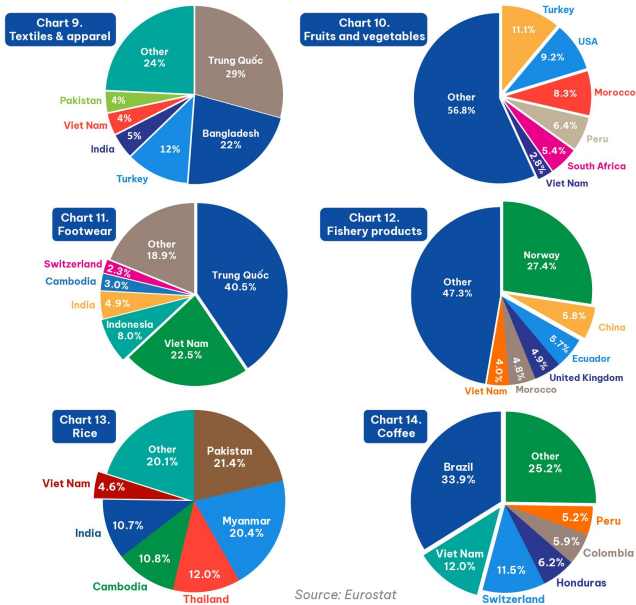


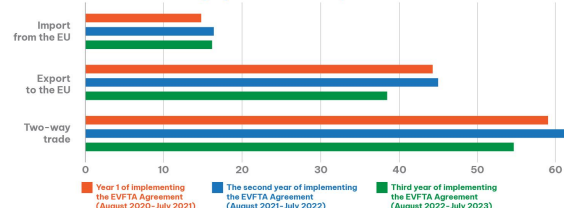
**Market share of 6 major commodities of Viet Nam in the EU**



**Looking back at 3 years of implementing the EVFTA Agreement**

After more than 3 years of implementation, the Viet Nam – EU Free Trade Agreement (EVFTA) has fostered many positive effects on economic and trade cooperation between Viet Nam and the EU, despite the global economic volatility.

**Chart 15. Trade turnover during 3 years of EVFTA implementation**



**Chart 16. Products with the highest and lowest average export growth in the 3 years after EVFTA took effect (%)**



**3 EU INVESTMENT IN VIET NAM**

- EU is the 6th largest foreign investor in Viet Nam with 2,540 project and a total registered capital of 29.24 billion USD, accumulated as of the end of October 2023 (Ministry of Planning & Investment of Viet Nam).
- FDI from the EU spans across 18/21 economic sectors and 52/63 provinces in Viet Nam, with a focus on processing & manufacturing industries; production & distribution of electricity and gas; real estate and media information.



THE NETHERLANDS RANKS AS NUMBER 1

432 projects 14.3 billion USD  
Accounting for nearly 49% of total EU investment capital in Viet Nam



FRANCE RANKS AS NUMBER 2

676 projects 3.8 billion USD  
Accounting for nearly 13% of total EU investment capital in Viet Nam



LUXEMBOURG RANKS AS NUMBER 3

61 projects 2.6 billion USD  
Accounting for nearly 9% of total EU investment capital in Viet Nam

- The FDI from the EU into Viet Nam in the medium- and long- term is forecasted to increase significantly with many high-value quality projects.

**4 ROADMAP FOR IMPLEMENTING NEW EU REGULATIONS**

	Transition period	Implementation period	Full implementation period
<b>Carbon Border Adjustment Mechanism (CBAM)</b>	From October 1, 2023 to the end of December 2025	From 2026-2034	From 2034
Exporters will not need to pay any tax but share details of carbon content with EU importers.	Exporters will start paying carbon border tax on 6 emissions-intensive sectors.	All goods and materials imported into the EU will be taxed under the CBAM.	
6 emissions-intensive sectors: electricity, iron and steel, cement, aluminium, fertilisers and hydrogen			
<b>Deforestation-free Product regulation (EUDR)</b>	From June 29, 2023	From December 30, 2024 (18 months transition from June 29, 2023)	From June 30, 2025 (24 months transition from June 29, 2023)
The EUDR regulation came into force.	EUDR officially applies to companies other than SMEs.	EUDR officially applies to micro to medium sized companies (SMEs).	
07 main commodity groups: cattle, cocoa, coffee, palm oil, rubber, soybeans and wood.	These companies do not need to comply with this regulation before December 30, 2024.		
<b>Proposal of Corporate Sustainability Due Diligence Directive (CSDDD)</b>	The proposal Directive has been approved by the European Parliament (EP) on June 1, 2023 and is expected to take effect from 2026.	Applicable to all EU-based companies with over 250 employees and global turnover over EUR 40 million.	The due diligence obligation covers all content related to environmental, social and governance practices; applying to all companies across the vertical value chain.



MINISTRY OF INDUSTRY AND TRADE

**VIET NAM - EU TRADE FORUM**

SUSTAINABILITY - THE PATHWAY TO CREATE FUTURE VALUE CHAINS

ORGANIZER  
EUROPEAN - AMERICAN MARKET DEPARTMENT

COORDINATOR



Ho Chi Minh City, 27th November 2023



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## 1 OVERVIEW OF THE EU MARKET



### THE EUROPEAN UNION (EU)

**27** member states

one of the leading political and economic centers in the world.



