



TPP NEGOTIATION UPDATES AND CONCERNS OF VIETNAMESE BUSINESS COMMUNITY

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OUTLINE:

1. WTO center and activities on TPP
2. General views of Vietnamese business community over TPP
3. Concerns of Vietnamese business community about TPP



1. WTO center and activities on TPP

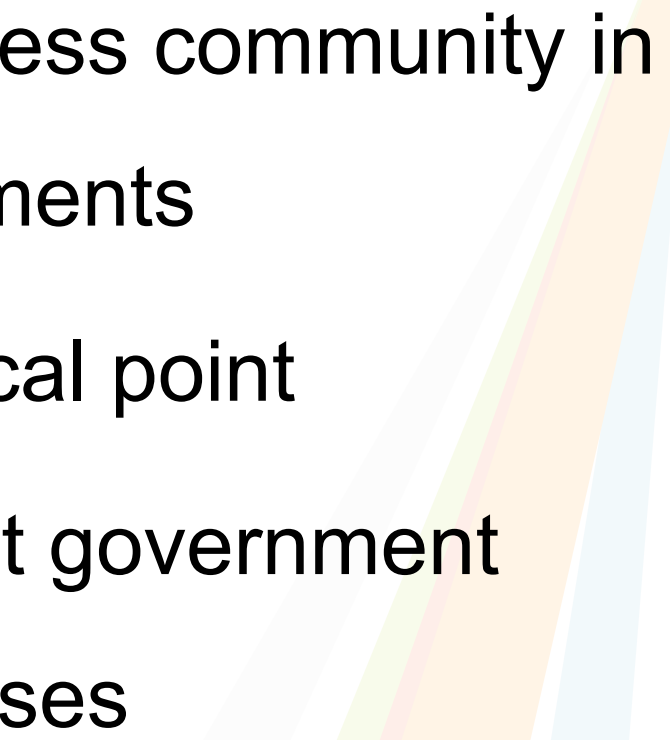


WTO Center

- **Function:** focal point for information and legal consultation on integration (WTO, Vietnam-related FTAs, other integration issues)
- **Activities:**
 - + Information: website, bulletin, publication, workshop - training
 - + Consultation: research, study, policy recommendation



Decision 06

- Recognizing role of business community in international trade agreements
 - VCCI's assigned to be focal point
 - TPP - first negotiation that government officially consults businesses
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VCCI's activities on TPP

- **Regular information updates:**
 - TPP topics on Economic integration portal:
<http://hoinhapkinhte.vn/chuyen-de/tpp>
 - Business and International Trade Policy Bulletin
- **Policy Advocacy:** conducting advocacy campaigns (workshop, survey, study, policy recommendations....) on specific negotiation issues closely related to businesses.



VCCI's activities on TPP

4 big policy advocacy campaigns on TPP:

1

LABOR

2

IPR

3

INVESTMENT

4

ROO

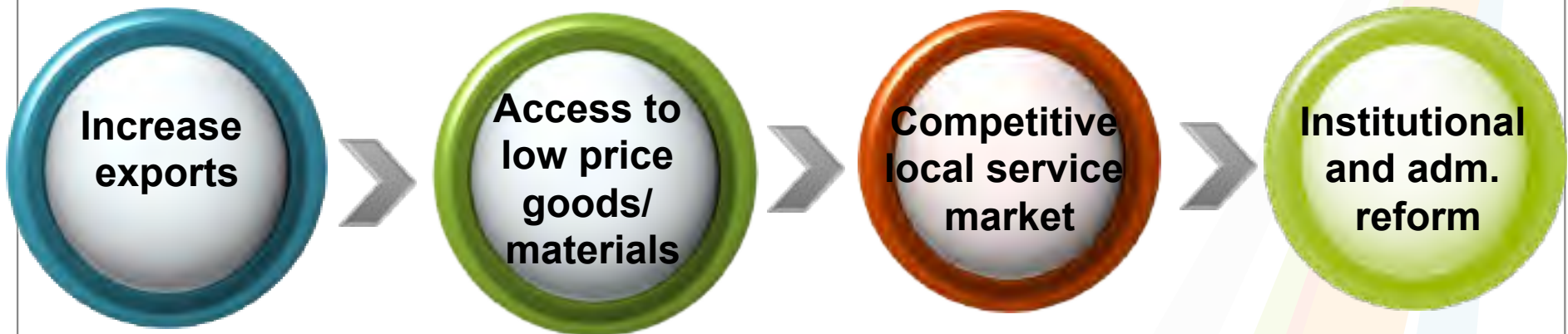




2. General views of Vietnamese business community over TPP



Expectations of Vietnamese businesses on TPP:





