation of international commitments on protection of IPR, with a view to ensuring adequate and effective protection of such rights, in accordance with the relevant international standards/agreements, such as the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) and the International Convention for the Protection of New Varieties of Plants (UPOV), including effective means of enforcement.
- 2. The Parties agree to enhance cooperation on intellectual property protection and enforcement, including on appropriate means to facilitate protection and registration of the other party's geographical indications in their respective territories, taking into account international rules, practices and developments in this area and their respective capacity.
- 3. The cooperation shall be implemented in the forms agreed by the Parties, including to exchange information and experiences on issues such as the practice, promotion, dissemination, streamlining, management, harmonisation, protection, enforcement and effective application of intellectual property rights, the prevention of abuses of such rights, the fight against counterfeiting and piracy, including, *inter alia*, the establishment and strengthening of organisations for the control and protection of such rights.

Article 21 **Enhanced Participation of Economic Actors**

- 1. The Parties shall encourage and facilitate the operation of Chambers of Commerce and Industry as well as cooperation among professional associations of the Parties with a view to promoting trade and investment in areas of interest to both Parties.
- 2. The Parties shall encourage a dialogue between their respective regulatory bodies and private sector actors with a view to discussing recent developments in the trade and investment environment, exploring development needs of the private sector and exchanging views on policy frameworks for strengthening corporate competitiveness.

Article 22 **Consultations**

With a view to ensuring security and predictability in their bilateral trade relationship, the Parties agree to consult expeditiously and as quickly as possible upon request by a Party concerning any matters of difference which may arise in connection with trade or trade related matters under this Title.

TITLE V

COOPERATION IN THE AREA OF JUSTICE

Article 23 Combating organised crime

The Parties agree to cooperate combating organised, economic and financial crime as well as corruption. Such cooperation aims in particular at implementing and promoting relevant international standards and instruments, such as the UN Convention against Transnational Organised Crime and its supplementing Protocols and the UN Convention against Corruption, where applicable.

Article 24

Cooperation in combating money laundering and terrorism financing

- 1. The Parties agree on the need to work towards and to cooperate on preventing the risk that their financial systems are abused and to launder the proceeds of all serious criminal activities, as recommended by the Financial Action Task Force (FATF).
- 2. Both Parties agree to promote training and technical assistance aimed at the development and implementation of regulations and the efficient functioning of mechanisms to combat money laundering and terrorism financing. In particular, cooperation shall allow for exchanges of relevant information between the competent authorities of the Parties within the framework of their respective legislation on the basis of appropriate standards to combat money laundering and the financing of terrorism equivalent to those adopted by the Parties and the international bodies active in this area, such as the Financial Action Task Force (FATF).

Article 25

Cooperation against illicit drugs

- 1. The Parties shall cooperate to ensure a comprehensive and balanced approach through effective action and coordination between the competent authorities including from the law enforcement, customs, health, justice and interior sectors and other relevant sectors, with the aim of reducing the supply (including illicit cultivation of opium poppies and production of synthetic drugs) and trafficking of, and demand for, illicit drugs as well as their impact on drug users and society at large and to achieve more effective precursors control.
- 2. The Parties shall agree on means of cooperation to attain these objectives. Actions shall be based on commonly agreed principles along the lines of the relevant international conventions to which they are parties, the Political Declaration, the Declaration on the guiding principles of drug demand reduction and Measures to Enhance International Cooperation to Counter the World Drug Problem, adopted by the Twentieth United Nations General Assembly Special Session on Drugs in June 1998 and the Political Declaration and Plan of Action adopted at the 52nd session of the United Nations Commission on Narcotic Drugs in March 2009.
- 3. The cooperation between the Parties shall comprise technical and administrative assistance in particular in the following areas: drafting of national legislation and policies; establishment of national institutions and information and monitoring centres; training of personnel; drug related research; efforts to reduce the demand for, and the harm from, drugs; judicial and police cooperation, and effective precursors control as it relates to the illicit manufacture of narcotic drugs and psychotropic substances. The Parties may agree to include other areas.

Protection of personal data

- 1. The Parties agree to cooperate in order to improve the level of protection of personal data to the highest international standards, as appropriate, such as those contained in international instruments, in so far as they apply to the Parties.
- 2. Cooperation on protection of personal data may include, inter alia, technical assistance in the form of exchange of information and expertise.

