

UK and Vietnam commit to further strengthen trade ties

The UK and Vietnam have today (Friday 4 October) committed to further strengthening trade and investment ties.

The 11th meeting of the UK-Vietnam Joint Economic and Trade Commission (JETCO) was held in Ha Long Bay today. Discussions focused on a range of issues including bilateral trade and investment ties, cooperation in education, healthcare, energy, agriculture and financial services.

Trade Policy Minister Conor Burns and Vice Minister of Industry and Trade Hoang Quoc Vuong agreed to further collaboration on issues currently preventing UK businesses trading in Vietnam. This includes:

Current caps on foreign ownership of companies in Vietnam, which limits opportunities and means that in some sectors only 49% of a company can be owned by a foreign business.

- Lack of regulatory framework in the Vietnamese Fintech sector, which means licenses are granted at the discretion of the authorities and UK businesses find it difficult to enter the market.
- Sections of Vietnam's renewable energy sector not being aligned with internationally recognised standards, increasing costs for UK business who want to invest in the sector.

As the UK prepares to leave the EU on 31 October, markets like Vietnam will provide significant opportunities for both UK businesses and households.

Total trade between the UK and Vietnam was worth over £6 billion last year alone.

Vietnam is one of the world's fastest growing economies and is predicted to become one of the top 20 global economies by 2050, with GDP increasing by over 7% in 2018.

Trade Policy Minister, Conor Burns said:

Vietnam is one of the most dynamic markets and a key trading partner for the UK going forward, with UK exports to the nation worth over £800 million last year.

As we approach 31 October, our aim is simple – to promote British businesses overseas and strengthen our trading ties globally. Vietnam is one of the world's fastest growing markets and our trade talks are making big strides in making it easier for our two countries to do business.

The first official UK-Vietnam JETCO took place in 2007. To date, it has:

- Given UK pharmaceutical companies the ability to export vaccines to Vietnam that have been in the UK market for over 5 years without the need for local clinical trials, allowing life-saving drugs to enter the market.
- Committed to further collaboration on promoting English language skills and mutual recognition between UK and Vietnamese universities, helping to support an estimated 12,000 Vietnamese students studying in the UK.

During his visit, Minister Burns visited Ho Chi Minh City and Hanoi where he met with leading British businesses operating in the country.

Mr Burns also attended the signing of a Memorandum of Agreement (MOA) between the University of Bedfordshire and its local partner, Hong Bang International University providing 6 new joint degree programmes in Vietnam.