



MEDIA RELEASE

VIRTUAL CONFERENCE

IMPLEMENTING THE CPTPP FROM A LAW-MAKING PERSPECTIVE Review of Current Results and Policy Implications for the future

Hanoi, Wednesday, November 10, 2021

Within the framework of the Program: Australia support Vietnam's Economic Reform (Aus4Reform) of the Australian Embassy in Vietnam, on the morning of November 10, 2021, in Hanoi, the Vietnam Chamber of Commerce and Industry (VCCI) in collaboration with the Central Institute for Management Studies (CIEM) held a **Conference on “Implementing the CPTPP from a law-making perspective – a Review of Current Results and Policy Implications for the future”**.

Up to now, the CPTPP has been in effect for nearly 3 years in Vietnam. As the first high-standard, new-generation FTA that Vietnam has ever joined, the CPTPP has a direct impact on many of Vietnam's domestic legal institutions. Therefore, unlike many previous FTAs, the work of amending, supplementing and developing new domestic legal regulations to ensure compatibility with commitments is a top important task in the implementation of the Agreement. In fact, it can be said that the CPTPP is the first agreement after the WTO that requires Vietnam to carry out law-making activities to implement such wide-ranging commitments. A significant part of this has been implemented in the period 2019-2020, with new, revised/supplemented documents issued in many areas, at different legal levels.

At the opening of the conference, Mr. Hoang Quang Phong, Vice President of VCCI said that "Summarizing the implementation process of law-making activities to implement the CPTPP and assessing the successes and shortcomings as well as related causes are very important. On one hand, this is the basis for Vietnam to draw direct lessons for the next phase of the implementation of commitments with a longer roadmap and more challenging content of the CPTPP. On the other hand, the policy implications from that can be a useful guideline for law-making activities to implement new-generation, high-standard FTAs in the coming time" and this is the reason for VCCI to implement **Research Report on “Implementing the CPTPP from a law-making perspective – a Review of Current Results and Policy Implications for the future”**, and to hold this Conference.

According to Mr. Charles Thursby-Pelham, First Secretary of the Australian Embassy in Vietnam, “This comprehensive review of the law-making process will be a useful source of information for State agencies, VCCI, associations and each enterprise to look at the benefits of this Agreement. And it will be a valuable foundation for next steps of the implementation of CPTPP, as well as FTAs in general.”

The summary of VCCI shows that according to the projections and plans of the National Assembly, Government and Ministries, there are a total of 07 Laws, 06 Decrees and 06 Circulars that need to be revised or built. The VCCI's review was carried out with a total of 11 legal documents issued to implement the CPTPP commitments with immediate effect and 04 documents drafted to prepare for the implementation of the CPTPP commitments with schedules in the period of 2019-2021.

Regarding the legal documents issued to implement the CPTPP commitments with immediate effect, all the eleven documents (including 02 Laws, 02 Decrees and 07 Circulars, implementing 63 groups of CPTPP commitments on trade in goods, intellectual property, public procurement, and labor) ensure the compliance with the Vietnamese Constitution (constitutional), proper authority, order, and formality (legal), and are basically in harmony, without contradictions with other provisions in the relevant legal system (uniform in the legal system).

In terms of compatibility, most of the provisions in these legal documents are compatible with the CPTPP commitments that they "internalize". Some regulations even exceed committed standards, are implemented at a higher level than required or with an earlier schedule (mainly related to the bidding process for the CPTPP package). There is only one case where regulations are not enough to guarantee the actual implementation of CPTPP commitments (on labor) and therefore need to be adjusted to ensure compliance.

Regarding the time of issuance and entry into force, all of these documents are guaranteed to take effect from January 14, 2019 in accordance with CPTPP commitments, in various ways such as retroactively taking effect or issuing guiding documents for temporary implementation.

Regarding transparency, the review showed that all documents were drafted publicly for public comment, but most were not accompanied by any explanatory/explanatory documents, causing certain difficulties for the research and comments of the stakeholders. Although almost all documents are reasonably designed, clear and tight, ensuring feasibility in practice, it still causes some obstacles and difficulties in the process of implementation.

Regarding law-making activities to prepare for the implementation of CPTPP's scheduled commitments, all drafts of 04 legal documents (03 Laws and 01 Decree to implement 11 groups of CPTPP commitments with schedules in the 2022-2024 period on market opening of goods, intellectual property, and labor) are compatible with CPTPP commitment requirements.

Regarding policy implications for law-making activities to implement the CPTPP in the coming time, VCCI has made recommendations to improve the implementation of the CPTPP as well as Vietnam's newly signed/effective FTAs. Firstly, the review of compatibility with FTA commitments and building law-making plans to implement the commitments should be carried out in a more inclusive, cross-sectoral, transparent manner and in full consultation with stakeholders. Second, the drafting of legal documents should be done as soon as possible, even from the time the FTA is officially signed without waiting for ratification. Third, drafting agencies should pay special attention to activities of consulting the businesses and affected stakeholders in the drafting process, the information provided to them should include not only the draft but also explanatory and explanatory documents. Fourth, the process of implementing commitments needs to be regularly monitored, propagated, widely disseminated, and established specific advisory and guidance focal points, immediately dealt with inadequacies as well as making prompt amendments and adjustments when necessary. Finally, the law-making activities implementing FTAs need to be considered to broaden their objectives, not only to fulfill the "promises" with FTA partners, but also to go beyond that - developing legislation to meet the internal needs in the process of FTA integration

At the conference, Mr. Ngo Chung Khanh - Deputy Director of Multilateral Trade Policy Department, Ministry of Industry and Trade and Mr. Cao Xuan Phong - Head of International Legal Research Department - Institute of Legal Science, Ministry of Justice, shared useful information on legal development and implementation of FTAs in general and CPTPP in particular from the perspective of State agencies and in Vietnam's legal orientation. Mr. Tran Huu Huynh - Chairman of the VCCI International Trade Policy Advisory Committee raised the question of how to build a legal framework beyond commitments to improve the business environment and support businesses to integrate effectively. Ms. Pham Chi Lan, Former Vice President of VCCI, again emphasized institutional challenges and solutions to continue effectively implementing the CPTPP in Vietnam in the context that the UK, China and some new partners want to join the Agreement.

The Conference and Research report on law-making activities to implement the CPTPP are part of VCCI's series of activities to support businesses on CPTPP and FTAs. In the coming time, VCCI will continue to carry out propaganda activities on the content of commitments and the implementation of Vietnam's FTAs in order to support businesses as well as relevant state agencies in the process to implement these Agreements in order to bring maximum

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The Program: Australia supports Vietnam's Economic Reform (Aus4Reform), funded by the Australian Department of Foreign Affairs and Trade (DFAT), aims to support Vietnamese agencies in carrying out economic restructuring, innovating growth models, improve the business investment environment in the direction of improving labor productivity, quality and competitiveness of the economy towards fast and sustainable development. The program is implemented for a period of 4 years, from 2017 to 2021.