TITLE VI

SOCIOECONOMIC DEVELEOPMENT AND OTHER AREAS OF COOPERATION

Article 27

Cooperation on Migration

- 1. The Parties reaffirm the importance of joint efforts to manage migratory flows between their territories. With a view to strengthening cooperation, the Parties shall establish a comprehensive dialogue on all migration-related issues. Migration concerns shall be included in the national strategies for economic and social development of countries of origin, transit and destination of migrants.
- 2. Cooperation between the Parties shall be based on a specific needs-assessment conducted in mutual consultation between the Parties and be implemented in accordance with the relevant Union and national legislation in force. Cooperation will focus, *inter alia*, on:
- (a) addressing the root causes of migration;
- (b) engaging in a comprehensive dialogue on legal migration, aiming at, as mutually agreed, the setting up of mechanisms for promoting legal migration opportunities;
- (c) exchanging experiences and practices regarding the adherence and implementation of the provisions of the United Nations Geneva Convention of 1951 on the Status of Refugees and of the Protocol of 1967, especially the principles of "non refoulement" and "voluntary repatriation";
- (d) admission rules, as well as the rights and status of persons admitted, fair treatment and integration of lawfully residing non-nationals, education and training, measures against racism and xenophobia;
- (e) the establishment of an effective and preventive policy against illegal immigration, smuggling of migrants and trafficking in human beings, including ways to combat networks of smugglers and traffickers and protect the victims of such trafficking;
- (f) the return, under humane and dignified conditions of persons residing illegally including the promotion of their voluntary return, and the readmission of such persons in accordance with paragraph 3;
- (g) issues identified as being of mutual interest in the field of visas and security of travel documents:

- (h) issues identified as being of mutual interest in the field of border controls;
- (i) technical and human capacity building.
- 3. Within the framework of the cooperation to prevent and control illegal immigration and without prejudice to the need for protection of victims of human trafficking, the Parties further agree that:
- (a) once Vietnamese nationality of a person to be readmitted has been established by the competent authorities of Vietnam in accordance with national legislations or relevant existing agreements, Vietnam shall readmit any of its national illegally present on the territory of a Member State, upon request by the competent authorities of the latter and without undue delay;
- (b) once nationality of a person to be readmitted has been established by the competent authorities of the Member State concerned in accordance with national legislations or relevant existing agreements, each Member State shall readmit any of its national illegally present on the territory of Vietnam, upon request by competent authorities of the latter and without undue delay.

The Parties will provide their nationals with appropriate identity documents for such purposes. When the person to be readmitted does not possess any documents or other proofs of his or her nationality, the competent authorities of the Member State concerned or Vietnam shall, upon request by Vietnam or the Member State concerned, make arrangements to interview the person in order to establish his or her nationality.

4. Subject to their respective laws and procedures, the Parties will enhance their cooperation on the readmission issues, aiming at, upon request by either Party, and as mutually agreed, the negotiation of an agreement between the EU and Vietnam on readmission of their respective citizens.

Article 28 **Education and Training**

- 1. The Parties agree to promote cooperation in education and training that duly respects their diversity in order to strengthen mutual understanding and agree to raise awareness about education opportunities in Vietnam and in the EU.
- 2. The Parties shall furthermore place emphasis on measures designed to create links between their respective higher education institutions and specialist agencies and to encourage exchanges of information, know-how, students, experts and technical resources, taking advantage of the facilities offered by Union programmes in Southeast Asia in the area of education and training as well as the experience that both Parties have acquired in this area.
- 3. Both sides also agree to promote the implementation of relevant programmes for higher education such as the Erasmus Mundus programme and conference interpreter training programmes and to encourage educational institutions in the EU and Vietnam to cooperate in joint degree and research programmes with a view to encouraging academic cooperation and mobility.
- 4. The Parties further agree to start a dialogue on matters of mutual interest relating to the modernisation of higher education and technical and vocational training system, which could

notably include measures for technical assistance, aimed at, *inter alia*, improving the qualification framework and quality assurance.

Article 29

Health

- 1. The Parties agree to cooperate in the health sector with a view to improving health conditions and social welfare, in particular strengthening the health system, including health care and health insurance.
- 2. Cooperation shall take place mainly on:
- (a) programmes aiming at strengthening the health sector, including the improvement of health systems, health services and health conditions as well as social welfare;
- (b) joint activities on epidemiology, including collaboration in the early prevention and control of epidemics such as avian and pandemic influenza and other major communicable diseases:
- (c) international agreements in health, in particular the Framework Convention on Tobacco Control and the International Health Regulations;
- (d) food safety standards, including automatic control network for food imports, as covered by Article 14;
- (e) exchange of information, experience on pharmaceutical and medical equipment policies and regulations, as mutually agreed.
- (f) prevention and control of non-communicable diseases through exchange of information and good practices, promoting healthy lifestyle, addressing major health determinants as well as surveillance and management of these diseases.
- 3. The Parties recognise the importance of further modernisation of the health sector and agree to strengthen capacity building and technical assistance in the health sector.

Article 30

Environment and natural resources

- 1. The Parties agree on the need to conserve and manage in a sustainable manner natural resources and biological diversity as a basis for the development of current and future generations.
- 2. The Parties agree that cooperation in this area shall promote the conservation and improvement of the environment in pursuit of sustainable development. The outcome of the World Summit on Sustainable Development shall be taken into account in all activities undertaken by the Parties under this Agreement.
- 3. The Parties agree to cooperate with a view to enhancing the mutual supportiveness of environmental policies and the integration of environmental considerations into all sectors of cooperation.
- 4. The Parties undertake to continue and strengthen their cooperation specifically as regards:

- (a) promoting the active participation of the Parties in the implementation of multilateral environment agreements to which they are parties, including the Basel Convention, the Stockholm Convention and the Rotterdam Convention;
- (b) promoting environmental awareness and enhance local participation, including participation of indigenous and local communities in environmental protection and sustainable development efforts;
- (c) promoting and deploying environmental technologies, products and services, including through the use of regulatory and market-based instruments;
- (d) preventing illegal transboundary movements of waste, including hazardous waste and ozone depleting substances;
- (e) improving ambient air quality, environmentally sound management of waste, chemicals safety, sustainable integrated water resource management and promoting sustainable consumption and production;
- (f) sustainable development and protection of forests, including the promotion of sustainable forest management, forest certification, measures to combat illegal logging and its associated trade, and the integration of forestry development into local community development;
- (g) effective management of national parks and recognition and conservation of biodiversity areas and vulnerable ecosystems, with due regards for local and indigenous communities living in or near these areas;
- (h) protection and preservation of coastal and marine environment promoting the efficient management of marine resources in order to achieve a sustainable marine development;
- (i) protection of soil, preservation of soil functions and sustainable land management;
- (j) enhancing land management capacity, transparent land economics and sound operation of the real estate market based on the principle of Sustainable Land Management and equitable rights for stakeholders, in order to ensure both effective use and environmental protection for sustainable development.
- 5. To these ends, the Parties shall aim at strengthening cooperation, through bilateral and multilateral frameworks, including technical assistance programs with a view to promoting the development, transfer and utilisation of environment-friendly technologies, as well as initiatives and partnership arrangements based on the principle of mutual benefit for an early realisation of the Millennium Development Goals.

Article 31 Cooperation on Climate Change

- 1. The Parties agree to cooperate to accelerate the fight against climate change and its impact on environmental degradation and poverty, promote policies to help mitigate climate change and adapt to the negative effects of climate change, especially the rise of sea level, and to set their economies on sustainable low-carbon growth paths.
- 2. The objectives of the cooperation shall be:

- (a) to combat climate change, with the overall goal of a transition to low-carbon economies that are safe and sustainable, through concrete mitigation actions in accordance with the principles of the United Nations Framework Convention on Climate Change (UNFCCC);
- (b) to improve the energy performances of their economies, by promoting energy efficiency, energy conservation, and the use of safe and sustainable renewable energy, and to move to climate-friendly generation that contributes to laying the foundation for a green energy revolution;
- (c) to promote Sustainable Consumption and Production (SCP) patterns in their economies, contributing to minimising pressures on the eco-systems, including soils and climate;
- (d) to adapt to the inevitable and adverse impact of climate change, including the integration of adaptation measures into the Parties' growth and development strategies and planning in all sectors and at all levels.
- 3. In order to achieve the objectives laid out in paragraph 2, the Parties shall:
- (a) intensify policy dialogue and cooperation at the technical level;
- (b) promote cooperation on Research and Development (R&D) activities and low-emission technologies;
- (c) strengthen cooperation on nationally appropriate mitigation actions, low carbon growth plans, national programmes for adaptation to climate change and on Disasters Risks Reduction;
- (d) enhance capacity building and strengthen institutions to address climate change challenges;
- (e) promote awareness raising, especially for the most vulnerable populations and those living in vulnerable areas, and facilitate the participation of local communities in response to climate change.

Agriculture, Forestry, Livestock, Fisheries and Rural development

- 1. The Parties agree to enhance cooperation, including through strengthened dialogue and exchange of experience, in agriculture, forestry, livestock, fisheries and rural development, in particular in the following areas:
- (a) agricultural policy and international agricultural outlook in general;
- (b) facilitation of trade between the Parties in plants and animals and their products, and market development and promotion;
- (c) development policy in rural areas;
- (d) quality policy for plants, animals and aquatic products, and in particular Protected Geographical Indications and organic production; marketing of quality products, notably organic and geographical indication products (labelling, certification and control);

- (e) animal welfare;
- (f) development of sustainable and environmentally-friendly agriculture and on the transfer of bio-technologies;
- (g) supporting sustainable and responsible long-term marine and fisheries policy including conservation and management of coastal and marine resources;
- (h) promoting efforts to prevent and combat illegal, unreported and unregulated fishing practices and illegal logging and trade in forestry products through Forest Law Enforcement, Governance and Trade (FLEGT) and Volunteer Partnership Agreement (VPA);
- (i) heredity research, variety selection of animals and plants, including high-quality livestock improvement, and research on feed and nutrition for terrestrial and aquatic animals;
- (j) mitigation of negative effects of climate change on agricultural production and poverty reduction in remote and rural areas;
- (k) supporting and promoting sustainable forest management, including climate change adaptation and mitigation of negative effects.
- 2. The Parties agree to examine possibilities for technical assistance in plant and animal productions, including but not limited to improvement of animal and plant productivity and product quality and further agree to consider capacity building programs aimed at building managerial capability in this field.

Cooperation Related to Gender Equality

- 1. The Parties shall cooperate in strengthening gender-related policies and programmes, as well as institutional and administrative capacity building and supporting the implementation of national strategies on gender equality, including women's rights and empowerment, in order to ensure the equitable participation of men and women in all sectors of economic, cultural, political and social life. In particular, the cooperation shall focus on improving women's access to necessary resources for the full exercise of their fundamental rights.
- 2. The Parties shall promote the creation of an adequate framework to:
- (a) Ensure that gender-related issues are duly incorporated into all development strategies, policies and programs;
- (b) Exchange experiences and models in promoting gender equality, and promote the adoption of positive measures in favour of women.

