



Vietnam – UK Free Trade Agreement will be concluded today

December 11, 2020

Vietnam and Britain will conclude free trade agreement negotiations on Friday, said the Ministry of Industry and Trade.

The two parties will sign a Memorandum of Understanding to confirm the conclusion of the talks, a move that should pave the way for an official signing of the Vietnam – UK Free Trade Agreement (UKVFTA).

Though the EU-Vietnam Free Trade Agreement took effect on August after Brexit, the EVFTA will no longer apply to the UK after December 31 this year.

The governments of UK and Vietnam plan to complete this agreement as soon as possible to promote the economic recovery after COVID-19 pandemic. The terms of the Vietnam – UK free trade agreement will largely be similar to the EVFTA, so the two sides will not have to spend much time on negotiations.

As of end-2019, total bilateral trade revenue between Vietnam and the UK reached \$6.6 billion. In recent years, the kingdom has become the third largest trade partner of Vietnam in Europe, after Germany and the Netherlands.

However, “made in Vietnam” products consumed in the UK are much larger than statistic because there is a significant amount of Vietnamese goods imported through major ports in the Netherlands, Belgium, Germany, and France. and the Czech Republic before entering the UK.

Vietnam exports textiles, footwear, wood and products from wood, seafood while importing pharmaceuticals, machinery and equipment from the UK, according to the Ministry of Industry and Trade.

This shows trade between the two countries in the coming time has much room to grow. Suffering from the COVID-19 pandemic, 10-month bilateral trade reached \$4.7 billion, a down 15 percent year on year.

The free trade pack is expected to help Vietnam enhance competitiveness against strong competitors including China, India, Thailand, Malaysia, Indonesia, the Philippines and Myanmar, which are not expected to sign free trade deals with the UK, according to Nhip Cau Dau Tu.

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