BUT:

Vietnam negotiates TPP with conditions:

- Rights and Benefits of vulnerable groups must be protected
- Factors that might nullify expected export benefits (ROO, trade remedies...) must be removed.

=> Vietnam will not sign the TPP agreement at any price



3. Concerns of Vietnamese business community about TPP



1. Rules of Origin

Context:

- Accessing to TPP markets – highest interest of most Vietnamese enterprises
- High & complicated ROO requirements ><

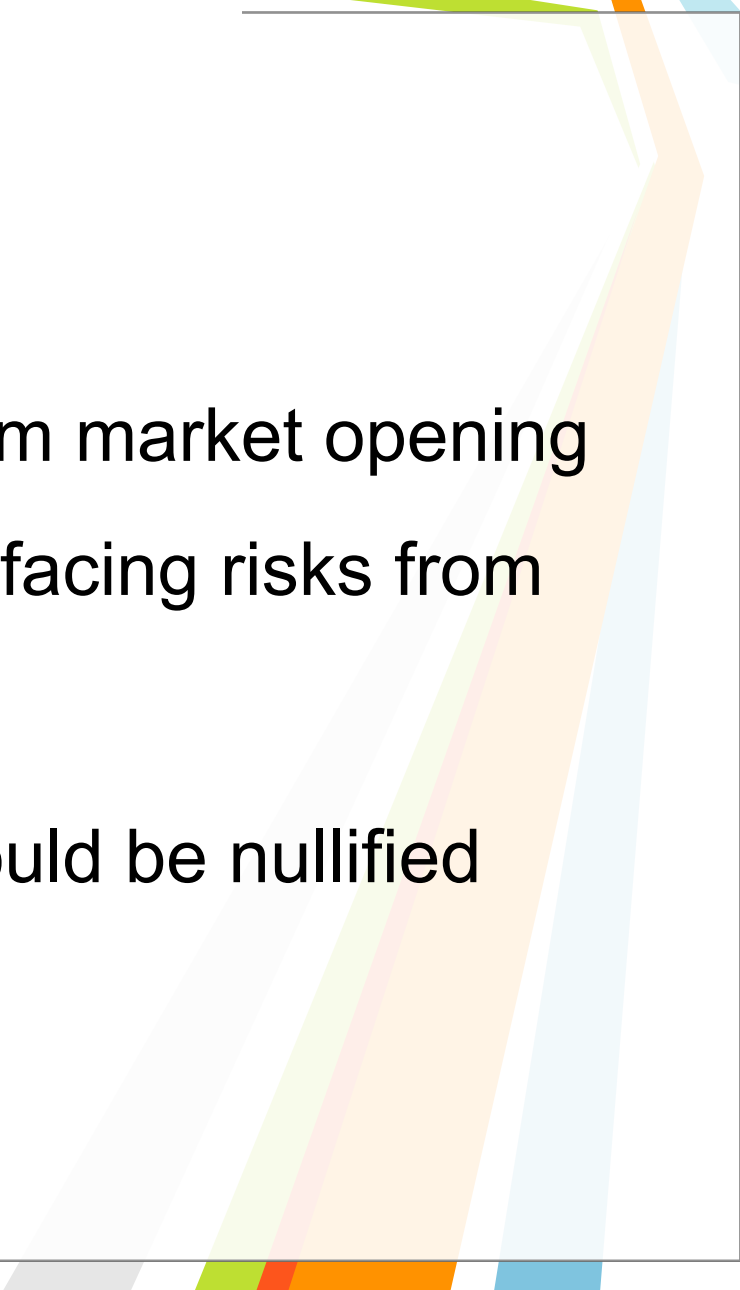
Materials for Vietnamese exports mainly from non-TPP suppliers