Article 34

Cooperation on addressing Remnants of war

The Parties recognise the importance of cooperation in the clearance of mines, bombs and other unexploded ordnances and observing international treaties to which they are parties, taking into account other relevant international instruments. The Parties therefore agree to cooperate through:

- (a) experience sharing and dialogue, management capacity enhancement, and training of experts, researchers, and specialised experts, including capacity building assistance subject to their domestic procedures to address the issues noted above;
- (b) communication and education on the prevention of accidents caused by bombs and mines, rehabilitation and community reintegration for the victims of bombs and mines.

Article 35 **Cooperation on Human Rights**

- 1. The Parties agree to cooperate in the promotion and protection of human rights, including with regard to the implementation of international human rights instruments to which they are parties. Technical assistance will be provided to this end.
- 2. Such cooperation may include, inter alia:
- (a) human rights promotion and education;
- (b) strengthening of human rights-related institutions;
- (c) strengthening the existing human rights dialogue;
- (d) strengthening of cooperation within the human rights-related institutions of the United Nations.

Article 36 **Reform of Public Administration**

The Parties, based upon specific needs-assessment conducted through mutual consultation, agree to cooperate with a view to restructuring and improving the effectiveness of their public administration, *inter alia*:

- (a) improving organisational efficiency, including decentralisation;
- (b) increasing institutions' effectiveness in service delivery;
- (c) improving the management of public finance and accountability in accordance with the Parties' respective laws and regulations;
- (d) improving the legal and institutional framework;
- (e) building capacities for policy design and implementation (public service delivery, budget composition and execution, anti-corruption);
- (f) building capacity of law enforcement mechanisms and agencies;
- (g) reforming the public service, agencies and administrative procedures;
- (h) capacity building for modernisation of the public administration.

Article 37 **Associations and non-governmental organisations**

- 1. The Parties recognise the role and potential contribution of associations and non-governmental organisations, including the social partners, in the cooperation process under this agreement.
- 2. In accordance with democratic principles and legal and administrative provisions of each Party, organised associations and non-governmental organisations may:
- (a) participate in the policy-making process;
- (b) be informed of and participate in consultations on development and cooperation strategies and sectoral policies, particularly in areas concerning them, including all stages of the development process;
- (c) receive financial resources, insofar as the internal rules of each Party so allow, and capacity building support in critical areas;
- (d) participate in the implementation of cooperation programmes in the areas that concern them.

Culture

- 1. The Parties agree to promote multi-faceted cultural cooperation that duly respects their diversity in order to increase mutual understanding and the knowledge of their respective cultures.
- 2. The Parties endeavour to take appropriate measures to promote cultural exchanges and carry out joint initiatives in various cultural spheres including cooperation in heritage conservation with respect to cultural diversity. In this regard, the Parties agree to continue cooperating within the framework of the Asia-Europe-Meeting (ASEM) supporting the activities of the Asia-Europe Foundation (ASEF). To this end, the Parties shall support and promote long-term partnership and cooperation activities between their cultural institutions.
- 3. The Parties agree to consult and cooperate in relevant international *fora*, such as the UNESCO, in order to pursue common objectives and promote cultural diversity as well as the protection of cultural heritage. In this regard, the Parties agree to promote the ratification and strengthen cooperation in the implementation of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, which was adopted on 20 October 2005, placing emphasis on policy dialogue, integrating culture into sustainable development and poverty reduction with a view to fostering the emergence of a dynamic cultural sector by facilitating the development of cultural industries. The Parties shall continue efforts to encourage other states to ratify this Convention.

Article 39

Scientific and technological cooperation

1. The Parties agree to strengthen scientific and technological cooperation in areas of mutual interest, including, *inter alia*, industry, energy, transport, environment, in particular climate change and natural resources management (e.g. fishery, forestry and rural development), agriculture and food security, biotechnologies, and human and animal health, taking account of their respective policies and cooperation programmes.

- 2. The aims of such cooperation shall be, *inter alia*, to:
- (a) encourage exchanges of scientific and technological information and know-how, including on the implementation of policies and programs;
- (b) promote enduring relations and research partnerships between scientific communities, research centres, universities and industries;
- (c) promote human resources training in science and technology;
- (d) strengthen the application of scientific and technological research for promoting sustainable development and improving the quality of life.
- 3. Cooperation shall take the following forms:
- (a) joint research and development projects and programs;
- (b) exchange of information, knowledge and experience through joint organisation of scientific seminars and workshops, meetings, symposia and conferences;
- (c) training and exchange of scientists, junior researchers through international mobility schemes and exchange programs, providing for the maximum dissemination of the results of research, learning and best practices;
- (d) other forms as mutually agreed upon by the Parties.
- 4. In this cooperation, the Parties shall favour the participation of their respective higher education institutions, research centres and productive sectors, in particular small and medium-sized enterprises. The cooperation activities should be based on the principles of reciprocity, fair treatment and mutual benefits, and ensure an adequate protection of intellectual property.
- 5. Specific priorities of cooperation shall be accorded to the following areas, *inter alia*:
- (a) promotion and facilitation of access to designated research facilities for exchange and training of researchers;
- (b) encourage the integration of research and development in investment and official development assistance programs/projects.
- 5. The Parties shall endeavor to mobilise financial sources to support the implementation of scientific and technological cooperation activities under this agreement within their capacities.
- 6. The Parties agree to make all efforts to increase public awareness about possibilities offered by their respective programmes for science and technology cooperation.

