



EU Domestic Advisory Group under
the EU-Vietnam FTA

STATEMENT FROM THE EUROPEAN UNION DOMESTIC ADVISORY GROUP

The 3rd meeting of the EU Domestic Advisory Group (EU DAG) and the Vietnam Domestic Advisory Group (VN DAG), established under the EU-Viet Nam Free Trade Agreement (EVFTA), took place on 27-28 November 2023 in Brussels. Following this meeting, the EU DAG produced the following statement:

The rights of civil society organisations to scrutinize and monitor the implementation of the Trade and Sustainable Development (TSD) commitments of the EVFTA, including those in the TSD chapter, must be respected. TSD chapters can only live up to their promise if civil society is able to transparently monitor and scrutinize their implementation.

Therefore, the EU DAG is deeply concerned about reports from non-governmental organisations, such as FIDH¹ and Human Rights Watch², detailing violations of human rights in Vietnam. These include restrictions on the freedom of assembly and the harassment and arbitrary arrests of human rights defenders, civil society leaders and journalists, based on the arbitrary use of the overly broad wording of the Penal Code and the Tax Law, that have been denounced by the EU, as well the UN Human Rights Council and the Working Group on Arbitrary Detention. Unions, media, civil society organisations, and the judiciary, need to be free to monitor, expose and enforce the respect of all rights, including labour rights. Substantial concerns were raised in the meeting on shrinking space for civil society and the arrests, imprisonment and sentencing of several prominent environmental rights defenders in Vietnam.

The EU DAG reminds both Parties to the EVFTA that participation and access to information are part of the Commitments taken under Chapter 13, Agenda 2030, the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement. They are recognized as essential elements to realize the right to development, face climate challenges and reach climate justice. We remind Vietnam that human rights are an essential element of the EU-VN Partnership and Cooperation Agreement and consequently overarch the entire EVFTA. The intimidation and harassment of civil society actors monitoring the commitments undertaken by the Parties must be addressed assertively by the EU.

We urge Vietnam to live up to the commitment given before the implementation of the EVFTA and ratify ILO Convention C87 on Freedom of Association without further delay. We would also like to see the effective and timely implementation of the Work Plan on Labour Rights, and the adoption and entry into force of the decree on workers' representation and collective bargaining.

We also remind Vietnam of its commitment to follow the requirements of the TSD chapter, those being to respect, promote and effectively implement the fundamental ILO conventions – in particular on forced labour, child labour, collective bargaining and occupational health and safety.

Therefore, the EU DAG calls on the European Commission's Directorate General for Trade to engage in an enhanced dialogue with its counterpart on these issues, pointing out that they are an essential

¹ https://www.fidh.org/IMG/pdf/a_history_of_violence_repression_of_the_right_to_freedom_of_assembly_in_vietnam.pdf

² <https://www.hrw.org/world-report/2023/country-chapters/vietnam>



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element of the EVFTA TSD chapter's commitments and seeking tangible progress. The EU DAG asks to be informed regularly on the results of this dialogue.

It is agreed that grievance mechanisms are key to securing workers' rights and facilitating effective rights-compatible remediation. To be effective, they should be tailored to the local situation and time allowed to build up trust. The role of collective bargaining and collaboration with trade unions, or workers' representatives, should not be ignored but rather strengthened. However, they should not be used to undermine the role of trade unions in addressing labour-related disputes nor to preclude access to judicial or other non-judicial grievance mechanisms.

The EU DAG is pleased that Vietnam has ratified ILO conventions 155 and 187 on Occupational Safety and Health. However, it notes that this is not the case for all EU member states and urges that this is rectified as soon as possible. In addition, there should be further discussion on both sides on the effectiveness of the Governance Conventions, especially C81 on Labour Inspection and ILO C129 on Labour Inspection in the agricultural sector.

The EU DAG welcomes the efforts made by both sides on the uplisting of the Chinese water dragon to CITES Appendix II. We encourage further collaboration to improve the management of facilities for captive tigers but note that more work is needed to combat wildlife trafficking. The EU should also provide technical assistance and capacity building to Vietnam for the development of aquaculture and animal welfare standards.

Further reflection on the sustainability of the seafood value chain is also needed, in particular on forced labour and child labour that builds on EU, OECD and ILO programmes on the ground. This should guide the EU's assessment on whether to remove the yellow card.

The EU DAG also reminds both sides that it was agreed at the previous joint meeting to compose a roadmap on climate and environmental protection and recommends that this be completed as soon as possible.

On issues that are not within the direct scope of the EVFTA, there was discussion on the EU Deforestation Regulation (EUDR). It was agreed that effective implementation will require capacity building on both sides. EU businesses need to work with suppliers in Vietnam, the EU needs to work with the Vietnamese government, but crucially SMEs and small holders need to be informed. For example, small coffee farmers and their cooperatives are unlikely to have the knowledge or means to comply with the EUDR, or even be aware of its existence.

The Corporate Sustainability Due Diligence Directive will also become an important part of EU trade with Vietnam. However, it needs to be workable for companies and be proportionate for SMEs and smallholders. The intention is not for EU companies to leave the Vietnamese market, but that they are able to comply with its requirements and continue to trade with and invest in Vietnam. Effective implementation of the TSD commitments will greatly facilitate compliance by individual companies, thus strengthening Vietnam's position as an important trade partner. Last year the EU DAG commissioned a desk study which was prepared by an external expert. It would be useful if funding were provided to translate this into Vietnamese.



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Vietnam was also urged to consider the impact of the proposed Forced Labour Regulation. Since it will apply regardless of the place in the supply chain, Vietnamese producers should take care to ensure that sub-contractors are not indulging in forced labour practices. This can be greatly facilitated by Vietnam's ratification of ILO Protocol 29.

The EU DAG welcomes the commitment made by the Vietnamese government during the EU-Vietnam Joint Forum 2023 to enlarge participation within the VN DAG to balance with the broader participation within the EU DAG. The EU DAG will take stock of the progress made, especially regarding the diversity of its new members, at the next joint meeting in Hanoi in 2024.

Finally, the EU DAG requests that the joint meeting planned for 2024 in Hanoi should take place over two days to ensure adequate time for discussions, and with appropriate means of input into the TSD committee.
