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Dear MEP

## **EU-Vietnam Free Trade Agreement and Investment Protection Agreement**

Due to the failure of the EU-Vietnam free trade agreement and investment protection agreement to meet trade unions' essential criteria, in particular, those around pre-ratification criteria, enforcement of labour standards or preventing unjust investment protection court systems, I am calling on you to oppose both agreements when they come before European Parliament. This position is detailed in the European Trade Union Confederation (ETUC) statement adopted on December 18.<sup>1</sup>

The TUC believes that countries must ratify and demonstrate respect for core ILO conventions as a pre-condition for the EU agreeing to trade deals with them. Vietnam has not yet ratified all the ILO core conventions including, crucially, convention 89 on freedom of association. The Vietnamese government indicating it will ratify this convention by 2023 is inadequate. Independent trade unions in Vietnam remain effectively outlawed and the national trade union centre, the Vietnam General Confederation of Labour, is not independent of the government and the ruling party. Hundreds of independent trade unionists have been arrested in Vietnam and subjected to violence for peaceful protests. The right for workers to join independent trade unions and freely bargain with employers is a fundamental human right. The EU cannot claim to have a trade policy that promotes human rights if it agrees trade and investment deals with countries that are not showing respect for these rights.

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<sup>1</sup> <https://www.etuc.org/en/document/etuc-position-eu-vietnam-free-trade-and-investment-protection-agreements>

The TUC is further concerned that the EU-Vietnam free trade agreement does not have effective mechanisms to enforce labour rights or provide a role for trade unions in the monitoring of the agreement. The ETUC has made clear that effective enforcement of TSD chapters must involve an independent body involving trade unions that can trigger investigations into any violations of fundamental ILO standards. Should breaches of standards be found, there must be material penalties as a final consequence. There is also no instrument to hold companies accountable that breach these rights.

Furthermore, the TUC is concerned that the EU-Vietnam investment protection agreement includes the Investment Court System (ICS). The ICS poses a threat to regulatory protections and workers' rights. The ETUC has made clear that unions oppose such special courts for foreign investors and the extensive rights granted to them that allow them to challenge laws that threaten their profits. In the past such courts have been used to challenge laws that protect workers such as those on minimum wages and health safety.

The presence of such a court system can also act to dissuade governments from enacting laws that might trigger a challenge via the Investment Court System, even if they are in the public interest, such as regulating to ensure universal access to healthcare or the precautionary principle. Furthermore, the rule of law will not be strengthened in either the EU or Vietnam by establishing a parallel justice system with still insufficient guarantee of independence of the arbitrators from private investors. The TUC believes that strengthening the rule of law requires the EU to provide support for domestic legal systems.

I look forward to hearing that you will vote against the EU-Vietnam free trade agreement and investment protection agreement in order to ensure these concerns are addressed.

Yours sincerely,

A handwritten signature in black ink that reads "Frances O'Grady". The signature is written in a cursive, slightly slanted style.

**Frances O'Grady**  
General Secretary