Cooperation on Information and Communication Technologies

1. Recognising that information and communication technologies (ICT) are key elements of modern life and of vital importance to economic and social development, the Parties agree to exchange views on the respective policies in this field with a view to promoting economic and social development.

- 2. Cooperation in this area shall, *inter alia*, focus on:
- (a) facilitate dialogue on different aspects of ICT development;
- (b) ICT capacity building including human resource development;
- (c) interconnection and interoperability of the Parties' and Southeast Asian networks and services;
- (d) standardisation and dissemination of new ICT;
- (e) promotion of research and development (R&D) cooperation between the Parties in the area of ICT;
- (f) security issues/aspects of ICT as well as fighting cyber crime;
- (g) conformity assessment of telecommunications, including radio equipment;
- (h) cooperation and sharing experiences and best practices on introduction of information technology to the whole society and public administration;
- (i) facilitate cooperation between their relevant institutions and agents in areas of audiovisual and media sectors;
- (j) encouraging further cooperation between the Parties' ICT enterprises including technology transfer.

Transport

- 1. The Parties agree to further reinforce their cooperation in relevant areas of transport policy with a view to enhancing and expanding investment opportunities, improving the movement of goods and passengers, promoting maritime and aviation safety and security, more particularly search and rescue, combating piracy, and broader regulatory convergence, reducing environmental impacts of transport, and increasing the efficiency of their transport systems.
- 2. Cooperation between the Parties in this area shall aim to promote:
- (a) exchanges of information on their respective transport policies and practices, especially regarding urban, rural, maritime and air transport, urban transport planning, transport logistics, public transport development and the interconnection and interoperability of multimodal transport networks;
- (b) exchange of information on the European global satellite navigation system (Galileo) by using appropriate bilateral instruments, with a focus on regulatory, industrial and market development issues of mutual interest;
- (c) joint actions in the field of air transport services through, *inter alia*, the implementation of existing agreements, to examine possibilities for the further development of relations as well as technical and regulatory cooperation in areas such as aviation safety, aviation security, air traffic management with a view to supporting regulatory convergence and removal of obstacles to doing business. On this basis, the Parties will explore the possible scope for enhanced cooperation in the area of civil aviation;

- (d) a dialogue in the field of maritime transport services aiming at unrestricted access to the international maritime markets and trades on a commercial basis, commitments for the phasing out of existing cargo reservation schemes, abstention from introducing cargo sharing clauses, establishment within maritime transport services including auxiliary services, national treatment and MFN clauses regarding access for auxiliary services and port services for vessels operated by nationals or companies of the other Party and issues related to door-to-door transport services;
- (e) the implementation of security, safety and pollution prevention standards, notably as regards maritime and air transport, in line with the relevant international conventions, including cooperation in the appropriate international *fora* aiming to ensure better enforcement of international regulations. To this end, the Parties will promote technical cooperation and assistance on issues related to transport safety, including *inter alia* search and rescue, investigation into casualties and accidents.

Energy

- 1. The Parties agree to enhance cooperation in the energy sector with a view to:
- (a) diversifying energy supplies in order to improve energy security, and develop new innovative and renewable forms of energy, including, *inter alia*, sustainable biofuels and biomass in conformity with country specific conditions, wind and solar energy as well as hydro power generation and supporting the development of appropriate policy frameworks to create favourable conditions for investment and a level playing field for renewable energy and the integration into relevant policy areas;
- (b) achieving rational use of energy with contributions from both supply and demand sides by promoting energy efficiency in energy production, transportation, distribution and end-use:
- (c) fostering the transfer of technology aimed at sustainable energy production and use;
- (d) enhancing capacity-building and facilitation of investment in the field based on transparent and non-discriminatory commercial rules;
- (e) addressing the links between affordable access to energy services and sustainable development.
- 2. To these ends, the Parties agree to promote contacts and joint research as well as to enhance technical assistance and capacity building projects through appropriate regional *fora* on clean production and environmental protection to the mutual benefit of the Parties. Both sides will explore further possibilities for enhanced cooperation in nuclear safety and security within their existing legal framework and policies.

Article 43

Tourism

1. Guided by the World Tourism Organization's Global Code of Ethics for Tourism, and by the sustainability principles based on the "Local Agenda 21 process", the Parties shall aim to improve the exchange of information and establish best practice in order to ensure a balanced and sustainable development of tourism.

- 2. The Parties agree to develop cooperation on, *inter alia*:
- (a) safeguarding and maximising the potential of natural and cultural heritage;
- (b) mitigating the negative impacts of tourism;
- (c) enhancing the positive contribution of the tourism business to the sustainable development of local communities, *inter alia*, by developing eco-tourism and cultural tourism, while respecting the integrity and interests of local and indigenous communities;
- (d) technical assistance and capacity-building, including training programs for policy makers and tourism managers;
- (e) encouraging the tourism industry including tour operators and travel agents of both Parties to further develop bilateral cooperation including training.

