

What does the signed EVFTA mean in the current context of international trade?

Amidst the increasing international trade tension resonating with the return of protectionism, threatening the stability of the global and regional economy, the European Parliament's ratification of the EVFTA has brought significant meanings in many ways, especially in two main aspects:

In terms of politics, national security and foreign strategies: Against the context of complicated problems in international relations and within the EU namely the rise of populism and trade protectionism, EVFTA demonstrates the strong determination of the two sides in promoting bilateral relations, contributing to the more comprehensive and substantive relationship between Vietnam and the EU. The signing and ratification of EVFTA are consistent with Vietnam's multidirectional foreign policy and multilateralisation of relations as well as the guideline of bringing the relationship with major partners, including EU, into depth; promoting intertwined strategic interests; devoting to maintaining a peaceful environment; strengthening Vietnam's international position together with taking advantage of the EU support for the implementation of socio-economic, political and external objectives.

From a multilateral perspective, along with Vietnam's 2020 ASEAN Chairmanship, the EVFTA will enhance the roles and position of Vietnam in EU-ASEAN relations, being a role model for another free trade agreement between ASEAN and the EU in the future.

Vietnam is the first developing country in Asia - Pacific region to have FTA with the EU. This affirms the important role and geopolitical position of Vietnam in the region, reinforces the country's position in the region and international arena. In particular, the EVFTA will help Vietnam to improve inner resources to respond to the rapid change in the complexion of world-regional politics and security. At the same time, it will heighten Vietnam's image to implement the foreign policy of independence, self-reliance, multilateralism, and multidirectionalism along with consolidating and strengthening national defense and security.

In terms of economic development, the EVFTA is considered to have a leverage impact on growth. Once the EVFTA officially takes effect, two-way trade and investment from the EU into Vietnam are predicted to grow at a decent rate, contributing to economic growth and employment. The free trade agreement with the EU allows Vietnam to improve its internal resources to respond to adverse developments in the region and international arena. The EU

is now one of Vietnam's largest export markets, with export turnover of US\$41.48 billion and import turnover of US\$14.91 billion in 2019. The trade agreement, thus, will enable Vietnam to facilitate exports, diversify markets, and gain higher added value through the establishment of new supply chains.