1. Rules of Origin

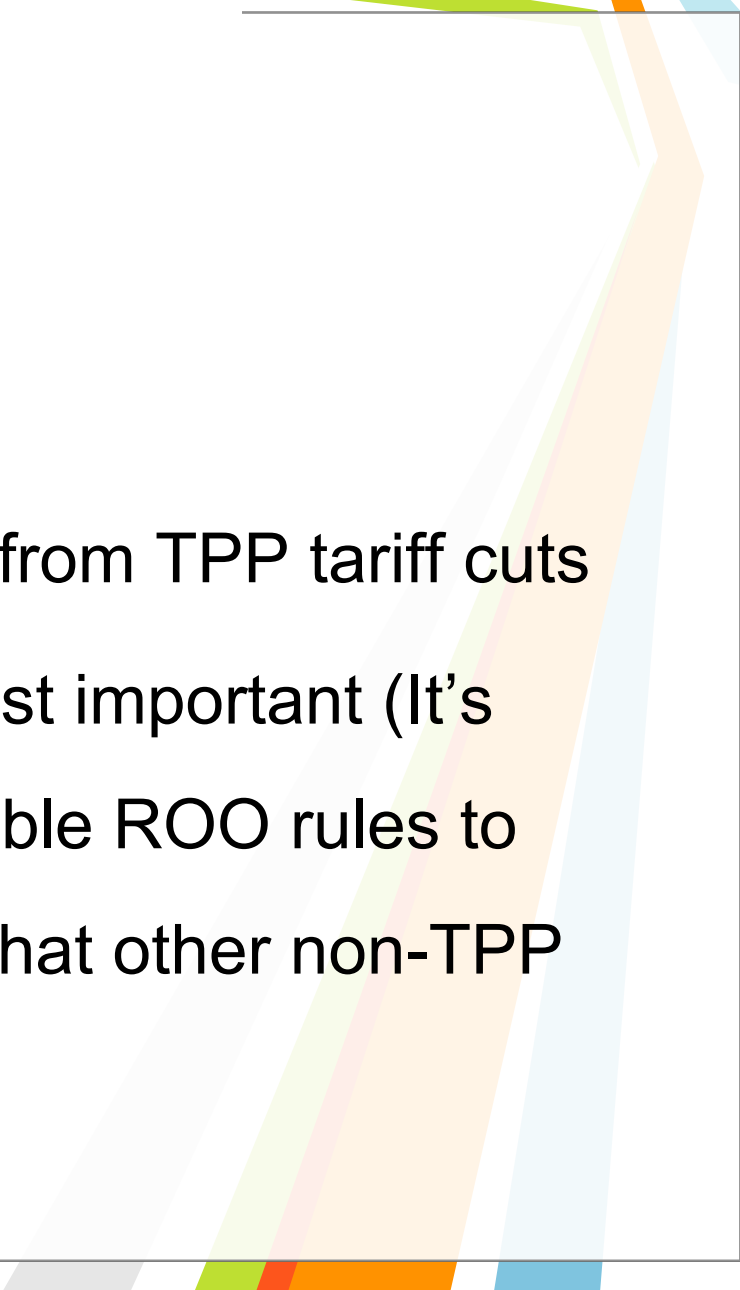
Concerns:

- Vietnam might not benefit from market opening of other TPP members while facing risks from opening domestic markets
 - Biggest benefits from TPP could be nullified
- 