Article 44 Industrial policy and SME cooperation

The Parties, taking into account their respective economic policies and objectives, agree to promote industrial policy cooperation in all fields deemed suitable, with a view to improving the competitiveness of small and medium-sized enterprises, *inter alia* through:

- (a) exchanging information and experiences on creating the legal framework and other conditions for small and medium-sized enterprises to improve their competitiveness;
- (b) promoting contacts and exchanges between economic operators, encouraging joint investments and establishing joint ventures and information networks notably through existing Union horizontal programmes, stimulating in particular transfers of soft and hard technology between partners, including new and advanced technologies;
- (c) providing information and stimulating innovation and exchanging good practices on access to finance and market, including auditing and accounting services particularly for micro- and small enterprises;
- (d) facilitating and supporting the relevant activities established by the private sectors and business associations of the Parties;
- (e) promoting corporate social responsibility and accountability and encouraging responsible business practices, including sustainable consumption and production. This cooperation shall be complemented by a consumer perspective such as on product information and the consumer's role in the market:
- (f) conducting joint research projects, technical assistance and cooperation on standards, technical regulations and conformity assessment procedures in selected industrial areas, as mutually agreed.

Article 45 **Economic policy dialogue**

The Parties agree to cooperate on promoting the exchange of information on their respective economic trends and policies, and the sharing of experiences with the coordination of economic policies in the context of regional economic cooperation and integration through

existing bilateral and multilateral mechanisms in areas of mutual interest, including the sharing of information on the process of reform and equitization of state-owned enterprises in conformity with the Parties' laws and regulations.

Article 46 **Cooperation on Taxation**

- 1. With a view to strengthening and developing economic activities while taking into account the need to develop appropriate regulatory and administrative frameworks, the Parties are committed to good governance in the tax area and will implement the principles of transparency and exchange of information within the framework of bilateral tax agreements between Vietnam and EU Member States. The Parties further agree to strengthen their exchange of experience, dialogue and cooperation to fight against tax evasion and other harmful tax practices.
- 2. The Parties agree to strengthen cooperation in the tax area with a view to enhancing their regulatory and administrative capacity through, *inter alia*, exchange of experience and technical assistance.
- 3. The Parties will encourage the effective implementation of bilateral tax agreements between Vietnam and EU Member States and support the consideration of new such agreements in the future.

Article 47 **Cooperation on Financial services**

The Parties agree to hold a dialogue notably aimed at exchanging information and experiences on their respective regulatory environments, and strengthen cooperation with a view to improving accounting, auditing, supervisory and regulatory systems of banking, insurance and other parts of the financial sector including through capacity-building programmes in areas of mutual interest.

Article 48 Cooperation on Natural disaster prevention and mitigation

- 1. The Parties agree to cooperate in preventing and responding effectively to natural disasters to minimise the losses of life, property, natural resources, environment and cultural heritage and to mainstream disaster risk reduction in all sectors and areas of intervention at national and local level.
- 2. On that basis, the Parties agree:
- (a) to share information on monitoring, assessing, forecasting and providing early warning on natural disasters;
- (b) to enhance capacity through sharing of experience, best practices in natural disaster prevention and mitigation;
- (c) to support each other in technology, specialised equipment and materials needed for disaster management and emergency response;

(d) to enhance dialogue between the Parties' authorities in charge of natural disaster management and emergency response to support and strengthen cooperation in this area.

Article 49 **Urban and regional planning and development**

- 1. Recognising the important role of urban and regional planning and development in the pursuit of economic growth, poverty reduction and sustainable development, the Parties agree to promote cooperation and partnership in this field.
- 2. Cooperation in urban and regional planning and development may take the following forms:
- (a) exchange of experience in addressing issues related to sustainable urban and regional planning and development, including, *inter alia*:
- policies dealing with urban planning and related infrastructure, regional planning and urban expansion, conservation and development of historic townships;
- establishment of urban networks with the participation of central and local management including municipalities, associations and NGOs agencies, contractors and professional associations:
- management of architecture, planning and urban space expansion with the employment of Geographic Information System (GIS) tools;
- planning and development of urban centres and city centres renewal and urban environmental planning;
- urban-rural relations;
- development of urban technical infrastructure, including rehabilitation and improvement of urban water supply systems, construction of sewerage and solid waste treatment systems, protection of the environment and urban landscape;
- (b) support in training and capacity building for central, regional and local level managers in regional and urban planning, architecture management and architectural heritage;
- (c) cooperation in the framework of relevant international organisations such as the UN-HABITAT and the World Urban Forum through joint research programmes and organisation of workshops and seminars to exchange information and experience in urban planning and development, including urban expansion, urban design, land development and technical infrastructure development.
- 3. The Parties agree to enhance cooperation, share experience and information among their regional and urban authorities to solve complex urban problems by promoting sustainable development.

Article 50 **Labour, Employment and social affairs**

1. The Parties agree to enhance cooperation in the field of labour, employment and social affairs, including cooperation on labour, regional and social cohesion, health and safety at the

workplace, gender equality, lifelong skills development, human resource development, international migration and decent work, social security with a view to strengthening the social dimension of globalisation.