Total population **447.2** million people



Total area **4.2** million square kilometers

### GDP 2022

**16.6** trillion USD  
16.5% global GDP



GDP per capita 2022 **37.1** thousand USD

### GDP 2023

**▲0.8%** (Forecasted)



**5** largest economies in the EU

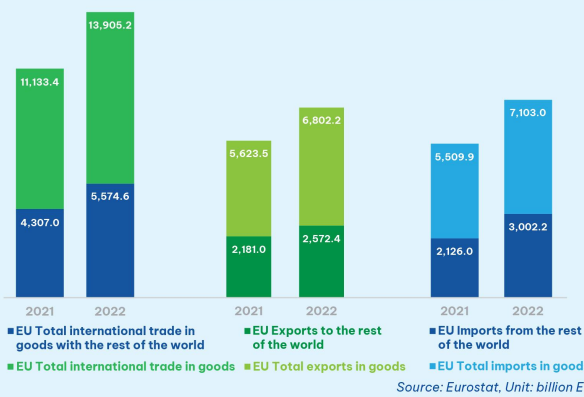
### GDP 2024

**▲1.4%** (Forecasted)

Summer Economic Forecast 2023, EC



Chart 1. EU International trade in goods in 2022



### Main markets in 2022 and respective market shares

#### Export

United States 19.8%  
United Kingdom 12.8%  
China 9.0%  
Switzerland 7.3%  
Turkey 3.9%

#### Import

China 21.0%  
United States 11.9%  
Russia 6.7%  
United Kingdom 7.4%  
Switzerland 4.8%

## 2 VIET NAM - EU TRADE RELATIONS

THE EU IS ONE OF VIET NAM'S TOP TRADING PARTNERS

3rd largest exporting market

5th largest importing market

The average growth rate per year from 2018 to 2022

**7%**

**9%**

The two-way trade accounts of Viet Nam's total international trade in goods

According to the General Department of Viet Nam Customs

Chart 2. Two-way trade turnover between Viet Nam and the EU

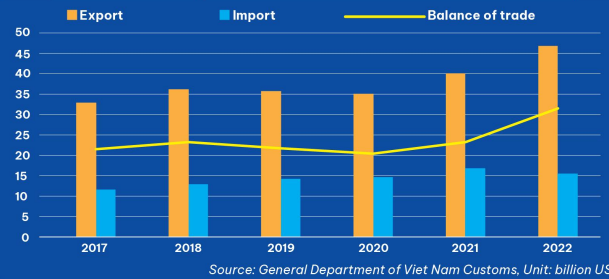
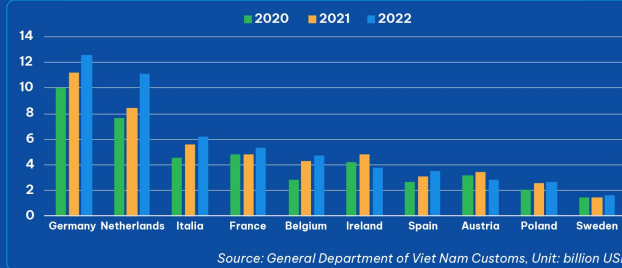


Chart 3. Top trading partners of Viet Nam in the EU



Export and import share of major EU partners in 2022

Chart 4. Export share of main partners in the EU in 2022

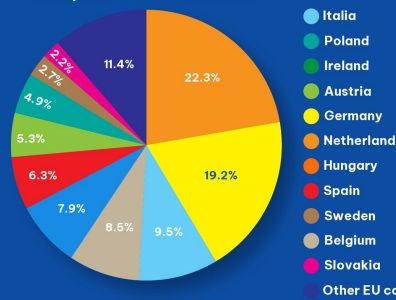
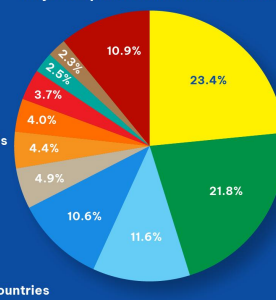


Chart 5. Import share of major EU partners in the EU in 2022



Source: General Department of Viet Nam Customs, Unit: billion USD

Chart 6. Viet Nam's major export commodities to the EU

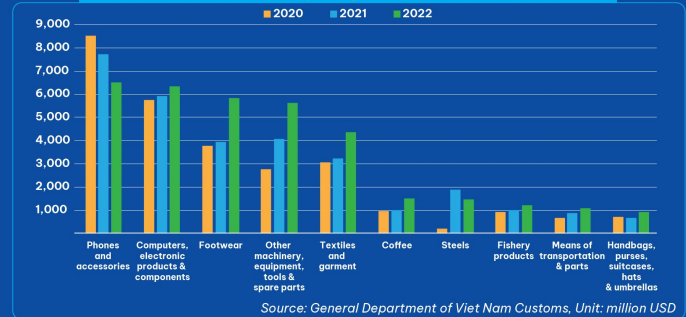
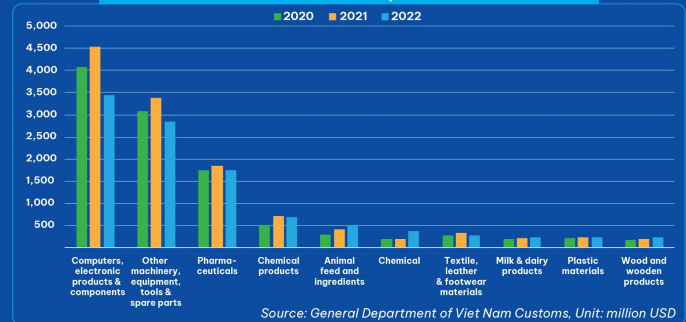


Chart 7. Viet Nam's main imports from the EU



Market share of Vietnamese goods in the EU

According to Eurostat, Viet Nam is currently the **16th largest trading partner**, and the largest trading partner of the EU in ASEAN, with **two-way trade turnover in 2022 reaching 64.21 billion EUR**, up 30.53% compared to 2021.

Viet Nam ranks **11th among the extra-EU suppliers** to the EU (2022) with a **market share of 1.7%**.

Chart 8. EU imports from Viet Nam (2017-2022)