1. Rules of Origin

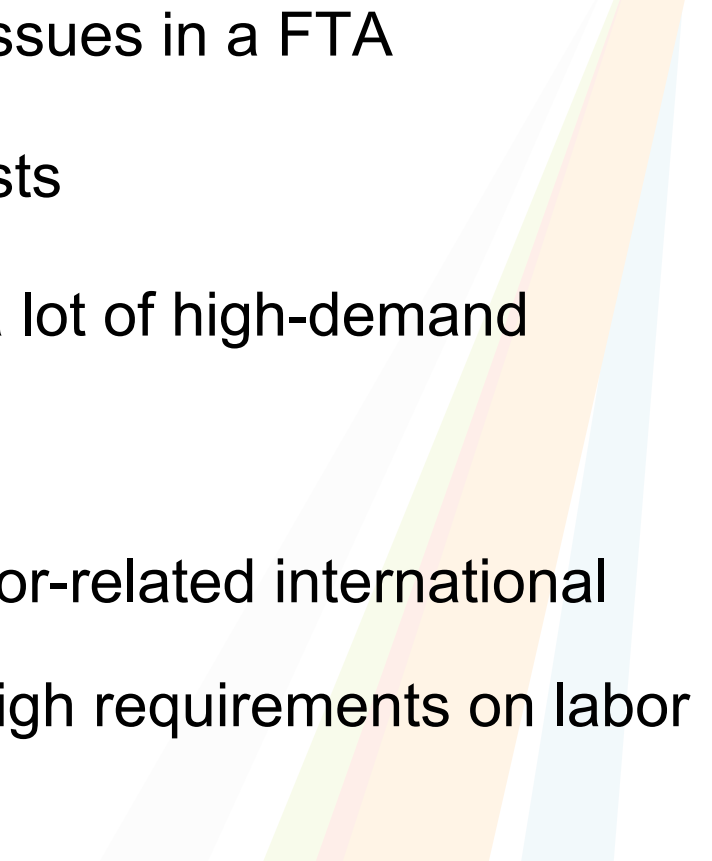
Recommendations:

- ROO - simpler the better
 - Ensure Vietnam's real benefits from TPP tariff cuts
 - Interests of TPP members - most important (It's unacceptable to apply unfavorable ROO rules to TPP members due to concern that other non-TPP member will benefit from TPP)
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2. Labor

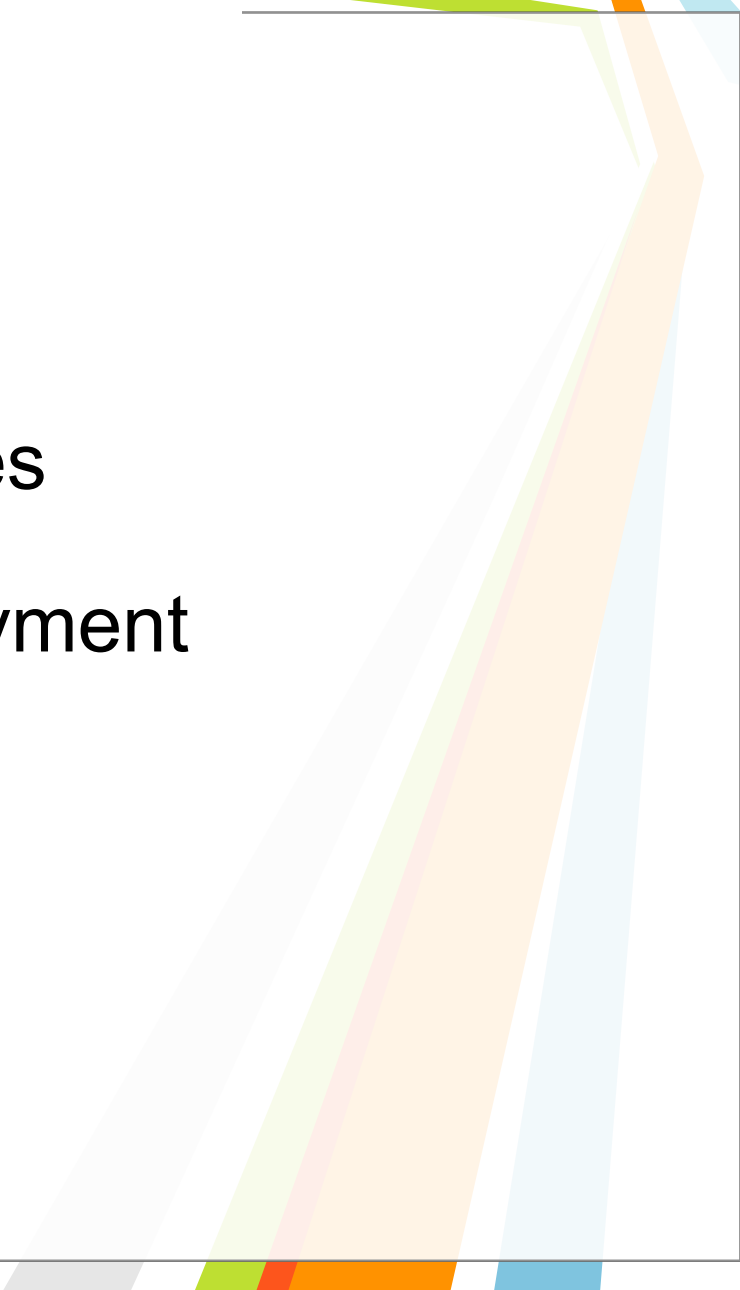
Context:

- First time Vietnam negotiates labor issues in a FTA
 - Direct impacts on enterprises' interests
 - Draft TPP's Labor chapter consists a lot of high-demand requirements
 - Vietnam participated into several labor-related international conventions but not ready for such high requirements on labor standards and implementation
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2. Labor

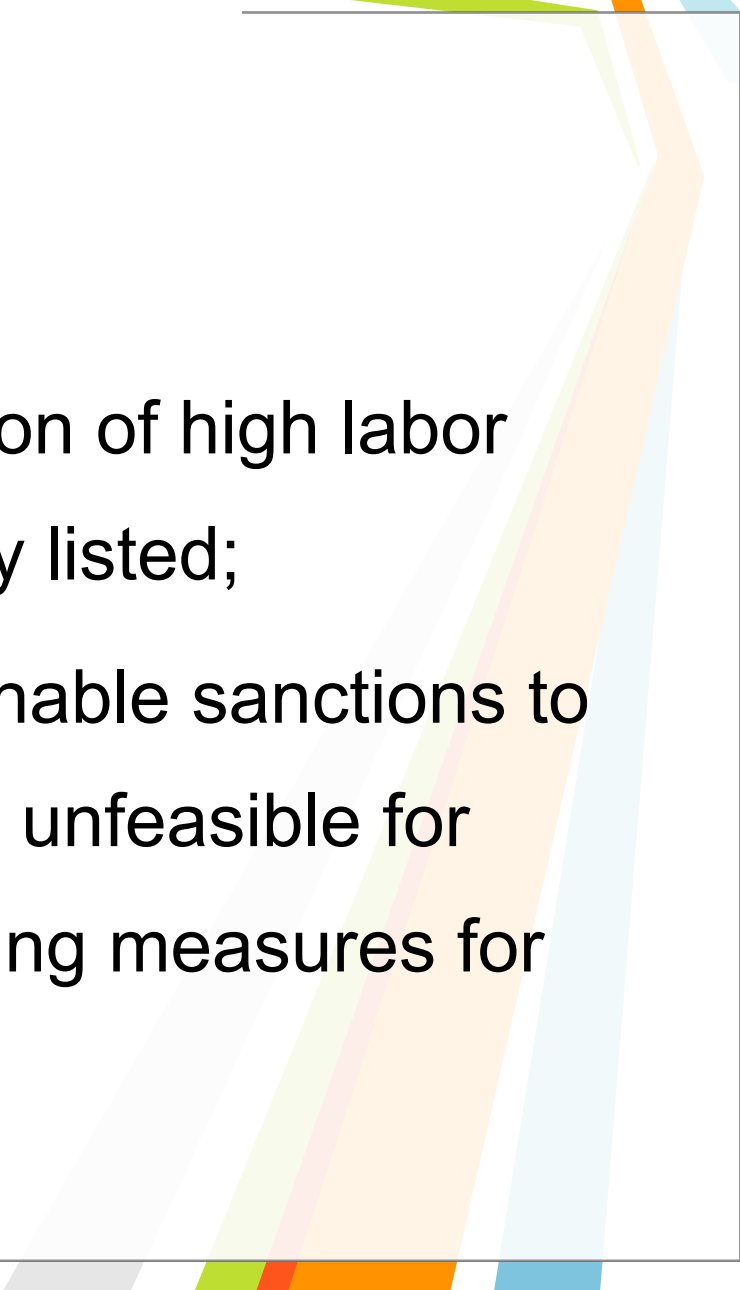
Concerns:

- Increase cost for enterprises
 - Risks of workers' unemployment
 - High implementation cost
- 



2. Labor

Recommendations:

- Reject proposals on application of high labor standards which are unclearly listed;
 - Reject proposals on unreasonable sanctions to be applied to enterprises and unfeasible for operating bodies (eg preventing measures for goods at borders).
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3. IPR

Context:

- of high attention of the US.
- Leaked IP chapter reveals many provisions that could create disadvantages to vulnerable and important population groups of Vietnam.



IPR

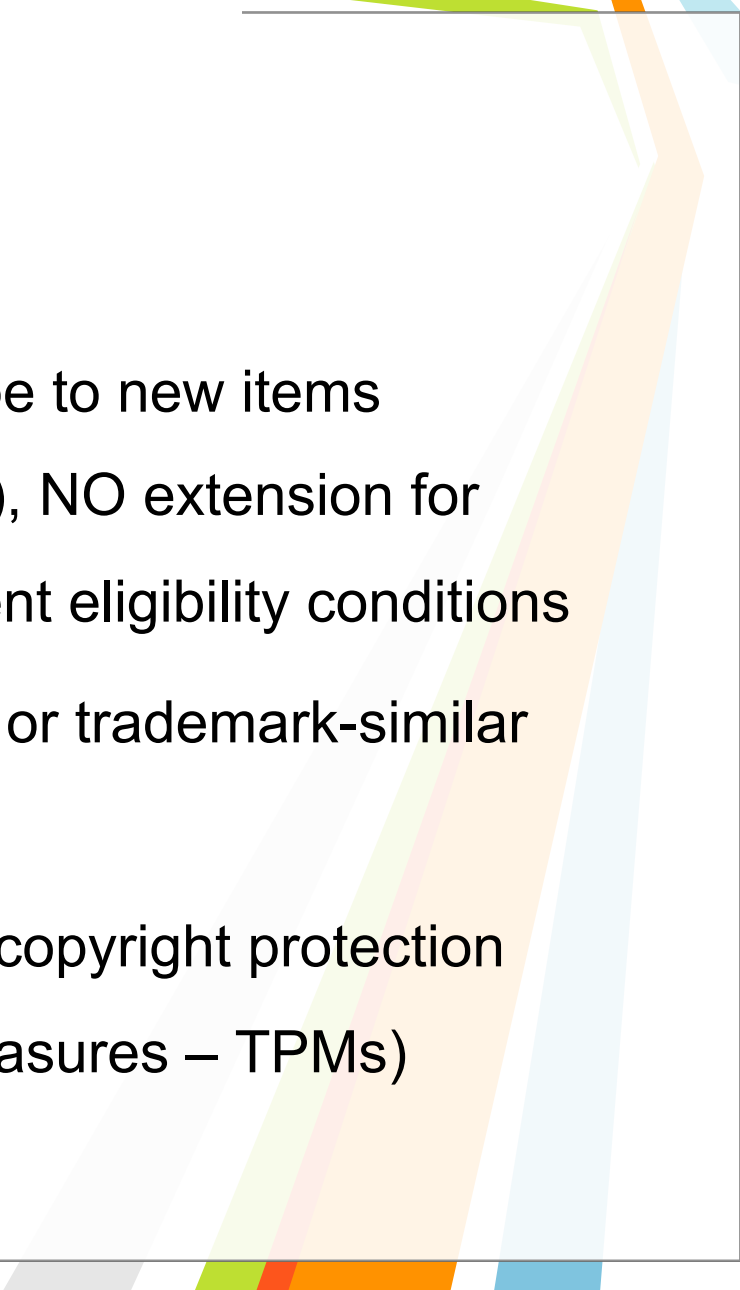
Concerns:

- Impacts on patients' access to medicines
- Impacts on accessing to mankind knowledge, advance science & technology for production and development
- Impacts on cultural & spiritual heritage of the community



3. IPR

Recommendations:

- NO enlargement of patentability scope to new items (especially new uses, plants, animals), NO extension for patent life span and NO lowering patent eligibility conditions
 - NO protection of GI under trademark or trademark-similar mechanisms
 - NO extension of copyright terms nor copyright protection scope (to technological protection measures – TPMs)
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4. Investment

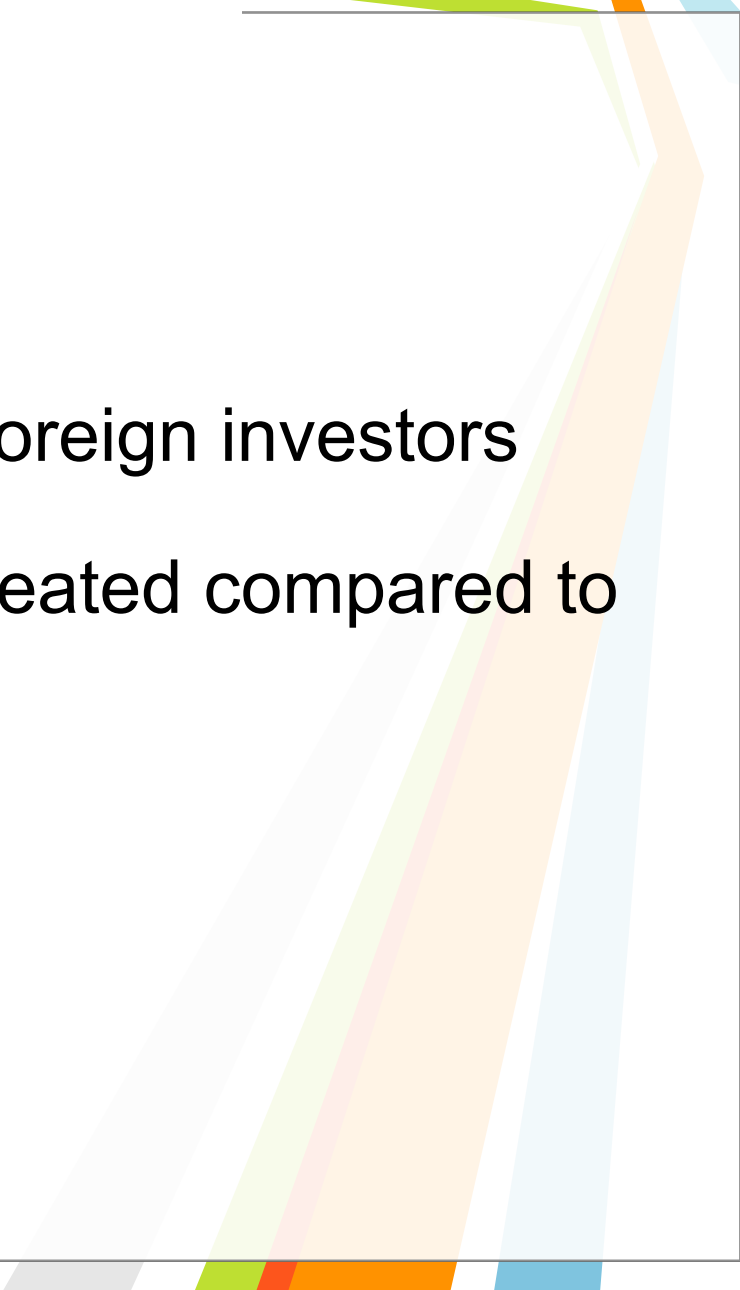
Context:

- Leaked TPP investment chapter reveals many disadvantage provisions for Vietnam
 - Controversial state-investor dispute settlement mechanism – first time Vietnam negotiates this issue
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4. Investment

Concerns:

- More risks of being sued by foreign investors
 - Domestic investors unfairly treated compared to foreigners
 - High implementation cost
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4. Investment

Recommendations:

- Limiting areas that foreign investors could sue Governments
 - Limiting foreign investors' rights (eg: minimum standard of treatment , MFN, NT...)
 - Limiting disadvantage provisions in disputes settlement procedures for investment receiving countries (eg: not to public disputes settlement proceedings)
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THANK YOU!

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