- 2. The Parties reaffirm the need to support the process of globalisation which is beneficial to all and to promote full and productive employment and decent work as a key element of sustainable development and poverty reduction, as endorsed by the UNGA no 60/1 of 24 October 2005 and the Ministerial Declaration of the high level segment of the UN Economic and Social Council of July 2006 (UN Economic and Social Council E/2006/L.8 of 5 July 2006). Cooperation between the two Parties shall be compatible and take into account the respective characteristics and diverse nature of the economic and social situations.
- 3. The Parties reaffirm their commitments to respect, promote and realise internationally recognised labour standards, as laid down in ILO conventions to which they are parties referred to in the 1998 ILO Declaration on Fundamental Rights and Principles at Work. The Parties agree to cooperate and provide technical assistance with a view to promote the ratification of internationally recognised labour standards as appropriate and effectively implement labour standards ratified by the Parties.
- 4. Subject to laws, conditions and procedures applicable in the host country and relevant international treaties and conventions to which they are parties, the Parties shall aim to ensure that the treatment accorded to nationals of the other Party, legally employed in the territory of the host country shall be free from any discrimination based on nationality, as regards, *inter alia*, working conditions, remuneration or dismissal as compared to the conditions applied to other third country nationals.
- 5. The forms of cooperation may include, *inter alia*, specific programs and projects, as mutually agreed, as well as capacity building, policy exchange and initiatives on topics of common interest at bilateral or multilateral level, such as ASEM, EU-ASEAN and the ILO.

Article 51 **Statistics**

- 1. The Parties agree to promote cooperation in harmonising and developing statistical methods including statistical collecting, processing, analysing, and disseminating.
- 2. To this end, the Parties agree to strengthen cooperation, including through regional and international *fora*, by capacity building and other technical assistance projects, including *inter alia* the provision of modern statistical software, with a view to enhancing the quality of statistics.

TITLE VII

INSTITUTIONAL FRAMEWORK

Article 52 Joint Committee

- 1. The Parties agree to establish under this Agreement a Joint Committee, composed of representatives of both sides at the highest possible level, whose tasks shall be to:
- (a) ensure the proper functioning and implementation of this Agreement;

- (b) set priorities in relation to the aims of this Agreement;
- (c) monitor the development of the comprehensive relationship between the Parties and make recommendations for promoting the objectives of this Agreement;
- (d) request, as appropriate, information from committees or other bodies established under other agreements between the Parties and consider any reports submitted by them;
- (e) exchange opinions and make suggestions on any issue of common interest, including future actions and the resources available to carry them out;
- f) resolve differences arising from the application or interpretation of this Agreement;
- g) examine all the information presented by a Party regarding the fulfilment of obligations and hold consultations with the other Party to seek a solution acceptable to both Parties in accordance with Article 57.
- 2. The Joint Committee shall normally meet annually in Hanoi and Brussels alternately, on a date to be fixed by mutual agreement. Extraordinary meetings of the Joint Committee may also be convened by agreement between the Parties. The Joint Committee shall be chaired alternately by each of the Parties. The agenda for meetings of the Joint Committee shall be determined by agreement between the Parties.
- 3. The Joint Committee shall set up Sub-committees and specialised working groups in order to assist it in the performance of its tasks. These Sub-committees and working groups shall make detailed reports of their activities to the Joint Committee at each of its meetings.
- 4. The Parties agree that it shall also be the task of the Joint Committee to ensure the proper functioning of any sectoral agreement or protocol concluded or to be concluded between the Parties.
- 5. The Joint Committee shall adopt its own rules of procedure.

TITLE VIII

FINAL PROVISIONS

Article 53 **Resources for cooperation**

- 1. The Parties agree to make available the appropriate resources, including financial means, insofar as their respective resources and regulations allow, in order to fulfil the cooperation objectives set out in this Agreement.
- 2. The Parties shall encourage the European Investment Bank to continue its operations in Vietnam, in accordance with its procedures and financing criteria.

Article 54

Future developments clause

1. The Parties may by mutual consent expand this Agreement with a view to enhancing the level of cooperation, including through supplementing it by means of agreements or protocols on specific sectors or activities. Such specific agreements shall be an integral part of the

overall bilateral relations as governed by this Agreement and shall form part of a common institutional framework.

2. With regards to the implementation of this Agreement, either of the Parties may put forward suggestions for widening the scope of cooperation, taking into account the experience gained in its application.

Article 55 **Other agreements**

- 1. Without prejudice to the relevant provisions of the Treaty establishing the European Union and the Treaty on the Functioning of the European Union, neither this Agreement nor action taken hereunder shall affect the powers of the Member States to undertake bilateral cooperation activities with Vietnam or to conclude, where appropriate, new partnership and cooperation agreements with Vietnam.
- 2. This Agreement shall not affect the application or implementation of commitments undertaken by the respective Parties in relations with third parties.
- 3. Existing agreements relating to specific areas of cooperation falling within the scope of this Agreement shall be considered part of the overall bilateral relations as governed by this Agreement and as forming part of a common institutional framework.

Article 56 **Application and interpretation of the Agreement**

- 1. Each Party may refer to the Joint Committee any divergence in the application or interpretation of this Agreement.
- 2. The Joint Committee may settle the issue by means of a recommendation.

