Brussels, 26.06.2013
Ares (2013) 1795822

Dear Mrs Belhassen,
Dear Mr Van Ai,

Thank you for your letter dated 30 April and your interest in the negotiations for a Free Trade Agreement (FTA) with Vietnam.

I launched the negotiations for a EU-Vietnam FTA in Brussels on 26 June 2012. Since then three rounds of negotiations have taken place (in Hanoi in October 2012, in Brussels in January 2013, and in Ho Chi Minh City from 23-26 April). The fourth round will take place shortly before the summer break.

Concerning your request to assess the human rights situation in Vietnam, I would like to point out that the European Commission follows an integrated approach towards the assessment of impacts of its new initiatives. We are convinced that such an approach ensures that all relevant potential economic, social, environmental, and human rights impacts in terms of benefits and costs are analysed and presented together in one single document. This has been proven to be the most appropriate way of arriving at a balanced assessment.

In this respect, the negotiations with Vietnam are taking place under the legal framework established in 2007 for a FTA with the whole ASEAN. Following the stalemate of the bi-regional negotiations, the Council has taken the decision to open bilateral negotiations with individual ASEAN countries on the basis of the same negotiating directives it adopted at the time for the ASEAN. However, while new Impact Assessments (IAs) are not required for this reason, the European Commission does review those findings at the time of launching negotiations with an individual ASEAN member country to verify its continuing relevance. In this context, it has also reviewed the Sustainability Impact Assessment (SIA) which assessed the impact of a regional FTA between the EU and ASEAN and has concluded that the findings of this SIA remain valid and relevant also in a bilateral context.

The SIA provides country level details, where relevant, and gives an overall picture of the direction and magnitude of impacts, with a special focus on the impact on individual ASEAN countries of concluding a FTA with the EU. As the objectives and coverage of a bilateral FTA with Vietnam are the same as for a regional FTA, the longer term impacts will remain by and large the same.

In addition, the trends described in the SIA for Vietnam have been confirmed by an impact analysis of a FTA between the EU and Vietnam, which was commissioned under the EU-Vietnam Multilateral Trade Assistance Project (MUTRAP) in October 2011. This demonstrates that even though the SIA dates back from 2009, the data and trends mentioned in the study are still valid.

In general I reaffirm my commitment to implement correctly the Lisbon Treaty with respect to its requirement that EU trade policy is guided by the principles and objectives of the Union’s external action, including human rights. While the EU trade policy is geared towards promoting free trade under fair conditions in the global market place, it
can also in combination with other instruments contribute to the improvement of human rights in various countries.

In 2011, further to the entry into force of the EU Charter of Fundamental Rights, the Commission has started to introduce in its IAs - as well as in the SIAs carried out for trade agreements - explicit requirements for the analysis of human rights impact.

Building on this practice, the EU Action Plan on Human Rights and Democracy adopted in June 2012 includes, as an on-going item for action the insertion of human rights along with economic, social, and environmental impacts in IAs, including those concerning new trade agreements. The Commission will continue to implement this commitment through the systematic undertaking of human rights' analysis in all the IAs concluded in conjunction with the preparation of proposals for opening new trade negotiations (e.g. with Japan and the United States²).

Trade openness alone does not automatically guarantee full respect of human rights. Still, there are many precedents to show that increased trade and income generate better conditions for development and growth, and sustainable development over a longer period does contribute to improved human rights conditions.

Also, in all EU trade negotiations, including with Vietnam, we pursue a clear institutional and legal link to the relevant political framework agreements, which contain clauses on human rights, democracy, and the rule of law. This approach ensures that these fundamental rights and principles are essential elements of our bilateral relations also when it comes to trade between the parties.

The upgrading of the bilateral relationship through the EU-Vietnam Partnership and Cooperation Agreement (PCA) signed last June also includes closer cooperation on human rights. While the PCA is still in the ratification process, Vietnam and the EU agreed to proceed with advanced implementation of priority aspects of the PCA. On that basis, the EU and Vietnam, in January 2012, established an enhanced human rights dialogue. Two sessions were held since, allowing for a substantial and in-depth exchange of views and information on issues of particular concern to the EU. The EU will continue to promote the respect for human rights through this new enhanced dialogue, public statements and demarches, interaction with human rights defenders and projects such as those funded by the European Instrument for Democracy and Human Rights.

Yours sincerely,

Karel De Gucht

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Cc: Mr Vo Van Ai, VCHR President, member of FIDH

¹ http://trade.ec.europa.eu/doclib/docs/2012/july/tradoc_149809.pdf