Article 57 Fulfilment of obligations

- 1. The Parties shall take any general or specific measures required to fulfil their obligations under this Agreement and shall ensure that they comply with the objectives and purposes laid down in this Agreement.
- 2. If either Party considers that the other Party has failed to fulfil any of its obligations under this Agreement it may take appropriate measures.
- 3. Before doing so, except in cases of a material breach of the Agreement, it shall present to the Joint Committee all the relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Parties.
- 4. The Parties agree that for the purpose of the correct interpretation and practical application of this Agreement, the term "appropriate measures" in Article 57 (2) are measures taken in accordance with international law and which are proportionate to the failure to implement obligations under this Agreement. In the selection of these measures, priority must be given to those which least disturb the functioning of this Agreement. These measures shall be notified

immediately to the other Party and shall be the subject of consultations within the Joint Committee if the other Party so requests.

Article 58 **Facilities**

To facilitate cooperation in the framework of this Agreement, both Parties agree to grant necessary facilities to officials and experts involved in implementing cooperation for the performance of their functions, in accordance with internal rules and regulations of both Parties.

Article 59 **Declarations**

The Declarations to this Agreement shall form an integral part of this Agreement.

Article 60 **Territorial application**

This Agreement shall apply to the territory in which the Treaty establishing the European Union is applied under the conditions laid down in that Treaty, on the one hand, and to the territory of the Socialist Republic of Vietnam, on the other.

Article 61 **Definition of the Parties**

For the purposes of this Agreement, 'the Parties' shall mean the Union or its Member States or the Union and its Member States, in accordance with their respective powers, on the one hand, and the Socialist Republic of Vietnam, on the other.

Article 62 National security and disclosure of information

Nothing in this Agreement shall be construed to require any Party to provide any information, the disclosure of which it considers contrary to its essential security interests.

Article 63 **Entry into force and duration**

- 1. This Agreement shall enter into force on the first day of the month following the date on which the last Party has notified the other of the completion of the legal procedures necessary for this purpose.
- 2. This Agreement is valid for a period of five years. It shall be automatically extended for further successive periods of one year, unless either Party notifies the other Party in writing of its intention not to extend this Agreement six months prior to the end of any subsequent one-year period.

- 3. Any amendments of this Agreement shall be made by agreement between the Parties. Any amendments shall become effective only after the latter Party has notified the other that all necessary formalities have been completed.
- 4. This Agreement may be terminated by either Party by written notice of denunciation given to the other Party. The termination shall take effect six months after receipt of notification by the other Party.

Article 64 Notifications

Notifications made in accordance with Article 63 shall be made to the Secretary-General of the Council of the European Union and the Ministry of Foreign Affairs of Vietnam, respectively.

Article 65 **Authentic text**

This Agreement is done in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovene, Spanish, Swedish and Vietnamese languages, each of these texts being equally authentic.

The European Union The Socialist Republic of Vietnam

The Kingdom of Belgium

The Republic of Bulgaria

The Czech Republic

The Kingdom of Denmark

The Federal Republic of Germany

The Republic of Estonia

The Hellenic Republic

The Kingdom of Spain

The French Republic

Ireland

The Italian Republic

The Republic of Cyprus

The Republic of Latvia

The Republic of Lithuania

The Grand Duchy of Luxemburg

The Republic of Hungary

Malta

The Kingdom of the Netherlands

The Republic of Austria

The Republic of Poland

The Portuguese Republic

Romania

The Republic of Slovenia

The Slovak Republic

The Republic of Finland

The Kingdom of Sweden

The United Kingdom of Great Britain and Northern Ireland

ANNEX

Joint Declaration on Market Economy Status

The Parties shall enhance cooperation on moving towards the early recognition of Vietnam's market economy status as soon as possible, subject to the relevant procedures.

<u>Unilateral Declaration by the European Union on the Generalised System of Preferences (GSP)</u>

The European Union recognises the significant importance of the GSP to trade development and shall further cooperate through, *inter alia*, dialogue, exchanges and capacity building activities, with a view to ensuring optimal use of the scheme by Vietnam in accordance with the relevant procedures of the Parties and evolving EU trade policy.

<u>Joint Declaration on Article 24 (Cooperation in combating money laundering and terrorism financing)</u>

The Parties agree that the Joint Committee will establish a list of the competent authorities responsible for the exchange of relevant information under this article.

Joint Declaration on Article 57 (Fulfilment of obligations)

The Parties agree, for the purposes of the correct interpretation and practical application of this Agreement, that the term "material breach of the Agreement" in Article 57 (3), in line with Article 60 (3) of the Vienna Convention on the Law of Treaties of 1969 ('Vienna Convention'), consists in:

- (a) repudiation of the agreement not sanctioned by the Vienna Convention; or
- (b) violation of an essential element of the Agreement, as described in Article 1(1) and (2) and Article 8.

In cases of a material breach of the Agreement, the measure shall be notified immediately to the other Party. At the request of the other Party, the Joint Committee shall hold urgent consultations within a period of up to 30 days for a thorough examination of any aspect of, or the basis for, the measure with a view to seeking a solution acceptable to the Parties.